**Policy/Advocacy Update – March 2016**

**Federal Legislation Update:**

* **The President released his FY 17 budget proposal on February 9th.** In addition, HUD announced a legislative proposal where it will seek $11 billion in mandatory spending over the next 10 years to serve a total of 550,000 families with additional vouchers, permanent supportive housing, and rapid rehousing assistance.

Proposed HUD budget items of note:

* + **$18.447 billion for Section 8 Tenant Based Rental Assistance renewals**, an increase from the $17.681 billion enacted FY 16 funding.
  + **$7 million for VASH, a decrease compared to the FY 16 enacted level of $60 million.**
  + **$88 million for new/restored TBRA (Veterans, FUP, DV, etc.) – *New***
  + **$15 million for the Voucher Mobility Demonstration Program – *New –*** Designed to help families with housing vouchers move and stay in areas of opportunity.
  + **$10.816 billion for Project-Based Rental Assistance,** an increase compared to the FY 16 enacted level of $10.62 billion.
  + **$2.664 billion for Homeless Assistance Grants**, an increase compared to the FY 16 enacted level of $2.25 billion.
  + **$950 million for HOME funding**, level funding compared to the FY16 enacted funding level. However, the proposed budget also make the traditionally $10 million stand-along Self-Help Homeownership Opportunity Program a set-aside within the HOME program.
  + **$2.8 billion for CDBG**, a decrease from the FY 16 enacted level of $3 billion.
  + **$355 million for Housing Opportunities for Persons with AIDS (HOPWA)**, level funding compared to the FY 16 enacted level.
* **H.R. 3700, the Housing Opportunity Through Modernization Act (HOTMA) passed the House on 2/2 through a unanimous vote of all present**. It will move on to the Senate for consideration. CBPP explains that the bill would:
* Provide more flexibility to “project-base” vouchers to support affordable housing development and preservation and enable more homeless families or individuals with disabilities to live in appropriate housing.
  + It would raise the percentage of a housing agency’s voucher assistance that the agency can project-base from 20 percent to 30 percent, if the agency uses the added 10 percent: (a) for developments in areas where vouchers are difficult to use; (b) to house homeless people or veterans; or (c) to provide supportive housing to people with disabilities and the elderly. In addition, H.R. 3700 would permit agencies to provide project-based vouchers in 25 percent of a development’s units or 25 units in a development, whichever is greater, thereby allowing higher concentrations in small developments.
* Help address homelessness by 1) allowing local housing agencies to make greater use of project-based vouchers to assist the homeless (as well as veterans, the elderly, and people with disabilities); 2) revising the rules for inspecting units that families with tenant-based vouchers wish to rent in order to get vulnerable families into homes more quickly, while protecting them from eviction if subsidy payments to an owner are suspended because a unit has developed housing-quality violations; and 3) strengthening voucher assistance for former foster children, a group that faces a high risk of homelessness.
* Streamlining housing quality inspections in the voucher program to encourage more private owners to participate and enable families to occupy their homes more quickly and avoid a precipitous loss of housing if their homes fall into disrepair.
  + H.R. 3700 retains the inspection requirement for all units where vouchers are used but streamlines and improves the inspection process. It would allow agencies to make initial subsidy payments to owners even if the unit doesn’t pass the initial inspection, as long as the failure resulted from non-life-threatening conditions; defects would have to be corrected within 30 days of initial occupancy for payments to continue. It would also allow families to occupy units that have passed inspection under certain other federal programs (such as the HOME program, which funds housing development and rehabilitation), so long as the housing agency later inspects the unit under voucher program rules.
* Simplifying rules for setting tenant rent payments, while continuing to maintain key affordability protections.

Importantly, H.R. 3700 would make these improvements while leaving in place the core characteristics that have made federal rental assistance programs effective. It also would do so without raising costs; in fact, the Congressional Budget Office (CBO) estimated that H.R. 3700 would reduce program costs by $311 million over five years, with $195 million of that reduction stemming from the bill’s rental assistance provisions. (These figures do not reflect amendments that the House approved, but those will likely have only a modest net impact on costs)

* **S.993/H.R.1854, The Comprehensive Justice and Mental Health Act,** Introduced by Senators Franken (D-MN) - Cornyn (R-TX) and Representatives Collins (R-GA)-Scott (D-VA). The Comprehensive Justice and Mental Health Act (CJMHA) recently passed the Senate and the House Judiciary Committee with bipartisan support. It has beneficial provisions from the prospective of ending homelessness.  In Maine we have always seen a pattern where people with mental illness are swept into jails, as well as homeless shelters.  The people would be much better served and at far less cost in permanent supportive housing. The bill includes provisions around screening people who interact with the criminal justice system for mental health conditions and connecting them with services, at all points in the justice system from intake to transition.

**State Legislation Update:**

* Bills of note:
* **LD 873, Authorizes a General Fund $4M bond issue for housing for homeless veterans at Togus** – Assigned to the Appropriations and Financial Affairs Committee.
* **LD 1188, An Act To Implement a Rental Assistance Program for Low-income Households and Individuals.** The Affordable Housing Workgroup presented its recommendations, followed by a public hearing on Tuesday, 1/26/16.
* **LD 1607**, **An Act To Implement the Recommendations of the Maine Affordable Housing Working Group,** was reported out by the Labor, Commerce, Research and Economic Development for the purpose of turning the working group's recommendations into a printed bill.  **The bill will have both a public hearing and a work session on 3/3**.  The bill would direct MaineHousing and local housing authorities to develop a single universal application to apply for tenant-based Section 8 and establish a state-wide, centralized waiting list for tenant-based rental assistance as well as a method for applicants to submit and update applications for rental assistance by electronic means.  The bill would provide that MaineHousing and DHHS ensure that this application may be used to apply for BRAP and Shelter Plus Care.  The bill would also direct MaineHousing to explore options to increase access to affordable housing for Extremely Low Income (30% AMI) households.  Finally, MaineHousing would work with local PHAs to identify “unused vouchers” under HUD’s HCV Program and use these vouchers to establish a pilot rental assistance program.  MaineHousing would implement the program based on “best practices and evidence-based research to provide a comprehensive approach to prevent homelessness and promote housing stability, family well-being and self-sufficiency for families at risk of homelessness.”
* **LD 1473, Resolve to Increase Access to Opiate Addiction Treatment in Maine.** Work session held on 2/10.
* **LD 1496, An Act to Support Maine People in Recovery.** Work session held on 2/10.
* Senator Tom Saviello says he is sponsoring a bill to expand MaineCare to what he calls 70,000 low-income, hard-working Mainers.