

# FEDERAL ADMINISTRATION ADVOCACY

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Not all efforts to shape federal housing policy involve congressional advocacy. Once legislation is enacted by Congress, it must be implemented and enforced by the executive branch.

Opportunities for administrative advocacy generally fall into five categories:

- Providing commentary during the regulatory process,
- Calling for enforcement of existing laws,
- Influencing policy and program implementation,
- Advocating for or against executive orders, and
- Litigating against federal agencies and officials.

These types of advocacy are not considered lobbying by the Internal Revenue Service (IRS); therefore, 501(c)(3) organizations are free to engage in such activities without limit so long as there is no intent to influence legislation. For nonprofits interested in housing advocacy, engaging federal agencies through the regulatory process falls entirely outside the definitions of lobbying.

Numerous federal agencies contribute to the development and implementation of our nation's housing policy. Seven key divisions of the federal government administer affordable housing programs and carry out a variety of functions, such as providing funding to incentivize affordable housing development, managing government sponsored enterprises (GSEs) that have an affordable housing directive, coordinating housing resources of multiple departments, or influencing affordable housing policy. It is important for advocates to weigh in with these agencies as they shape federal affordable housing priorities, determine the level of resources available to reach affordability objectives, and implement housing laws passed by Congress.

Many other parts of the executive branch are also involved in housing and related issues. Important targets for federal administrative advocacy include, but are not limited to:

- The White House
- The U.S. Department of Housing and Urban Development (HUD)
- The Federal Housing Finance Agency (FHFA)
- The Department of Agriculture's Rural Housing Service (USDA RHS)
- The Department of the Treasury
- The Department of Veterans Affairs (VA)
- The Interagency Council on Homelessness (USICH)

## The White House

The White House develops and implements housing policy through a variety of means and has multiple councils and offices that are involved with affordable housing.

The Domestic Policy Council (DPC) coordinates the domestic policymaking process of the White House, offers advice to the president, supervises the execution of domestic policy, and represents the president's priorities to Congress. The Office of Faith-Based and Neighborhood Partnerships is part of the DPC and works to build bridges between the federal government and nonprofit organizations, both secular and faith-based, to better serve Americans in need. The Office of National AIDS Policy is also part of the DPC; it coordinates the continuing efforts to reduce the number of HIV infections across the U.S. through a wide range of education initiatives and by coordinating the care and treatment of people with HIV/AIDS. The Office of Social Innovation and Civic Participation, another part of the DPC, is focused on promoting service as a solution and a way to develop community leadership, increase investment in innovative community solutions that demonstrate results, and develop new models of partnership.

The National Economic Council coordinates policy making for domestic and international economic issues, provides economic policy advice for the president, ensures that policy decisions and programs are consistent with the president's economic goals, and monitors the implementation of the president's economic policy agenda.

The Office of Public Engagement (OPE) and Intergovernmental Affairs creates and coordinates opportunities for direct dialogue between the Administration and the public. This includes acting as a point of coordination for public speaking engagements for the Administration and the departments of the Executive Office of the President. Federal agencies, including HUD and USDA, have liaisons that work with the White House OPE. The Office of Urban Affairs is part of the OPE; it provides leadership for and coordinates the development of the policy agenda for urban areas across executive departments and agencies.

The Office of Management and Budget OMB coordinates and oversees federal agencies. It coordinates implementation of the president's management agenda and plays a key role in developing the president's budget. The Office of Information and Regulatory Affairs is a small but influential office within OMB that reviews major federal regulations before they take effect. It checks whether proposed rules are cost-effective, legally sound, and consistent with White House policy. OIRA is often the last stop before a new regulation or rule is finalized. Under Executive Order 12866, members of the public can request a meeting with OIRA to comment on pending regulations it has received from federal agencies for review.

## Department of Housing and Urban Development

HUD is the federal government's primary affordable housing agency. The agency administers programs that provide rental and homeownership units that are affordable to low-income, very low-income, and extremely low-income (ELI) households. HUD also manages grants for community development activities and plays a vital role in the administration's efforts to strengthen the housing market. HUD administers a variety of housing programs through the Offices of Public and Indian Housing (PIH), Community Planning and Development (CPD), Housing, Fair Housing and Equal Opportunity, Lead Hazard Control and Healthy Homes, the Federal Housing Administration (FHA), and the Government National Mortgage Association.

PIH, CPD, and the Office of Housing administer HUD's main rental assistance programs for ELI households. PIH administers funds to local public housing agencies to operate public housing units, administer Housing Choice Vouchers, and offer programs that support residents. CPD administers funding for the national Housing Trust Fund (HTF), the McKinney-Vento Continuum of Care Homeless Assistance Grants, the Housing Opportunities for Persons with AIDS program, the HOME Investment Partnerships program, and the Community Development Block Grant program. The Office of Housing oversees a range of programs including Project-Based Section 8, special needs housing programs such as Section 202 Housing for the Elderly and Section 811 Housing for People with Disabilities, and the FHA. FHA provides insurance for mortgage loans to increase private lending interest by reducing institutions' risk. FHA's Mutual Mortgage Insurance Fund provides profits, or receipts, that have been used to offset a portion of HUD's annual costs to operate its other programs.

## Federal Housing Finance Agency

The Federal Housing Finance Agency (FHFA) was created in 2008 by the “Housing and Economic Recovery Act” as the successor to the Federal Housing Finance Board. FHFA regulates Fannie Mae and Freddie Mac, which are both GSEs. It also regulates the Federal Home Loan Banks to ensure there is sufficient funding for housing finance and community investments.

The GSEs were taken into conservatorship by FHFA due to financial problems stemming from the housing crisis. Before being taken into conservatorship, the GSEs were to provide a percentage of their book of business to the HTF; these contributions were suspended in 2008. The GSEs were also meant to provide funding for the Capital Magnet Fund (CMF). On December 11, 2014, FHFA Director Mel Watt lifted the suspension so that the GSEs must set aside funds for the HTF and CMF. In 2016, the first HTF dollars were allocated to the states.

## Department of Agriculture Rural Housing Service

The USDA RHS administers programs that provide affordable rental and homeownership opportunities in rural areas of the country. Although HUD funding is used in rural areas, USDA’s Office of Rural Development (RD) programs uniquely target the needs of rural communities and supplement HUD funding.

RHS affordable housing programs provide grants, loans, and direct funding for rental housing operations and development. Programs target low-income families, seniors, and farm workers, providing a range of housing options. RD also provides programs to support energy efficiency, economic development, and infrastructure for rural areas.

## Department of the Treasury

The Department of the Treasury administers several housing and community development programs including the Low Income Housing Tax Credit (LIHTC) program and Community Development Financial Institutions (CDFI). The CDFI administers the CMF and the New Market Tax Credit. The Treasury has overseen funding for several recent disaster recovery efforts, including special allocations of LIHTCs and other incentives to spur redevelopment. The Treasury also oversees Housing Bonds, which finance the development of rental and homeownership units. The Treasury offers backing to HUD’s FHA Mutual Mortgage Insurance Fund and played a key role in the nation’s housing crisis recovery efforts by purchasing mortgage-backed and debt securities issued by Fannie Mae and Freddie Mac.

## Department of Veterans Affairs

The Department of Veterans Affairs (VA) sets policy and administers a range of programs for veterans including homeownership loans and a supportive housing initiative. The VA partners with HUD to provide the Veterans Affairs Supportive Housing Voucher Program. HUD provides an allocation of Housing Choice Vouchers to certain public housing agencies to make units affordable; local VA offices select voucher recipients and provide supportive services to the individual or family prior to and during their housing tenure. Historically, the VA worked cooperatively with the Interagency Council on Homelessness, which helped coordinate resources for veterans through Opening Doors, its plan to end homelessness.