



FY11 Budget and HUD Appropriations

Request for FY11 Budget Resolution:

- Adopt an FY11 budget resolution with funding to: a) continue all current HUD programs, b) fully fund operating costs of vouchers and public housing, c) provide new funding to expand the voucher program to meet increased need. Include language in the budget resolution to allow for capitalization of the National Housing Trust Fund.
- Use HUD’s estimates for FHA receipts (a significant source of funding for HUD’s budget) rather than the CBO’s lower estimates, which are based on a different calculation.

Request for FY11 HUD Appropriations:

- Support adequate funding for all housing and community development programs in FY11, including:

HUD Program	FY10 Enacted	FY11 President’s Request	FY11 NLIHC’s Request
<i>(all figures are in millions of dollars)</i>			
Tenant Based Rental Assistance	18,184	19,551	19,551
New Tenant Based Rental Assistance- 250,000 vouchers	---	---	2,060
Project Based Rental Assistance	8,552	9,382	9,382
Public Housing Capital Fund	2,500	2,044	5,000
Public Housing Operating Fund	4,775	4,829	5,084
Resident Opportunity and Supportive Services	50	0	55
Housing Opportunities for Persons with AIDS	335	340	410
Homeless Assistance Grants	1,865	2,055	2,400
Housing for the Elderly (Section 202)	825	274	825
Housing for Persons with Disabilities (Section 811) Construction only, \$113 million for vouchers in TBRA, \$300 total.	300	90	187
Fair Housing and Equal Opportunity	72	61	83
Policy Development & Research	48	87	87
HOME Investment Partnership Program	1,825	1,650	2,000
Community Development Block Grant	3,990	3,990	3,990

(over)

Background:

In February, the President submitted his detailed budget request to Congress for discretionary spending in FY11. The week prior to releasing his budget, the President announced that he planned to freeze non-security and non-veterans discretionary funding at the FY10 level for upcoming three fiscal years.

To meet this goal of freezing discretionary funds, the HUD budget proposes full funding for core operating programs, cuts to several key programs and three new initiatives including:

- \$1 billion to capitalize the National Housing Trust Fund (also requested in FY10)
- A new Transforming Rental Assistance initiative. TRA would allow some public housing and assisted housing to convert to a new subsidy stream with the goals of: attracting private capital to rehabilitate units, streamlining HUD's programs, and providing residents mobility with a voucher if they choose.
- A new Housing and Services Vouchers for Homeless Persons Demonstration pairing 10,000 vouchers with services from the Departments of Education and Health and Human Services.
- A new Catalytic Investment Competition grants to provide economic development funds in conjunction with other HUD funds (including the Choice Neighborhoods Initiative)
- Increased funding for the new Choice Neighborhoods Initiative (CNI) to replace the Hope VI program (FY10 CNI demonstration funds have not yet been distributed)
- Increased funding for Homeless Assistance Grants to implement many activities authorized under the newly passed Hearth Act
- Funding to renew existing Tenant Based and Project Based Rental Assistance
- Level funding for Community Development Block Grants
- Insufficient funding for the Public Housing Operating Fund
- Insufficient funding for the Public Housing Capital Fund (HUD anticipates the Capital Fund is supplemented by funds from ARRA)
- Cuts eliminating the construction funds for the Section 202 housing for the elderly and Section 811 housing for people with disabilities programs
- Elimination of the Resident Opportunity and Supportive Services program
- A cut to the HOME Investment Partnership program.

The House and Senate are each currently working on budget resolutions, which could be complete as early as the end of this week. After the House and Senate adopt the same budget resolution, appropriators will divide the discretionary spending amount among the various appropriations subcommittees with jurisdiction over the discretionary spending programs, including the House and Senate Appropriations Subcommittees on Transportation, Housing and Urban Development, and Related Agencies. It is important to have the largest discretionary number possible so as to accommodate needed increases in HUD funding. These subcommittee allocations are referred to as the 302b allocations.

The House and Senate appropriations subcommittees will then construct detailed budgets with allocations for specific programs.