

118TH CONGRESS
1ST SESSION

S. 553

To require the Secretary of Housing and Urban Development to reform policies and issue guidance related to health and safety accountability, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28, 2023

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

A BILL

To require the Secretary of Housing and Urban Development to reform policies and issue guidance related to health and safety accountability, 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 “HUD Health and Safe-
5 ty Accountability Act of 2023”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1 (1) DEPARTMENT.—The term “Department”
 2 means the Department of Housing and Urban De-
 3 velopment.

4 (2) SECRETARY.—The term “Secretary” means
 5 the Secretary of Housing and Urban Development.

6 **SEC. 3. REFORMS TO MANAGEMENT AND OCCUPANCY RE-**
 7 **VIEWS.**

8 Not later than 180 days after the date of enactment
 9 of this Act, the Secretary shall make the following reforms
 10 to management and occupancy reviews conducted by the
 11 Office of Multifamily Housing Programs:

12 (1) Form 9843 shall be restructured to include
 13 the following as graded factors:

14 (A) Responsiveness of local code violations.

15 (B) Remediation of health and sanitation
 16 and structural integrity issues outlined in uni-
 17 form physical condition standards inspections.

18 (C) Remediation of deficiencies outlined in
 19 any demand for corrective actions.

20 (D) Restoration of the resident satisfaction
 21 section and inclusion of feedback from tenants
 22 to contribute to the grading.

23 (2) Rebalance existing grading methodology to
 24 prioritize—

1 (A) health, safety, and sanitation condi-
2 tions;

3 (B) general physical condition is compliant
4 with contractual standards; and

5 (C) remediation of tenant concerns regard-
6 ing unit conditions, particularly health, safety,
7 and sanitation.

8 (3) The Performance Based Contract Adminis-
9 trator may formally recommend abatement or cure
10 period for properties and resident units that do not
11 meet contractual or Federal, State, or local stand-
12 ards.

13 (4) Owner-reported notices of local code viola-
14 tions, security and incident reports, and uniform
15 physical condition standards inspection reports from
16 the Department shall be included in the review for
17 the category for overall assessment and score re-
18 sults.

19 (5) During the review, Performance Based Con-
20 tract Administrators may assess conditions of both
21 occupied (with resident consent) and unoccupied
22 units.

23 (6) If a property that has not received a uni-
24 form physical condition standards inspection within
25 1 year receives an “unsatisfactory” rating on a re-

1 view, a uniform physical condition standards inspec-
 2 tion shall be automatically required within 120 days.

3 (7) Allows the Secretary to allocate revenue
 4 from civil money penalties on owners as a result of
 5 housing assistance payment contract violations to
 6 fund the reviews and uniform physical condition
 7 standards inspections.

8 **SEC. 4. REFORMS TO LOCAL CODE ENFORCEMENT.**

9 Not later than 180 days after the date of enactment
 10 of this Act, the Secretary shall issue guidance to reform
 11 local code enforcement by the Department, including by
 12 requiring owners, or designated property managers, of
 13 properties receiving project-based rental assistance under
 14 section 8(o) of the United States Housing Act of 1937
 15 (42 U.S.C. 1437f(o)) to—

16 (1) report to the appropriate Performance
 17 Based Contract Administrator and regional office of
 18 the Department within 14 days of receiving official
 19 notice—

20 (A) local code enforcement findings of defi-
 21 cient conditions at properties both generally
 22 and at resident units, including—

23 (i) a copy of the official notice;

24 (ii) a summary of the deficiency find-
 25 ings; and

1 (iii) a priority summary of health and
2 safety conditions cited and compliance re-
3 quirements; and

4 (2) report to the local code enforcement entity
5 that the owner or designated property manager, as
6 applicable, has submitted the information under
7 paragraph (1).

8 **SEC. 5. REFORMS TO HUD OVERSIGHT.**

9 Not later than 180 days after the date of enactment
10 of this Act, the Secretary shall issue guidance to—

11 (1) reform the scoring methodology for uniform
12 physical condition standards inspections to prioritize
13 health and safety conditions, including interior unit
14 conditions;

15 (2) require the Secretary to verify in person
16 that owners have taken action to address health and
17 safety deficiencies outlined in a demand for correc-
18 tive action;

19 (3) requires property owners to report all defi-
20 ciencies listed in a demand for corrective action to
21 the applicable Performance Based Contract Admin-
22 istrator; and

23 (4) allow for the Department to abate indi-
24 vidual units assisted under section 8 of the United
25 States Housing Act of 1937 (42 U.S.C. 1437f) from

1 contractual financial payments for exigent health
2 and safety reasons, provided that tenants of such
3 units shall not be required to pay contributions to-
4 ward rent for during the abatement periods.

5 **SEC. 6. REFORMS TO TENANT SURVEYS.**

6 Not later than 180 days after the date of enactment
7 of this Act, the Secretary shall develop a process by which
8 a Performance Based Contract Administrator shall issue
9 tenant surveys, as follows:

10 (1) For properties receiving a uniform physical
11 condition standards inspection score of not less than
12 60/100 and not more than 80/100, tenant surveys
13 shall be made available to a sampling of not less
14 than 20 percent of residents of each structure under
15 a housing assistance payments contract, and will be
16 required on the next inspection, and ongoing for
17 each inspection until the property receives a score
18 that is more than 80/100.

19 (2) For properties receiving a uniform physical
20 condition standards inspection score of not more
21 than 59/100, tenant surveys shall be made available
22 for 100 percent of tenants of each structure covered
23 under a housing assistance payments contract for
24 the purpose of identifying consistent or persistent

1 problems with the physical condition of the structure
2 or performance of the manager of the structure.

3 (3) The tenant surveys shall be reviewed by the
4 Performance Based Contract Administrator and in-
5 cluded as graded factors in uniform physical condi-
6 tion standards inspections, with priority provided for
7 health and safety deficiencies.

8 **SEC. 7. CONTACT INFORMATION.**

9 Each owner of a property receiving assistance under
10 section 8 of the United States Housing Act of 1937 (42
11 U.S.C. 1437f) shall, on an annual basis, provide to tenants
12 contact information for the applicable—

- 13 (1) regional office of the Department;
14 (2) local field office of the Department;
15 (3) public housing agency, as defined in section
16 3(b) of the United States Housing Act of 1937 (42
17 U.S.C. 1437a(b)); and
18 (4) Performance Based Contract Administrator.

19 **SEC. 8. REPORT.**

20 Not later than 1 year after the date of enactment
21 of this Act, the Secretary shall submit to Congress a re-
22 port that—

- 23 (1) examines the capital reserves of each struc-
24 ture under a housing assistance payment contract
25 under section 8 of the United States Housing Act of

1 1937 (42 U.S.C. 1437f) with a uniform physical
2 condition standards inspection score of 59/100 or
3 below, including the use of funds derived from the
4 housing assistance payment contract for purposes
5 unrelated to the maintenance and capitalization of
6 the structure, and the remediation of health and
7 safety issues outlined in uniform physical condition
8 standards inspections, demands for corrective ac-
9 tions, and notices of default;

10 (2) includes a list of each structure under a
11 housing assistance payment contract under section 8
12 of the United States Housing Act of 1937 (42
13 U.S.C. 1437f) that has received a demand for cor-
14 rective action from the Department but has not
15 complied with compliance or remediation require-
16 ments;

17 (3) a list of each structure under a housing as-
18 sistance payment contract under section 8 of the
19 United States Housing Act of 1937 (42 U.S.C.
20 1437f) that has not received a uniform physical con-
21 dition standards inspection according to the applica-
22 ble timeline requirements under section 200.857(b)
23 of title 24, Code of Federal Regulations (or any suc-
24 cesssor regulation) during the 5-year period preceding
25 the date of the report, and a detailed explanation for

1 why each such structure was not inspected in ac-
2 cording to the applicable timelines;

3 (4) a detailed list of all crimes of violence (as
4 defined in section 16 of title 18, United States
5 Code) that have taken place at each structure under
6 a housing assistance payment contract under section
7 8 of the United States Housing Act of 1937 (42
8 U.S.C. 1437f) during the 5-year period preceding
9 the date of the report, and recommendations for im-
10 proving safety and precautionary security efforts to
11 keep tenants safe from crimes of violence; and

12 (5) a detailed list of programmatic rec-
13 ommendations regarding assistance provided under
14 section 8 of the United States Housing Act of 1937
15 (42 U.S.C. 1437f), including—

16 (A) improving health, sanitation, and safe-
17 ty conditions;

18 (B) physical rehabilitation of properties for
19 long-term sustainability; and

20 (C) improving enforcement mechanisms on
21 both property owners and contracted managers
22 to remediate deficiencies.

○