



Congress Must Correct Problematic Language in House FY 2020 HUD Appropriations Bill

While NCSHA supports the robust affordable housing funding levels provided in the House-passed Fiscal Year (FY) 2020 HUD Appropriations bill, we strongly urge Congress to amend Section 238 of the bill before enacting final FY 2020 HUD spending legislation.

Section 238 is intended to respond to discrete issues related to public housing contracts but is too broad as currently written and could negatively impact HUD's Performance-Based Contract Administration program, Rental Assistance Demonstration conversions, the Moving to Work Demonstration, and other aspects of Annual Contributions Contracts. The language would prevent HUD from making necessary changes in these contracts, including minor technical changes with broad support, and even simply renewing them.

NCSHA has expressed its concern with the Section 238 language to House and Senate Appropriations Committee staff, as well as public housing industry partners Council for Large Public Housing Authorities, Public Housing Authorities Directors Association, and the National Association of Housing and Redevelopment Officials.

NCSHA encourages Congress to replace Section 238 with the proposed language below, which has been approved and is supported by these partners. The new language is narrower in scope and should resolve the public housing contract issue while avoiding negative impacts on other HUD multifamily programs.

The Senate T-HUD Appropriations Subcommittee should include this proposed language in its FY 2020 bill, and the House and Senate Appropriations Committees should adopt this version in any final FY 2020 HUD funding bill.

For more information on this issue, please contact NCSHA's Althea Arnold (aarnold@ncsha.org).

CURRENT LANGUAGE IN HOUSE-PASSED FY 2020 SPENDING BILL

SEC. 238. The Secretary of Housing and Urban Development may not, in this fiscal year or any fiscal year thereafter, implement, require, enforce, or otherwise make effective any change, amendment, or alteration to any term or condition of the Annual Contributions Contract between the Secretary and any public housing agency, as such contract was in effect as of January 1, 2018, unless such change, amendment, or alteration is made pursuant to a rule issued after notice and an opportunity for public comment and in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules.

PROPOSED LANGUAGE

Sec. ____ . None of the funds made available by this or any other Act may be used to implement, require, or enforce any changes to the terms and conditions of the public housing annual contributions contract between the Secretary and any public housing agency, as such contract was in effect as of January 1, 2018, unless otherwise mutually agreed upon by the Secretary and such agency, provided that such agreement by an agency may be indicated only by an amendment to the contract containing the duly authorized signature of its chief executive and provided, further, that the Secretary may not withhold funds to compel such agreement by an agency which is otherwise in compliance with its contract.