

Excerpts from The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act,

2 In the case of assistance under the certificate program, 0.01 shall be subtracted from the amount of the annual adjustment factor (except that the factor shall not be reduced to less than 1.0), and the adjusted rent shall not exceed the rent for a comparable unassisted unit of similar quality, type, and age in the market area. The immediately foregoing two sentences shall be effective only during fiscal year 1995, fiscal year 1996 prior to April 26, 1996, and fiscal years 1997 and 1998, and during fiscal year 1999 and thereafter. In establishing annual adjustment factors for units in new construction and substantial rehabilitation projects, the Secretary shall take into account the fact that debt service is a fixed expense. The immediately foregoing sentence shall be effective only during fiscal year 1998.

2 The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995, Public Law 103-327, 108 Stat. 2315, approved September 28, 1994, amended this subsection by inserting this sentence and second sentence following this sentence. Such Act provides that “[such] amendment shall apply to all contracts that are subject to section 8(c)(2)(A) of [the United States Housing Act of 1937] an that provide for rent adjustments using an annual adjustment factor.”.