

HAC News

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House subcommittee marks up USDA funding bill. On June 17, the Agriculture

Appropriations Subcommittee reviewed an agriculture appropriations bill for fiscal year 2018. The full committee has not yet considered the bill.

The subcommittee's bill does not eliminate rural housing programs, as the Administration <u>proposed</u>. It does reduce funding for many programs below FY17 levels (see table below). It also follows the Administration in defunding the Rural Community Development Initiative, a capacity-building program. It adopts the Rural Economic Infrastructure Account proposed in the Administration's budget, and moves several Rural Development programs into that pool: Section 504 grants, Section 533 grants, community facilities grants, grants for telemedicine distance learning, and broadband transmission grants. The House would provide \$122.7 million for the new account rather than the \$162 million proposed by the Administration. Like the Administration's budget, the House would set aside half of its funding total – \$60 million – for Appalachia. The House also establishes a minimum amount for each program, 15 percent of the total, or \$18.4 million. It is not entirely clear whether that minimum would apply to Section 504 and 533 combined, or to each separately.

For rental housing preservation, the House bill follows the <u>final FY17 appropriations law</u>. Like that legislation, it does not extend the voucher program to cover properties where mortgages matured, but it does require USDA to help nonprofits and PHAs to preserve rental properties. Nonprofits and PHAs would be allowed to receive returns on investment and asset management fees when purchasing rental properties to preserve them.

			FY18 Trump	
USDA Rural Dev. Prog.			Budget	House Subcmte.
(dollars in millions)	FY16 Approp.	FY17 Approp.	<u>Proposal</u>	<u>Draft</u>
502 Single Fam. Direct	\$900	\$1,000	0	\$900
Self-Help setaside	5	5	0	5
502 Single Family Guar.	24,000	24,000	24,000	24,000
504 VLI Repair Loans	26.3	26.3	0	24
504 VLI Repair Grants	28.7	28.7	a	a
515 Rental Hsg. Direct Lns.	28.4	35	0	28.4
514 Farm Labor Hsg. Lns.	23.9	23.9	(-11) ^b	d
516 Farm Labor Hsg. Grts.	8.3	8.3	0	d
521 Rental Assistance	1,390	1,405°	1,345	1,345
523 Self-Help TA	27.5	30	(-4)b	25
533 Hsg. Prsrv. Grants	3.5	5	0	a
538 Rental Hsg. Guar.	150	230	250	230
Rental Prsrv. Demo. (MPR)	22	22	(-4)b	15
542 Rural Hsg. Vouchers	15	19.4	16	20
Rural Cmnty. Dev't Init.	4	4	0	0

- a. Would become part of Rural Economic Infrastructure Grant program.
- **b.** Budget proposes to rescind unobligated funds from three programs: \$11 million from Sec. 523 self-help, \$4 million from Sec. 514/516 farm labor housing, and \$4 million from MPR.
- **c.** Includes \$40 million in advance funding for FY18, so total available in FY17 is \$1.365 billion and total available in FY18 would be \$1.385 billion.
- **d.** The program levels for Section 514 and 516 are not available yet; they will be specified in the report that will be prepared when this bill is considered by the full House Appropriations Committee. The bill does provide the "budget authority," which is the actual cost to the government. For grant programs, the budget authority is the same as the program level. For loans, the budget authority is less than the program level, and the calculation changes from year to year depending on variables such as interest rates. In FY17, budget authority of \$15.387 million yielded \$23.9 million in Section 514 loans and \$8.3 million in Section 516 grants. This FY18 bill provides \$10.008 million in budget authority. The total program level will be somewhat higher than \$10.008 million, but probably not as high as the FY17 program amounts.

HUD markup set for July 11. The House Transportation-HUD Appropriations Subcommittee will review its draft FY18 spending bill on July 11. HAC will post more information at <u>ruralhome.org</u> as soon as the bill's funding levels are available.

Funding for 2020 Census falls short in House spending bill. The line items that cover preparations for the 2020 Census and the American Community Survey need at least \$1.8 billion rather than the \$1.507 billion offered in the <u>FY18 Commerce-Justice-Science appropriations</u> bill marked up by a House <u>subcommittee</u> on June 28, according to the <u>Census Project</u>.

FY18-20 housing goals proposed for Fannie Mae and Freddie Mac. <u>Comments</u> are due September 5 on the Federal Housing Finance Agency's <u>suggested goals</u> for purchases of single-family and multifamily mortgages over the next three years. (These goals are separate from the Duty to Serve requirements.) For more information, contact Ted Wartell, FHFA, 202-649-3157.

National Week of Action on housing set for July 22-29. The Campaign for Housing and Community Development Funding (CHCDF) and other state, local, and national leaders invite everyone to participate in <u>Our Homes, Our Voices</u> to bring more attention to America's affordable housing crisis.

Research finds housing discrimination against same-sex couples and transgender individuals. The <u>Urban Institute</u> conducted studies in the Dallas-Fort Worth, Los Angeles, and Washington, DC, metro areas using paired testing, a technique that allows comparison of how housing providers treat different applicants. UI found that in the early stages of the rental search process, housing providers discriminate against gay men and transgender people on some treatment measures but treat lesbians and heterosexual women comparably.

HAC webinar: "An Introduction to Proposal Writing for Nonprofits"

Thursday, July 13, 2017 2:00-3:00 Eastern Time

If you're new to grant and proposal writing, or if you want a quick refresher, this webinar is for you! Join HAC experts as we break down the elements of a funding proposal and identify the features of strong, successful proposals.

Registration capacity for this webinar is limited. Please register only if you are sure you will be able to attend. Registration will remain open until 30 minutes prior to the event start time.

Housing Assistance Council

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