

105TH CONGRESS
1ST SESSION

H. R. 2932

To require the Secretary of Housing and Urban Development to carry out a demonstration program to determine the effectiveness of establishing fair market rentals, for purposes of the tenant-based rental assistance program under section 8 of the United States Housing Act of 1937, by smaller geographic areas.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 8, 1997

Mr. BORSKI introduced the following bill; which was referred to the Committee on Banking and Financial Services

A BILL

To require the Secretary of Housing and Urban Development to carry out a demonstration program to determine the effectiveness of establishing fair market rentals, for purposes of the tenant-based rental assistance program under section 8 of the United States Housing Act of 1937, by smaller geographic areas.

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 “Accurate Fair Market
5 Rental Demonstration Act”.

1 **SEC. 2. DEMONSTRATION PROGRAM.**

2 (a) IN GENERAL.—During fiscal years 1999, 2000,
3 and 2001, the Secretary of Housing and Urban Develop-
4 ment shall carry out a demonstration program to deter-
5 mine the effectiveness of using fair market rentals under
6 the program for tenant-based assistance under section 8
7 of the United States Housing Act of 1937 that are estab-
8 lished by geographic areas that are smaller than market
9 areas used under section 8(c)(1) of such Act.

10 (b) ESTABLISHMENT AND SCOPE.—Under the dem-
11 onstration program under this Act, the Secretary shall es-
12 tablish fair market rentals, by zip code for all areas within
13 the metropolitan statistical area containing the city of
14 Philadelphia, Pennsylvania, for existing rental dwelling
15 units of various sizes and types. For each such zip code,
16 the Secretary shall establish the fair market rental for
17 each size and type of dwelling unit at the amount that
18 is equal to the 45th percentile rent for standard quality
19 rental housing units (not including public housing units
20 and newly built units) of such size and type within the
21 same zip code that were occupied by recent movers.

22 (c) PUBLICATION AND ADJUSTMENT.—During the
23 term of the demonstration program, the Secretary shall
24 publish and adjust the fair market rentals established
25 under this section in the same manner and subject to the
26 same requirements applicable under section 8(c)(1) to fair

1 market rentals established by market area under such sec-
2 tion.

3 (d) USE OF FMR'S.—During the term of the dem-
4 onstration program under this Act, notwithstanding sub-
5 section (c) or (o) of section 8 of the United States Housing
6 Act of 1937, the fair market rentals established under
7 subsection (b) of this section (as adjusted under sub-
8 section (c)) shall be used in determining the maximum
9 monthly rental or the payment standard, as applicable, for
10 dwelling units located within the area described in sub-
11 section (b) for which tenant-based rental assistance under
12 such section 8 is provided.

13 (e) DEFINITION.—For purposes of this Act, the term
14 “tenant-based rental assistance” means rental assistance
15 under subsection (b) or (o) of section 8 of the United
16 States Housing Act of 1937 that is not attached to the
17 structure.

18 **SEC. 3. REPORT.**

19 Not later than March 31, 2002, the Secretary of
20 Housing and Urban Development shall submit a report
21 to the Congress describing the demonstration program
22 under this Act and setting forth the findings and conclu-
23 sions of the Secretary as a result of carrying out the dem-
24 onstration program, which shall include—

1 (1) a listing of the fair market rentals estab-
2 lished under the demonstration program;

3 (2) a listing of the fair market rentals that, but
4 for the demonstration program, would have been ap-
5 plicable in the area in which the demonstration pro-
6 gram was carried out;

7 (3) an analysis of any savings accrued and
8 costs incurred as a result of the demonstration pro-
9 gram;

10 (4) a description of the procedure involved in
11 determining fair market rentals by zip code; and

12 (5) any recommendations of the Secretary for
13 legislative or administrative changes to provide for
14 more accurate fair market rentals for use under the
15 program for tenant-based rental assistance under
16 section 8 of the United States Housing Act of 1937.

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