

116TH CONGRESS  
1ST SESSION

# H. R. 232

To amend the Fair Housing Act, to prohibit discrimination based on use of section 8 vouchers, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 2019

Ms. VELÁZQUEZ introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committees on Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Fair Housing Act, to prohibit discrimination based on use of section 8 vouchers, 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 “Landlord Account-  
5 ability Act of 2019”.

6 **SEC. 2. CONGRESSIONAL FINDINGS.**

7 The Congress finds that—

8 (1) the United States is in the midst of a hous-  
9 ing crisis, as the homeownership rate has declined to

1       64.4 percent, which is lower than it was 20 years  
2       ago, while rental demand has increased and pushed  
3       vacancy rates down to 7.1 percent;

4           (2) the median rental asking price is \$1,003, up  
5       from \$708 ten years ago;

6           (3) in June 2018, United States housing rents  
7       hit an all-time high of \$1,405 per month; of the 250  
8       largest U.S. cities 88 percent experienced increases  
9       in housing rents over the previous year;

10          (4) families and individuals that pay more than  
11       30 percent of their income for housing are consid-  
12       ered cost-burdened and have difficulty affording  
13       other necessities like food, clothing, transportation,  
14       and medical care;

15          (5) almost half of all renters in the United  
16       States, approximately 19.9 million households, are  
17       cost-burdened;

18          (6) 9.7 million extremely low-income renters  
19       spend more than 30 percent of their income on rent;  
20       of those renters, 8 million are considered severely  
21       cost-burdened and forced to spend more than half of  
22       their income on rent;

23          (7) the current rental environment makes rental  
24       assistance under the Section 8 Housing Choice  
25       Voucher Program of the Department of Housing

1 and Urban Development vital to finding affordable  
2 housing for many families;

3 (8) the Section 8 Program helps approximately  
4 4.5 million low-income families, the elderly, and the  
5 disabled afford respectable housing in the private  
6 market;

7 (9) the Section 8 Housing Choice Voucher Pro-  
8 gram assists our Nation's most economically vulner-  
9 able families—the average annual income for all  
10 voucher-funded recipients is only \$14,444;

11 (10) many of the individuals and families as-  
12 sisted by the Section 8 Program would be at risk of  
13 homelessness without the program;

14 (11) the Section 8 program caps the rental cost  
15 for eligible families and individuals at 30 percent of  
16 their incomes, which frees up their limited resources  
17 to pay for life's other necessities;

18 (12) although families and individuals assisted  
19 under the program are free to choose any available  
20 housing in their community, that has not prevented  
21 landlords from discriminating against low-income  
22 tenants;

23 (13) public housing authorities are experiencing  
24 historically low “success rates” as measured by the  
25 percentage of families who are receiving housing

1 vouchers that are actually able to use them in the  
2 private market;

3 (14) given the strong connection between the  
4 classes currently protected under the Fair Housing  
5 Act, including race, gender, those with disabilities,  
6 familial status, and economic status, establishing a  
7 ban on income discrimination would further the  
8 goals of the Fair Housing Act and better protect  
9 these families and individuals;

10 (15) for many years, landlords have relied on  
11 the Section 8 housing program to provide affordable  
12 housing to tenants in low-income areas, but as more  
13 urban areas have undergone rapid revitalization,  
14 property values have risen dramatically;

15 (16) as a result of rising property values, there  
16 have been serious allegations that landlords are in-  
17 tentiously allowing their federally subsidized units  
18 to deteriorate in an effort to drive voucher-users out  
19 and convert units to higher, market-rate apartments;

20 (17) in addition, landlords are failing to meet  
21 the housing quality standards of the Department of  
22 Housing and Urban Development and improperly  
23 demanding rent in excess of 30 percent of voucher-  
24 holders' incomes; and

1           (18) therefore, it is necessary to ban discrimi-  
 2           nation against source of income, discourage inten-  
 3           tional acts to disqualify dwelling units from Federal  
 4           housing programs, and encourage proper mainte-  
 5           nance of multifamily housing in order to revive the  
 6           Section 8 rental assistance program, affirmatively  
 7           further fair housing policies, and address our na-  
 8           tional housing affordability crisis.

9   **SEC. 3. PROHIBITION OF DISCRIMINATION ON ACCOUNT OF**  
 10                   **USE OF SECTION 8 VOUCHERS.**

11           (a) IN GENERAL.—Section 804 of the Fair Housing  
 12   Act (42 U.S.C. 3604) is amended by inserting after para-  
 13   graph (f) the following new paragraph:

14                   “(g) To discriminate in connection with the  
 15           rental of a dwelling because the tenant or prospec-  
 16           tive tenant is the holder of a housing voucher.”.

17           (b) DEFINITION.—Section 802 of the Fair Housing  
 18   Act (42 U.S.C. 3602) is amended by adding at the end  
 19   the following new paragraph:

20                   “(p) ‘Holder of a housing voucher’ means a  
 21           holder of a voucher for rental assistance under sub-  
 22           section (o) or (t) of section 8 of the United States  
 23           Housing Act of 1937 (42 U.S.C. 1437f).”.

1 **SEC. 4. PENALTIES FOR INTENTIONAL ACTS TO DIS-**  
2 **QUALIFY DWELLING UNITS FROM ELIGI-**  
3 **BILITY FOR FEDERAL HOUSING PROGRAMS.**

4 (a) VIOLATION.—An owner of a dwelling unit that  
5 is available for rental may not take any action, or fail to  
6 take any action, with the intent to make the dwelling unit  
7 insufficiently decent, safe, sanitary, or inhabitable, or  
8 cause such other physical condition, so that the dwelling  
9 does not qualify for assistance within the jurisdiction of  
10 the Department (as such term is defined in section 102(m)  
11 of the Department of Housing and Urban Development  
12 Reform Act of 1989 (42 U.S.C. 3545(m))).

13 (b) CIVIL MONEY PENALTIES.—Any person who is  
14 found by the Secretary of Housing and Urban Develop-  
15 ment, after notice and opportunity for a hearing in accord-  
16 ance with section 554 of title 5, United States Code, to  
17 have violated subsection (a) shall be assessed a civil money  
18 penalty by the Secretary in the amount of \$100,000 for  
19 each such action or failure to act.

20 (c) LIABILITY TO TENANTS.—A tenant who, at the  
21 time of a violation under subsection (a), occupies the  
22 dwelling unit to which the violation relates may bring a  
23 civil action for damages in the following amounts:

24 (1) \$50,000 for each action or failure to act in  
25 violation of subsection (a).

1           (2) Any actual damages and costs to the tenant  
 2           resulting from the violation, including any costs of  
 3           finding a replacement dwelling unit.

4   **SEC. 5. RESOURCES FOR RECEIVING AND RESOLVING COM-**  
 5                   **PLAINTS REGARDING MULTIFAMILY HOUS-**  
 6                   **ING PROJECTS.**

7           (a) INCREASED HUD STAFFING FOR COMPLAINT  
 8   CALL STAFFING.—

9           (1) INCREASED STAFFING.—The Secretary  
 10          shall, not later than the expiration of the 180-day  
 11          period beginning on the date of the enactment of  
 12          this Act, increase the staffing level for the Multi-  
 13          family Housing Complaint Line established and op-  
 14          erated by the Multifamily Housing Clearinghouse of  
 15          the Department so that it is sufficient and appro-  
 16          priate to handle the volume of calls received without  
 17          unreasonable waiting periods.

18          (2) AUTHORIZATION OF APPROPRIATIONS.—For  
 19          carrying out paragraph (1), there are authorized to  
 20          be appropriated to the Secretary such sums as may  
 21          be necessary for each fiscal year for carrying out  
 22          paragraph (1).

23          (b) MULTIFAMILY HOUSING COMPLAINT RESOLU-  
 24   TION PROGRAM.—

1           (1) IN GENERAL.—The Secretary shall carry  
2           out a Multifamily Housing Complaint Resolution  
3           Program for receiving complaints about multifamily  
4           housing projects from voucher users who reside in  
5           such projects and local governmental officials, under  
6           which the Secretary shall provide for—

7                   (A) gathering of information regarding  
8                   each such complaint;

9                   (B) determining whether there is a likeli-  
10                  hood that there is any violation of the require-  
11                  ments under the rental assistance voucher pro-  
12                  gram relating to such complaint;

13                  (C) informing the owner or landlord of the  
14                  complaint and any violations; and

15                  (D) attempting to resolve the complaint  
16                  and violations, including through mediation.

17           (2) RESOLUTION.—The Secretary may provide  
18           for carrying out the activities required under para-  
19           graph (1)(D) through regional or field offices of the  
20           Department or through such local or private organi-  
21           zations or agencies as the Secretary determines have  
22           appropriate capabilities and expertise to carry out  
23           such activities.

24           (3) FUNDING.—Amounts made available for ad-  
25           ministrative fees under section 8(q) of the United



1 States Housing Act of 1937 (42 U.S.C. 1437f(q))  
2 shall be available for carrying out the program  
3 under this subsection.

4 (4) REGULATIONS.—Not later than the expira-  
5 tion of the 12-month period beginning on the date  
6 of the enactment of this Act, the Secretary shall  
7 issue any regulations necessary to establish the Pro-  
8 gram required under this subsection.

9 **SEC. 6. HUD DISCLOSURE OF LANDLORD COMPLAINTS.**

10 (a) PUBLIC DISCLOSURE.—The Secretary shall pub-  
11 licly disclose, on a website of the Department and on a  
12 timely basis, information regarding each complaint re-  
13 ceived under the Program establish pursuant to section  
14 5(b), which shall include for each such complaint—

15 (1) the nature of the complaint;

16 (2) the date on which such complaint was sub-  
17 mitted to the Department;

18 (3) the disposition, as of the time of such dis-  
19 closure, of such complaint; and

20 (4) information identifying the multifamily  
21 housing project to which such complaint relates.

22 (b) REPORTS TO CONGRESS.—The Secretary of  
23 Housing and Urban Development shall submit a report  
24 annually to the Committee on Financial Services of the  
25 House of Representatives and the Committee on Banking,

1 Housing, and Urban Affairs of the Senate summarizing  
 2 the complaints described in subsection (a) that were re-  
 3 ceived by the Department during the preceding year and  
 4 describing the disposition to such date of such complaints.

5 **SEC. 7. TAX CREDIT INCENTIVE FOR MAINTENANCE OF**  
 6 **MULTIFAMILY HOUSING WITH VOUCHER**  
 7 **USER TENANTS.**

8 (a) IN GENERAL.—Subpart D of part IV of sub-  
 9 chapter A of chapter 1 of the Internal Revenue Code of  
 10 1986 is amended by adding at the end the following new  
 11 section:

12 **“SEC. 45T. LOW-INCOME HOUSING MAINTENANCE CREDIT.**

13 “(a) IN GENERAL.—For purposes of section 38, in  
 14 the case of an eligible landlord, the low-income housing  
 15 maintenance credit determined under this section for the  
 16 taxable year is an amount equal to the amount of the tax-  
 17 payer’s low-income housing maintenance expenses for such  
 18 taxable year.

19 “(b) LIMITATIONS.—

20 “(1) PER UNIT LIMITATION.—The credit al-  
 21 lowed under subsection (a) with respect to any tax-  
 22 payer for any taxable year shall not exceed the prod-  
 23 uct of \$2,500 multiplied by the number of low-in-  
 24 come housing units owned by the taxpayer.

1           “(2) PER BUILDING LIMITATION.—The credit  
2           allowed under subsection (a) with respect to any tax-  
3           payer for any taxable year shall not exceed the prod-  
4           uct of \$100,000 multiplied by the number of eligible  
5           low-income housing projects owned by the taxpayer.

6           “(3) PER TAXPAYER LIMITATION.—The credit  
7           allowed under subsection (a) with respect to any tax-  
8           payer for any taxable year shall not exceed  
9           \$500,000.

10          “(c) ELIGIBLE LANDLORD.—For purposes of this  
11          section, the term ‘eligible landlord’ means any taxpayer  
12          for any taxable year if—

13               “(1) such taxpayer owns one or more eligible  
14               low-income housing projects during such taxable  
15               year, and

16               “(2) either—

17                       “(A) each complaint that is filed, under  
18                       the program under section 5(b) of the Landlord  
19                       Accountability Act of 2019, during such taxable  
20                       year with respect to a dwelling unit in an eligi-  
21                       ble low-income housing project owned by such  
22                       taxpayer has been determined by the Secretary  
23                       of Housing and Urban Development to have  
24                       been remedied not later than the date which is

1           30 days after the date on which such complaint  
2           is so filed, or

3           “(B) no such complaint has been filed with  
4           respect to such a dwelling unit in such a hous-  
5           ing project owned by such taxpayer during such  
6           taxable year.

7           “(d) OTHER DEFINITIONS.—For purposes of this  
8   section—

9           “(1) LOW-INCOME HOUSING MAINTENANCE EX-  
10          PENSES.—The term ‘low-income housing mainte-  
11          nance expenses’ means the aggregate amount paid  
12          or incurred by the taxpayer during the taxable year  
13          for maintenance or improvement of low-income hous-  
14          ing units.

15          “(2) ELIGIBLE LOW-INCOME HOUSING  
16          PROJECT.—The term ‘eligible low-income housing  
17          project’ means, with respect to a taxable year, a  
18          housing project—

19                 “(A) that consists of five or more dwelling  
20                 units at least one of which was occupied during  
21                 such year by a family who rented the dwelling  
22                 unit using a voucher for rental assistance under  
23                 section 8(o) of the United States Housing Act  
24                 of 1937 (42 U.S.C. 1437f(o)); and

1           “(B) with respect to which the eligible  
2           landlord has entered into such binding agree-  
3           ments as the Secretary of Housing and Urban  
4           Development shall require to ensure that rents  
5           for dwelling units in the project do not, at any  
6           time after the taxable year in which a low-in-  
7           come housing maintenance credit under this  
8           section is allowable, exceed the applicable fair  
9           market rental under section 8(c) of the United  
10          States Housing Act of 1937 (42 U.S.C.  
11          1437f(c)) for the market area in which the  
12          project is located.

13          “(3) LOW-INCOME HOUSING UNIT.—The term  
14          ‘low-income housing unit’ means a dwelling unit  
15          within an eligible low-income housing project.

16          “(e) AGGREGATION RULE.—All persons treated as a  
17          single employer under subsection (a) or (b) of section 52  
18          or subsection (m) or (o) of section 414 shall be treated  
19          as one person for purposes of applying this section. The  
20          credit determined under subsection (a) (after application  
21          of subsection (b)) shall be allocated among such persons  
22          in such manner as the Secretary may prescribe.

23          “(f) TERMINATION.—No credit shall be determined  
24          under this section with respect to any taxable year begin-  
25          ning after December 31, 2029.”.

1 (b) CREDIT TO BE PART OF GENERAL BUSINESS

2 CREDIT.—Section 38(b) of such Code is amended by strik-  
 3 ing “plus” at the end of paragraph (35), by striking the  
 4 period at the end of paragraph (36) and inserting “, plus”,  
 5 and by adding at the end the following new paragraph:

6 “(37) in the case of an eligible landlord (as de-  
 7 fined in section 45S(c)), the low-income housing  
 8 maintenance credit determined under section 45S.”.

9 (c) CLERICAL AMENDMENT.—The table of sections  
 10 for subpart D of part IV of subchapter A of chapter 1  
 11 of such Code is amended by adding at the end the fol-  
 12 lowing new item:

“Sec. 45T. Low-income housing maintenance credit.”.

13 (d) EFFECTIVE DATE.—The amendments made by  
 14 this section shall apply to taxable years beginning after  
 15 December 31, 2019.

16 **SEC. 8. PUBLIC DISPLAY OF TENANT’S RIGHTS AND COM-**  
 17 **PLAINT LINE.**

18 (a) REQUIRED DISPLAY.—An owner of a multifamily  
 19 housing project in which three or more voucher users re-  
 20 side shall display, at all times and in clear and conspicuous  
 21 location on each floor of such project that contains any  
 22 dwelling unit, a written notice that includes—

23 (1) a statement describing the rights under  
 24 Federal law afforded to tenants of the project who  
 25 are voucher users;

1           (2) the phone number for the Multifamily  
2       Housing Complaint Line established and operated by  
3       the Multifamily Housing Clearinghouse; and

4           (3) the phone number for a regional or local of-  
5       fice of the Department which can provide tenants  
6       additional information regarding State and local re-  
7       sources for tenants.

8       (b) CIVIL MONEY PENALTY.—Any person who is  
9       found by the Secretary of Housing and Urban Develop-  
10      ment, after notice and opportunity for a hearing in accord-  
11      ance with section 554 of title 5, United States Code, to  
12      have failed to make a good faith effort to display notice  
13      complying with subsection (a) may be assessed a civil  
14      money penalty by the Secretary in the amount of \$500  
15      for each day of each such failure, except that the Secretary  
16      shall waive such penalty in any case in which an owner  
17      cures such violation within the 5-day period beginning  
18      upon notice by the Secretary of such violation.

19      (c) MODEL NOTICE.—

20           (1) DEVELOPMENT.—Not later than the expira-  
21      tion of the 12-month period beginning on the date  
22      of the enactment of this Act, the Secretary shall de-  
23      velop and publish in the Federal Register a model  
24      notice that fulfills the requirements under subsection  
25      (a)(1).

1           (2) AVAILABILITY.—The Secretary shall make  
 2       copies of the notice developed pursuant to paragraph  
 3       (1) available, upon request, to owners of multifamily  
 4       housing projects.

5       (d) APPLICABILITY.—Subsections (a) and (b) shall  
 6       apply beginning upon the expiration of the 60-day period  
 7       that begins on the date that the Secretary publishes notice  
 8       in the Federal Register pursuant to subsection (c)(1).

9       (e) REGULATIONS.—Not later than the expiration of  
 10      the 180-day period beginning on the date of the enactment  
 11      of this Act, the Secretary shall issue regulations to carry  
 12      out this section.

13   **SEC. 9. GRANTS FOR TENANT HARASSMENT PREVENTION**  
 14                   **PROGRAMS.**

15      (a) AUTHORITY.—The Secretary may, to the extent  
 16      amounts are made available for grants under this section,  
 17      make grants to States, Indian tribes, units of local govern-  
 18      ment, and nonprofit, nongovernmental affordable housing  
 19      organizations to develop, expand, or assist tenant harass-  
 20      ment prevention programs.

21      (b) TENANT HARASSMENT PREVENTION PRO-  
 22      GRAM.—For purposes of this section, the term “tenant  
 23      harassment prevention program” means any program or  
 24      activities designed to protect, assist, or educate tenants  
 25      of residential rental dwelling units regarding harassing or



1 illegal behavior by their landlords intended to force the  
2 tenant to vacate the dwelling unit or surrender any of  
3 their rights as tenants. Such term includes programs and  
4 activities providing legal assistance, counseling, education,  
5 intervention, complaint processes.

6 (c) FEDERAL SHARE.—The amount of a grant under  
7 this section for any tenant harassment prevention pro-  
8 gram may not exceed 75 percent of the total costs of the  
9 program or activities to be carried out, including adminis-  
10 trative costs.

11 (d) APPLICATIONS.—The Secretary shall provide for  
12 eligible entities specified in subsection (a) to apply for  
13 grants under this section, which applications shall describe  
14 the tenant harassment prevention program to be assisted  
15 with grant amounts, the activities to be carried out under  
16 the program, and the projected costs of such activities;

17 (e) SELECTION.—The Secretary shall select appli-  
18 cants to receive grants based on criteria that the Secretary  
19 shall establish.

20 (f) AUTHORIZATION OF APPROPRIATIONS.—There  
21 are authorized to be appropriated \$25,000,000 for each  
22 of fiscal years 2020 through 2024 for grants under this  
23 section.

1 **SEC. 10. DEFINITIONS.**

2 For purposes of this Act, the following definitions  
3 shall apply:

4 (1) **MULTIFAMILY HOUSING PROJECT.**—The  
5 term “multifamily housing project” means a housing  
6 project consisting of five or more dwelling units.

7 (2) **RENTAL ASSISTANCE VOUCHER.**—The term  
8 “rental assistance voucher” means a voucher for  
9 rental assistance made available under section 8(o)  
10 of the United States Housing Act of 1937 (42  
11 U.S.C. 1437f(o)).

12 (3) **SECRETARY.**—The term “Secretary” means  
13 the Secretary of Housing and Urban Development.

14 (4) **VOUCHER USER.**—The term “voucher user”  
15 means a family who is renting a dwelling unit using  
16 a rental assistance voucher.

17 **SEC. 11. REGULATIONS.**

18 The Secretary may issue any regulations necessary  
19 to carry out this Act.

○