MEMO

DATE: July 31, 2003

TO: The Community, Economic and Human Development Committee (CEHD)

FROM: Alfredo B. Gonzalez, Senior Government Affairs Officer ABG
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SUBJECT: **H.R. 1841 Housing Assistance for Needy families Act of 2003**

BACKGROUND:
At the June 5, 2003 CEHD meeting, Committee members requested that House Resolution 1841 "The Housing Assistance for Needy Families Act of 2003" be reviewed and brought before the Committee for discussion. After careful review, government affairs staff has determined that HR 1841 is not germane to SCAG's legislative program. Therefore, the bill is not being brought before the Committee for action but rather for information.

SUMMARY:
The Housing Assistance for Needy Families Act of 2003 (HANF) is a measure developed by President Bush's Administration and introduced by Representative Bob Ney (R-OH) under HR 1841. HANF would convert the Federal Housing Choice Voucher Program, also known as "Section 8," to a block grant program administered by state governments. It would authorize the Secretary of Housing and Urban Development (HUD) to make grants to states for tenant-based rental and first-time homeownership housing and directs a recipient state to provide such assistance through block grants. It bases family eligibility for assistance upon income and non-receipt of Section 8 assistance, with a temporary waiver for a family currently receiving Section 8 tenant-based or voucher assistance.

Currently over 2,600 public housing agencies administer the Section 8 program through direct contracts with HUD. Under this legislation, states would receive grants through the appropriations process to provide tenant-based rental and homeownership housing assistance to low-income families. States could then designate another agency or entity to administer vouchers. A state would be required to comply with performance measures established by HUD, in the following areas: financial management; quality of housing; reduction of homelessness; number of families served; improved living conditions for elderly and disabled families; helping families move toward homeownership; and removal of barriers to affordable housing. If a State does not demonstrate the capacity to adequately administer grants, HUD could determine an alternative means of carrying out the program in that state, possibly authorizing one or more public housing agency or other entity to administer the program.

A companion bill to HR 1841, S.947 was introduced by Senator Wayne Allard (R-CO) on April 29, 2003. This bill also seeks to convert the Section 8 Housing Choice Voucher Program into a State-administered block grant. S.947 is currently in the Senate Committee on Banking, Housing, and Urban Affairs.

SUPPORT:
The Bush Administration and HUD support HR 1841. The Administration argues the bill will provide necessary program flexibility and oversight to the Section 8 program so that funds are used promptly and effectively. They indicate the purpose of the legislation is to facilitate greater program responsiveness to local markets and needs and to facilitate greater coordination with other Federal and State programs like Temporary Assistance for Needy Families program (TANF). To date staff has not been able to identify other major supporters of the legislation.

OPPOSE:
Both the National Association of Counties (NACo) and the U.S. Conference of Mayors have indicated opposition to HR 1841. NACo argues the bill would make the allocation of vouchers subject to the federal appropriations process, which could reduce of the number of families assisted under the program if budget priorities shift away from funding Section 8. NACo also argues that given the current fiscal crises on the state level, the administration of the program would be burdensome without additional federal resources

BILL STATUS:
H.R.1841 was introduced by Representative Bob Ney (R- OH) by request of the Bush Administration on April 29, 2003. On May 12, 2003 the bill was referred to House Subcommittee on Housing and Community Opportunity.

FISCAL IMPACT:
This item is being brought before the CEHD committee for information only and does not require the allocation of any financial resources.

abg/docs#88145

108TH CONGRESS
1ST SESSION

H. R. 1841

To better assist lower income families to obtain decent, safe, and affordable housing through the conversion of the section 8 housing choice voucher program into a State-administered block grant.

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 2003

Mr. NEY (by request) introduced the following bill; which was referred to the Committee on Financial Services

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A BILL

To better assist lower income families to obtain decent, safe, and affordable housing through the conversion of the section 8 housing choice voucher program into a State-administered block grant.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Housing Assistance for Needy Families Act of 2003".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Authority.
Sec. 4. Definitions.
Sec. 5. Planning and performance.

Sec. 6. Eligible families.
Sec. 7. Eligible activities.
Sec. 8. Amount of assistance.
Sec. 9. Authorization, allocation and distribution of funds.
Sec. 10. Environmental review.
Sec. 11. Inspection of units.
Sec. 12. Portability.
Sec. 13. Compliance.
Sec. 14. Effective date.

1 **SEC. 2. FINDINGS AND PURPOSES.**

2 (a) FINDINGS.—The Congress finds that—

3 (1) the section 8 tenant-based assistance pro-
4 gram now provides rental and homeownership assist-
5 ance to more than 1.8 million families;

6 (2) despite this success, during the past several
7 years, billions of dollars of funds appropriated for
8 tenant-based assistance have remained unspent, and
9 as a result, several hundred thousand families have
10 not been provided housing assistance made available
11 by Congress;

12 (3) over 2,600 public housing agencies, half of
13 which administer 250 or fewer vouchers, administer
14 the tenant-based assistance program through direct
15 contracts with the Secretary, and thus the Secretary
16 must administer the program through rules and reg-
17 ulations that apply directly to more than 2,600 enti-
18 ties throughout the Nation;

19 (4) this administrative structure has contrib-
20 uted to the development of regulatory and statutory
21 measures that have made the tenant-based assist-

ance program overly prescriptive and difficult to administer, with hundreds of pages of regulations and guidance;

(5) the complexity of the tenant-based assistance program, its inability to allow adequate timely adjustments to changing local markets, and its multiplicity of Federal directives, all have contributed to several hundred thousand families not being provided the housing assistance made available by Congress;

(6) the linkage between housing assistance and the government's role in supporting self-sufficiency efforts for low-income families is critical, and this role is now largely carried out by the States under the Temporary Assistance for Needy Families program and other programs; and

(7) since assuming responsibility for the Temporary Assistance for Needy Families program, and with respect to other initiatives, such as the One-Stop Career Center system under the Workforce Investment Act, States have shown that they can bring creative, effective administration to programs for assistance to needy families.

1 (b) PURPOSES.—The purpose of this Act is to provide
2 for housing assistance through a State-administered block
3 grant, and thereby to—
4 (1) provide for the necessary program flexibility
5 and oversight so that funds are used promptly and
6 effectively to assist needy families;
7 (2) facilitate greater program responsiveness to
8 local markets and needs;
9 (3) provide for administrative decision-making
10 closer to the communities and families affected, by
11 their elected officials;
12 (4) provide for additional program flexibility to
13 address local needs;
14 (5) give States the authority to reallocate funds
15 or take other actions necessary to ensure that pro-
16 gram funds are expended promptly and effectively;
17 (6) improve government support of self-suffi-
18 ciency efforts by assisted families, by facilitating
19 greater coordination with the Temporary Assistance
20 for Needy Families program, programs under the
21 Workforce Investment Act, and other Federal and
22 State programs that promote self-sufficiency;
23 (7) provide greater flexibility for addressing
24 special needs of elderly and disabled families; and

1 (8) facilitate State and local efforts to reduce
2 homelessness.

3 **SEC. 3. AUTHORITY.**

4 (a) The Secretary is authorized to make grants to
5 States to provide tenant-based rental and homeownership
6 housing assistance and to carry out activities related
7 thereto in accordance with the provisions of this Act.

8 (b) Subject to the availability of appropriations, each
9 State receiving a grant under this Act shall, for fiscal
10 years 2005 through 2009, provide tenant-based rental and
11 homeownership housing assistance to no fewer than the
12 average number of families served in such State during
13 the 120 day period ending on September 30, 2004 by the
14 Housing Choice Voucher program authorized under sec-
15 tion 8 of the United States Housing Act of 1937 (42
16 U.S.C. 1437f), including those families receiving enhanced
17 voucher assistance authorized under such section 8.

18 (c) The chief executive officer of any State may, in
19 any fiscal year, after receiving a grant under this Act for
20 such fiscal year, designate any agency or instrumentality
21 of the State to act on behalf of the State with regard to
22 the provisions of this Act.

23 **SEC. 4. DEFINITIONS.**

24 (a) The term "State" shall include the several States,
25 the District of Columbia, the Commonwealth of Puerto

1 Rico, the territories and possessions of the United States,
2 and the Commonwealth of the Northern Mariana Islands.
3 (b) The term "gross monthly income" shall include
4 income from all sources of each member of the household,
5 as determined in accordance with criteria prescribed by
6 the State.
7 (c) The terms "elderly families", "disabled families",
8 and "Secretary" used in this Act shall have the definitions
9 accorded such terms by the United States Housing Act
10 of 1937 (42 U.S.C. 1437 et seq.).
11 (d) The term "tenant-based rental housing assist-
12 ance" means assistance that provides for the eligible fam-
13 ily to select suitable housing and to move to other suitable
14 housing.
15 **SEC. 5. PLANNING AND PERFORMANCE.**
16 (a) STATE PLAN.—Prior to the receipt in any fiscal
17 year of a grant under this Act, the State shall, as part
18 of its comprehensive housing affordability strategy (or any
19 consolidated plan incorporating such strategy) under sec-
20 tion 105 of the Cranston-Gonzalez National Affordable
21 Housing Act, set forth quantifiable objectives related to
22 performance measures established by the Secretary under
23 subsection (b).
24 (b) PERFORMANCE STANDARDS.—The Secretary
25 shall establish performance standards for States receiving

1 grants under this section as the Secretary determines to
2 be appropriate, including budget utilization, financial
3 management, number of families served, quality of hous-
4 ing, reduction of homelessness (including homelessness
5 among veterans), improved living conditions for elderly
6 and disabled families, the effectiveness of voucher assist-
7 ance in helping families move toward homeownership and
8 self-sufficiency, and the extent to which State or local gov-
9 ernments remove barriers to affordable housing.

10 (c) PERFORMANCE REPORT.—

11 (1) The Secretary shall require each State to
12 submit to the Secretary, at a time and in a form de-
13 termined by the Secretary, a performance evaluation
14 and report to be made available to the public con-
15 cerning the progress it has made in carrying out its
16 plan under subsection (a) and in meeting annual nu-
17 merical performance targets consistent with the per-
18 formance standards established under subsection
19 (b). Included in the report shall be:

20 (A) the number of families and individuals
21 receiving tenant-based rental and homeowner-
22 ship housing assistance under the State pro-
23 gram including the number of families with
24 children, elderly families, and disabled families.
25 For each family, information on income,

1 sources of income, and changes in income and
2 employment status;
3 (B) the total dollar value of housing assist-
4 ance received by all families;
5 (C) amounts spent on administrative fees;
6 (D) information about the neighborhood
7 poverty rates in which families reside; and
8 (E) other information on the use of Fed-
9 eral assistance as the Secretary may prescribe.
10 (2) SUFFICIENCY OF REPORT.—If a State fails
11 to submit a report satisfactory to the Secretary in
12 a timely manner, the Secretary may take any nec-
13 essary compliance actions authorized under section
14 13(b) of this Act.
15 (d) ALTERNATIVE ADMINISTRATION.—
16 (1) In fiscal year 2005 and any fiscal years
17 thereafter, if any State has not demonstrated to the
18 satisfaction of the Secretary that it has the capacity
19 to adequately administer grant amounts under this
20 Act, the Secretary shall determine how to carry out
21 such program in any such State, which may include
22 administration of such program by one or more pub-
23 lic housing agencies or other entities.
24 (2) If, pursuant to paragraph (1), grant
25 amounts under this Act are administered by one or

1 more public housing agencies or other entities, all
2 provisions under this Act which would otherwise be
3 applicable to States administering funds under this
4 Act shall be applicable instead to such public hous-
5 ing agencies or other entities.

6 **SEC. 6. ELIGIBLE FAMILIES.**

7 (a) INITIAL ELIGIBILITY.—

8 (1) To be eligible to receive tenant-based rental
9 and homeownership housing assistance under this
10 Act, a family that is not assisted under section 8 of
11 the United States Housing Act of 1937 (42 U.S.C.
12 1437f) shall have an income that does not exceed 80
13 percent of the median income for the area, as deter-
14 mined by the Secretary with adjustments for smaller
15 or larger families, except that the Secretary may es-
16 tablish income ceilings higher than 80 percent of the
17 median for the area for elderly and disabled families.

18 (2) NEW ADMISSIONS.—Of the families eligible
19 to receive assistance pursuant to subsection (a) and
20 initially receiving such assistance under this Act, not
21 less than 75 percent of such new admissions in each
22 State in any fiscal year shall have incomes that do
23 not exceed 30 percent of the area median income, as
24 determined by the Secretary with adjustments for
25 smaller or larger families. If States are prevented

1 from achieving this requirement and proof is pro-
2 vided that this target cannot be met, then States
3 may submit waiver requests to the Secretary for ad-
4 ditional income targeting flexibility for new admis-
5 sions, however, the Secretary may grant such waiv-
6 ers only to the extent that not less than 55 percent
7 of new admissions in each State in any fiscal year
8 shall have incomes that do not exceed 30 percent of
9 the area median income.

10 (b) CONTINUED ELIGIBILITY.—Subject to subsection
11 (d), continued eligibility for housing assistance pursuant
12 to this Act shall be determined in accordance with stand-
13 ards established by or for the State in which the family
14 resides.

15 (c) PREFERENCES.—Each State receiving a grant
16 pursuant to this Act may establish a system for making
17 housing assistance pursuant to this Act available on behalf
18 of eligible families that provides preference for such assist-
19 ance to eligible families having certain characteristics, in-
20 cluding working families; families already receiving assist-
21 ance under the Temporary Assistance for Needy Families
22 program; individuals at risk of chronic homelessness; fami-
23 lies affected by the conversion, sale, or demolition of public
24 housing projects; families leaving structures receiving
25 project-based assistance under section 8(o)(13) of the

1 United States Housing Act of 1937 (42 U.S.C.
2 1437f(o)(13)); and to veterans of the Armed Forces of the
3 United States, especially to homeless veterans.

4 (d) GRANDFATHERING PROVISION.—

5 (1) Any family that is receiving tenant-based
6 assistance under section 8 of the United States
7 Housing Act of 1937 (42 U.S.C. 1437f) shall, for
8 fiscal years 2005 through 2009, continue to receive
9 such assistance subject to the terms and conditions
10 of such Act, from amounts made available pursuant
11 to section 9(c) of this Act. Any family that is receiv-
12 ing homeownership, project-based certificate, or
13 project-based voucher assistance under such section
14 8 shall continue to receive such assistance subject to
15 the terms and conditions of such Act, from amounts
16 made available pursuant to section 9(c) of this Act.

17 (2) If the grant received by the State pursuant
18 to this Act is insufficient to fund all currently as-
19 sisted families pursuant to paragraph (1) in the
20 amounts specified under current program require-
21 ments, the State shall make every effort to continue
22 to provide assistance to the greatest extent possible
23 to the same number of assisted families in the State.

24 (e) ANNUAL REVIEW OF FAMILY INCOME.—Each
25 State administering a housing assistance grant pursuant

1 to this Act shall, not less frequently than annually, con-
2 duct a review of the family income of each family receiving
3 such assistance, except that the State shall review the in-
4 come of elderly families not less frequently than every
5 three years.

6 **SEC. 7. ELIGIBLE ACTIVITIES.**

7 Activities assisted under this Act may include only—
8 (1) tenant-based rental housing assistance;
9 (2) homeownership assistance for first-time
10 homebuyers, including monthly homeownership as-
11 sistance and downpayment assistance as defined in
12 section 8 of the United States Housing Act of 1937
13 (42 U.S.C. 1437f);
14 (3) costs of administering grant amounts under
15 this Act, except that such costs shall not exceed 10
16 percent of grant amounts provided to the State; and
17 (4) other activities, as specified by the Sec-
18 retary, in support of tenant-based rental housing
19 and homeownership assistance activities authorized
20 under this section.

21 **SEC. 8. AMOUNT OF ASSISTANCE.**

22 (a) IN GENERAL.—Subject to subsections (b), (c),
23 and (d), any monthly assistance payment for a family re-
24 ceiving housing assistance pursuant to this Act shall be
25 determined by the State administering such assistance.

1 Except as provided in subsection (b), no family residing
2 in a dwelling unit that is assisted with grant amounts
3 under this Act will be required at the time of initial leasing
4 to pay more than 30 percent of such family's gross month-
5 ly income as rent for such dwelling unit (including the
6 amount allowed for tenant-paid utilities), or as home-
7 ownership expenses, where applicable. Families may
8 choose to pay more to secure better quality housing.

9 (b) MINIMUM RENTAL AMOUNT.—Notwithstanding
10 subsection (a) of this section, States shall establish a min-
11 imum monthly rental amount of $50 per month. Notwith-
12 standing the preceding sentence, a hardship exemption
13 may be granted on a case-by-case basis as determined by
14 the State.

15 (c) RENT REASONABLENESS.—The rent for dwelling
16 units assisted under this Act shall be reasonable and ap-
17 propriate in comparison with rents charged for non-luxury
18 dwelling units in the private, unassisted local market.

19 (d) MAXIMUM SUBSIDY.—States shall establish max-
20 imum subsidy levels for housing assistance under this Act
21 that are reasonable and appropriate for the market area.

22 **SEC. 9. AUTHORIZATION, ALLOCATION AND DISTRIBUTION**
23 **OF FUNDS.**

24 (a) The Secretary shall allocate amounts made avail-
25 able in an appropriations Act as follows:

1 (1) ALLOCATIONS FOR FISCAL YEARS 2004 AND
2 2005.—
3 (A) For fiscal year 2004, to public housing
4 agencies under section 8 of the United States
5 Housing Act of 1937 (42 U.S.C. 1437f), except
6 that the Secretary may reallocate to a State,
7 from public housing agencies in the same State,
8 any amounts made available under such section
9 8 that are not being utilized by the end of the
10 fiscal year.
11 (B) In fiscal year 2005, the Secretary shall
12 allocate to each State an amount that bears the
13 same ratio to the total amount available for as-
14 sistance under this Act for such fiscal year that
15 the amount allocated in fiscal year 2004 to pub-
16 lic housing agencies within the State bears to
17 the total amount made available under this Act
18 for fiscal year 2004.
19 (2) BASE ALLOCATIONS FOR FISCAL YEAR 2006
20 AND SUBSEQUENT FISCAL YEARS.—
21 (A) The Secretary shall, by regulation
22 issued not later than 12 months after the date
23 of enactment of this Act, establish a formula
24 to provide for allocating amounts available for

1 fiscal year 2006 and subsequent fiscal years for
2 block grants to States under this Act.
3 (B) In establishing the formula, the Sec-
4 retary shall consider factors reflecting the need
5 of low-income families in each State, including
6 the following factors:
7 (i) The number of families receiving
8 housing assistance under this Act in each
9 State;
10 (ii) the extent of poverty within the
11 State;
12 (iii) the cost of housing in the State
13 or areas of the State;
14 (iv) the performance of the State in
15 administering grant amounts under this
16 Act;
17 (v) the extent to which the State has
18 available any funds previously appropriated
19 under this Act; and
20 (vi) other objectively measurable con-
21 ditions as the Secretary may specify.
22 (C) Subject to subparagraph (D), for fiscal
23 years 2006 through 2009, the formula shall
24 provide that—

1 (i) for a fiscal year in which the
2 amount appropriated for block grants
3 under this Act is equal to or greater than
4 the amount appropriated in fiscal year
5 2005, the Secretary shall provide each
6 State with an allocation that is no less
7 than the allocation that the State received
8 in fiscal year 2005 adjusted for changes in
9 housing costs in the preceding year and for
10 the State's performance in using funds and
11 executing the program; or
12 (ii) for a fiscal year in which the total
13 amount made available to States for assist-
14 ance under this Act is less than the total
15 amount made available to States for fiscal
16 year 2005, the amount provided to each
17 State for such fiscal year shall not be less
18 than the amount that bears the same ratio
19 to the total amount available for assistance
20 under this Act for such fiscal year that the
21 amount provided to the State for fiscal
22 year 2005 bears to the total amount made
23 available to States for fiscal year 2005 ad-
24 justed for changes in housing costs in the
25 preceding year and for the State's per-

1 formance in using funds and executing the
2 program.
3 (D) Beginning in fiscal year 2005, any
4 amounts made available by a time determined
5 by the Secretary for housing assistance to any
6 State that exceed the amounts being utilized for
7 housing assistance by the end of the fiscal year
8 shall be identified and shall be retained by the
9 State. In calculating the amount of assistance
10 to allocate to such State in the following fiscal
11 year, the Secretary shall reduce the amount
12 that would otherwise be allocated to such State
13 pursuant to this paragraph by the identified
14 amounts. In such following fiscal year, subject
15 to the availability of appropriated amounts, in
16 addition to amounts provided under the for-
17 mula, the Secretary shall allocate an amount at
18 least equal to the total amount of the reduc-
19 tions in assistance made in such fiscal year pur-
20 suant to this subparagraph to those States that
21 have exceeded, as determined by the Secretary,
22 the performance standards established by the
23 Secretary under section 5(b).
24 (b) Subject to the availability of appropriations, the
25 Secretary shall allocate additional amounts to each State

1 for tenant-protection assistance as authorized by section
2 8(t) of the United States Housing Act of 1937 (42 U.S.C.
3 1437f(t)) in fiscal year 2005 and each fiscal year there-
4 after based on the number of eligible tenants previously
5 receiving such assistance in that State.

6 (c) There are authorized to be appropriated such
7 sums as may be necessary for each of fiscal years 2004
8 through 2009.

9 **SEC. 10. ENVIRONMENTAL REVIEW.**

10 For purposes of environmental review, a grant under
11 this Act shall be treated as assistance for a special project
12 that is subject to section 305(c) of the Multifamily Hous-
13 ing Property Disposition Reform Act of 1994 (42 U.S.C.
14 3547), and shall be subject to the regulations issued by
15 the Secretary to implement such section.

16 **SEC. 11. INSPECTION OF UNITS.**

17 (a) IN GENERAL.—The Secretary shall require with
18 respect to any dwelling unit assisted pursuant to this Act
19 that the State administering housing assistance pursuant
20 to this Act inspect the unit before any assistance payment
21 may be made to determine whether the dwelling unit
22 meets the housing quality standards under subsection (b).
23 Such dwelling unit must meet such standards before any
24 assistance payment is made.

1 (b) HOUSING QUALITY STANDARDS.— All dwelling
2 units in a State assisted under this Act shall meet all ap-
3 plicable State and local housing quality standards and
4 code requirements, and if there are no such standards or
5 code requirements, the housing shall meet the housing
6 quality standards established by the Secretary.

7 (c) INSPECTIONS.—Each State administering hous-
8 ing assistance under this Act shall ensure that all occupied
9 dwelling units in such State assisted pursuant to this Act
10 are maintained in accordance with the standards described
11 under subsection (b). Every dwelling unit in the State as-
12 sisted pursuant to this Act shall be inspected not less than
13 once every three years.

14 (d) CORRECTIVE ACTIONS.—No assistance payment
15 may be made pursuant to this Act for a dwelling unit,
16 which fails to meet the standards under subsection (b).

17 **SEC. 12. PORTABILITY.**

18 (a) Any family receiving housing assistance pursuant
19 to this Act shall receive such assistance to rent an eligible
20 dwelling unit within any State in which a program is being
21 administered under this Act.

22 (b) Assistance for any family moving pursuant to
23 subsection (a) shall be administered in accordance with
24 the provisions established pursuant to this Act in the State
25 to which the family moves.

1 **SEC. 13. COMPLIANCE.**

2 (a) COMPLIANCE MONITORING.—The Secretary may
3 make such reviews and audits as may be necessary or ap-
4 propriate to determine whether the State has carried out
5 the housing assistance activities and objectives set forth
6 in its plan under section 5(a) in a timely or effective man-
7 ner, whether it has carried out those activities and objec-
8 tives, including certifications, in accordance with the re-
9 quirements of this Act and other applicable laws, whether
10 it has the capacity to continue to undertake these activities
11 in a timely and effective manner, and whether it has met
12 the performance standards established by the Secretary
13 pursuant to section 5(b).

14 (b) COMPLIANCE ACTIONS.—In addition to any other
15 actions authorized under this or any other Act, if the Sec-
16 retary finds after reasonable notice and opportunity for
17 a hearing that a State receiving a grant under this Act
18 has failed to comply substantially with any provision of
19 this Act, including any performance standard established
20 by the Secretary pursuant to this Act, and until the Sec-
21 retary is satisfied that there is no longer any such failure
22 to comply, the Secretary may—

23 (1) terminate grant payments under this Act to
24 the State and provide for alternative administration
25 of such grant amounts;

1 (2) withhold from the State amounts from the
2 total allocation that would otherwise be available to
3 the State under this Act;
4 (3) reduce the amount of future grants to the
5 State by an amount equal to the amount of such
6 grants that were not expended in accordance with
7 this Act;
8 (4) limit the availability of grant amounts pro-
9 vided to the State to programs and activities under
10 this Act not affected by such failure to comply;
11 (5) withhold from the State other amounts allo-
12 cated for the State under other programs adminis-
13 tered by the Secretary;
14 (6) refer the matter to the Attorney General of
15 the United States with a recommendation that an
16 appropriate civil action be instituted; or
17 (7) order other corrective action with respect to
18 the State.
19 **SEC. 14. EFFECTIVE DATE.**
20 The provisions of this Act shall take effect on the
21 date of the enactment of this Act.

○