

Federal Legislation Update – Short Version

BUDGET & FUNDING-RELATED ITEMS - Updates

FEMA Hotels – Update – On 3/1 it was announced that FEMA funding for hotels as non-congregate shelter has been extended until 7/1 (previously set to expire on 4/1).

American Rescue Plan Act (ARPA) funding & LIHTC – New – Currently ARPA funding does not blend well with the Low-Income Housing Tax Credit (LIHTC program), thwarting states' ability to leverage ARPA funds for the creation of affordable housing. Efforts are underway to correct this, with the hope that bipartisan legislation will be introduced correcting this oversight/error.

FY 23 Budget – New – On 3/24 President Biden released his FY 23 budget, which per CBPP “calls for a range of policies that would boost opportunity and reduce poverty, improve health and well-being, and advance widely shared prosperity, funded by proposals to make the nation’s tax system stronger and fairer.” “The Administration recognizes that discussions with Congress on an economic package are ongoing. Rather than laying out specific proposals for that package in its budget, it calls on Congress to craft an economic package that reduces costs for families, tackles climate change, and raises revenues to pay for these investments and shrink the deficit.” The proposed budget funds HUD programs at \$71.9 billion, \$6.2 billion more than the final FY 22 level. Specifically the President’s Budget would provide:

- **\$32.1 billion for HCVs**, an increase of \$6.4 billion (including emergency funding) over the 2021 enacted level, to maintain services for all currently assisted families and to expand assistance to **an additional 200,000 households**, particularly for those who are experiencing homelessness or fleeing, or attempting to flee, domestic violence or other forms of gender-based violence.
- Sufficient funding to renew all existing Project-Based Section 8 (\$1 billion increase).
- \$3.6 billion (11% increase) for Homeless Assistance Grants to meet renewal needs and expand assistance to nearly 25,000 additional households, including survivors of domestic violence and homeless youth.
- \$2.7 billion to Veterans’ homelessness programs, with the goal of ensuring every veteran has permanent, sustainable housing with access to healthcare and other supportive services to prevent and end veteran homelessness.
- Nearly \$2 billion for the HOME Investment Partnerships Program (HOME) (30% increase), to construct and rehabilitate affordable rental housing and provide homeownership opportunities. If enacted, this would be the highest funding level for HOME in nearly 15 years.
- \$86 million in grants to support State and local fair housing enforcement organizations and to further education, outreach, and training on rights and responsibilities under Federal fair housing laws. The Budget also invests in HUD staff and operations capacity to deliver on the President’s housing priorities, including to lift barriers that restrict housing and neighborhood choice, affirmatively further fair housing, and provide redress to those who have experienced housing discrimination.
- \$3.8 billion for the Community Development Block Grant program to help communities modernize infrastructure, invest in economic development, create parks and other public amenities, and provide social services. The Budget includes a targeted increase of \$195 million to spur equitable development and the removal of barriers to revitalization in 100 of the most underserved neighborhoods in the United States.
- \$1 billion to fund tribal efforts to expand affordable housing, improve housing conditions and infrastructure, and increase economic opportunities for low-income families. Of this total, \$150 million would prioritize activities that advance resilience and energy efficiency in housing-related projects.
- \$180 million to support 2,000 units of new permanently affordable housing specifically for the elderly and persons with disabilities, supporting the Administration’s priority to maximize independent living for people with disabilities. To complement these investments, the Budget contains a total of \$50 billion in mandatory funding and additional Low-Income Housing Tax Credits to increase affordable housing development. Specifically, the Budget provides \$35 billion in HUD funding for State and local housing finance agencies and their partners to provide grants, revolving loan funds, and other streamlined financing tools that reduce transactional costs and increase housing supply, as well as grants to advance State and local jurisdictions’ efforts to remove barriers to affordable housing development.
- \$15 million to test new ways to enable low-income youth with disabilities—including youth who are in foster care, involved in the justice system, or are experiencing homelessness—to successfully transition to employment.

FY 22 Budget – Update – The House voted on 3/9, with the Senate following suit on 3/10, on a final deal to fund the government for FY22 through an omnibus spending package.

FY 22 T-HUD Budget – Update – T-HUD funding was included as part of the larger omnibus package for FY 22. Overall, the spending bill provides HUD programs with \$53.7 billion, or \$4 billion above FY21 enacted levels. Despite this increase, overall the bill funds HUD programs less than the president’s FY22 budget request, the House proposal, and the Senate proposal. Per the CBPP the bill provides:

- \$24.1 billion to fully renew existing vouchers; and
- \$280 million for new Housing Choice Vouchers, which CBPP estimates will fund approximately 30,000 new vouchers:
 - \$30 million for the Family Unification Program (FUP) to assist families and foster youth;

- \$50 million for HUD-VASH to help veterans experiencing homelessness;
- \$200 million for new vouchers without special targeting (although HUD is permitted to add requirements to ensure vouchers go to people experiencing or at risk of homelessness and domestic violence survivors).
- \$3.2 billion for Homeless Assistance Grants, an increase of about \$200 million;
- \$114 million for the McKinney-Vento Act’s Education for Homeless Children and Youth (EHCY) program (7% increase from FY 21); and
- \$140.3 million for the Runaway and Homeless Youth Act (RHYA) programs. (2.6% increase from FY 21).

The bill does not include the House Appropriators’ proposed expansion of Housing Choice Vouchers to an additional 125,000 households.

Congress’ Budget Resolution & “Build Back Better Act” Infrastructure Reconciliation Package — On 11/5, the House passed the \$1.2 trillion bipartisan infrastructure bill, which the House had previously tied to the passage of Build Back Better.

-On 11/19 the House voted to approve the Build Back Better Act.

-On 12/20, Sen. Manchin announced he will not vote for the bill, thwarting its ability to pass. The White House and congressional leadership have pledged to continue working on the bill until it is enacted. Senate Majority Leader Schumer said he will bring up the bill for a vote in the new year. As negotiations in the Senate continue, the bill will likely be significantly reworked and some priorities in the bill may be removed altogether. Advocates are urging senators to retain the historic investment in affordable housing.

Update – **On 1/19, President Biden stated at a press conference that the Build Back Better Act will likely be “substantially slimmed down” before it’s enacted. Recent reports suggests that housing is not currently included in the priorities for the reconfigured/slimmed down bill.**

-As passed by the House, the Build Back Better Act is a \$1.75 trillion package – negotiated down from \$3.5 trillion – and includes \$150 billion in affordable housing investments, including:

- \$25 billion in rental assistance for hundreds of thousands of households
- \$65 billion to preserve our nation’s public housing infrastructure
- \$15 billion for the national Housing Trust Fund (HTF) to build and preserve over 150,000 homes affordable to extremely low-income households.

This is less than the original proposed \$330 billion in affordable housing, but is still the most substantial federal investment in quality, stable, affordable homes for the country’s lowest-income people ever (per NLIHC). The bill includes an additional investment of \$150 billion for Home and Community-Based Services. These services can help older adults and people with serious disabilities, including those who have experienced homelessness and now have access to housing, to receive essential services to assist them to retain that housing and be connected to their communities. The extension of the refundable Child Tax Credit will also provide those eligible families experiencing homelessness with much needed income.

BILLS - Updates

Homes for All Act – New – On 3/24 Congresswoman Omar reintroduced the Homes for All Act. The bill would invest \$1 trillion in dramatically expanding public housing and the national Housing Trust Fund and would guarantee housing as a human right. The Homes for All Act would invest \$800 billion over 10 years to build 8.5 million new units of public housing. The bill would also invest an additional \$200 billion over 10 years in the national Housing Trust Fund to build 3.5 million new permanently affordable homes for extremely low-income families. The bill would repeal the Faircloth Amendment (which currently prohibits the creation of additional public housing), make ongoing public housing operating and capital expenses mandatory, and create a new program to help protect families from gentrification and displacement.

HR 7196 Flexibility in Addressing Rural Homelessness Act – New – On 3/24 Congresswoman Axne and Congressman Frank introduced the “Flexibility in Addressing Rural Homelessness Act”. The bipartisan Act would allow Continuums of Care in rural areas to operate with more flexibility in spending homelessness funding provided through the “McKinney-Vento Homeless Assistance Act.” The legislation would allow McKinney-Vento funding to be used for short-term emergency housing in motels or hotels, repairs to make housing fit for habitation, and staff training and capacity building

Housing for All Act of 2022 – New – On 2/25 Senator Padilla introduced the Housing for All Act of 2022. The bill’s stated purpose is: “To address the homelessness and housing crises, to move toward the goal of providing for a home for all Americans, and for other purposes.” The bill would address the severe shortage of 6.8 million affordable homes for renters with the lowest incomes by investing in proven solutions to housing instability among the lowest-income households, including:

- The national Housing Trust Fund (\$45 billion);
- Supportive housing programs for the elderly and people with disabilities (\$900 million);
- HOME Investment Partnership Programs (\$40 billion);
- Housing Choice Vouchers (Expands the housing choice voucher program to provide assistance to homeless individuals and families and creates an entitlement to housing choice vouchers for extremely low income families);
- Project-Based Rental Assistance (\$14.5 billion);
- ESG (\$5 billion over 10 years);
- CoC Grants (\$15 billion over 10 years);
- Hotel/motel acquisitions and conversions to housing or non-congregate shelter (\$500 million); and

- Permanently reauthorize USICH.

HR 6693 Asylum Seeker Work Authorization Act – New – On 2/10 Congresswoman Pingree reintroduced her Asylum Seeker Work Authorization Act, which would reduce the 365-day waiting period for Asylum seekers to obtain work authorization to 30 days. The bill makes no changes to law or regulation relating to the asylum process. Senator Collins and Senator Sinema introduced a companion bill in the Senate (co-sponsored by Senator King).

The Decent, Affordable, Safe Housing for All (DASH) Act – No new update – On 8/18 Senate Finance Committee Chair Ron Wyden (D-Ore.) announced the DASH Act, legislation to make a generational investment to house all people experiencing homelessness, tackle the housing affordability crisis, and expand homeownership opportunities for young people by creating a new down payment tax credit for first-time homebuyers. The DASH Act would make stable, safe and decent housing available for all by:

- Housing everyone experiencing homelessness within five years, and prioritizing children and families for placement, by issuing them a Housing Choice Voucher, because young children are heavily impacted by housing instability, and because housing is a chief determinant of health;
- Expanding health, child care, financial and nutrition services for families and individuals to stay on a path to unassisted housing stability, because the climb out of housing poverty is nearly impossible to complete alone;
- Greatly increasing the production of deeply affordable housing for families exiting homelessness and for low-income households by investing in effective, efficient existing programs and reforming the tax code to strengthen the Low-Income Housing Tax Credit (LIHTC) to weather the economic fallout from the pandemic, as well as establish a Renter's Tax Credit and Middle-Income Housing Tax Credit (MIHTC);
- Investing in homeownership in underserved communities and for low income Americans with new tax credits and down payment assistance, including a down payment tax credit for first-time homebuyers; and
- Incentivizing environmentally-friendly development strategies and land use policies.

S 1469/HR 6287 Homeless Children and Youth Act – No New Update– On 12/14 the Homeless Children and Youth Act was introduced in the House by Congresswoman Sherrill and Congressman Van Taylor, and co-signed by nine other members of Congress. It was previously introduced in the Senate on 4/29 by Senators Feinstein, Portman, and Baldwin. HCYA corrects flaws in the HUD homeless assistance system. It aligns the HUD definition of homelessness with the definitions utilized by other federal agencies, increases data transparency within the current system, and allows localities to prioritize program models that best meet the needs of their communities.

S 3350 Helping Foster and Homeless Youth Achieve Act – No New Update – On 12/9 the Helping Foster and Homeless Youth Achieve Act was introduced in the U.S. Senate by Senators Jacky Rosen (D-NV) and Rob Portman (R-OH). This bipartisan legislation removes barriers to higher education for youth experiencing homelessness and youth formerly in foster care by requiring federally-funded institutions of higher education waive application fees for foster and homeless youth. Waiving the barrier of application fees will increase access to postsecondary education for homeless and foster youth.

RULES – No New Updates

State Update: Per Statute, the 2nd Regular Session of the 130th Legislature (the “short session”) begins the first Wednesday after the first Tuesday of January (1/12/22) and concludes the third Wednesday in April (4/20/22). Cloture, that date when bill titles must be submitted for consideration, is on 9/24.

Governor Mills announces FY22/FY23 Supplemental Budget (LD 1995) – New – On 2/15 Governor Mills introduced a supplemental budget proposal that returns half of the surplus back to Maine taxpayers, delivers crucial tax relief to working Maine families, and provides two years of free community college to pandemic-impacted students to strengthen Maine’s workforce. It also increases the Budget Stabilization Fund to more than \$500 million. [The full Supplemental Budget Bill Language, which is 48 pages long, can be found by clicking this link](#); [Part A, which includes the specific line items and is 158 pages long, can be found by clicking this link](#)).

Initiatives and budget items in the Supplemental Budget include, but are not limited to:

- \$30 million from the General Fund to fully implement updated rates for direct support worker wages, add and accelerate new cost-of-living adjustments for rates, and raise rates to be sufficient to pay direct support professionals at 125 percent of minimum wage.
- \$27.6 million in ongoing General Fund dollars so families can afford necessities and fight poverty by increasing the value of Maine’s Earned Income Tax Credit (EITC), which provides a refundable tax credit to working Maine people and families.
- Part U: Establishes the Housing Opportunity Program within the Department of Economic and Community Development to encourage and support the development of additional housing units in Maine, including housing units that are affordable to low and moderate income people and housing units targeted to community workforce housing needs. Included within Part U are Service Provider Grants and Community Housing Incentive Program grants ([Page 28 of the Supplemental Budget Bill Language](#)).
 - Proposed Funding ([page 45 of Part A](#)): Competitive grants to regional service providers to support town housing ordinance development, planning board and public processes in participating municipalities: \$1,000,000 in FY 23; Community housing implementation grants to towns: \$1,550,000 in FY 23;

- \$487,063 (page 85) and \$1,512,937 (page 98) in FY 23: Funding for homeless youth services in the Mental Health Services – Children program and the Homeless Youth Program ([page 85 and 98 of Part A](#)).
- \$831,880 in FY 23: Funding for 8 Behavioral Health Program Coordinators within the Department of Public Safety ([page 150 of Part A](#)).
- Nearly \$12 million in unappropriated funding for the discretion of lawmakers.

Governor Mills announces change package for FY22/FY23 Supplemental Budget – New – On 3/18 Governor Mills released her change package for the FY22/23 Supplemental Budget. The changes package includes (among various other budget initiatives):

- \$22 million in one-time General Fund dollars to create an Emergency Housing Relief Fund at MaineHousing to address homelessness, including providing rental assistance or appropriate housing for those who are staying in hotels or to create additional permanent supportive housing for people with disabilities, mental health challenges, or substance use disorder;
- An additional \$19.7 million in state funding to address immediate needs in Maine’s behavioral health system and support ongoing improvements to MaineCare rates for behavioral health providers. The added funding will leverage \$17.1 million in Federal matching funds for a total of \$36.8 million, which more than doubles the total behavioral health funding proposed (\$28 million) in the supplemental budget. The proposal supports children’s residential care, assertive community treatment (ACT) for those with severe and persistent mental illness, targeted case management (TCM), and outpatient therapy for children and adults through one-time supplemental payments and ongoing rate adjustments – services that were included in a set of four bills that passed unanimously in 2021 (LDs 432, 582, 496, and 415) but were on the Special Appropriations Table awaiting funding at the end of last session and were then carried over.; and
- Leaving an additional \$8 million, for a total of \$20 million, unallocated and at the discretion of lawmakers

BILLS

Please see the attached Bill Tracking Document for information on Bills in the Second Session of the 130th Legislature.