S. 2834

To combat toxic indoor mold, and for other purposes.

IN THE SENATE OF THE UNITED STATES

September 18, 2023

Mr. Blumenthal introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To combat toxic indoor mold, 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; TABLE OF CONTENTS.
- 4 (a) SHORT TITLE.—This Act may be cited as the
- 5 "Healthy at Home Act of 2023".
- 6 (b) Table of Contents for
- 7 this Act is as follows:
 - Sec. 1. Short title; table of contents.
 - Sec. 2. Definitions.
 - Sec. 3. Interagency research on health impacts of indoor residential mold.
 - Sec. 4. Health, safety, and habitability standards and model standards.
 - Sec. 5. Mapping.
 - Sec. 6. Housing stock quality requirements.
 - Sec. 7. Construction requirements for public housing and certain other federally-assisted construction.
 - Sec. 8. Preservation grants for properties receiving section 8 project-based rental assistance.

- Sec. 9. Public information and education campaign.
- Sec. 10. Empowering tenants.
- Sec. 11. Healthy Homes incentive for requiring indoor residential mold and other hazard disclosure.
- Sec. 12. Uniform physical inspection sampling.
- Sec. 13. Denial of depreciation deduction for properties with failed NSPIRE inspections.
- Sec. 14. Supporting landlords to receive timely voucher payments.
- Sec. 15. Project-based contract administrator reporting requirements.
- Sec. 16. Coordination Between USDA and HUD.
- Sec. 17. GAO study on health and safety concerns in federally-assisted housing.
- Sec. 18. Sense of Congress.
- Sec. 19. Administrative provisions.

1 SEC. 2. DEFINITIONS.

2 In this Act:

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- 3 (1) Indoor residential mold.—The term "indoor residential mold" means any form of multi-4 5 cellular fungi in indoor environments, including cladosporium, penicillium, alternaria, aspergillus, fu-6 7 sarium, trichoderma. memnoniella, mucor, 8 stachybotrys chartarum, streptomyces, and 9 epicoccumoften found in water-damaged indoor envi-
- 11 (2) RESIDENTIAL MOLD INSPECTION.—The
 12 term "residential mold inspection" means an inspec13 tion, by a certified or licensed mold inspector or
 14 other indoor environmental professional, including
 15 through the Real Estate Assessment Center, of real
 16 property that is designed to discover—

ronments and building materials.

17 (A) indoor mold growth in residential prop-18 erties;

1	(B) conditions that facilitate indoor resi-
2	dential mold growth; or
3	(C) indicia of conditions that are likely to
4	facilitate indoor residential mold growth.
5	(3) Toxigenic Mold.—The term "toxigenic
6	mold" means any indoor mold growth that may be
7	capable of producing a toxin or toxic compound, in-
8	cluding mycotoxins and mVOCs, that can cause pul-
9	monary, respiratory, neurological, gastrointestinal,
10	or dermatological illnesses, or other major adverse
11	health impacts, as jointly determined by the Director
12	of the National Institutes of Health, the Secretary
13	of Housing and Urban Development, the Adminis-
14	trator of the Environmental Protection Agency, and
15	the Director of the Centers for Disease Control and
16	Prevention.
17	SEC. 3. INTERAGENCY RESEARCH ON HEALTH IMPACTS OF
18	INDOOR RESIDENTIAL MOLD.
19	(a) Research.—
20	(1) In general.—As soon as practicable after
21	the date of enactment of this Act, the Director of
22	the National Institute of Environmental Health
23	Sciences at the National Institutes of Health, in
24	conjunction with the Secretary of Housing and

Urban Development, the Director of the Centers for

1	Disease Control and Prevention, the Administrator
2	of the Environmental Protection Agency, the Sec-
3	retary of Energy, the Secretary of Health and
4	Human Services, the President of the National
5	Academy of Sciences, and the Chair of the board of
6	directors of the National Institute of Building
7	Sciences shall jointly conduct a comprehensive study
8	of the health effects of indoor residential mold
9	growth, using the most up-to-date scientific peer-re-
10	viewed medical literature.
11	(2) Contents.—The study conducted under
12	paragraph (1) shall ascertain, among other things—
13	(A) detailed information about harmful or
14	toxigenic mold, as well as any toxin or toxic
15	compound such mold can produce;
16	(B) the most accurate research-based
17	methods of detecting harmful or toxigenic mold;
18	(C) potential dangers of prolonged or
19	chronic exposure to indoor residential mold
20	growth;
21	(D) the hazards involved with inadequate
22	residential mold inspections and improper in-
23	door residential mold remediation;
24	(E) the estimated current public health

burden of new or exacerbated physical illness

1	resulting from exposure to indoor residential
2	mold, including its disproportionate impact on
3	vulnerable communities, including children and
4	seniors;
5	(F) improved understanding of the dif-
6	ferent health symptomology that can result
7	from exposure to mold in indoor residential en-
8	vironments;
9	(G) ongoing surveillance of the prevalence
10	of idiopathic pulmonary hemorrhage (AIPH) in
11	infants; and
12	(H) longitudinal studies on the effects of
13	indoor old exposure in early childhood on the
14	development of asthma and other respiratory
15	illnesses.
16	(3) Availability.—Not later than the expira-
17	tion of the 3-year period beginning on the date of
18	the enactment of this Act, the results of the study
19	conducted under paragraph (1) shall be submitted to
20	Congress and the President and made available to
21	the general public.
22	SEC. 4. HEALTH, SAFETY, AND HABITABILITY STANDARDS
23	AND MODEL STANDARDS.
24	(a) Model Standards for Preventing, Detect-
25	ING, AND REMEDIATING INDOOR RESIDENTIAL MOLD

- 1 Growth.—Based on the results of the interagency health
- 2 study conducted under section 3, the Administrator of the
- 3 Environmental Protection Agency, in conjunction with the
- 4 Secretary of Housing and Urban Development, the Direc-
- 5 tor of the Centers for Disease Control and Prevention, the
- 6 Assistant Secretary of Labor for Occupational Safety and
- 7 Health at the Occupational Safety and Health Adminis-
- 8 tration, the Secretary of Energy, the Executive Director
- 9 of the National Institute of Building Sciences, and the
- 10 President of the National Academy of Sciences shall, in
- 11 accordance with section 12(d) of the National Technology
- 12 Transfer and Advancement Act of 1995 (15 U.S.C. 272
- 13 note; Public Law 104–113), jointly issue model health,
- 14 safety, and habitability standards for preventing, detect-
- 15 ing, and remediating indoor residential mold growth, in-
- 16 cluding—
- 17 (1) model indoor residential mold inspection
- 18 standards;
- 19 (2) model indoor residential mold remediation
- standards;
- 21 (3) standards for testing the toxicity of indoor
- residential mold and any toxin or toxic compound
- produced by indoor residential mold;

1	(4) health and safety standards for the protec-
2	tion of indoor residential mold inspectors and re-
3	mediators;
4	(5) standards for indoor residential mold test-
5	ing labs;
6	(6) model ventilation standards for the design,
7	installation, and maintenance of air ventilation or
8	air-conditioning systems to prevent indoor residen-
9	tial mold growth or the creation of conditions that
10	foster indoor mold growth in residential properties:
11	and
12	(7) model building code standards to control
13	moisture and prevent mold growth in indoor residen-
14	tial environments.
15	(b) Consultation.—To the maximum extent pos-
16	sible, model standards issued under this section shall be
17	developed in consideration of the needs and vulnerabilities
18	of low-income populations and with the assistance of—
19	(1) organizations that develop mold and water
20	damage standards;
21	(2) organizations involved in establishing na-
22	tional building construction standards;
23	(3) representatives of State or local authorities
24	responsible for building inspections and issuance of

certificates of occupancy;

1 (4) organizations involved in improving indoor 2 air quality; 3 (5) public health advocates; and (6) health and medical professionals, including 5 practitioners that care for children and other vulner-6 able populations. 7 (c) Resiliency.—Model standards issued under this 8 section shall take into account geographic diversity, propensity for extreme weather or flooding, and other resil-10 iency metrics. 11 (d) Deadlines.— 12 (1) Public review and comment.—The offi-13 cers identified in subsection (a) shall make draft 14 standards issued under this section available for 15 public review and comment at least 90 days prior to 16 publication of the final standards or model stand-17 ards pursuant to paragraph (2). 18 (2) Publication.—Not later than 3 years 19 after the results of the study conducted under sec-20 tion 3 are submitted to Congress in accordance with 21 such section, the officers identified in subsection (a) 22 shall issue, and make available to the public, final 23 standards and model standards under this section. 24 (e) REVIEW AND UPDATES.—The officers identified

in subsection (a) shall—

- 1 (1) review the model standards issued under 2 this section at least once every 3 years based on lat-3 est scientific advances and published studies relating 4 to indoor residential mold growth; and
- 5 (2) update such standards and model standards 6 as necessary to adequately and effectively inform the 7 public and protect human health, preserve and im-8 prove the quality of federally-assisted housing, and 9 reduce the displacement of tenants.
- 10 (f) Physical Condition Inspections.—Not later than 3 years after the publication of standards and model 11 12 standards under subsection (a), the Secretary of Housing 13 and Urban Development shall revise the requirements for conducting uniform physical condition inspections under 14 15 part 5 of title 24, Code of Federal Regulations, or any successor regulation, to incorporate the model standards 16 17 issued under this section, as applicable.

18 SEC. 5. MAPPING.

- 19 (a) In General.—Not later than one year after the
- 20 date of the enactment of this Act, the Secretary of Hous-
- 21 ing and Urban Development shall, using the previous two
- 22 years of inspection data, establish a geographic informa-
- 23 tion system mapping tool that identifies areas which are
- 24 impacted by a known presence of indoor residential mold.

1	(b) REQUIRED INCLUSIONS.—The Secretary shall in-
2	clude, as part of the mapping tool—
3	(1) inspection documentation;
4	(2) management and occupancy reviews;
5	(3) transfers of budget authority for contracts
6	under section 8 of the United States Housing Act of
7	1937 (42 U.S.C. 1437f); and
8	(4) any additional information, as required by
9	the Secretary.
10	(c) UPDATES.—The Secretary shall update the map-
11	ping tool with the latest inspection data not less often than
12	once per year.
13	SEC. 6. HOUSING STOCK QUALITY REQUIREMENTS.
14	Section 8 of the United States Housing Act of 1937
15	(42 U.S.C. 1437f) is amended by inserting after sub-
16	section (v) the following new subsection:
17	"(w) STANDARDS FOR PHYSICAL CONDITION AND
18	Management of Housing Receiving Assistance Pay-
19	MENTS.—
20	"(1) STANDARDS.—Any entity receiving hous-
21	ing assistance payments under this section shall
22	maintain decent, safe, and sanitary conditions, as
23	determined by the Secretary, and comply with any
24	standards under applicable State or local laws, rules,
25	ordinances, or regulations relating to the physical

1	condition of any insured or non-insured property
2	covered under a housing assistance payment con-
3	tract for project-based assistance.
4	"(2) Remediation.—The Secretary shall take
5	action under paragraph (3) when a multifamily
6	housing project with a housing assistance payment
7	contract under this section or a contract with the
8	Department of Housing and Urban Development for
9	similar project-based assistance—
10	"(A) receives a failing score on a physical
11	inspection by the Department; or
12	"(B) fails to certify in writing to the Sec-
13	retary within 3 days that all severe health or
14	safety deficiencies identified at the project by
15	the inspector have been corrected.
16	The requirements under this paragraph shall apply
17	to insured and non-insured projects with assistance
18	attached to the dwelling units under this section.
19	"(3) Notice of Default.—
20	"(A) Issuance.—Within 15 days of the
21	issuance of the Real Estate Assessment Center
22	inspection, the Secretary shall provide the
23	owner with a notice of default that shall include
24	a specified timetable, determined by the Sec-

retary, for correcting all deficiencies.

- "(B) Copies.—The Secretary shall provide a copy of the notice of default to the tenants of the property, the local government for the jurisdiction within which the property is located, any mortgagees, and any contract administrator.
 - "(C) APPEAL; WITHDRAWAL.—If the owner appeals the notice of default and the appeal results in a passing Uniform Physical Condition Standards score for the property, the Secretary may withdraw the notice of default.
 - "(4) Enforcement.—If the owner fails to fully correct all deficiencies identified in the notice of default by the end of the time period for correcting such deficiencies specified in the notice, the Secretary shall, in consultation with the tenant organization, one or more of the following actions, and provide additional notice of those actions to the owner and the parties specified in paragraph (3)(B) to improve property conditions and preserve housing assistance:
 - "(A) Take any regulatory or contractual remedies available as deemed necessary and appropriate by the Secretary to improve property conditions, protect tenants from displacement and harm, and preserve the housing assistance.

- "(B) Require immediate replacement of 1 2 the project management with a management 3 agent approved by the Secretary. "(C) Abate the section 8 contract, includ-4 ing partial abatement, as determined by the 6 Secretary, until all deficiencies have been cor-7 rected. "(D) Pursue transfer of the project to an 8 9 owner approved by the Secretary, in consulta-10 tion with the tenant organization, under estab-11 lished procedures, who shall be obligated to promptly make all required repairs and to ac-12 13 cept renewal of the assistance contract if such 14 renewal is offered, in conjunction with the ap-15 propriate public housing agency or other local 16 entity. 17 "(E) Transfer the existing section 8 con-18 tract to another project or projects and owner 19 or owners who have demonstrated financial and 20 capacity to rehabilitate organizational the 21 project, in consultation with tenants and the 22 appropriate public housing agency. 23 "(F) Pursue exclusionary sanctions, in-
 - "(F) Pursue exclusionary sanctions, including suspensions or debarments from Federal programs.

- "(G) Relocate tenants while providing the
 same level of housing assistance.
 "(H) Seek judicial appointment of a re-
 - "(H) Seek judicial appointment of a receiver to manage the property and cure all project deficiencies or seek a judicial order of specific performance requiring the owner to cure all project deficiencies.
 - "(I) Cooperate with receivership efforts by State or local governments or lenders which aim to improve the property conditions and preserve the project-based housing assistance.
 - "(J) Work with the owner, lender, tenants, or other related party to stabilize the property in an attempt to preserve the property through compliance, transfer of ownership, or an infusion of capital or other resources.
 - "(5) Prohibition on Rent increases.—Effective upon the expiration of the 12-month period beginning on the date of the enactment of this subsection, the Secretary shall prohibit any increases in rents for dwelling units in the property until the owner fully corrects all deficiencies identified in the notice of default or demonstrates an ability to financially address conditions by—

1	"(A) providing a rehabilitation plan, devel-
2	oped in consultation with the tenants and ap-
3	proved by the Secretary; and
4	"(B) separately demonstrating a written
5	and enforceable commitment by the tenants and
6	the Secretary that any increases will address
7	the conditions of the property.
8	"(6) Infeasible properties.—The Secretary
9	shall take appropriate steps to ensure that project-
10	based contracts for rental assistance remain in ef-
11	fect, subject to the exercise of contractual abatement
12	remedies to assist relocation of tenants for major
13	threats to health and safety, taken after written no-
14	tice to the affected tenants. To the extent the Sec-
15	retary determines, in consultation with the tenants
16	and the local government, that a property is not fea-
17	sible for continued rental assistance payments under
18	such section 8 or other programs, based on consider-
19	ation of—
20	"(A) the costs of rehabilitating and oper-
21	ating the property and all available Federal,
22	State, and local resources, including rent ad-
23	justments under section 524 of the Multifamily
24	Assisted Housing Reform and Affordability Act
25	of 1997 (42 U.S.C. 1437f note), and

1 "(B) environmental conditions that cannot
2 be remedied in a cost-effective fashion,

the Secretary may contract for project-based rental assistance payments with an owner or owners of other housing properties, and to the maximum extent practicable, ensure that the project-based rental assistance is available to tenants from the originating site.

"(7) Reporting.—

"(A) IN GENERAL.—The Secretary shall submit a report to the Committees on Financial Services of the House of Representatives and Banking, Housing, and Urban Affairs of the Senate semi-annually identifying all properties covered by this subsection that received a failing physical inspection score or have received an unsatisfactory management and occupancy review during the 36-month period ending upon submission of such report. Each such report shall include—

"(i) identification of the enforcement actions being taken to address such conditions leading to such score at each such property, including imposition of civil money penalties and termination of sub-

1	sidies, and identification of properties that
2	have such conditions multiple times;
3	"(ii) identification of actions that the
4	Department of Housing and Urban Devel-
5	opment is taking to protect tenants of such
6	identified properties; and
7	"(iii) any recommendations for admin-
8	istrative or legislative actions to further
9	improve the living conditions at such prop-
10	erties.
11	"(B) Timing.—The first report required
12	under subparagraph (A) shall be submitted not
13	later than 30 days after the date of the enact-
14	ment of this subsection, and the second report
15	shall be submitted within 180 days of the sub-
16	mission of the first report.".
17	SEC. 7. CONSTRUCTION REQUIREMENTS FOR PUBLIC
18	HOUSING AND CERTAIN OTHER FEDERALLY-
19	ASSISTED CONSTRUCTION.
20	(a) Effective Date; Applicability.—The Sec-
21	retary of Housing and Urban Development shall take such
22	actions and impose such standards and conditions as may
23	be necessary or appropriate to ensure that any public
24	housing constructed after the date of the issuance of the
25	model construction standards and techniques established

1	under subsection (b), is constructed in accordance with
2	such model standards and techniques.
3	(b) Model Construction Standards.—
4	(1) In General.—The Secretary of Housing
5	and Urban Development, jointly with the Executive
6	Director of the National Institute of Building
7	Sciences, and the President of the National Acad-
8	emy of Sciences, to the extent such Director and
9	President agree to participate, shall develop model
10	construction standards and techniques for pre-
11	venting and controlling indoor residential mold in
12	new residential buildings.
13	(2) Contents.—The model standards and
14	techniques shall provide for geographic differences in
15	construction types and materials, geology, weather
16	and other variables that may affect indoor residen-
17	tial mold levels in new buildings.
18	(3) Consultation.—To the maximum extent
19	possible, such standards and techniques shall be de-
20	veloped with—
21	(A) the assistance of organizations involved
22	in establishing national building construction
23	standards and techniques;
24	(B) the assistance of organizations that de-
25	velop mold and water damage standards;

- 1 (C) representatives of State or local au-2 thorities responsible for building inspections 3 and the issuance of certificates of occupancy;
 - (D) public health advocates; and
 - (E) housing advocates and organizations representing the interests of tenants.
 - (4) Publication.—The Secretary shall make a draft of the document containing the model standards and techniques available for public review and comment. The Secretary shall make final model standards and techniques available to the public not later than one year after the date of the enactment of this Act.
 - (5) APPLICABILITY TO NEW CONSTRUCTION AND REHABILITATION.—Within 1 year of the publication of the final model standards and techniques required by paragraph (4), the Secretary of Housing and Urban Development, the Secretary of Health and Human Services, the Secretary of Energy, the Administrator of the Environmental Protection Agency, the Secretary of the Treasury, and the Secretary of Defense shall each include such model standards and techniques as a requirement for residential rehabilitation or new construction projects

- funded with Federal appropriations made available
 by such agencies.
- 3 (6) Applicability to rental assistance 4 DEMONSTRATION AND RAD SECTION 18 BLEND PRO-5 GRAMS.—Within 1 year of the publication of the 6 final model standards and techniques required by 7 paragraph (4), the Secretary of Housing and Urban 8 Development shall ensure that any rehabilitation or 9 new construction through the Rental Assistance 10 Demonstration program under the heading "Rental 11 Assistance Demonstration" in title II of the Trans-12 portation, Housing and Urban Development, and 13 Related Agencies Appropriations Act, 2012 (division 14 C of Public Law 112–55; 125 Stat. 673), or through 15 any program blending such Rental Assistance Dem-16 onstration and section 18 of the United States 17 Housing Act of 1937 complies with such model 18 standards and techniques.

19 SEC. 8. PRESERVATION GRANTS FOR PROPERTIES RECEIV-

- 20 ING SECTION 8 PROJECT-BASED RENTAL AS-
- 21 SISTANCE.
- 22 (a) AUTHORIZATION OF APPROPRIATIONS.—There is
- 23 authorized to be appropriated for the Secretary of Hous-
- 24 ing and Urban Development to provide assistance to own-
- 25 ers of properties receiving project-based subsidy contracts

- 1 under section 8 of the United States Housing Act of 1937
- 2 (42 U.S.C. 1437f) or to municipalities or other units of
- 3 local government that may administer repairs to a prop-
- 4 erty receiving such project-based subsidy contracts,
- 5 \$250,000,000, which shall remain available until ex-
- 6 pended.

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- 7 (b) Set Aside for New Construction.—
- 8 (1) SET ASIDE.—Of the total amount of funds 9 provided pursuant to this section, not less than 10 10 percent shall be available to eligible recipients de-11 scribed in subsection (a) for the purpose of adding 12 new dwelling units to properties already receiving 13 project-based subsidy contracts under section 8 of

the United States Housing Act of 1937.

- (2) ELIGIBILITY.—Funds made available under this subsection for new construction may only be used by an eligible recipients who are already receiving an award for rehabilitation under this section.
- (3) Priority of Work.—Eligible recipients who receive funds for both new construction and for rehabilitation shall complete rehabilitation work before beginning new construction and shall provide certification to the Secretary, in a manner to be determined by the Secretary, that the rehabilitation has been completed in a satisfactory manner to

- eliminate health and safety risks before receiving any funds for new construction.
- year after the publication of the model building standards under section 7(b)(4), the Secretary shall require eligible recipients who receive funds for new construction and rehabilitation to ensure that new construction and rehabilitation projects are in compliance with the model building standards and techniques developed under section 7(b)(1).
- 11 (c) Set-Aside for Technical Assistance.—Of 12 the total amount of funds provided pursuant to this sec-13 tion, not less than 3 percent shall be used to provide tech-14 nical assistance to applicants and to advertise the avail-15 ability of funds under this section to areas disproportion-16 ately impacted by health and safety concerns in federally-17 assisted housing.

(d) Use of Amounts.—

(1) IN GENERAL.—Amounts provided pursuant to this section shall be used for competitive grants and low-interest loans for capital improvements to such properties, including grants for activities that mitigate threats to the health and safety of residents, reduce lead-based paint hazards, reduce other housing-related hazards, including carbon monoxide,

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1	radon, or indoor residential mold, improve water and
2	energy efficiency, or reduce the risk of harm to occu-
3	pants or property from natural hazards, or for low-
4	interest loans for the same use.
5	(2) Loan and grant eligibility.—An owner
6	of such a property shall be eligible for—
7	(A) a grant under this section only if such
8	owner is a nonprofit entity; and
9	(B) a low-interest loan under this section
10	only if such owner is a for-profit individual or
11	entity.
12	(3) Eligibility of units of local govern-
13	MENT.—A municipal government, county, or other
14	unit of local government may receive a grant under
15	this section if sufficient capacity is demonstrated in
16	their application to the Secretary of Housing and
17	Urban Development.
18	(e) Grants for Areas of High and Persistent
19	POVERTY.—Of any amounts made available pursuant to
20	this section, not less than 30 percent shall be available
21	without regard to any requirement regarding minimum
22	grant amount and only for eligible uses within or directly
23	benefitting—
24	(1) any county that has consistently had 20
25	percent or more of the population living in poverty

- during the 30-year period preceding the date of enactment of this Act, as measured by the decennial
- 3 census data obtained during those years and the
- 4 most recent annual Small Area Income and Poverty
- 5 Estimates as estimated by the Bureau of the Cen-
- 6 sus;
- 7 (2) any census tract having a poverty rate of at
- 8 least 20 percent as measured by the most recent 5-
- 9 year data series available from the American Com-
- munity Survey of the Census Bureau; or
- 11 (3) any census tract having a predominantly
- disenfranchised population or a population dis-
- proportionately impacted by health and safety haz-
- ards in federally-assisted housing (as defined by the
- 15 Secretary).
- 16 (f) Prioritization.—In awarding grants under this
- 17 section, the Secretary of Housing and Urban Development
- 18 shall prioritize awards that ameliorate or prevent indoor
- 19 residential mold or other severe health or safety threats.
- 20 (g) Wage Rate Requirements.—Projects funded
- 21 with funds provided under this section shall comply with
- 22 the same requirements of subchapter IV of chapter 31 of
- 23 title 40, United States Code that are applicable to con-
- 24 tracts described in section 3142(a) of such title.

- (h) Policies; Procedures; Contracts.—Grantsand low-interest loans under this section shall—
- 3 (1) be provided through the policies, procedures, contracts, and transactional infrastructure of 5 the authorized programs administered by the De-6 partment of Housing and Urban Development, on 7 such terms and conditions as the Secretary of Hous-8 ing and Urban Development deems appropriate to 9 ensure the maintenance and preservation of the 10 property, the continued operation and maintenance 11 of energy efficiency technologies, and the timely ex-12 penditure of funds; and
- (2) include a financial assessment and physical
 inspection of such property.
- 15 (i) ELIGIBLE OWNERS.—To be eligible for a grant or low-interest loan under this section, the owner of the 17 property shall have at least a satisfactory management 18 and occupancy review rating, be in substantial compliance with applicable performance standards and legal requirements, and commit to an additional period of affordability 12 determined by the Secretary, but of not fewer than 50 years. Owners shall include nonprofit owners and preser-
- 23 vation purchasers, including public housing agencies and
- 24 nonprofit developers.
- 25 (j) Loan Terms.—

1	(1) In General.—A loan under this section
2	shall—
3	(A) bear interest at a rate, determined by
4	the Secretary, that—
5	(i) does not exceed by 3 percentage
6	points the discount window primary credit
7	interest rate most recently published on
8	the Federal Reserve Statistical Release on
9	selected interest rates (daily or weekly),
10	commonly referred to as the "H.15 re-
11	lease" or the "Federal funds rate"; and
12	(ii) is below the average interest rate
13	at the given time for a home improvement
14	loan; and
15	(B) have a term to maturity of 10 years or
16	20 years, as determined by the Secretary based
17	on the credit of the borrower.
18	(2) VIOLATIONS.—If the owner of a property
19	receiving a loan under this section does not use the
20	loan amounts as required under subsection (b)(1),
21	does not maintain the affordability of the property
22	as required under subsection (i), or does not comply
23	with any other requirements established by the Sec-
24	retary, the Secretary shall—

1	(A) work with the owner for not less than
2	30 days to ameliorate any violations; and
3	(B) if after 90 days such violations are not
4	ameliorated—
5	(i) increase the interest rate of the
6	loan by not less than 15 percentage points
7	above the Federal funds rate; and
8	(ii) reduce the term to maturity of the
9	loan to not more than 5 years.
10	(k) Conditions of Receipt of Grant or Loan.—
11	The Secretary shall establish conditions on the receipt of
12	a loan or grant under this section, as follows:
13	(1) RECORD; CAPACITY.—The Secretary shall
14	take reasonable steps to ensure that the owner or
15	purchaser has no significant record of material non-
16	compliance with applicable program standards and
17	has demonstrated capacity to perform the obliga-
18	tions specified under this section.
19	(2) Repairs.—The Secretary shall require own-
20	ers to agree to promptly make all required repairs,
21	and when required by the Secretary, to develop a re-
22	habilitation plan in consultation with the tenants
23	and that will be approved by the Secretary, in con-
24	junction with appropriate capital needs planning and
25	required reserves, to ensure the provision of decent,

- safe, and sanitary housing throughout the full term of any extended restrictions and contracts.
- 3 (3) USE RESTRICTIONS.—The Secretary shall require owners to agree to a longer use restriction of 50 years and to agree to a perpetually required renewal of the housing assistance payments contract if offered by the Secretary.
- 8 (I) Transfer Authority.—Of the amounts made 9 available pursuant to this section, the Secretary of Hous-10 ing and Urban Development may transfer up to 0.5 per-11 cent to the account for "Department of Housing and 12 Urban Development, Program Offices—Office of Hous-13 ing" for necessary costs of administering and overseeing 14 the obligation and expenditure of amounts made available 15 pursuant to this section and such transferred amounts

17 SEC. 9. PUBLIC INFORMATION AND EDUCATION CAMPAIGN.

shall remain available until September 30, 2028.

18 (a) Requirement.—The Administrator of the Envi19 ronmental Protection Agency, the Secretary of Housing
20 and Urban Development, and the heads of any other rel21 evant Federal agencies, as determined by such Adminis22 trator and Secretary, shall jointly develop and carry out
23 a public information and education campaign regarding
24 indoor air quality and related issues that provides infor25 mation required under this section on a recurring and an-

- 1 nual basis through public outreach. The campaign shall
- 2 commence within 1 year after the date of the enactment
- 3 of this Act.
- 4 (b) Topics.—The information and education cam-
- 5 paign shall include information on the dangers and pre-
- 6 vention of indoor residential moisture and mold, volatile
- 7 organic compounds, dust, smoking, pollution, indoor ori-
- 8 gins of smoke, including cooking, and any other health
- 9 risks, as determined by such Administrator and Secretary.
- 10 (c) Indoor Residential Mold Information.—
- 11 The information and education campaign shall include, at
- 12 minimum, the following information regarding indoor resi-
- 13 dential mold:
- 14 (1) The conditions that facilitate indoor resi-
- dential moisture and mold growth.
- 16 (2) Guidelines for inspecting indoor residential
- mold growth.
- 18 (3) Guidelines for remediating indoor residen-
- tial mold growth.
- 20 (4) The dangers and health risks of exposure to
- 21 indoor residential mold growth.
- 22 (5) The importance of ventilation and methods
- 23 to prevent moisture accumulation in indoor residen-
- 24 tial environments.

1 (6) Any other information as determined appro-2 priate by the heads of the agencies referred to in 3 subsection (a).

4 (d) TENANT RIGHTS INFORMATION.—The informa-5 tion and education campaign shall include providing covered tenants with information on tenant rights to a safe 6 7 and habitable living environment and other related infor-8 mation as determined by the Secretary of Housing and Urban Development, which shall include information on 10 who to contact if a tenant experiences problems or issues 11 with building management or ownership, including, in the 12 case of housing assisted under a contract for project-based 13 assistance how to contact the performance-based contract 14 administrator and, in the case of the Housing Choice 15 Voucher program how to contact the housing authority.

(e) Modes of Communication.—

(1) IN GENERAL.—The public information and education campaign shall provide education and information through modes of communication that are commonly utilized and able to be easily consumed by relevant individuals or organizations, which shall include communication through advertisements on public transit in all 50 States and in territories and possessions of the United States, and distribution of

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- the pamphlet developed pursuant to subsection (j) as
 required under such subsection.
- (2) AVAILABILITY.—All education and information that is part of the information and education campaign shall be made publicly available on the websites of the Environmental Protection Agency, the Department of Housing and Urban Development, and any other applicable Federal agencies.
- 9 (f) TARGETED GROUPS.—The public information and 10 education campaign shall be designed to reach tenants, tenant organizations working directly with tenants in 11 12 project-based rental assistance and other types of federally-assisted housing, resident groups, landlords, health professionals, the general public, homeowners, prospective 14 homeowners, the real estate industry, the home construction and renovation industries, the health, property and 16 17 casualty, and life insurance industries, technical and voca-18 tional schools and colleges, and other academic institu-19 tions.
- 20 (g) Information Specific to Health Profes-21 Sions.—The public information and education campaign 22 shall include information about warning signs of mold and 23 other indoor air exposure pollutants and shall include edu-24 cation for health professions on mold-related illness, in-

- 1 cluding for health professions who work with vulnerable
- 2 populations and children in school or daycare settings.
- 3 (h) Coordination.—In developing and carrying out
- 4 the public information and education campaign, the heads
- 5 of the agencies referred to in subsection (a) may coordi-
- 6 nate with the Ad Council.
- 7 (i) Language.—All information provided under the
- 8 public information and education campaign—
- 9 (1) shall be provided in at least two languages,
- as determined by the Secretary, based on the most
- 11 common languages spoken in the neighborhood,
- tribe, municipality, State, or region, and may be pro-
- vided in additional languages based on the most
- 14 common languages spoken in the neighborhood,
- tribe, municipality, State, or region, as determined
- by the Secretary; and
- 17 (2) shall be provided in language that is at a
- sixth grade reading level and is easy to understand.
- 19 (j) Provision to Covered Tenants.—
- 20 (1) Timing.—The Secretary of Housing and
- 21 Urban Development, the Secretary of Agriculture,
- the Secretary of the Treasury, the Secretary of Vet-
- erans Affairs, and the Attorney General shall ensure
- that all appropriate information under the informa-
- 25 tion and education campaign is provided to covered

- tenants upon signing and any renewal of a lease for the dwelling unit of assisted housing that the covered tenant resides in.
 - (2) Covered tenants.—For purposes of this section, the term "covered tenant" means a tenant who resides in a rental dwelling unit that is assisted, through tenant-based or project-based assistance, under a housing assistance program administered by the Secretary of Housing and Urban Development or the Secretary of Agriculture or who receives rental housing assistance under a program administered by either such Secretary, including the following programs:
 - (A) The program under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), including the direct loan program under such section.
 - (B) The program under section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013).
 - (C) The program under subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12901 et seq.).

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1	(D) The programs under title IV of the
2	McKinney-Vento Homeless Assistance Act (42
3	U.S.C. 11360 et seq.).
4	(E) The program under subtitle A of title
5	II of the Cranston-Gonzalez National Afford-
6	able Housing Act (42 U.S.C. 12741 et seq.).
7	(F) The program under paragraph (3) of
8	section 221(d) of the National Housing Act (12
9	U.S.C. 1715l(d)) that bears interest at a rate
10	determined under the proviso under paragraph
11	(5) of such section 221(d).
12	(G) The program under section 236 of the
13	National Housing Act (12 U.S.C. 1715z-1).
14	(H) The programs under sections 6 and 8
15	of the United States Housing Act of 1937 (42
16	U.S.C. 1437d, 1437f).
17	(I) The programs for rural housing assist-
18	ance provided under sections 514, 515, 516,
19	533, 538, and 542 of the Housing Act of 1949
20	(42 U.S.C. 1484, 1485, 1486, 1490m, 1490p-
21	2, 1490r).
22	(J) The low-income housing tax credit pro-
23	gram under section 42 of the Internal Revenue
24	Code of 1986.

1 (K) The provision of assistance from the 2 Housing Trust Fund established under section 3 1338 of the Federal Housing Enterprises Fi-4 nancial Safety and Soundness Act of 1992 (12 U.S.C. 4568). 6 (L) The provision of assistance for housing 7 under the Comprehensive Service Programs for 8 Homeless Veterans program under subchapter 9 II of chapter 20 of title 38. 10 (M) The provision of assistance for hous-11 ing and facilities under the grant program for 12 homeless veterans with special needs under sec-13 tion 2061 of title 38, United States Code. 14 (N) The provision of assistance for perma-15 nent housing under the program for financial 16 assistance for supportive services for very low-17 income veteran families in permanent housing 18 under section 2044 of title 38, United States 19 Code. 20 (O) The provision of transitional housing 21 assistance for victims of domestic violence, dat-22 ing violence, sexual assault, or stalking under

the grant program under chapter 11 of subtitle

B of the Violence Against Women Act of 1994

(34 U.S.C. 12351 et seq.).

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- (P) The Low Income Home Energy Assistance Program and any other program administered by the Department of Energy that provides residential home rehabilitation or energy efficiency assistance.
 - (Q) Any other Federal housing programs providing affordable housing to low- and moderate-income persons by means of restricted rents or rental assistance, or more generally providing affordable housing opportunities, as identified by the appropriate agency through regulations, notices, or any other means.

(k) Pamphlet.—

- (1) Requirement.—The Secretary of Housing and Urban Development, in consultation with the Director of the National Institutes of Health, the Administrator of the Environmental Protection Agency, and the heads of any other agencies the Secretary considers appropriate, shall develop, publish, and revise, not less frequently than every 5 years, a pamphlet regarding indoor residential mold hazards.
- (2) Content.—The pamphlet required under this subsection shall—

1	(A) contain information regarding the
2	health risks associated with exposure to indoor
3	residential mold growth;
4	(B) provide information on the hazards of
5	indoor residential mold growth in federally-as-
6	sisted and federally-owned housing;
7	(C) describe the risks of indoor residential
8	mold exposure for persons residing in a dwelling
9	with toxigenic mold;
10	(D) provide information on approved meth-
11	ods for evaluating and reducing indoor residen-
12	tial mold growth and their effectiveness in iden-
13	tifying, reducing, eliminating, or preventing in-
14	door residential mold growth;
15	(E) provide advice on how to obtain a list
16	of persons certified to inspect or remediate in-
17	door residential mold growth in the area in
18	which the pamphlet is to be used;
19	(F) include a statement that a risk assess-
20	ment or inspection for indoor residential mold
21	growth is recommended prior to the purchase,
22	lease, or renovation of target housing;
23	(G) include a statement that certain State
24	and local laws impose additional requirements
25	related to indoor residential mold growth in

1	housing and provide a listing of Federal, State,
2	and local agencies in each State, including ad-
3	dress, telephone number, and electronic mail
4	address, if available, that can provide informa-
5	tion about applicable laws and available govern-
6	mental and private assistance and financing;
7	(H) provide information considered by the
8	Administrator of the Environmental Protection
9	Agency to be appropriate or necessary to pro-
10	mote awareness of the hazards posed by indoor
11	residential mold;
12	(I) include information on indoor air qual-
13	ity safety generally, including best practices
14	when cooking, taking a shower or bath, and
15	smoking cessation;
16	(J) be publicly available on the websites of
17	the Department of Housing and Urban Devel-
18	opment, the Environmental Protection Agency,
19	and other applicable Federal agencies; and
20	(K) include any other information consid-
21	ered by the Administrator of the Environmental
22	Protection Agency to be appropriate or nec-
23	essary.
24	(3) Tenants in federally-assisted hous-
25	ING.—The Secretary of Housing and Urban Devel-

- 1 opment and the Secretary of Agriculture shall en-
- 2 sure that a copy of the pamphlet required under this
- 3 section is provided annually to all covered tenants
- 4 mail by a hard copy left at the tenant address, by
- 5 United States mail sent to the tenant, or by elec-
- 6 tronic mail sent to the tenant.
- 7 (1) AUTHORIZATION OF APPROPRIATIONS.—There is
- 8 authorized to be appropriated such sums as may be nec-
- 9 essary to carry out this section.

10 SEC. 10. EMPOWERING TENANTS.

- 11 (a) Notification to Tenants of Inspection Re-
- 12 SULTS.—
- 13 (1) REQUIREMENT.—The Secretary of Housing
- and Urban Development shall provide direct notifica-
- tion of the results of any inspection of covered prop-
- erty to the tenants and resident organizations, as
- provided in this subsection.
- 18 (2) Method.—Notification shall be provided to
- tenants in easy-to-understand language in the form
- of a written hard-copy document provided through
- United States mail or through electronic mail, or
- both, with one copy provided for the tenants of each
- building in the covered property, and shall include
- the inspection score and a detailed description of the
- inspection results, including any health and safety

violations found and the timeline for their remediation, while ensuring tenant privacy.

(3) Posting.—The owner or manager of the covered property shall post a hard copy of the notification of the inspection results in at least one centrally located and easily-identifiable location each building of the covered property that is accessible to all tenants, which may include next to the front door, in communal space, or next to the mailboxes for tenants.

(4) Timing.—Notification shall be provided—

- (A) in the case of any inspection that found no severe health or safety issues, no later than 30 days after completion of the inspection; or
- (B) in the case of any inspection that found severe health and safety issues, as soon as the score is final.
- (5) OPPORTUNITY FOR TENANT QUESTIONS.—
 The notification shall include contact information, including electronic mail address, phone number, and mailing address, of the appropriate person or entity to contact should tenants have questions about the results of the inspection. Owners who fail

to post the notice shall be subject to a Management and Occupancy Review.

(b) REQUEST FOR SECOND INSPECTION.—

- (1) REQUIREMENTS.—Pursuant to a request made to the Secretary of Housing and Urban Development, the Secretary shall carry out a subsequent inspection for a covered property that has passed a previous inspection, if the following requirements are met:
 - (A) Score.—The passing test score for the previous inspection for the covered property did not exceed the minimum score required to pass inspection by more than 15 percent or the most recent score for an inspection for the covered property is 15 percent or more less than any other score for the property for an inspection of the property conducted during the preceding 10-year period.
 - (B) Tenant vote.—A vote of tenants of the covered property was conducted on the proposition of whether the property should have passed the most recent inspection, which vote—
 - (i) was administered by the tenant association for the property or an independent third party;

1	(ii) utilizes the democratic process and
2	may have utilized an anonymous voting
3	platform, either electronically or through
4	paper ballots, for casting votes; and
5	(iii) resulted in 51 percent or more of
6	the tenants residing in the property voting
7	against the proposition that the property
8	should have passed the most recent inspec-
9	tion.
10	(C) Notification.—
11	(i) To Hud.—The chief executive offi-
12	cer of the tenants association notifies the
13	Secretary, the project-based contract ad-
14	ministrator for the covered property, and
15	the owner or management of the property
16	of the results of the vote and requests a
17	second inspection for the covered property,
18	which notification and request—
19	(I) includes a copy of the tally of
20	the vote;
21	(II) does not, in verifying the 51
22	percent majority vote, disclose person-
23	ally identifiable information of the
24	tenants, including by their signatures;
25	and

(III) is transmitted, both by electronic mail and by mailing a hard copy, not later than 60 days after receipt of the notification under subsection (a) regarding the passing result of the previous inspection for the covered property.

- (ii) Notification of Second Inspection score.—Tenants shall be notified of the score of the second inspection using the same notification criteria as apply to the first inspection and shall be provided with the contact information of the person or entity that they can contact with any questions about the second inspection.
- (2) MEDIATION.—If a second inspection is conducted pursuant to a vote under paragraph (1) and the covered property is assessed a passing score for such second inspection, and if another vote is taken that complies with the same requirements applicable under such paragraph to the first inspection, and such vote results in 51 percent or more of the tenants residing in the property voting against the proposition that the property should have passed the

- second inspection, the Secretary shall provide a tenant association representative an opportunity for
 mediation with the building owner and the projectbased contractor administrator regarding continuing
 issues and inspection findings and the process for a
 Management and Occupancy Review shall begin concurrently. The mediation shall be conducted within
 land days of the second inspection.
- 9 (c) TENANT HOTLINE.—Commencing not later 90 10 days after the date of the enactment of this Act, the Sec-11 retary of Housing and Urban Development shall—
 - (1) undertake ongoing activities to advertise the availability and telephone number of the Multifamily Housing Complaint Line of the Multifamily Housing Clearinghouse;
 - (2) periodically provide tenants of covered property, through the website of the Department and otherwise, as the Secretary considers appropriate, with information about what happens when they call the complaint line;
 - (3) provide sufficient staff for the complaint line to ensure that the complaint line is sufficiently staffed for a minimum of 12 hours each day and so that the waiting time to speak live to an employee

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- of the Department does not exceed 15 minutes on average as measured over a given one-week period;
 - (4) ensure that the complaint line offers tenants of covered properties intake for health and safety issues at such properties;
 - (5) ensure that upon calling the complaint line, a tenant of a covered property is first informed of how to contact the project-based contract administrator for the property to discuss the issue the tenant called about, and if the tenant has previously contacted such administrator or does not wish to involve such administrator, the person answering the call on the complaint line is capable of providing assistance for the tenant directly or can intake tenant information to assist with the request;
 - (6) ensure that if the complaint line has received calls within any 60-day period from tenants of a covered property representing 15 percent or more of the dwelling units in the property, the appropriate regional office of the Department shall be notified;
 - (7) ensure that if within three months after the notification of the appropriate regional office of the Department, the tenant hotline has received any additional calls from tenants of the same covered prop-

1	erty, the headquarters office of the Department shall
2	be notified; and
3	(8) provide availability of translation services

- 3 (8) provide availability of translation services 4 for the complaint line.
- 5 (d) COVERED PROPERTY.—For purposes of this sec-
- 6 tion, the term "covered property" means a multifamily
- 7 housing property that is subject to inspection by the Real
- 8 Estate Assessment Center of the Department of Housing
- 9 and Urban Development.
- 10 (e) Advance Notice to Tenants.—Not later than
- 11 180 days after the date of the enactment of this Act, the
- 12 Secretary of Housing and Urban Development shall up-
- 13 date inspection procedures and requirements to ensure
- 14 that tenants of covered properties have at least 7 days
- 15 of advance notice of when their building will be inspected.
- 16 In the advance notice of inspection, tenants shall be pro-
- 17 vided the opportunity to inform the Department of Hous-
- 18 ing and Urban Development or inspectors, or both, of spe-
- 19 cific issues regarding the unit or building.
- 20 SEC. 11. HEALTHY HOMES INCENTIVE FOR REQUIRING IN-
- 21 DOOR RESIDENTIAL MOLD AND OTHER HAZ-
- 22 ARD DISCLOSURE.
- 23 (a) Supplemental Healthy Homes Funding.—
- 24 There is authorized to be appropriated to Secretary of
- 25 Housing and Urban Development for use under the

- 1 Healthy Homes Initiative, pursuant to sections 501 and
- 2 502 of the Housing and Urban Development Act of 1970
- 3 (12 U.S.C. 1701z–1 and 1701z–2), and for related activi-
- 4 ties and assistance, \$80,000,000, to remain available until
- 5 September 30, 2028, for financial awards under this sec-
- 6 tion. Amounts appropriated pursuant to this section shall
- 7 supplement, but not supplant, amounts otherwise appro-
- 8 priated.
- 9 (b) Financial Awards.—The Secretary of Housing
- 10 and Urban Development shall provide financial awards
- 11 under this section for a fiscal year to each State, Indian
- 12 tribe, county, unit of local government, and other unit of
- 13 government that requires, to the satisfaction of the Sec-
- 14 retary, that during such fiscal year sellers of residential
- 15 properties containing not more than 4 dwelling units shall
- 16 complete and provide to the purchaser a disclosure form
- 17 indicating the presence of all environmental hazards, in-
- 18 cluding radon, carbon monoxide, formaldeyde, lead, asbes-
- 19 tos, and indoor residential mold, that are known to the
- 20 seller. Such a disclosure form shall be its own conspicuous
- 21 form that includes information regarding health and dan-
- 22 gers about such environmental hazards.
- 23 (c) USE.—Amounts provided as financial awards pur-
- 24 suant to this section shall be used only for activities that
- 25 make health-related improvements to housing units that

- 1 serve primarily low-income persons and are located within
- 2 the jurisdiction of the State, Indian tribe, county, local
- 3 government, or other unit of government that is awarded
- 4 such assistance.

5 SEC. 12. UNIFORM PHYSICAL INSPECTION SAMPLING.

- 6 The Secretary of Housing and Urban Development
- 7 shall revise the regulations of the Secretary under subpart
- 8 G of part 5 of title 24, Code of Federal Regulations (relat-
- 9 ing to physical condition standards and inspection require-
- 10 ments), as follows:
- 11 (1) ANNUAL INSPECTIONS.—In section 5.705,
- as amended by the final rule for National Standards
- for the Physical Inspection of Real Estate (88 Fed.
- Reg. 30442), to provide that physical inspections are
- 15 conducted annually without exception.
- 16 (2) Sampling of units.—To provide that, in
- 17 carrying out uniform physical inspection require-
- ments under an annual inspection, the Department
- of Housing and Urban Development shall ensure
- that any units in HUD housing that were not in-
- 21 spected during the previous two annual inspections
- shall be inspected during the next occurring annual
- inspection.
- 24 (3) Inclusion of Priority Units in Score.—
- 25 In carrying out uniform physical inspection require-

1	ments under an annual inspection, the Department
2	of Housing and Urban Development shall ensure
3	that any and all individual units requested to be in-
4	spected by tenants are included as part of the com-
5	posite score of the property.
6	SEC. 13. DENIAL OF DEPRECIATION DEDUCTION FOR PROP-
7	ERTIES WITH FAILED NSPIRE INSPECTIONS.
8	(a) In General.—Section 167 of the Internal Rev-
9	enue Code of 1986 is amended by redesignating subsection
10	(i) as subsection (j) and by inserting after subsection (h)
11	the following:
12	"(i) DISALLOWANCE OF DEPRECIATION DEDUCTION
13	FOR PROPERTY WHICH FAILS NATIONAL STANDARDS
14	FOR THE PHYSICAL INSPECTION OF REAL ESTATE.—
15	"(1) IN GENERAL.—Except as provided in para-
16	graph (2), no depreciation deduction shall be allowed
17	under this section (and no depreciation or amortiza-
18	tion deduction shall be allowed under any other pro-
19	vision of this subtitle) to the taxpayer for the taxable
20	year with respect to any property described in sec-
21	tion 168(e)(2)(A)(i) which fails an NSPIRE inspec-
22	tion during the taxable year.
23	"(2) Exceptions.—
24	"(A) IN GENERAL.—No deduction shall be
25	denied under paragraph (1) in the case of a

1	health or safety violation which causes a prop-
2	erty to fail an NSPIRE inspection if either—
3	"(i) such violation is cured within 90
4	days of the date of a failed inspection, or
5	"(ii) the inspector finds sufficient evi-
6	dence that such violation was caused by
7	the tenant and not by the owner or man-
8	agement of the property.
9	"(B) Extension of time to cure.—The
10	Secretary of Health and Human Services may
11	provide 30-day extensions of the 90-day period
12	described in subparagraph (A)(i) on a case-by-
13	case basis and communicate such extensions to
14	the Secretary of the Treasury.
15	"(3) NSPIRE INSPECTION.—The term
16	'NSPIRE inspection' means any housing inspection
17	required under the National Standards for the Phys-
18	ical Inspection of Real Estate of the Real Estate As-
19	sessment Center of the Department of Housing and
20	Urban Development.
21	"(4) Increased duration for disallow-
22	ANCE IN THE CASE OF MULTIPLE FAILED INSPEC-
23	TIONS.—In the case of a property which fails two
24	consecutive NSPIRE inspections, paragraph (1)
25	shall be applied by substituting 'for the taxable year,

1	and for the immediately succeeding taxable year,' for
2	'for the taxable year'.
3	"(5) Disallowed Depreciation amounts
4	MAY NOT BE TAKEN IN FUTURE YEAR.—The depre-
5	ciation deduction allowed with respect to the prop-
6	erty described in paragraph (1) with respect to any
7	future taxable year shall be determined without re-
8	gard to the amount denied for any year for which
9	such deduction was denied.
10	"(6) Basis adjustments.—If, but for this
11	subsection, a depreciation or amortization deduction
12	would be allowable to the taxpayer with respect to
13	any property—
14	"(A) the taxpayer's basis in such property
15	shall be reduced by any depreciation or amorti-
16	zation deductions disallowed under this sub-
17	section, and
18	"(B) the basis of the remainder interest in
19	such property shall be increased by the amount
20	of such disallowed deductions.
21	"(7) Regulations and Guidance.—
22	"(A) IN GENERAL.—The Secretary, after
23	consultation with the Secretary of Housing and
24	Urban Development, shall prescribe such regu-

lations as may be necessary or appropriate to carry out the purposes of this subsection.

"(B) HUD SECRETARY.—Not later than one year after the date of the enactment of this subsection, the Secretary of Housing and Urban Development shall prescribe regulations to establish a mechanism for providing information to the Secretary detailing which properties have failed an NSPIRE inspection during the taxable year and which properties have received extensions of time to cure. In creating this mechanism, the Secretary of Housing and Urban Development shall ensure that the Secretary of the Treasury receives information about failing properties at least once per calendar quarter.".

17 (b) EFFECTIVE DATE.—The amendment made by 18 this section shall apply to taxable years beginning after 19 the date that is one year after the date of the enactment 20 of this Act.

21 SEC. 14. SUPPORTING LANDLORDS TO RECEIVE TIMELY

VOUCHER PAYMENTS.

23 (a) IN GENERAL.—Notwithstanding and other provi-24 sion of law, the Secretary of Housing and Urban Develop-25 ment shall allow public housing agencies to approve a ten-

- 1 ancy using a voucher provided under section 8(o) of the
- 2 United States Housing Act of 1937 (42 U.S.C. 1437f(o))
- 3 and make a payment under such voucher before inspection
- 4 of the dwelling unit if the inspection will be conducted
- 5 more than 14 days after receiving a tenancy package.
- 6 (b) Failed Inspections.—If the unit fails inspec-
- 7 tion and is not brought into compliance within 14 days,
- 8 the owner of the unit shall repay the payment received
- 9 from the public housing agency within the following 14
- 10 days and shall not hold the tenant responsible for payment
- 11 and shall not evict or terminate the tenant on such basis.
- 12 If the tenant is in the unit at the time the payment is
- 13 issued but the unit does not pass inspection, the public
- 14 housing agency shall be responsible for relocating the ten-
- 15 ant and providing additional assistance.
- 16 (c) Additional Incentives.—Within 180 days
- 17 after the date of the enactment of this Act, the Secretary
- 18 of Housing and Urban Development shall establish addi-
- 19 tional incentives for public housing agencies to perform
- 20 expedited inspection of dwelling units.
- 21 SEC. 15. PROJECT-BASED CONTRACT ADMINISTRATOR RE-
- 22 **PORTING REQUIREMENTS.**
- The Secretary of Housing and Urban Development
- 24 shall require, not later than 180 days after the date of
- 25 the enactment of this Act, that project-based contract ad-

- 1 ministrators shall submit to the Secretary data on projects
- 2 and project owners covering the previous 180 days, includ-
- 3 ing an analysis of any trends identified over the previous
- 4 180 days on housing conditions, tenant complaints, tenant
- 5 hospitalizations brought to the attention of the contract
- 6 administrator, and any other information as required by
- 7 the Secretary.

8 SEC. 16. COORDINATION BETWEEN USDA AND HUD.

- 9 Within 3 years after the date of the enactment of this
- 10 Act, the Secretary of Agriculture shall ensure, to the
- 11 greatest extent practicable, that the minimum require-
- 12 ments and physical quality standards for housing prop-
- 13 erties assisted by the Department of Agriculture meet or
- 14 exceed the standards established by the Secretary of
- 15 Housing and Urban Development pursuant to section 4
- 16 of this Act.

17 SEC. 17. GAO STUDY ON HEALTH AND SAFETY CONCERNS

- 18 IN FEDERALLY-ASSISTED HOUSING.
- Not later than the expiration of the 3-year period be-
- 20 ginning on the date of the enactment of this Act, the
- 21 Comptroller General of the United States shall submit a
- 22 report to the Congress analyzing and assessing the com-
- 23 munication, as applicable, between public housing agen-
- 24 cies, landlords, and tenants over resolving problems with
- 25 the health, safety, or other issues of dwelling units that

- 1 are federally subsidized and inspected through subpart G
- 2 of part 5 of title 24, Code of Federal Regulations, landlord
- 3 responsiveness regarding such issues, opportunities for im-
- 4 provement in such communications, and how tenants un-
- 5 derstand their rights and how they are responded to when
- 6 issues arise, including protocols for responding to tenant
- 7 complaints and tenant understanding of such processes.
- 8 The report shall include recommendations for how to im-
- 9 prove such communications and the physical quality of the
- 10 housing stock for which such assistance is provided.

11 SEC. 18. SENSE OF CONGRESS.

- 12 It is the sense of the Congress that the Departments
- 13 of the Treasury and Housing and Urban Development
- 14 should work together cooperatively, including through de-
- 15 velopment of a Memorandum of Understanding if appro-
- 16 priate, to ensure that implementation of this Act is con-
- 17 sistent with the provisions of the Fair Housing Act (42
- 18 U.S.C. 3601 et seq.).

19 SEC. 19. ADMINISTRATIVE PROVISIONS.

- There is authorized to be appropriated to the Sec-
- 21 retary of Housing and Urban Development—
- 22 (1) \$50,000,000, to remain available until Sep-
- tember 30, 2024, for costs to the Department of im-
- 24 plementing this Act and the amendments made by

1	this Act, including costs of providing staff to carry
2	out this Act and such amendments; and
3	(2) \$10,000,000 for each of fiscal years 2025
4	and 2026 for continuing costs of carrying out this
5	Act and the amendments made by this Act.

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