



Campaign for Housing and Community Development Funding

Working to ensure maximum federal resources for housing and community development

FY18 Budget Outlook and Impact of Tax Reform on Affordable Housing Programs

November 16, 2017

Speakers

- Elayne Weiss, National Low Income Housing Coalition
- Doug Rice, Center on Budget and Policy Priorities
- Linda Couch, LeadingAge
- Emily Cadik, Enterprise Community Partners
- Joe Lindstrom, National Low Income Housing Coalition



Agenda

- Federal Budget
 - Where are we so far?
 - Where are we going?
- Tax Reform
- Opportunities for Advocacy





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Federal Budget: Where are we so far?

Linda Couch

LeadingAge

FY18 Proposed HUD Funding and Status

President Trump's FY18 HUD Request

- Submitted to Congress February 27
- 15% cut to HUD compared to FY17

House: FY18 HUD Funding

- Passed House Sept 14 on party-line vote
- Flat funding, overall, with FY17

Senate: FY18 HUD Funding

- Out of Senate Appropriations Committee July 27
- \$1.9 billion more than FY17 HUD funding



President Trump's FY18 HUD Request

- 15% cut from FY17 enacted level
 - Vouchers: 245,000 vouchers unfunded
 - Project-Based Rental Assistance: decrease > 4%
 - Public Housing: decrease > 28%
 - 202/811: 12% less than necessary for 202 renewals, 18% less than necessary for 811 renewals
 - Homeless Assistance Programs: decrease of > 5% compared to FY17
- Policy Proposals for Rent Reform / Cost Savings
- Eliminate:
 - HOME
 - CDBG



House: FY18 HUD Funding

- Overall, same funding as in FY17 HUD bill
- Vouchers: 120,000 vouchers unfunded
- Project-Based Rental Assistance: sufficient funding for renewals but no funding for Project-Based Contract Administrators
- Public Housing: slight decrease from FY17
- HOME & CDBG: maintained with slight cuts in both
- 202/811: sufficient funding for renewals, and expansion of Rental Assistance Demonstration for 202s with Project Rental Assistance Contracts
- Homeless Assistance Programs: flat with FY17 funding
- Rejects cost-savings reforms but encourages review by authorizers



Senate: FY18 HUD Funding & Asks

- Vouchers: Increased \$ but still 40,000 vouchers unfunded; advocates seeking additional \$345 million for full funding of all vouchers in use in 2017
- Project-Based Rental Assistance: sufficient for contract renewals & includes PBCA funding
- Public Housing: slightly increased funding
- HOME & CDBG: level funding with FY17
- 202/811: sufficient funding for renewals, and expansion of Rental Assistance Demonstration for 202s with Project Rental Assistance Contracts
- Homeless Assistance Programs: slight increase from FY17 funding; advocates seeking 9% increase to house 40,000 more people nationally
- Rejects cost-savings reforms



Bottom Line

- The Senate Appropriations subcommittees have spending allocations that are “equal to the 2017 levels for defense and non-defense programs, rather than the slightly lower target established for 2018 under the Budget Control Act and the still lower target the House used.” (CBPP)
- To enact a finally FY18 bill with sufficient funding levels, Congress must raise the spending caps.





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Federal Budget: Where are we going?

Doug Rice

Center on Budget and Policy Priorities

This Year's Timetable for Budget/Tax Legislation

Feb - Oct

- May: President released budget
- Jan – Sept: ACA repeal debate
- Oct: Congress passed budget resolution allowing for deficit-increasing tax cuts and calling for deep budget cuts

Nov-Dec

- GOP Tax Proposal
- Disaster relief (likely Dec package)
- Health package (CHIP, marketplace stabilization, other extenders)
- **Sequestration relief discussion/2018 Appropriations/CR**
- DACA

Early 2018

- Tax, if not done (likely)
- **2018 Appropriations, if not done (likely)**
- More disaster relief (esp. for Puerto Rico, VI)
- Debt ceiling
- DACA (true deadline is not until March)
- Welfare Reform/Entitlement Cuts



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Tax Reform

Emily Cadik

Enterprise Community Partners

Tax Reform

- Tax reform is the top priority for Congress and the White House, determined to enact into law by the end of the year
 - Week of Nov 13: Senate Finance Committee marking up tax reform bill, House voting on tax reform bill
 - Week of Nov. 27: Senate considers tax reform bill on the floor
 - December: conference and final passage



Tax Reform: Obstacles

- Budget reconciliation leaves little wiggle room – can't exceed \$1.5 trillion or raise deficits outside of ten-year window
 - Large deficits could lead to cuts to non-defense discretionary programs, like affordable housing programs, in the future
- Controversial pay-fors
 - SALT
 - Repealing individual mandate
- Crowded legislative calendar



House Tax Reform Plan

- Retains Low-Income Housing Tax Credit with no changes
- Repeals private activity bonds, including multifamily Housing Bonds
- Lowers corporate tax rate from 35 to 20% with no offsetting adjustments to Housing Credit



Senate Tax Reform Plan

- Retains Low-Income Housing Tax Credit with no changes
- Retains private activity bonds, including multifamily Housing Bonds
- Lowers corporate tax rate from 35 to 20% with no offsetting adjustments to Housing Credit
- Includes several provisions to strengthen Housing Credit



Tax Reform: ACTION Campaign

- Enterprise co-chairs the ACTION Campaign along with the National Council of State Housing Agencies
- Over 2,150 national, state and local organizations and businesses calling on Congress to protect, expand and strengthen the Housing Credit
- Visit www.rentalhousingaction.org for resources

AFFORDABLE RENTAL HOUSING
A.C.T.I.O.N.
A Call To Invest in Our Neighborhoods



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Advocacy Tips and Opportunities

Joe Lindstrom

National Low Income Housing Coalition

What you can do now

Ask Congress to work together to lift the spending caps for FY18, maintaining parity for defense and non-defense programs, and ensure housing and community development programs receive the highest level of funding possible.



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What you can do now

Call Your Members of Congress

- Focus on Appropriations Committees
- Utilize existing relationships with staff
- Share information about the impact of your federally-funded programs

A Good Moment for Coalition Building

- NDD United
 - Education, health care, transportation, environmental justice advocates, etc.
- This is a time when all can speak with one voice

Strong Media Presence

- Respond to everything that is printed and posted
 - Letters to the editor are more likely to be printed when they are in response to another article
- Use the Thanksgiving holiday to draw attention to housing programs



What if they hide?

Use Social Media and Blogs

- A member of Congress who does not want to meet with you privately is inviting you to engage them publicly
- Twitter
 - Members of Congress care about their Twitter mentions and trends
- Blog posts
 - Easily share-able

Ask for Meetings in a Public Manner

- Produce a letter requesting a meeting or a call
- Copy media members on the meeting request

The Emails are Still Being Read

- Even if you are not getting a response, staffers are still reading the emails sent in from constituents, and reporting on them
- Continue your outreach regardless





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Q & A

For more information

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