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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To direct the Secretary of Housing and Urban Development to establish a grant program to award grants to units of general local government to establish or expand eviction diversion programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. SCANLON introduced the following bill; which was referred to the
Committee on _____

A BILL

To direct the Secretary of Housing and Urban Development to establish a grant program to award grants to units of general local government to establish or expand eviction diversion programs, 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.**

4 This Act may be cited as the “Stable Homes Act”.

1 **SEC. 2. ESTABLISHMENT OF PILOT PROGRAM TO SUPPORT**
2 **EVICTON DIVERSION PROGRAMS.**

3 (a) **ESTABLISHMENT.**—Not later than 1 year after
4 the date of the enactment of this section, the Secretary
5 of Housing and Urban Development (hereafter referred to
6 as the “Secretary”) shall establish a pilot program to pro-
7 vide grants to eligible entities to fund the establishment
8 or expansion of pre-filing eviction diversion programs.

9 (b) **ELIGIBILITY.**—To be eligible for a grant under
10 this section, an entity shall be a unit of general local gov-
11 ernment.

12 (c) **USE OF FUNDS.**—An eligible entity that is award-
13 ed a grant under this section shall use such grant amounts
14 to establish or expand an eviction diversion program.

15 (d) **TECHNICAL ASSISTANCE.**—The Secretary may
16 provide technical assistance to eligible entities that are
17 awarded a grant under this section, including by issuing
18 model forms to standardize a landlord notice to a tenant
19 with respect to a tenant’s right to engage in an eviction
20 diversion program to ensure accessibility by tenants.

21 (e) **REPORTING REQUIREMENTS.**—

22 (1) **ANNUAL REPORT.**—Not later than 1 year
23 after the date of the enactment of this section, and
24 annually thereafter until the date described in sub-
25 section (f), an eligible entity that is awarded grant

1 under this section shall submit to the Secretary a re-
2 port that includes—

3 (A) the number of eviction diversion pro-
4 gram cases filed;

5 (B) the average cost for each case;

6 (C) the types of landlords in each case;

7 (D) the percentage of landlords and ten-
8 ants represented by legal counsel in each case;

9 (E) the aggregated demographic data of
10 tenants participating in the eviction diversion
11 program, including data on income range, age,
12 racial and ethnic identity, and urban, suburban,
13 and rural residency; and

14 (F) any other information as the Secretary
15 may require.

16 (2) SUMMARY TO CONGRESS.—Not later than 3
17 months after receiving the annual reports under
18 paragraph (1), the Secretary shall submit to the
19 Committee on Financial Services of the House of
20 Representatives and the Committee on Banking,
21 Housing, and Urban Affairs of the Senate a report
22 that summarizes such reports.

23 (3) PILOT PROGRAM PERIOD REPORTS.—Not
24 less frequently than twice between the date of the
25 enactment of this section and the termination date

1 described in subsection (f), the Inspector General of
2 the Department of Housing and Urban Development
3 shall complete an assessment of the implementation
4 and operation of the pilot program under this sec-
5 tion, to ensure the fair and legitimate use of such
6 program.

7 (f) DURATION AND EXPIRATION.—The pilot program
8 under this section shall terminate on December 31, 2030.

9 (g) AUTHORIZATION OF APPROPRIATIONS.—There is
10 authorized to be appropriated to the Secretary to carry
11 out this section \$300,000,000 for each of fiscal years 2026
12 through 2030.

13 (h) EVICTION DIVERSION PROGRAM DEFINED.—In
14 this section, the term “eviction diversion program” means
15 a program that includes the following attributes with re-
16 spect to residential rental housing within the jurisdiction
17 of the unit of general local government:

18 (1) A requirement that landlords notify tenants
19 in writing, by hand delivery and by mail with proof
20 of mailing, of the tenant’s right to engage in an evic-
21 tion diversion program and how to exercise such
22 rights. The notice shall explain that opting to par-
23 ticipate in an eviction diversion program does not
24 waive any of the tenant’s legal rights, including the
25 right to go to trial before a judge and jury if the di-

1 version program is unsuccessful in resolving the dis-
2 pute.

3 (2) A requirement that if the tenant chooses to
4 participate in the eviction diversion program, that
5 landlords and tenants participate in the program, in
6 good faith, for a minimum of 30 days before the
7 landlord initiates any formal eviction proceedings.

8 (3) Dispute resolution procedures between the
9 landlord and tenant with respect to a potential evic-
10 tion, including—

11 (A) direct rental assistance or the connec-
12 tion to rental assistance;

13 (B) mediation services;

14 (C) assigning a housing counselor to the
15 tenant; and

16 (D) any other assistance to facilitate dis-
17 pute resolution between the landlord and ten-
18 ant.

19 (4) An exception to participation in the pro-
20 gram for evictions necessary to prevent an imminent
21 threat of physical harm.

22 (5) In the case that the landlord does not com-
23 ply with any requirement of the program, the ability
24 of the tenant to assert such noncompliance as a de-
25 fense in any related eviction court proceeding.

1 (6) In the case that the landlord is represented
2 by legal counsel, the tenant has a right to counsel
3 at no cost if their income is equal to or less than
4 200 percent of the Federal poverty line before the
5 diversion process can occur.