



Housing Assistance Council  
**HAC News**

**Senate committee approves FY18 HUD funding bill.** On July 27, the Senate

Appropriations Committee passed its Transportation-HUD funding bill, which would keep most HUD programs at or above current funding levels. Unlike the House bill, it would also fund the U.S. Interagency Council on Homelessness as well as a relatively new, not yet implemented pilot program that would make grants to nonprofits to rehabilitate and modify veterans' homes. The Senate committee report (S. Rept. 115-138) directs HUD to publish a NOFA for the veterans' rehab program within 90 days after the bill is enacted. (HUD has requested public input by September 11 on the design of the program; see HAC News, 7/20/17.)

In developing its appropriations bills, the Senate committee used a total domestic discretionary programs funding level that is higher than the cap set by the 2011 Budget Control Act, so final FY18 appropriations cannot be set at the Senate bill's levels unless the BCA cap is raised in separate legislation passed by both houses of Congress and signed by the president.

HUD Program (dollars in millions)	FY16 Approp.	FY17 Approp.	FY18 Trump Budget Proposal	FY18 House Bill (H.R. 3353)	FY18 Senate Bill (S. 1655)
CDBG	\$3,000	\$3,000	\$0	\$2,900	3,000
HOME	950	950	0	850	950
Self-Help Homeownshp. (SHOP)	10	10	0	10	10
Veterans Home Rehab	5.7	4	0	0	4
Tenant-Based Rental Assistance	19,628	20,292	19,318	20,487	21,365
VASH setaside	60	40	0	577 <sup>a</sup>	40 <sup>a</sup>
Tribal VASH	0	7	7	7	5
Project-Based Rental Assntnce.	10,622	10,816	10,351	11,082	11,507
Public Hsg. Capital Fund	1,900	1,942	628	1,850	1,945
Public Hsg. Operating Fund	4,500	4,400	3,900	4,400	4,500
Choice Neighbrhd. Initiative	125	137.5	0	20	50
Native Amer. Hsg. Block Grant	650	654	600	654	655
Homeless Assistance Grants	2,250	2,383	2,250	2,383	2,456
Hsg. Opps. for Persons w/ AIDS	335	356	330	356	330
202 Hsg. for Elderly	432.7	502.4	510	573	573
811 Hsg. for Disabled	150.6	146.2	121	147	147
Fair Housing	65.3	65.3	65	65.3	65.3
Healthy Homes & Lead Haz. Cntl.	110	145	130	130	160
Housing Counseling	47	55	47	50	47

a. The House bill specifies that its entire VASH appropriation is for renewals. The Senate bill would renew current VASH vouchers and provide \$40 million for new ones.

**HUD nominations advance.** On July 27 the Senate Banking Committee recommended Senate approval of several Administration nominees, including J. Paul Compton Jr. to be HUD general counsel; Anna Farias to be assistant HUD secretary for fair housing and equal opportunity; and Neal Rackleff to be assistant HUD secretary for community planning and development. (See HAC News, 6/22/17.)

**Administration infrastructure group created.** Executive Order 13805, signed on July 19 by President Trump, establishes a Presidential Advisory Council on Infrastructure. The council may have up to 15 members, all appointed by the President. It must include expertise from several sectors including real estate, finance, construction, and regional and local economic development.

**Section 514/516 Farm Labor Housing preapplications due September 11.** Applicants can request up to \$3 million in combined loan and grant funds. Additional points will be given to projects based in or serving census tracts with poverty rates greater than or equal to 20 percent over the last 30 years. For more information, contact Mirna Reyes-Bible, USDA, 202-720-1753.

**USDA accepting applications for rural broadband funding.** The second FY17 application window for the Rural Broadband Access Loan and Loan Guarantee Program is open until September 30. Applications will be reviewed as received. Nonprofits, for-profits, coops, tribes, and state and local governments are eligible and can use

the funds for construction, improvement, and acquisition of facilities and equipment. For more information, contact [Richard Anderson](#), RUS, 202-720-0800.

**VA proposes changes to Homeless Providers Grant and Per Diem Program.** Comments are due September 25 on regulatory amendments (including corrections published separately) intended to provide the program with increased flexibility to respond to the changing needs of homeless veterans; repurpose existing and future funds more efficiently; and allow recipients the ability to add, modify, or eliminate components of funded programs. For more information, contact [Guy Liedke](#), VA, 877-332-0334.

**USDA to consider new online homeownership education courses.** Course providers are invited to apply for approval by August 25. Section 502 direct borrowers must successfully complete approved courses. Homeownership education providers are generally approved at the state level, and there are currently two nationally approved online education providers. For more information, contact [Brooke Baumann](#), USDA, 202-690-4250.

**Rural manufactured housing pilots expanding.** USDA plans to add states to two existing pilot programs. One allows the Section 502 direct and guarantee programs to finance existing manufactured homes that are not already USDA-financed. The second reduces the required land lease term for energy-efficient homes in nonprofit communities.

**HUD accepting manufactured housing recommendations.** HUD invites suggestions for updates and revisions to its standards and regulations for manufactured housing, which will be submitted to the Manufactured Housing Consensus Committee for review and consideration. Submissions are due December 31. For more information, contact Pamela Beck Danner, HUD, 202-708-6423.

**Final rule issued on GSEs' inclusion of minorities and women.** A Federal Housing Finance Agency regulation sets requirements for Fannie Mae, Freddie Mac, and the Federal Home Loan Banks to include minorities and women in all business and activities including management, employment, and contracting. For more information, contact [Sharron P.A. Levine](#), FHFA, 202-649-3496.

**Senate committee hearing focuses on LIHTC.** The Senate Finance Committee held a hearing August 1 titled "America's Affordable Housing Crisis: Challenges and Solutions." Witnesses discussed ways to reform the Low-Income Housing Tax Credit in any upcoming tax overhaul legislation. Committee Chair Orrin Hatch (R-UT) is co-sponsor with Sen. Maria Cantwell (D-WA) of S. 548, the Affordable Housing Credit Improvement Act of 2017. A summary of the hearing and other information are available from the ACTION Campaign, a national coalition supporting the housing credit.

**Studies consider impact of mortgage interest deduction reform.** "Do People Respond to the Mortgage Interest Deduction? Quasi-Experimental Evidence from Denmark." by the National Bureau of Economic Research, found that Denmark's mortgage deduction has no effect on homeownership, but encourages homeowners to buy larger and more expensive houses and to increase their debt. "Reforming the Mortgage Interest Deduction: How Tax Reform Can Help End Homelessness and Housing Poverty." by the United for Homes campaign, calculates the possible impact of modest reforms to the U.S. mortgage interest deduction, which benefits primarily higher-income homeowners. The paper concludes that reforms could provide a tax break to 25 million lower-income homeowners and generate \$241 billion over 10 years that could then be reinvested to support affordable housing for those with the greatest needs through the national Housing Trust Fund and rental assistance programs.

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1025 Vermont Ave N.W., Ste 606, Washington, DC 20005

P: (202) 842-8600 | F: (202) 347-3441 | [www.ruralhome.org](http://www.ruralhome.org) | [hac@ruralhome.org](mailto:hac@ruralhome.org)

