**Policy/Advocacy Update – November 2014**

*Advocates continue to work with the Delegation on the following issues:*

* *Continued support for all HUD funding. Some particulars:* 
  + *Working to offset the 5.1% cuts to HUD (and other discretionary spending areas) enacted by sequestration. These cuts will affect the next nine years;*
  + *Continued support of Section 8 including renewal of all existing Housing Choice Vouchers in FY 2014, passage (assuming necessary revisions) of the Affordable Housing and Self-Sufficiency Improvement Act (AHSSIA), formerly SEVRA (Section Eight Voucher Reform Act), and support to provide additional funding for incremental vouchers allowing local strategies to end homelessness using deep subsidies coupled with services, such as HUD-VASH;*
  + *Fully funding McKinney Vento so that the HEARTH Act can be properly implemented;*
* *Funding for the National Housing Trust Fund;*
* *Continuation of the Low Income Housing Tax Credit program, including ensuring support for the continuation of the Community Reinvestment Act.*
* *Continued funding for the Runaway and Homeless Youth Act.*
* *Continued funding for PATH.*
* *Continued funding for DOJ grants for DV.*
* *Funding for SAMHSA grants for services.*
* *Funding for HOPWA*

**Federal Legislation Update:**

* **Congress has returned, as of November 12th and has begun committee nominations. Important election results:**
  + The House Republicans gained 10 seats to increase their majority to its largest majority in over 4 decades. The Senate is now a Republican Senate, with Senator Mitch McConnell (R-Kentucky) receiving a successful nomination as Senate Majority Leader. Neither the House nor Senate Republicans have a super-majority (2/3’s) needed to pass veto-proof legislation so collaboration is still needed to pass bills, including the FY 15 budget.
  + Senator Susan Collins successfully won re-election and is expected to become Chair of the Appropriations T-HUD committee.
  + Newly elected Congressman Bruce Poliquin is likely to receive a seat on the House Ways & Means Committee.
  + Congresswoman Chellie Pingree successfully won re-election.
* **Appropriations update**: The 2015 Transportation-HUD appropriations bills have not successfully moved through Congress. **Congress should restore the vouchers lost to sequestration** **by targeting 40,000 vouchers to vulnerable populations, namely the homeless, people with disabilities, and victims of domestic violence, and renew all vouchers in use in 2014**.

On 9/17, the House passed ([319-108](http://cts.vresp.com/c/?CenteronBudgetandPol/8374495698/bbee9fc5f6/fed13b9f96/CenteronBudgetandPol/5a970d6e8c/e0f13dc4a4/cc91c379ef)) with strong bipartisan support a $1.012 trillion continuing resolution (CR) to fund federal government programs through Dec. 11. The Senate followed suit on 9/18 ([78-22](http://cts.vresp.com/c/?CenteronBudgetandPol/8374495698/bbee9fc5f6/4cfb5f7dba/CenteronBudgetandPol/5a970d6e8c/e0f13dc4a4/43c5021523/congress=113&session=2&vote=00270)).  
   
The CR will have little or no effect on housing and community development programs.  HUD distributes funding for the public housing and Section 8 programs on a calendar year basis, and distributions will therefore be unaffected by a CR that extends only into December.  In addition, HUD will not award funding for major grant programs, such as HOME, CDBG, and McKinney homeless assistance, until after the final 2015 appropriations bill has been enacted; therefore, the final bill, and not the current CR, will determine final funding levels in those areas.

Three general outcomes appear possible now that Congress has returned.  First, Congress could reach agreement on allocations and negotiate a final omnibus spending bill that sets specific funding levels for all or most federal programs.  This will require reaching agreement on policy riders, as well as subcommittee allocations.  Second, Congress could pass a second short-term CR that would extend into the early months of next year, with the goal of returning in January to wrap up final appropriations under the new Congress.  Finally, Congress could approve a CR that would extend through September 30, 2015.  This might be the result, if Congress is unable to reach agreement on policy riders, and yet neither party wishes to start the new Congress with a fight on the 2015 budget.  Under a "full-year" CR, Congress would likely fund most federal programs at their 2014 levels, with a small number of exceptions.

* + **There is optimism regarding passing an Omnibus bill before the new Congress in January.**
* **House T-HUD:** The House bill provides $9.75 billion for Project-Based Rental Assistance (PBRA), a 1.7% reduction from the current FY 2014 funding level of $9.92 billion. This funding level is equivalent to the amount proposed in the President’s FY 2015 budget.
* **Senate T-HUD:** The Senate bill is a significant improvement over its House counterpart but still falls short in major respects. Like the House bill, it fails to restore the vouchers lost due to sequestration cuts in 2013, and, with the exception of 10,000 new vouchers for homeless veterans (HUD-VASH), fails to make progress on reducing homelessness. On the positive side, the Senate bill does provide substantially more funding than the House bill for public housing and for administrative fees for the Housing Choice Voucher program, as well as for the HOME block grant.
* **National Housing Trust Fund:** There is optimism regarding funding for the National Housing Trust Fund (NHTF). This would offer a small amount of resources (Maine would see the established state minimum of $3 million), but would still need rental subsidies to make it work.

**State Legislation Update:**

* **The Legislature has returned, as of November 12th and has begun committee nominations. Important election results:**
  + The House Republicans gained seats, but remains under Democratic control. Representative Mark Eves was unanimously voted in again as House Speaker. The Senate is now a Republican Senate, with Senator Michael Thibodeau being voted in as Senate President. Neither the House nor Senate Republicans have a super-majority (2/3’s) needed to pass veto-proof legislation so collaboration is still needed to pass bills.
* The Maine Department of Health and Human Services is asking a federal court to order Portland and Westbrook to comply with its new policy and stop giving General Assistance funds to undocumented immigrants. In a counterclaim filed by the DHHS in U.S. District Court, the state contends it will suffer “significant” and “irreparable harm” if the cities continue to give vouchers for food and housing to people who are not in the country legally. MMA’s lawsuit, with Portland and Westbrook as co-plaintiffs, is still pending.
  + The City of Portland has submitted for but not yet received GA reimbursement. Due to this the City is undergoing a spending/hiring freeze which includes (but is not limited to): No new hires, no approved overtime, and no approved travel. This is not expected to affect City of Portland residents, but will create a budget shortfall for the City.
* The Governor has stated that he will not renew the statewide waiver (for which Maine qualifies and has received since 2008) from a federal requirement that limits SNAP for many adults to 3 months every 3 years. Thousands of Mainers could be cut from SNAP as early as this December and be ineligible until October 2017, unless they are working or volunteering 20 hours a week. There was a public hearing on Wednesday, August 20th in Augusta.
* On Monday 11/17/14 the U.S. Court of Appeals for the First Circuit reaffirmed earlier rulings by the U.S. Department of Health and Human Services and the Centers for Medicaid and Medicare Services that Maine cannot drop Medicaid coverage for 19- and 20-year-olds whose individual or family incomes fall below 156% of federal poverty guidelines. This ruling will continue MaineCare coverage for 6,000 19 to 20-year-old low-income Mainers.