



Update on Federal Housing Funding & Policy

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August 10, 2017

Agenda

- What's in the House and Senate 2018 HUD funding bills & what is their potential impact?
- What is the outlook for raising the BCA spending caps & completing HUD's 2018 budget?
- What can you do to help ensure adequate funding?
- New information in CBPP's updated Housing Choice Voucher state fact sheets
- Q & A

What's in the House and Senate 2018 HUD funding bills & what is their potential impact?

Trump 2018 HUD Budget

- \$40.7B for HUD programs, \$7.4B (15%) below 2017
- Housing Choice Vouchers: funding cut would eliminate ~250K vouchers
- Public Housing: \$1.8B in cuts (29%)
- HOME, CDBG, Choice Neighborhoods, SHHOP eliminated, a loss of >\$4B/yr

Trump 2018 HUD Budget (cont.)

- Proposes to offset cuts in part by modifying rules to raise rents on vulnerable tenants, e.g., increasing tenant contribution from 30% of adjusted to 35% of gross income, imposing mandatory minimum rents on poorest households, and eliminating utility payments
- These changes would raise rents on 4M assisted households by a total of \$4B, and would hit the lowest-income households the hardest
- CBPP report: <https://www.cbpp.org/research/housing/trump-budgets-housing-proposals-would-raise-rents-on-struggling-families-seniors>
- CBPP webinar: <http://www.houserscorner.org/july-19-2017-trump-budget-hud-rent-policy-changes-webinar/> [cbpp.org](http://www.cbpp.org)

Overview of House & Senate Bills

- Both ignore Trump's proposed deep HUD cuts, and prioritize rental assistance renewals for resources
- Both reject Trump's proposed rent policy changes, deferring to authorizing committees for any action
- But Senate bill provides \$45.5B for HUD programs, \$1.9B (4.3%) over 2017, while House bill freezes HUD program funding at 2017 level of \$43.7B
- Concerns: housing voucher funding likely inadequate even at Senate bill level; continued underfunding for public housing capital needs

House 2018 HUD Bill

- Housing Choice Vouchers:
 - Renewals at \$18.7B, \$355M (1.9%) above 2017
 - Renewal funding is \$1.2B (6%) *below* CBPP’s need estimate, could leave up to 140K vouchers unfunded
 - Funding for ~4,500 new “mainstream” vouchers for non-elderly people with disabilities
 - \$100M cut in admin fees

House 2018 HUD Bill (cont.)

- Public housing: \$4.4B for operations, equal to 2017; capital fund at \$1.85B, \$92M below 2017
- Section 8 PBRA: \$11.1B, \$266M above 2017, but less than required to cover all contract expenses in 2018
- Adequate funding to renew current homeless assistance grants, 202/811 PRACs; HOPWA level funded
- HOME & CDBG each cut by \$100M

Senate 2018 HUD Bill

- Housing vouchers:
 - \$19.37B for renewals, \$1B (5.6%) above 2017
 - Substantial renewal increase, BUT just 2.4% above 2017 renewal *eligibility*, probably not sufficient to cover rent inflation and new RAD, tenant protection, other vouchers renewing for first time in 2018
 - Senate bill could leave up to 60K vouchers unfunded (CBPP estimates renewal need of \$19.9 billion in 2018, ~\$500M above Senate bill level)
 - Bill funds ~5K new VASH vouchers for vets; ~2K Family Unification vouchers; ~2K “mainstream” vouchers for non-elderly people with disabilities
 - \$75M increase for admin fees

Senate 2018 HUD Bill (cont.)

- Public housing: \$4.5B for op fund, \$100M over 2017; \$1.95B for cap fund, roughly level with 2017; lifts RAD cap
- Section 8 PBRA: \$11.5B, full renewal funding
- Homeless assistance: \$2.46B, \$73M over 2017, incl \$55M for homeless youth initiative, \$25M for RRH for DV victims; HOPWA cut \$26M
- 202/811 PRACs: full renewal funding
- HOME & CDBG level funded at \$950M and \$3B

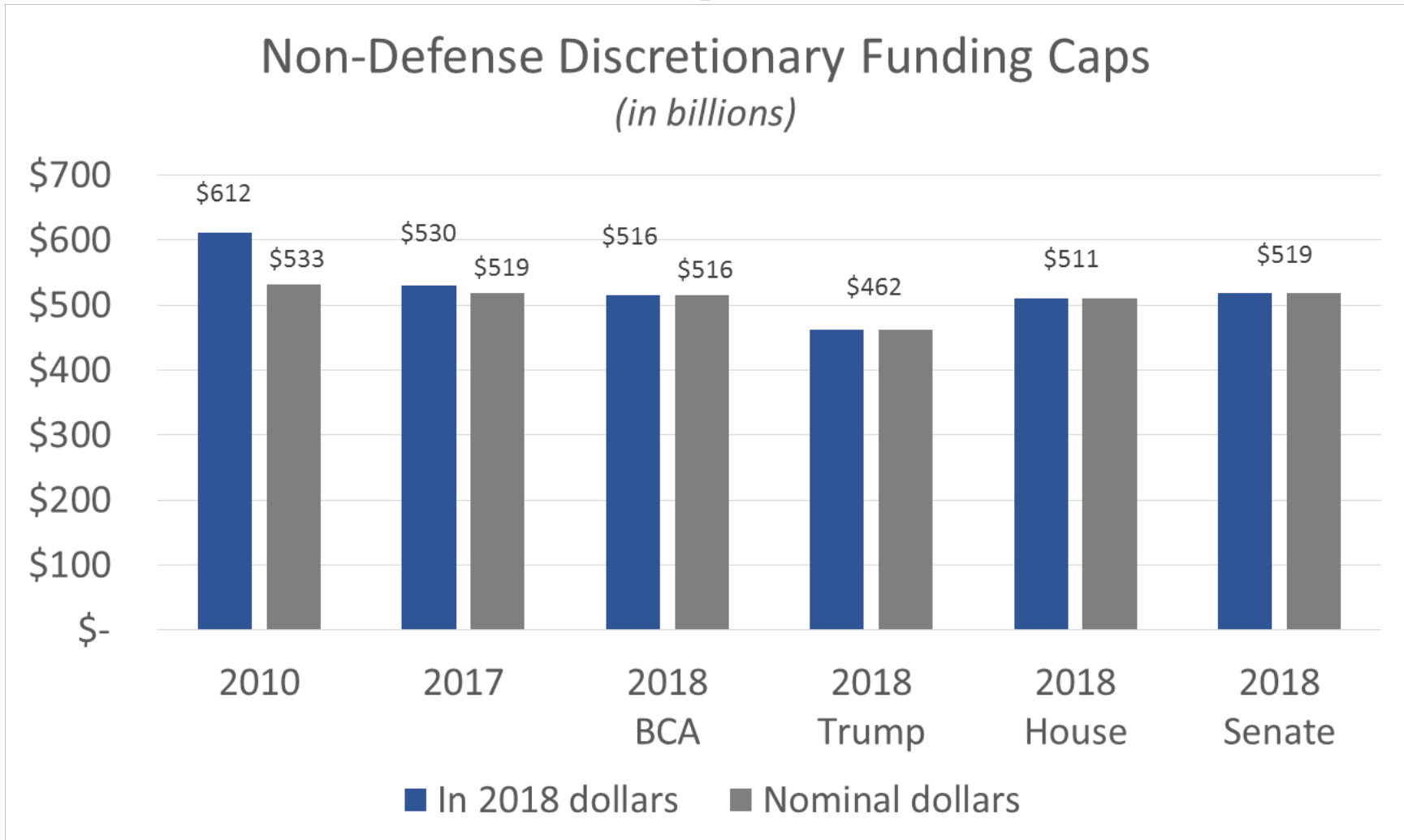


Major HUD Program Funding (in millions)

	2017	Trump 2018	House 2018	Senate 2018
Housing Vouchers	\$20,292	\$19,318	\$20,487	\$21,365
<i>Renewals</i>	\$18,355	\$17,584	\$18,710	\$19,370
<i>Admin fees</i>	\$1,650	\$1,550	\$1,550	\$1,725
<i>New VASH, FUP, NED</i>	\$60		\$40	\$80
Section 8 Project-Based	\$10,816	\$10,751	\$11,082	\$11,507
Public Housing	\$6,342	\$4,528	\$6,250	\$6,445
Homeless Assistance	\$2,383	\$2,250	\$2,383	\$2,456
Section 202 Housing for Elderly	\$502	\$510	\$573	\$573
Section 811 Housing for People with Disabilities	\$146	\$121	\$147	\$147
Housing Opportunities for People with HIV/AIDS	\$356	\$330	\$356	\$330
HOME Block Grants	\$950	\$0	\$850	\$950
Native American Housing Block Grants	\$654	\$600	\$654	\$655
Community Development Block Grants	\$3,000	\$0	\$2,900	\$3,000

What is the outlook for raising the BCA spending caps & completing HUD's 2018 budget?

House & Senate Reject Trump 2018 Cuts, But Retain Caps that Are Too Low



Raising the BCA Caps Is On the Table

- More adequate funding for critical housing programs depends on policymakers reaching an agreement to raise the BCA caps
- Ds & Rs who support housing and other NDD programs have leverage because of Senate filibuster rules, Republican divisions
- Lawmakers must use leverage to raise the caps & sustain parity in defense and NDD funding

Legislative Timeline

- In September, Congress must approve “continuing resolution” to fund federal agencies temporarily & legislation to raise/suspend the debt ceiling
- Congress may also begin negotiations to raise the BCA caps for 2018 (and possibly beyond)
- Policymakers will finalize 2018 funding for HUD & other agencies later in the fall; cap negotiations may affect timing, content of final bill

Key Goals for Final HUD 2018 Bill

- Fully renew all housing vouchers and other HUD rental assistance, i.e., Senate bill levels plus added funding to fully renew housing vouchers
- If there's a deal to raise the BCA caps:
 - Expand housing vouchers to reduce homelessness and meet other urgent needs – the VASH, FUP, and NED voucher funding provisions of the House and Senate bills are a good start
 - Increase voucher admin fee funding
 - Increase funding and include Senate RAD changes to address public housing capital needs

What can you do to help achieve 2018 funding goals?

Education & Advocacy

- Help policymakers understand how HUD programs help their constituents
 - Site visits
 - Meetings
 - Op-eds or other media
- And the consequences of inadequate funding
 - E.g., impact of housing instability/homelessness on people and state/local budgets

Updated Housing Choice Voucher state fact sheets

Keep Up-to-Date

- Subscribe to periodic Housing Policy Updates:
<http://cbpp.us10.list-manage1.com/subscribe?u=fcb519d4a06d032e8e2bbf63f&id=8fdffd50b8>
- Housing publications:
<http://www.cbpp.org/topics/housing>
- Housing Choice Voucher state fact sheets:
<https://www.cbpp.org/housing-choice-voucher-fact-sheets>

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