

**TITLE 42 - THE PUBLIC HEALTH AND WELFARE**  
**CHAPTER 8 - LOW-INCOME HOUSING**  
**SUBCHAPTER I - GENERAL PROGRAM OF ASSISTED HOUSING**

**§ 1437k. Consortia, joint ventures, affiliates, and subsidiaries of public housing agencies**

**(a) Consortia**

**(1) In general**

Any 2 or more public housing agencies may participate in a consortium for the purpose of administering any or all of the housing programs of those public housing agencies in accordance with this section.

**(2) Effect**

With respect to any consortium described in paragraph (1)—

**(A)** any assistance made available under this subchapter to each of the public housing agencies participating in the consortium shall be paid to the consortium; and

**(B)** all planning and reporting requirements imposed upon each public housing agency participating in the consortium with respect to the programs operated by the consortium shall be consolidated.

**(3) Restrictions**

**(A) Agreement**

Each consortium described in paragraph (1) shall be formed and operated in accordance with a consortium agreement, and shall be subject to the requirements of a joint public housing agency plan, which shall be submitted by the consortium in accordance with section 1437c-1 of this title.

**(B) Minimum requirements**

The Secretary shall specify minimum requirements relating to the formation and operation of consortia and the minimum contents of consortium agreements under this paragraph.

**(b) Joint ventures**

**(1) In general**

Notwithstanding any other provision of law, a public housing agency, in accordance with the public housing agency plan, may—

**(A)** form and operate wholly owned or controlled subsidiaries (which may be nonprofit corporations) and other affiliates, any of which may be directed, managed, or controlled by the same persons who constitute the board of directors or similar governing body of the public housing agency, or who serve as employees or staff of the public housing agency; or

**(B)** enter into joint ventures, partnerships, or other business arrangements with, or contract with, any person, organization, entity, or governmental unit—

**(i)** with respect to the administration of the programs of the public housing agency, including any program that is subject to this subchapter; or

**(ii)** for the purpose of providing or arranging for the provision of supportive or social services.

**(2) Use and treatment of income**

Any income generated under paragraph (1)—

**(A)** shall be used for low-income housing or to benefit the residents assisted by the public housing agency; and

NB: This unofficial compilation of the U.S. Code is current as of Jan. 5, 2009 (see <http://www.law.cornell.edu/uscode/uscpri.html>).

**(B)** shall not result in any decrease in any amount provided to the public housing agency under this subchapter, except as otherwise provided under the formulas established under section 1437g (d)(2) and 1437g (e)(2) of this title.

### **(3) Audits**

The Comptroller General of the United States, the Secretary, or the Inspector General of the Department of Housing and Urban Development may conduct an audit of any activity undertaken under paragraph (1) at any time.

(Sept. 1, 1937, ch. 896, title I, § 13, as added Pub. L. 96–153, title II, § 209, Dec. 21, 1979, 93 Stat. 1109; amended Pub. L. 96–399, title II, § 202(b), Oct. 8, 1980, 94 Stat. 1629; renumbered title I, Pub. L. 100–358, § 5, June 29, 1988, 102 Stat. 681; Pub. L. 105–276, title V, § 515, Oct. 21, 1998, 112 Stat. 2549.)

### **Prior Provisions**

A prior section 13 of act Sept. 1, 1937, ch. 896, 50 Stat. 894, as amended, enumerated powers of the Authority and was classified to section 1413 of this title, prior to the general revision of this chapter by Pub. L. 93–383.

### **Amendments**

1998—Pub. L. 105–276 amended section catchline and text of section generally. Prior to amendment, text read as follows: “The Secretary shall, to the maximum extent practicable, require that newly constructed and substantially rehabilitated projects assisted under this chapter with authority provided on or after October 1, 1979, shall be equipped with heating and cooling systems selected on the basis of criteria which include a life-cycle cost analysis of such systems.”

1980—Pub. L. 96–399 struck out subsec. (a) which related to consideration by the Secretary, in utilizing contract authority, of projects which will be modernized to a substantial extent with weatherization materials as defined in section 6862 (9) of this title, and redesignated former subsec. (b) as entire section.

### **Effective Date of 1998 Amendment**

Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

### **Energy Efficient Public Housing Demonstration**

Pub. L. 100–242, title I, § 125, Feb. 5, 1988, 101 Stat. 1847, provided that:

“(a) Establishment.—The Secretary of Housing and Urban Development shall establish a demonstration program through the assistance of an appropriate technology transfer organization that specializes in producing detailed energy-efficient designs and in conducting local and statewide, public participation tests for energy efficient, needs-oriented housing. The appropriate technology organization shall carry out the demonstration working through and with public housing agencies to build and test a variety of energy-efficient housing designs in 100 separate housing units in 4 different States that meet local lower income housing needs (including single parent, disabled, and elderly concerns) through a composite ranging from single to 12-plex units in the cluster approach on vacant lots and open areas.

“(b) Report.—As soon as practicable following September 30, 1988, the Secretary of Housing and Urban Development shall submit to the Congress a report setting forth the findings and recommendations of the Secretary as a result of the demonstration under this section.

“(c) Funding.—Of the budget authority authorized to be provided for the development of public housing, there is authorized to be appropriated to carry out this section \$4,700,000 for fiscal year 1988.”