

103^D CONGRESS
1ST SESSION

H. R. 1002

To amend the United States Housing Act of 1937 to revise the method of calculating the amounts paid by public housing agencies in lieu of State, city, county, and local taxes, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 18, 1993

Mr. SHAYS (for himself, Mr. MFUME, and Mrs. JOHNSON of Connecticut) introduced the following bill; which was referred to the Committee on Banking, Finance and Urban Affairs

A BILL

To amend the United States Housing Act of 1937 to revise the method of calculating the amounts paid by public housing agencies in lieu of State, city, county, and local taxes, 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 “Public Housing Fair
5 Compensation Act of 1993”.

6 **SEC. 2. AUTHORITY AND AMOUNT.**

7 Section 6(d) of the United States Housing Act of
8 1937 (42 U.S.C. 1437d(d)) is amended to read as follows:

1 “(d) PAYMENTS IN LIEU OF STATE AND LOCAL
2 TAXES.—

3 “(1) IN GENERAL.—Each contract for contribu-
4 tions with respect to a low-income housing project
5 shall provide that contributions by the Secretary
6 may not be made available for the project unless the
7 project (exclusive of any portion of the project that
8 is not assisted by contributions under this Act) is
9 exempt from all real and personal property taxes lev-
10 ied or imposed by the State, city, county, or other
11 political subdivision. Each such contract shall re-
12 quire the public housing agency to make payments
13 in lieu of taxes, from amounts provided to the agen-
14 cy pursuant to paragraph (5), in the amount deter-
15 mined under paragraphs (2) and (3). If any low-in-
16 come housing project is not exempt from all real and
17 personal property taxes levied or imposed by the
18 State, city, county, or other political subdivision,
19 such contract shall provide, in lieu of the require-
20 ment for tax exemption and payment in lieu of
21 taxes, that contributions by the Secretary may not
22 be made available for the project unless and until
23 the State, city, county, or other political subdivision
24 in which the project is situated shall contribute, in
25 the form of cash or tax remission, the amount by

1 which the taxes paid with respect to the project ex-
2 ceed the amount determined under paragraph (2)(A)
3 for the project.

4 “(2) DETERMINATION OF AMOUNT.—Subject to
5 the limitations under paragraph (4), the amount in
6 lieu of taxes to be paid under paragraph (1) by a
7 public housing agency for a year for any low-income
8 housing project shall be—

9 “(A) the sum of the amounts determined,
10 for units of each size, by multiplying (i) the
11 number of dwelling units in the project of such
12 size, by (ii) the applicable adjusted per unit
13 payment amount determined under paragraph
14 (3) for units of such size; or

15 “(B) such lesser amount that is—

16 “(i) prescribed by State law;

17 “(ii) agreed to by the local governing
18 body in its agreement for local cooperation
19 with the public housing agency required
20 under section 5(e)(2); or

21 “(iii) due to the failure of a local pub-
22 lic body or bodies other than the public
23 housing agency to perform any obligation
24 under such agreement.

1 “(3) ADJUSTED PER UNIT PAYMENT
2 AMOUNTS.—

3 “(A) IN GENERAL.—For purposes of this
4 subsection, the Secretary shall determine the
5 adjusted per unit payment amounts for each
6 fiscal year for dwelling units of various sizes in
7 low-income housing projects, as determined by
8 the Secretary. The per unit payment amount
9 for a dwelling unit for any fiscal year shall be
10 the pro rata share of the total amount available
11 for the fiscal year for all payments under this
12 subsection for all dwelling units, taking into
13 consideration the size of the dwelling unit (sub-
14 ject to subparagraph (B)) and the cost of hous-
15 ing in the area in which the project containing
16 the dwelling unit is located (based on the me-
17 dian family income and fair market rentals as
18 established under section 8(c), for such area).

19 “(B) DWELLING SIZE.—The Secretary
20 shall provide that (not taking into consideration
21 any adjustment due to area housing costs) the
22 adjusted per unit payment amount under this
23 paragraph for single-room dwelling units (not
24 containing bathroom or kitchen facilities) and
25 units of 2 or more bedrooms is greater than

1 such amount for units of 1 bedroom that con-
2 tain bathrooms and kitchen facilities.

3 “(4) LIMITATIONS ON AMOUNT.—Notwithstand-
4 ing any other provision of this subsection, the
5 amount in lieu of taxes to be paid under this sub-
6 section by a public housing agency in any year may
7 not exceed—

8 “(A) for any single dwelling unit, \$1,400;
9 and

10 “(B) for any project, the amount equal to
11 the sum of all real and personal property taxes
12 that would be levied or imposed with respect to
13 the project by the State, city, county, and other
14 political subdivisions were the project not ex-
15 empt from all real and personal property taxes.

16 “(5) AUTHORIZATION OF APPROPRIATIONS.—
17 There are authorized to be appropriated for provid-
18 ing amounts to public housing agencies for making
19 payments in lieu of taxes under this subsection the
20 following amounts for the following fiscal years:

21 “(A) \$500,000,000 for fiscal year 1994.

22 “(B) \$1,000,000,000 for fiscal year 1995.

23 “(C) \$2,000,000,000 for fiscal year 1996.

24 “(D) \$2,000,000,000 for fiscal year 1997.

1 “(E) \$2,000,000,000 for fiscal year
2 1998.”.

3 **SEC. 3. APPLICABILITY.**

4 The amendment made by section 2 shall apply only
5 with respect to fiscal year 1994 and fiscal years thereafter,
6 and the provisions of section 6(d) of the United States
7 Housing Act of 1937, as in effect immediately before the
8 enactment of this section, shall apply with respect to fiscal
9 years preceding fiscal year 1994.

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