

Senate Slams Trump Budget Request

In a stern rebuff of President Donald Trump's FY 2018 budget request and the House approved version of next year's appropriations, the Senate Appropriations Committee in a unanimous 31-0 vote adopts a spending plan that would provide more money than allocated under FY 2017 appropriations.

If the full Senate endorses the proposal, the stage will be set for raucous negotiations with the House only days before the current spending cycle ends (*see related story in this issue*). The move to increase spending was led by HUD appropriations subcommittee Chairman Susan Collins (R-ME).

The proposal generally adheres to FY 2017 spending levels, which exceed Budget Control Act of 2011 spending caps. The law, amended since 2011, sequesters a portion of each federal domestic program's spending approval to help ease the nation's \$20 trillion debt. The sequester has been suspended, but it is scheduled to resume Oct. 1 unless Congress intercedes. The sequester-related cuts will be additional to any spending approved for FY 2018.

The Senate plan provides HUD with \$1.4 billion more than current spending but even then it is unlikely to cover all inflationary costs, particularly if sequester cuts remain in place.

The Senate bill includes:

- Additional money for the public housing operating fund (from \$4.4 billion to \$4.5 billion) and the capital fund (\$1.95 billion). The provision still shortchanges the capital fund by more than \$1 billion to provide minimum maintenance to the nation's public housing stock.
- Section 8 housing tenant-voucher subsidies would be increased by \$1 billion from the FY 2017 level to fund all existing voucher renewals. The bill includes \$40 million for new HUD-Veterans

Affairs Supportive Housing vouchers and \$20 million for new Family Unification Program vouchers.

- Section 8 landlords would have \$11.51 billion to renew all project-based rental assistance contracts for calendar year 2018. It is a \$691 million increase from current spending.
- Funding for homeless programs under Continuum of Care would increase to \$2.46 billion from the current \$2.38 billion. The bill also provides \$55 million to address youth homelessness and it waives the requirement that youths up to the age of 24 provide third-party documentation to receive housing and supportive subsidies within Continuum of Care.

The bill would fund the Section 202 Housing for the Elderly program at \$573 million, enough to renew all contracts. It increases Section 811 Housing for People with Disabilities program by \$1 million to \$147 million.

The HOME Investments Partnerships program would receive \$590 million and Community Development Block Grants would be funded at \$3 billion, both the same as current spending. Funding would also remain static for the Office of Fair Housing & Equal Opportunity but the Senate includes restrictions on HUD applying its new Affirmatively Furthering Fair Housing rule by barring HUD from interfering with state and local zoning laws.

Funding for Housing Opportunities for People With AIDs would be cut by \$26 million to \$330 million. Support for the Choice Neighborhoods Program would be slashed by nearly two-thirds, from \$138 million to \$50 million. Funding for housing counseling would drop from \$55 million to \$47 million.

The bill would leave the new National Housing Trust Fund intact despite conservative efforts to eliminate it. The Senate, like the House, also rejects the Trump administration's proposal to make public housing tenants pay more in rent, from the current 30% of gross income to 35%, and its proposal to increase minimum rent to \$50 monthly.

Info: See the Senate report at www.cdpublications.com/docs/9259

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