



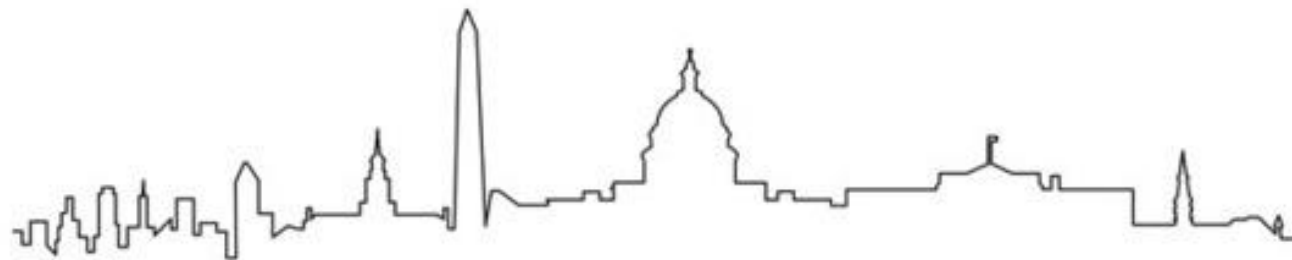
Washington Report

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The Legislative Environment

- Divided Government
- 10 new Senators; more than 100 new House members
- The most diverse freshman class ever
- New leadership in key committees
- Presidential campaigns gearing up



Affordable Housing Credit Improvement Act (S. 1703/H.R. 3077)

Introduced June 4 — Includes all unfinished provisions from last Congress, plus several new ones

- Increases Housing Credit resources
- Supports the preservation of existing affordable housing
- Facilitates development for hard-to-reach populations and in challenging markets (ELI, rural, and Native American)
- Strengthens state oversight
- Provides new flexibility and simplifies program requirements

Affordable Housing Credit Improvement Act: Senate Champions



Maria Cantwell
(D-WA)



Ron Wyden
(D-OR)



Johnny Isakson
(R-GA)



Todd Young
(R-IN)

Affordable Housing Credit Improvement Act: House Champions



Suzan DelBene
(D-WA)



Don Beyer
(D-VA)



Kenny Marchant
(R-TX)



Jackie Walorski
(R-IN)

AHCIA — NCSHA Priorities

- 50 percent cap increase phased-in over 5 years in both the Senate and House bills; builds 12.5 percent increase from 2018 into the baseline
- 4 percent minimum rate for both Housing Bond-financed developments and for acquisition
- State-determined 30 percent basis boost for Housing Bond-financed developments
- 50 percent basis boost for units reserved for ELI households in properties that reserve at least 20 percent of units for ELI households
- NEW: Clarification of general public use rule for veterans
- NEW: Expanded multifamily Housing Bond recycling authority

AHCIA — What Else Is New?

- Adds income averaging as a minimum set-aside for multifamily bonds
- Includes protections for victims of domestic violence
- Clarifies right of first refusal for nonprofit sponsors
- Simplifies related party rule
- Adds selection criteria for cost reasonableness
- Provides a basis boost to properties in rural areas

AHCIA — What Can You Do to Help?

- Urge your Senators and House members to cosponsor the bills
- Focus first on your Republican members, as our sponsors want to maintain party balance to the greatest extent possible
- Write letters, invite members to tour properties, and engage your board members and other stakeholders in your state
- Use NCSHA or ACTION materials to help make your case:
www.rentalhousingaction.org

AHCIA — Advancing the Legislation

- AHCIA — or provisions from AHCIA — will likely move as part of a larger legislative package
- Infrastructure legislation
- Corrections to Tax Cuts and Jobs Act
- Appropriations

Other Potential Housing-Related Tax Legislation

- Qualified contract legislation
- Housing Credit resources for disaster recovery
- Middle Income Housing Tax Credit
- Renters' Credit
- Improvements to the Mortgage Revenue Bond program
- Other bond cap-related initiatives

Housing Credit Regulatory Issues

- Compliance monitoring regulations
- Income averaging



Other Regulatory Issues

- Opportunity Zones
- HUD's Mixed-Status Rule
- HUD's Equal Access Rule



FY 2019 Funding for HUD Programs



- \$1.25 billion for HOME; 8 percent less than 2018 but the second highest level since 2011
- \$184 million for the Section 811 Housing for People with Disabilities program, enough to renew existing vouchers and provide \$30 million to support new construction or new project rental assistance
- Enough funding for all vouchers and project-based rental contract renewals
- FHFA transferred \$245 million to HUD for 2019 Housing Trust Fund allocation

FY 2020 HUD Funding



- Significant increases in House Committee Bill
 - \$50.1B for HUD, \$5.9B more than FY 2019 and \$13.4 billion more than Administration's request
 - \$1.75B for HOME, \$500M increase
 - \$12.6B for PBRA, \$843M above FY 2019 and \$570M above President's request
 - \$21.4B for vouchers, \$1B above FY 2019
 - \$1.9B for voucher admin fees, 2 percent more than FY 2019

FY 2020 USDA Funding



- House Committee-Passed Bill
 - Section 515 rental housing would receive \$45 million, a \$5 million increase
 - Multifamily Preservation and Revitalization (MPR) program would rise to \$40 million from \$24.5 million
 - Section 542 rural vouchers would increase \$8 million to \$35 million
 - Section 521 Rental Assistance (RA) would get the full \$1.375 billion calculated by USDA as necessary to renew all current RA contracts, up from \$1.331 billion.
 - \$250 million in loan authority for the Section 538 Multifamily Loan Guarantee Program, up from \$230 million in FY 2019

FY 2020 HUD and USDA Funding



- House Floor and Senate Committee action likely soon
- Spending limit decisions still pending

Housing Finance Reform

- Mark Calabria is the new director of the Federal Housing Finance Agency
- Administration is developing a housing finance reform plan
- Senator Crapo (R-ID) released a reform outline
- What's at stake for affordable housing?
 - HFA role
 - Housing resources, including HTF and CMF
 - Other GSE involvement in affordable housing (goals, duty to serve)

Housing Finance Reform

NCSHA Priorities:

- Provide access to credit and the availability of affordable housing options for all consumers and communities that, at a minimum, matches the level of support for affordable housing provided under the current system
- Preserve funding for the Housing Trust Fund and Capital Magnet Fund
- Promote state HFA administration of any new dedicated funding streams for affordable homeownership and rental lending