

**SENATE . . . . . No. 612**

The Commonwealth of Massachusetts

PRESENTED BY:

***Marc R. Pacheco***

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to further enhance efficiency and accountability of operations at local housing authorities

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Marc R. Pacheco</i>	<i>First Plymouth and Bristol</i>
<i>Anne M. Gobi</i>	<i>5th Worcester</i>
<i>Michael R. Knapik</i>	<i>Second Hampden and Hampshire</i>
<i>Michael F. Rush</i>	<i>Norfolk and Suffolk</i>
<i>Richard T. Moore</i>	<i>Worcester and Norfolk</i>
<i>Richard J. Ross</i>	<i>Norfolk, Bristol and Middlesex</i>
<i>James E. Timilty</i>	<i>Bristol and Norfolk</i>
<i>Harriette L. Chandler</i>	<i>First Worcester</i>
<i>Angelo L. D'Emilia</i>	<i>8th Plymouth</i>
<i>Mary S. Keefe</i>	<i>15th Worcester</i>
<i>Michael O. Moore</i>	<i>Second Worcester</i>
<i>William N. Brownsberger</i>	<i>Second Suffolk and Middlesex</i>
<i>Kathleen O'Connor Ives</i>	<i>First Essex</i>
<i>Gale D. Candaras</i>	<i>First Hampden and Hampshire</i>
<i>Thomas M. McGee</i>	<i>Third Essex</i>
<i>Barry R. Finegold</i>	<i>Second Essex and Middlesex</i>
<i>Eileen M. Donoghue</i>	<i>First Middlesex</i>

<i>James Arciero</i>	<i>2nd Middlesex</i>
<i>James T. Welch</i>	<i>Hampden</i>
<i>Thomas P. Kennedy</i>	<i>Second Plymouth and Bristol</i>
<i>Viriato Manuel deMacedo</i>	<i>1st Plymouth</i>
<i>Bruce E. Tarr</i>	<i>First Essex and Middlesex</i>

**SENATE . . . . . No. 612**

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By Mr. Pacheco, a petition (accompanied by bill, Senate, No. 612) of Marc R. Pacheco, Anne M. Gobi, Michael R. Knapik, Michael F. Rush and other members of the General Court for legislation to further enhance efficiency and accountability of operations at local housing authorities. Housing.

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The Commonwealth of Massachusetts

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In the Year Two Thousand Thirteen  
\_\_\_\_\_

An Act to further enhance efficiency and accountability of operations at local housing authorities

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Section 1 of chapter 121B of the General Laws, as appearing in the 2010  
2 Official Edition, is hereby amended by inserting after the definition of “clearance project” the  
3 following:

4 “Client housing authority”, a housing authority created pursuant to section 3 of this  
5 chapter, or regional housing authority created pursuant to section 3A of this chapter, that  
6 contracts with a collaborative management and service agency as set forth in Section 26B of this  
7 chapter.

8 “Collaborative management and service agency”, a housing authority created pursuant to  
9 section 3 of this chapter, or regional housing authority created pursuant to section 3A of this  
10 chapter, appointed by the department under section 26B of this chapter that has demonstrated the  
11 capacity to perform and to manage public housing projects at a consistently high level under the  
12 standards imposed by this chapter.

13 SECTION 2. Said chapter 121B of the General Laws, as so appearing, is hereby  
14 amended by inserting after section 26A of chapter 121B the following sections: --

15 Section 26B – Collaborative Management and Service Agency Program.

16 a. The department shall establish and implement a program to select, facilitate and  
17 support local housing authorities created pursuant to section 3 of this chapter, or regional

18 housing authorities created pursuant to section 3A of this chapter, to serve as collaborative  
19 management and service agencies (“CMSAs”) to perform management functions, as set forth in  
20 this section, for other local housing authorities (“client housing authorities” or “CHAs”) in order  
21 to supplement and expand CHA capacity and to utilize economies of scale (“CMSA program”).  
22 The department shall establish and implement the CMSA program in consultation with  
23 representatives of local housing authorities, municipal officials, public housing residents and  
24 public housing industry professional organizations. Such CMSAs selected by the department  
25 shall be existing housing authorities or regional housing authorities that have demonstrated the  
26 capacity to perform and to manage public housing projects at a consistently high level under the  
27 standards imposed by this chapter.

28           b. Pursuant to the CMSA program established and implemented by the department under  
29 this section, CMSAs shall be directed to contract, on a fee for service basis, with CHAs to  
30 provide to CHAs (i) services related to vacant unit turnover; (ii) procurement of goods and  
31 services under applicable law; and (iii) services related to capital improvement of CHA housing  
32 projects. Under the CMSA program, all CHAs that manage 100 or fewer state aided low income  
33 housing units only, or that fail to demonstrate to the satisfaction of the department, in their  
34 agency operational plans submitted pursuant to subsection (c) of this section, that they possess  
35 the proficiency to perform such functions on an efficient basis without participation in the  
36 CMSA program, shall be mandated to contract for such functions under the CMSA program.  
37 CHAs not mandated by this section to participate in the CMSA program for such functions may  
38 enter into contracts with CMSAs for such services at their discretion, except as set forth in  
39 subsection (d) of this section. In addition, the CMSA program shall provide that CHAs may  
40 contract with CMSAs to provide such other operating, administrative and maintenance services  
41 to CHAs as deemed necessary or beneficial by such CHAs (except as set forth in subsection (d)  
42 of this section), or as mandated by the department after review of CHA agency operational plans  
43 as set forth in subparagraph (c) of this section or after a finding that a housing authority has  
44 failed to meet accreditation standards, performance standards or audit standards as set forth in  
45 section 26C of this chapter. The department’s CMSA program shall include provision of  
46 assistance, including financial assistance, by the department to CMSAs selected for the hiring  
47 and training of staff certified to perform the functions required by the CMSA program.

48           c. Each CHA shall submit to the department, within 180 days of the effective date of this  
49 act, a plan for its operations and addressing its participation in the CMSA program (“agency  
50 operational plan”), and shall submit an agency operational plan annually contemporaneously  
51 with submission of its operating budget. The annual agency operation plan shall include the  
52 CHA’s capital improvement plans for the following year and address any deficiencies in meeting  
53 applicable performance standards. The department shall review and approve the sufficiency and  
54 compliance of such agency operational plans under the standards set forth in this section and in  
55 the CMSA program developed by the department.

56 (d) As part of the CMSA program, the department shall, in consultation with  
57 representatives of local housing authorities, municipal officials, public housing residents and  
58 public housing industry professional organizations, establish procedures and incentives that will  
59 result in no less than 50 CHAs transferring their operations in full to management by CMSAs.

60 Section 26C – Standards for and Review of Housing Authority Operations.

61 a. The department shall establish and implement performance-based monitoring program  
62 and develop and provide uniform standards for assessing housing authority operations which  
63 incorporate public housing industry standards and measures, including federal monitoring  
64 standards as applicable. Participation in the monitoring program shall be mandatory for housing  
65 authorities. The monitoring program and assessment standards established by the department  
66 shall be structured so as to enable the department to identify housing authorities that are failing  
67 to meet minimum standards and to develop and implement corrective action plans and targeted  
68 assistance by the department to improve performance to a satisfactory level.

69 b. The department shall establish and implement a housing authority accreditation system  
70 that provides for review and accreditation of housing authorities by a recognized and  
71 independent organization of housing industry professionals (“accreditation reviewers”). All  
72 housing authorities shall be required to participate in the accreditation system and the  
73 accreditation reviewers shall report on their accreditation determinations to the department. The  
74 accreditation system shall be based, in part, upon the assessment standards described in  
75 subsection (a) of this section and emphasize qualitative rather than quantitative evaluation  
76 criteria. The accreditation system shall provide objective third-party assessment of a housing  
77 authority’s performance and its ability to meet goals based on the needs of its local community  
78 and shall provide technical assistance by the department as required to assist housing authorities  
79 in correcting performance weaknesses identified in the accreditation process. Accreditation  
80 decisions shall be reviewed and renewed on a periodic basis to be determined by the department.  
81 Housing authorities determined by the accreditation process to be accredited shall be exempt  
82 from participation in the department’s monitoring program described in subsection (a) of this  
83 section for a period of time as set forth in the accreditation system established by the department.

84 c. The monitoring program, assessment standards and accreditation system established by  
85 the department under this section shall be developed and implemented by the department in  
86 consultation with representatives of local housing authorities, municipal officials, public housing  
87 residents and public housing industry professional organizations.

88 Section 26D – Creation and Administration of Statewide Centralized Wait List for State-  
89 Aided Public Housing

90 The department shall establish and implement a single statewide centralized wait list for  
91 state-aided public housing, after consultation with representatives of local housing authorities,  
92 municipal officials, public housing residents and public housing industry professional

93 organizations. Such centralized wait list shall enable public housing applicants to submit a  
94 standardized application, on which they may select locations of housing preference, through a  
95 centralized internet website or through any local housing authority. All housing authorities shall  
96 be required to utilize the centralized wait list for selection of public housing tenants, with all  
97 local preferences and other preferences applied as required by law. To create and administer the  
98 centralized wait list, the department shall contract with a qualified non-profit organization with  
99 experience in administering centralized housing waiting lists.

100 SECTION 3. Section 29 of Chapter 121B of the General Laws, as so appearing, is  
101 hereby amended by striking out the first paragraph and inserting in place thereof the following:

102 (a) Housing authorities shall be subject to annual financial and compliance audits by  
103 independent audit professionals. Such audits shall be conducted by audit firms determined by  
104 the department to be qualified, including the State Auditor's office, based upon their knowledge  
105 of audit standards applicable to housing authorities, housing regulations, and housing authority  
106 operations. The department shall provide funding in housing authority operating budgets for the  
107 cost of conducting such audits.

108 (b) The department shall establish and implement financial and operational compliance  
109 audit protocols, after consultation with representatives of local housing authorities, municipal  
110 officials, public housing residents and public housing industry professional organizations, to be  
111 used in such financial and compliance audits. Such audit protocols shall include compliance  
112 testing, including confirmation of housing authority employee salary cap compliance.

113 (c) Each housing authority shall keep an accurate account of all of its activities and all of  
114 its receipts and expenditures and shall annually, after the end of its fiscal year, make a report  
115 thereof to the department, to the state auditor and to the mayor of its city or the selectmen of its  
116 town. The department shall establish, implement and maintain a central automated financial data  
117 system to which housing authorities shall submit their annual reports of financial activities and  
118 on which auditors performing audits required by this section can electronically provide  
119 confirmation of audit findings (as well as housing authority financial reports) and the department  
120 may undertake financial data review.

121 SECTION 4.

122 (a) The department shall implement the provisions of this act within 90 days of the  
123 effective date of the act, including through the promulgation of regulations as required. Within  
124 120 days of the effective date of the act, the department shall file with the clerk of the house of  
125 representatives a report detailing its implementation of this act, including copies of any  
126 regulations, guidelines or other materials establishing and implementing the act's provisions.

127 (b) Within 90 days of the effective date of this act the department shall create an advisory  
128 committee to receive and review a copy of the report described in subsection (a) of this section,

129 which advisory committee shall provide consultation to the department and the General Court on  
130 the department's implementation of the provisions of this act. Members of the advisory  
131 committee created by the department shall include representatives of local housing authorities,  
132 municipal officials, public housing residents, representatives of public housing industry  
133 professional organizations, and a representative of organized labor.