



## LOOKING AT 2020

The Administration's Rural Housing Budget

March 20, 2019 2:00 PM (ET)



## Housing Assistance Council

Building Rural Communities since 1971





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# **Upcoming Events**

## USDA Section 502 Loan Program Updates WEBINAR

- March 27, 2019

#### HOUSING AND SERVICES FOR RURAL VETERANS: A SYMPOSIUM JONESBORO, AR

- April 18-19

SECTION 502 PACKAGING TRAINING FOR NONPROFITS DEVELOPERS KANSAS CITY, MO

- May 7-9, 2019



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## LOOKING AT 2020:



### Housing Assistance Council

www.ruralhome.org

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#### **BUDGET AND APPROPRIATIONS PROCESS**



- Step one: President proposes budget
- Step two: Budget resolution(s) are drafted, voted on, and conferenced in House and Senate
  - Based on budget resolution outcome, "302b" allocations are assigned to Appropriations Subcommittees
- Step three: Appropriations bills are drafted, voted on, and conferenced in House and Senate
- Should the process fail: Continuing resolution(s) or government shutdown(s)

#### **NOTABLE FY20 BUDGET CONTEXT**



- Majority of federal spending is toward "mandatory" programs; the programs we focus on today are "discretionary."
- Low-income advocates believe that cuts across agencies will combine to hurt the poor, and have concerns that Administration and Republicans in Congress will impose work requirements for some social safety net programs.
- Administration advocates believe that the budget will rein in spending, unleash economic growth and create jobs -- thereby benefitting low-income people.
- Administration suggests greater role for state and local governments and the private sector in addressing needs such as infrastructure and housing.

#### **BUDGET CONTROL ACT**



- Budget Control Act includes budget caps on discretionary programs from 2011 – 2021.
- In 2013, 2015, and again in 2018, Congress and the President enacted legislation to raise the budget caps.
  - Advocates have pushed for "parity" between defense and nondefense cap increases.
- Domestic discretionary spending still comparably low even with recent increase to baseline.

#### **USDA SINGLE-FAMILY FUNDING**



	FY18 Final	FY19 Final	FY20 Admin. Budget
Sec. 502 Dir.	\$1,100	\$1,000	0
Sec. 502 Guar.	24,000	24,000	24,000
Sec. 504 Loans	28	28	0
Sec. 504 Grants	30	30	0
Sec. 523 SH	30	30	О

#### **USDA MULTIFAMILY FUNDING**



	FY18 Final	FY19 Final	FY20 Admin. Budget
Sec. 515	\$40	\$40	О
Sec. 538	230	230	250
Sec. 514	23	27.5	0
Sec. 516	8.4	10	0

#### **USDA SEC. 521 RA FUNDING**



	FY18	FY19	FY20 Admin.
	Final	Final	Budget
RATotal	1,345	1,331.4	1,375

#### **USDA RENTAL ASSISTANCE**



- Minimum \$50 rent proposed for tenants receiving RA
- RA and rural vouchers combined in one line item

#### **USDA PRESERVATION FUNDING**



	FY18 Final	FY19 Final	FY20 Admin. Budget
MPR	\$22	\$24.5	О
PRLF	O	O	0
Sec. 542 Vchrs.	25	27	32

#### **USDA RURAL VOUCHERS**



Year	Approp.	Used	No. of Vouchers
FY15	\$7	15.6	4,469
FY16	15	19.5	5,303
FY17	19.4	22	5,609
FY18	25	26.7	6,353
FY19	27		

#### **RURAL VOUCHERS ISSUES**



- Language changes needed
  - Maturing mortgage properties
  - Adjust voucher amounts

#### **USDA RD STAFFING**



- Joel Baxley Assistant to the Secretary for Rural Development
- Rich Davis Acting Administrator for RHS, Deputy
  Administrator for Community Facilities
- Joyce Allen Deputy Administrator for Multi-Family
- Roger Glendenning Deputy Administrator for Single-Family

#### **HUD FUNDING**



	FY18 Final	FY19 Final	FY20 Admin. Budget
Tenant Based Rental Asst	\$22,015	\$22,598	\$22,244
VASH	40	40	О
Tribal VASH	5	4	4
Proj. Based Rental Asst	11,515	11,747	12,021
Public Hsg. Capital Fund	2,750	2,775	О
Public Hsg. Oper. Fund	4,550	4,653	2,863

#### **HUD FUNDING**



	FY18 Final	FY19 Final	FY20 Admin. Budget
CDBG	\$3,365	\$3,365	\$o
HOME	1,362	1,250	О

## HUD FUNDING (in millions of \$)

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	FY18 Final	FY19 Final	FY20 Admin. Budget
Choice Neighborhoods Initiative	\$150	\$150	\$o
Indian Housing Block Grants	646	655	600
Homeless Assistance	2,513	2,636	2,599
HOPWA	375	393	330

#### **HUD FUNDING**



	FY18 Final	FY19 Final	FY20 Admin. Budget
Sec. 202 for Elderly	\$678	\$678	\$644
Sec. 811 for Disabled	230	184	157
Fair Housing	65	65	62
Healthy Homes	230	279	290
SHOP	10	10	0
Housing Counseling	55	50	45

#### **HUD BUDGET FOR RURAL**



- The Administration's budget also eliminates the big rural/capacity building programs at HUD:
  - Section 4 (LISC, Enterprise, Habitat)
  - Rural Capacity Building Program (RCB)
  - SHOP (land/infrastructure for Self-Help Housing)

#### **FY20 BUDGET FOR OTHER AGENCIES**



- Also proposed for elimination:
  - U.S. Interagency Council on Homelessness
  - CDFI Fund programs
  - Delta Regional Authority & Northern Border Regional Commission
- Appalachian Regional Commission funding would remain at \$165 million

#### **HAC'S SERVICES**



- Loans and Grants
- Training and Technical Assistance
- Research and Information
- Initiatives
  - Rural veterans
  - Rural elderly
  - Rural homelessness
  - Persistent poverty
  - Self-help

