



Housing Assistance Council
HAC News

Final FY17 spending agreement supports USDA and HUD housing. The omnibus spending bill for FY17 provides full funding for USDA and HUD housing programs, rejecting cuts proposed by the Trump Administration. It increases funding for Section 502 direct loans, Section 523 self-help, and Section 515, and provides the full \$1.405 billion in Section 521 Rental Assistance funding requested by the Obama Administration. For details on the bill's provisions relating to rural rental housing preservation, visit HAC's website.

USDA Rural Dev. Prog. (dollars in millions)	FY16 Approp.	FY17 Obama Budget Proposal	FY17 House Cmte. Bill (H.R. 5054)	FY17 Senate Cmte. Bill (S. 2956)	FY17 Omnibus (H.R. 244)
502 Single Fam. Direct Self-Help setaside	\$900 5	\$900 0	\$1,000 5	\$900 5	\$1,000 5
502 Single Family Guar.	24,000	24,000	24,000	24,000	24,000
504 VLI Repair Loans	26.3	26.3	26.3	26.3	26.3
504 VLI Repair Grants	28.7	28.7	28.7	28.7	28.7
515 Rental Hsg. Direct Lns.	28.4	33.1	35	40	35
514 Farm Labor Hsg. Lns.	23.9	23.9	23.9	23.9	23.9
516 Farm Labor Hsg. Grts.	8.3	8.3	8.3	8.3	8.3
521 Rental Assistance	1,390	1,405	1,405	1,405	1,405
523 Self-Help TA	27.5	18.5	30	27.5	30
533 Hsg. Prsrv. Grants	3.5	0	5	3.5	5
538 Rental Hsg. Guar.	150	230	200	230	230
Rental Prsrv. Demo. (MPR)	22	19.4	22	22	22
542 Rural Hsg. Vouchers	15	18	18	18	19.4
Rural Cmnty. Dev't Init.	4	4	4	4	4

The omnibus provides full renewal funding for HUD programs, including CDBG, HOME, and SHOP, which would have been eliminated by the Trump Administration's proposal. It also includes \$10 million for Section 202 that HUD can use either for new construction – the first such funding since 2011 – or for new Senior Preservation Rental Assistance Contracts.

HUD Program (dollars in millions)	FY16 Approp.	FY17 Obama Budget Proposal	FY17 House Subcmte. Bill (H.R. 5394)	FY17 Senate Cmte. Bill (H.R. 2844)	FY17 Omnibus (H.R. 244)
Cmty. Devel. Fund	\$3,060	\$2,880	\$3,060	\$3,000	\$3,060
CDBG	3,000	2,800	3,000	3,000	3,000
HOME	950	950	950	950	950
Self-Help Homeownshp. (SHOP)	10	10 ^a	10	10	10
Tenant-Based Rental Assistance	19,628	20,854	20,189	20,432	20,292
VASH setaside	60	7 ^c	7 ^c	57	47 ^d
Project-Based Rental Assntnce.	10,622	10,816	10,901	10,901	10,816
Public Hsg. Capital Fund	1,900	1,865	1,900	1,925	1,942
Public Hsg. Operating Fund	4,500	4,569	4,500	4,675	4,400
Choice Neighbrhd. Initiative	125	200	100	80	137.5
Native Amer. Hsg. Block Grant	650	700	655	647	654
Homeless Assistance Grants ^b	2,250	2,664	2,487	2,330	2,383
Hsg. Opps. for Persons w/ AIDS	335	335	335	335	356
202 Hsg. for Elderly	432.7	505	505	505	502.4
811 Hsg. for Disabled	150.6	154	154	154	146.2
Fair Housing	65.3	70	65.3	65	65.3
Healthy Homes & Lead Haz. Cntl.	110	110	130	135	145
Housing Counseling	47	47	55	47	55
Local Housing Policy Grants	-	300	-	-	-

a. The FY17 Obama Administration budget, like past budget requests, proposed to make SHOP a setaside in HOME. b. Includes the Rural Housing Stability Program, which is not yet operational. c. Tribal VASH setaside. d. \$7 million for tribal VASH and \$40 million for VASH.

Trump's signing statement singles out Native American Housing Block Grants. When he signed the FY17 omnibus appropriations bill into law, President Trump issued a statement commenting on some of its provisions. Signing statements are not unusual. This one says certain programs, including Native American Housing Block Grants, minority business development, and funding for historically black colleges and universities, may conflict with the Constitution's equal protection clause because they "allocate benefits on the basis of race, ethnicity,

and gender.” A [response](#) from the National American Indian Housing Council points out that these Native American grants “are rooted in the United States’ trust responsibilities and treaty obligations towards Indian Tribes and Native Americans” and are not based on race or ethnicity.

FY18 funding process uncertain. The Trump Administration’s budget proposal, expanding on the [outline](#) released in March, is expected in late May. The 2011 Budget Control Act’s spending caps require substantial cuts in both defense and non-defense spending for FY18. The March “skinny budget” did not conform to those caps, and many members of Congress also object to them. It is not clear whether a compromise on spending limits and then an agreement on appropriations details can be worked out before the year begins on October 1, so a continuing resolution may be needed again to keep the government operating.

Duty to Serve plans released for comment. Comments are due July 10 on Fannie Mae’s and Freddie Mac’s proposed [Duty to Serve Underserved Markets Plans](#), which describe specific activities the enterprises propose to undertake from 2018 to 2020 to fulfill their obligations to serve three underserved markets: manufactured housing, affordable housing preservation, and rural markets. Access HAC resources on DTS [here](#).

USDA RD publishes FY17 voucher notice. The annual notice governing the Section 542 voucher program is now [available online](#). For more information, contact Stephanie B.M. White, RD, 202-720-1615.

New Markets Tax Credit allocations available. Apply by June 21 for a portion of the CDFI Fund’s \$3.5 billion of [NMTC allocation authority](#). Informational webcasts or conference calls will be announced at <https://www.cdfifund.gov>. For more information, contact NMTC staff at 202-653-0421.

USDA to [continue stakeholder calls on multifamily housing](#). The calls’ dates and times will be emailed to people who register by contacting [Timothy James](#), USDA, 919-873-2056. Those who have registered in the past do not need to do so again. (These are not the same as the Section 538 stakeholder calls described in the [HAC News, 1/19/17](#).)

HUD reopens [Moving to Work comment period](#). In January, HUD published a notice seeking comment on the proposed operations for PHAs joining the MTW demonstration. (See [HAC News, 2/2/17](#).) HUD has [revised](#) the notice and reopened the comment period through June 5. For more information, contact [Marianne Nazzaro](#), HUD.

Farmworkers are now older and less likely to migrate, research shows. Data from the U.S. Department of Labor’s National Agricultural Worker Survey shows the share of farmworkers in the 20-34 age group has fallen from more than half in 2000 to under 40% in 2016. Only 15% migrate for work. Workers have been employed an average of seven years by their current employers, and earn \$15,000-\$20,000 annually from farmwork. Many families have more than one wage earner and 25% of farmworkers have at least one nonfarm job, so total median family income ranges from \$20,000 to \$25,000. [“Hired U.S. and California Farm Workers are Aging and Settling: Comparisons from 1990, 2000, and 2016”](#) is in the Western Rural Development Center’s magazine.

***Rural Voices* considers “Action for a Rapidly Changing Rural America.”** The [spring issue](#) of HAC’s magazine reports on some of the learning and brainstorming that occurred at the HAC 2016 Rural Housing Conference, with articles based on keynote addresses and issue papers from the conference, along with action recommendations from participant roundtables.

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