

## Federal Legislation Update

## BUDGET &amp; FUNDING-RELATED ITEMS - Updates

➡ **Potential Tax Extenders package – New** – Per NLIHC: Congress may enact a tax extenders package before the end of 2022. Many tax provisions are authorized for only a set number of years, leaving Congress to reevaluate them prior to their expiration and decide whether to extend them. With a number of tax provisions up for extension at the end of this year, the tax extenders package presents an opportunity to make needed legislative changes to LIHTC program so that it better serves households with the lowest incomes.

➡ **FY 23 Budget – Update** – The President signed a short-term Continuing Resolution (CR) on 9/30, averting a government shutdown. The CR funds the federal government at FY 22 levels through 12/16, when Congress would have to either pass an Omnibus spending bill for FY 23 or another CR. Congress Members have left the Capitol to campaign in their home districts/states with both Chambers returning to DC in mid-November (the week of 11/14) for a one-week session before leaving again for the Thanksgiving break. Congressional and appropriations staff have continued behind-the-scenes discussions over a final FY 23 spending bill.

**Senate FY 23 T-HUD Budget – No new update** – On 7/28 the Senate released its FY 23 T-HUD Budget, which would provide \$70 billion in funding, including \$10.3 billion in offsets, for HUD's affordable housing, homelessness, and community development programs – an increase of \$4.3 billion over FY22-enacted levels but \$3 billion less than the House bill and \$1.9 billion less than the amount proposed in President Biden's FY23 budget request. Some programs would be funded at levels higher than the House bill, while others would receive less funding than FY 22 enacted levels or the amounts proposed by the House. The Senate bill would provide:

- \$30.18 billion for HCVs, an increase of \$2.8 billion over FY22-enacted levels and likely enough funding to renew all existing contracts. The Senate bill would only expand rental assistance to approximately 5,000 additional households.
- \$50 million in new Incremental Section 8 vouchers.
- \$85 million for new HUD-VASH – when combined with the current unused HUD-VASH it is estimated that it will be enough for every homeless Veteran nationally.
- \$14.687 for Project-Based Section 8.
- \$3.545 billion for Homeless Assistance Grants.
- \$100 million for the construction of new permanent supportive housing, with \$30 million of this set-aside for smaller states (a population less than 3 million) to have the first go at it.
- \$52 million for Rapid Rehousing for victims of domestic violence.
- \$107 million for youth homelessness, including new YHDP grants for CoCs that have not yet successfully applied.
- \$4.818 billion for the Community Development Block Grant program.
- \$1.725 billion for the HOME Investment Partnership Program.
- \$1.03 billion for the Section 202 Housing for the Elderly Program.
- \$468 million for HOPWA.
- \$3.405 billion for the Public Housing Capital Fund.

**House FY 23 T-HUD Budget – No new update** – On 7/20, the House passed its FY 23 T-HUD bill which would provide nearly \$63 billion for HUD's affordable housing, homelessness, and community development programs – an increase of \$9 billion over FY22-enacted levels. If enacted, the House proposal would provide substantial federal investments in affordable homes and increase the availability of housing assistance to families with the greatest needs. The bill proposes significant increases to nearly all HUD programs compared to FY22. The bill would provide:

- \$31.04 billion to renew all existing HCVs and to expand assistance to an additional 140,000 households.
- \$14.94 billion for Project-Based Section 8.
- \$3.604 billion (11% increase) for Homeless Assistance Grants.
- \$5.3 billion for the Community Development Block Grant program.
- \$1.675 billion for the HOME Investment Partnership Program.
- \$1.2 billion for the Section 202 Housing for the Elderly Program.
- \$600 million for HOPWA.
- \$3.67 billion for the Public Housing Capital Fund.

Some programs received more modest funding increases compared to FY22, including Section 811 Housing for Persons with Disabilities (\$400 million), Housing Counseling (\$70 million), Policy Development and Research (\$160 million), and fair housing programs (\$86 million). Other programs received level funding compared to FY22, including Public Housing Operating Funds (\$5.063 billion), tribal housing programs (\$1 billion), and legal aid for eviction prevention (\$20 million).

**HUD MAKES \$174.6 MILLION IN GRANT FUNDING AVAILABLE FOR CONSTRUCTION AND ONGOING PROJECT-BASED RENTAL ASSISTANCE FOR LOW-INCOME SENIORS – No new update** – On 9/15 HUD announced the availability of up to \$174.6 million in grant funding opportunities through a [Notice of Funding Opportunity](#) (NOFO) to support the development of new affordable multifamily rental homes for low-income seniors along with ongoing project rental assistance and supportive services. The grants

are offered under HUD's Section 202 Supportive Housing for the Elderly program and will be awarded to non-profit organizations across the country. HUD will award Section 202 grant funds to non-profit organizations in two forms:

- **Capital Advances:** This funding covers the cost of developing, acquiring, or rehabilitating an eligible property. Repayment is not required if the housing remains available for occupancy by very low-income elderly persons for at least 40 years.
- **Project Rental Assistance Contracts:** This renewable project-based funding covers the difference between residents' contributions toward rent and the cost of operating the project. Section 202 program eligibility requires residents to be very low-income or earning less than 50 percent of the area median income. Most households in the Section 202 program earn less than 30 percent of the median income for their area.

**President Biden's National Strategy on Hunger, Nutrition, and Health – No new update** – On 9/27 the Biden Administration announced its [plan to end hunger](#) in the US by 2030. Under the Plan, SNAP eligibility would be expanded, children would get better access to free meals, and summer benefits would be extended to more school-aged children. These changes would require congressional approval.

#### **BILLS - Updates**

**S 4916 / HR 8948 Runaway and Homeless Youth and Trafficking Prevention Act (RHYTPA) of 2022– No new update**– Senators Collins (R-ME) and Leahy (D-VT) and Representatives Yarmuth (D-KY) and Bacon (R-NE) introduced the bipartisan, bicameral [Runaway and Homeless Youth and Trafficking Prevention Act \(RHYTPA\) of 2022](#). This legislation will fully reauthorize, update, and expand the vital Runaway and Homeless Youth Act (RHYA) (42 U.S.C. 5701 et. seq.) program. This bill makes critical updates to the existing program, which include:

- Comprehensively addresses the needs of youth experiencing homelessness and youth survivors of trafficking human.
- Prevents human trafficking and chronic adult homelessness.
- Enshrines into law mandatory nondiscrimination practices.
- Authorizes waivers to program requirements in extraordinary circumstances, such as natural disasters, public health emergencies, or financial crisis.
- Requires grantees to assist youth in completing the Free Application for Federal Student Aid.
- Authorizes over \$350M per year for RHYA services.

**President Biden's Housing Supply Action Plan – No new update** – On 5/16 the White House released a comprehensive plan for combatting one of the major causes of inflation: the rising cost of rent and the severe shortage of homes affordable and available to America's lowest-income and most marginalized households. The "Housing Supply Action Plan" includes a series of measures designed to increase the supply of housing over the next five years, including (1) using federal transportation funds to incentivize jurisdictions to reduce restrictive local zoning laws; (2) supporting manufactured housing, accessory dwelling units, and small-scale developments; and (3) streamlining federal financing and funding sources to help lower costs and speed development. On 10/7, the Administration released a [Progress Report on the Housing Supply Action Plan](#), the highlights of which include some HUD achievements:

- HUD recently released a new "[Quick Guide on Increasing the Supply of New Affordable Housing](#)" to assist state and local governments in the utilization of their Community Planning and Development (CPD) funds to increase their supply of new affordable housing units.
- [HUD and DOT announced](#) funding available for the new Thriving Communities Technical Assistance program to improve the coordination of housing and transportation planning and increase housing supply alongside infrastructure and transit investments. Applications are due 11/22/22. Learn more at HUD and DOT's sites:
  - HUD: <https://www.huduser.gov/portal/nofos/thriving-communities.html>
  - DOT: <https://www.transportation.gov/grants/thriving-communities>
- HUD's progress with the Federal Financing Bank's Risk Sharing program – since relaunch, HUD has committed more than \$1.6 billion to create and preserve more than 9,000 homes.
- HUD's partnership with Treasury to help governments layer American Rescue Plan funds (the State and Local Fiscal Recovery Funds) with other sources of federal funding.

**HR 7716 Coordinating Substance Use and Homelessness Care Act of 2022– No new update** – On 5/11 Congresswoman Madeleine Dean introduced the Coordinating Substance Use and Homelessness Care Act of 2022. On 5/17 the House ordered to be Reported in the Nature of a Substitute by the Yeas and Nays: 27 – 22. This bill would establish a grant program through HUD to award competitive grants to eligible entities to build or increase their capacities for the better coordination of health care and homelessness services for people who are experiencing homelessness and significant behavioral health issues, including substance use disorders, and are voluntarily seeking assistance.

**S 2182, The Eviction Crisis Act – No new update**– In 2021, Senators Michael Bennet (D-CO), Rob Portman (R-OH), Sherrod Brown (D-OH) and Todd Young (R-IN) introduced the Eviction Crisis Act. Opportunity Starts at Home, a coalition of national organizations seeking a solution to the eviction crisis have also endorsed this legislation. The bill would provide \$3 billion annually to fund the Emergency Assistance Fund to help low-income households who experience a catastrophic unexpected event that threatens their ability to remain stably housed and potentially fall into homelessness. Examples are fluctuation in income, car repairs, or medical bills. Work is underway to have Senator Collins and Senator King co-sponsor this legislation.

**HR 7191 Homes for All Act – No new update** – 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 – No new update** – On 3/24 Congresswoman Axne and Congressman Frank introduced the “Flexibility in Addressing Rural Homelessness Act”. On 5/17 the House ordered to be Reported in the nature of a Substitute by Voice Vote. 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

**S 3788/HR 6989 Housing for All Act of 2022 – No new update** – On 2/25 Senator Padilla introduced the Housing for All Act of 2022 (companion bill introduced in the House on 3/9). 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 – No new update** – 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 (S 3665) (co-sponsored by Senator King).

**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**

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**State Update: On 5/9 the Legislature Adjourned Sine Die.**