

Choice in Affordable Housing Act (S.1820/H.R. 6880)

Federally assisted housing puts people into homes who otherwise would have challenges obtaining safe and decent housing. Providing assistance to low-income earners helps them find housing and helps real estate managers and owners fill vacancies. IREM Members own and manage over 60% of all federally assisted housing and public housing units in the United States.

Background

The Choice in Affordable Housing Act (S. 1820/H.R. 6880) is bipartisan legislation that aims to increase private sector participation in the Section 8 Housing Choice Voucher (HCV) Program. The House bill was introduced by Reps. Emanuel Cleaver (D-MO-05) and John Katko (R-NY-24) in March. This bill parallels Senate legislation (S. 1820) introduced last May by Sens. Chris Coons (D-DE) and Kevin Cramer (R-ND).

As part of reaching the goal of providing voucher holders access to high-opportunity areas, Congress should increase resources in the HCV program to attract and retain landlords, who are key partners. According to HUD, an average of 10,000 housing providers have left the HCV program each year between 2010 and 2016. Landlords can be reluctant to accept vouchers due to payment standards, the administrative process, and negative perceptions of voucher holders. However, many landlords are willing to accept vouchers with basic supports in place, such as having a staff liaison or risk management.

Critical reforms in the bill include

- Provide \$500 million to create a Housing Partnership Fund. The funds would be distributed for:
 - PHAs to offer a signing bonus to a landlord with a unit in an area with less than 20% poverty;
 - PHAs to provide security deposit assistance, so that tenants can better afford to meet required deposits and landlords are assured greater protection against damages; and
 - HUD to provide a financial bonus to PHAs that retain a dedicated landlord liaison on staff.
- Inspection reciprocity so that owners and operators already subject to other federal inspection protocols satisfy HCV requirements.
- Allow for “pre-approval” of units where a new housing provider participant can request an inspection of units and use that inspection to lease to a participating resident within 60 days.
- Application of Small Area Fair Market Rent (SAFMR) methodologies in more jurisdictions to ensure accuracy of payments and alignment with market rates, including an exception to prevent SAFMR calculations from decreasing rent payments.

Congressional actions to date

In June 2021, S. 1820 was referred to the Senate Committee on Banking, Housing, and Urban Affairs. In March 2022, H.R. 6880 was referred to the House Committee on Financial Services.

We urge members to contact their Senators and ask for their support for Choice in Affordable Housing Act.

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