



Appropriations Talking Points 2021

Audience

Every member of Congress, with special focus on members of the House and Senate Appropriations Committees, and the relevant subcommittees (Transportation, Housing, and Urban Development for HUD programs and Agriculture for USDA programs)

Request

Ask your member of Congress to fund HUD and USDA affordable housing programs — especially the HOME Investment Partnerships program, Project-Based Rental Assistance, and Housing Choice Vouchers — at the highest possible levels and to protect and strengthen the state housing finance agency (HFA) role in the administration and delivery of these federal resources.

Urge all members you meet with to weigh in by signing Fiscal Year 2022 letters in support of these programs, submitting member requests prioritizing these programs, and taking other action in support of adequate funding for HUD and USDA housing programs.

Support HOME

- Congress should support the HOME program by providing at least \$1.7 billion for it in FY 2022.
- Congress should also work to increase program flexibility, improve efficiency, and eliminate needless bureaucracy.
- HOME can be used to support both rental housing and homeownership. It can be used for new construction, rehabilitation, down payment assistance, and tenant-based rental assistance. HOME's flexibility allows states and localities to tailor it to their unique needs.
- HOME often provides the early money necessary to get developments off the ground or the final critical gap financing while private lenders, equity investors, Low Income Housing Tax Credit (Housing Credit) allocations, and other resources come together.
- Adequate funding is critical this year as we anticipate HOME will be needed to provide additional gap financing in Housing Credit deals. Last year, Congress established a 4 percent minimum rate for bond-financed Housing Credit properties, giving communities across the nation the opportunity to build more affordable housing. To meet this objective, many of these properties will need HOME financing, too, creating increased demand for limited HOME resources.
- Demand for HOME is also increasing due to **Rental Assistance Demonstration (RAD) conversions, COVID-19**, and the need to rebuild after natural disasters.
- For every \$1 billion in HOME funding, approximately 17,870 jobs are created or preserved. Moreover, every HOME dollar leverages nearly \$5 of additional investment in affordable

housing. The HOME Coalition estimates this investment has supported more than 1.9 million jobs and generated \$124 billion in local economic impact.

Support Project-Based Rental Assistance

- Congress must provide enough FY 2022 appropriations to renew all Section 8 Project-Based Rental Assistance (PBRA) contracts and adequately fund their administration. Failure to do so would jeopardize housing for vulnerable populations currently served, discourage private investment, and increase insurance risk.
- Congress must also protect and improve the PBRA portfolio by ensuring that, as HUD prepares to release a new solicitation for Performance-Based Contract Administration (PBCA), it does not make similar mistakes to the first PBCA draft solicitations. Specifically, Congress must ensure HUD complies with the Housing Act of 1937's requirement that it contract with public housing agencies (PHAs) for the administration of federal rental assistance. Contracting with PHAs is also vital because PHAs, including HFAs, are publicly accountable, mission-driven entities devoted to the same affordable housing mission as HUD.
- PBRA provides 1.2 million low-income households with decent, safe, and sanitary housing for a rent they can afford. Without it, many of these households (two-thirds of which are elderly or disabled) would face worst-case housing needs, meaning they would pay more than half of their incomes for rent, live in severely inadequate physical conditions, or both.
- PBRA supports a stock of long-term affordable housing and helps preserve and protect the federal investment that went into developing and maintaining it over the years.

Support Housing Choice Vouchers

- Congress should work to provide sufficient funding to renew all authorized vouchers and support new ones in FY 2022. Congress should also ensure program administrators are compensated fairly for their work with adequate administrative fees, which have been underfunded in recent years.
- The Housing Choice Voucher program is HUD's largest rental assistance program, assisting more than 5 million people in 2.3 million low-income households. More than half (52 percent) of voucher recipients are disabled or elderly, and 41 percent are households with children.
- Vouchers are a cost-effective investment that reduce homelessness and improve family well-being, including children's chances of long-term success.

Support USDA Rural Housing Programs

- Congress should provide at least current level funding for USDA's rural housing programs and facilitate their coordination with the Housing Credit and other HFA-administered programs.
- USDA Rural Housing Service's rental housing and homeownership programs are a critical federal resource, working to produce, preserve, and provide access to affordable rental and homeownership housing in rural America.