



## Specifics Of HUD Budget Proposal

HUD would receive \$42.7 billion, a \$3.9 billion increase from current spending. The proposal includes:

- **Public Housing:** The Capital Fund would get \$800 million extra, taking funding from \$1.942 billion to \$2.75 billion to help ease the backlog of repairs and help restore vacant units to active status. The public housing operating fund would bump up slightly from \$4.4 billion to \$4.55 billion.
- **Section 8 Tenant-Based Vouchers:** The rental supplement program would receive \$22.015 billion, up from the administration's \$19.318 billion request. The bill provides the \$19.6 billion needed to renew all current vouchers. The bill includes \$40 million for Veterans Affairs Supportive Housing and \$5 million for new Native American veterans' vouchers. Section 811 vouchers for the disabled would get a major bump in funding from the current \$120 million to \$505 million. The Family Unification Program would receive \$20 million
- **Section 8 Project-Based Vouchers:** The bill provides \$11.515 billion to pay Section 8 contract landlords, up \$699 million from current spending.
- **Rental Assistance Demonstration:** The program to convert public housing to private ownership and management financially sustained by Section 8 voucher tenants would get approval to convert 230,000 additional public housing units to the private sector. The new goal would bring almost half of the 1.1 million public housing units nationally under private ownership and extend the pilot program's sunset date to 2024.
- **Homelessness:** Funding for homeless assistance programs under the Continuum of Care umbrella would increase to \$2.513 billion from the current \$2.363 billion. The bill also extends authorization for the U.S. Interagency Council on Homelessness for two years and allows the HUD secretary to establish a pilot program for "disconnected youth" through the CoC program.
- **Elderly and Disabled:** The Section 202 Housing for the Elderly program would receive \$678 million to renew all existing contracts and provide \$105 million for capital advance and project-based rental assistance awards. The Section 811 Housing for People with Disabilities program would rise to \$230 million, up from the current \$84 million, with \$82.6 million targeting capital advance and project rental assistance award funding. The bill also allows Section 202 Project Rental Assistance Contract properties to convert to RAD properties.
- **HOME:** The HOME Investments Partnerships program, targeted for extinction by the Trump administration, would receive \$1.362 billion, up \$412 million from current funding. The bill also extends the suspension of HOME's 24-month funding commitment deadline to prevent funding losses for communities struggling to meet the program's two-year commitment deadline.

- **CDBG:** The Community Development Block Grant Program, the last such revenue sharing program initiated during the Nixon administration and targeted for extinction by the Trump administration, would receive \$3.365 billion, up \$305 million from current spending. Intense lobbying by mayors who count on CDBG to augment local spending goaded lawmakers to retain the program, at least until a successor program can be designed.
- **HOPWA:** The Housing Opportunities for People with AIDS program would receive \$375 million.
- **Choice Neighborhoods:** The Choice Neighborhoods Initiative, another program eyed for elimination by the Trump administration, would receive \$150 million, up from the current \$138 million allocation.
- **Native Americans:** The Native American Housing Block Grant program would receive \$65 million while the Native Hawaiian Housing Block Grant program would get \$2 million.
- **Fair Housing:** HUD's Office of Fair Housing & Equal Opportunity would be funded at its FY 2017 level and Congress again bars HUD from ordering local governments to change their zoning laws to conform with the department's enforcement of the Affirmatively Furthering Fair Housing rule or the AFFH assessment tool.
- **Healthy Homes:** HUD's Office of Lead Hazard Control & Healthy Homes would receive \$230 million, an \$85 million increase over FY 2017.

The bill largely glosses over housing funding for the Agriculture Department's Rural Housing Program. The proposal would award \$1.35 billion for USDA's Section 521 Rural Rental Assistance program. RRA says the amount is sufficient to fund all voucher renewals. Modest increases are awarded to USDA's Section 515 Rural Rental Housing Loan program and the Multifamily Preservation & Revitalization program.

The bill also tells the Agriculture secretary to initiate a Rental Assistance Demonstration-type program to pique nonprofit and public housing authority interest in taking over ownership of rental housing properties to ensure they will remain affordable by allowing new owners-managers to receive an investment return and asset management fee of up to \$7,500 per property.

The congressional approach to USDA funding is in line with an expected move by lawmakers to merge all USDA housing activities with HUD programs.

Action on the Omnibus spending bill is expected after *HAL*'s deadline. We will keep you up-to-date on changes as they occur.

**Info:** See the House Omnibus summary at [www.cdpublications.com/docs/9420](http://www.cdpublications.com/docs/9420)

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