

Trump's Budget: What Does it Mean For Local Housing Advocates and Their Communities?



NATIONAL HOUSING LAW PROJECT
SARGENT SHRIVER NATIONAL CENTER ON POVERTY LAW
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What We Will Cover

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- Overview of Budget Process
- Learning from History
- What should advocates keep an eye out for now to reduce the impact of future budget cuts?
- How can LSC and non-LSC advocates get involved?

Welcome

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Budget Outlook



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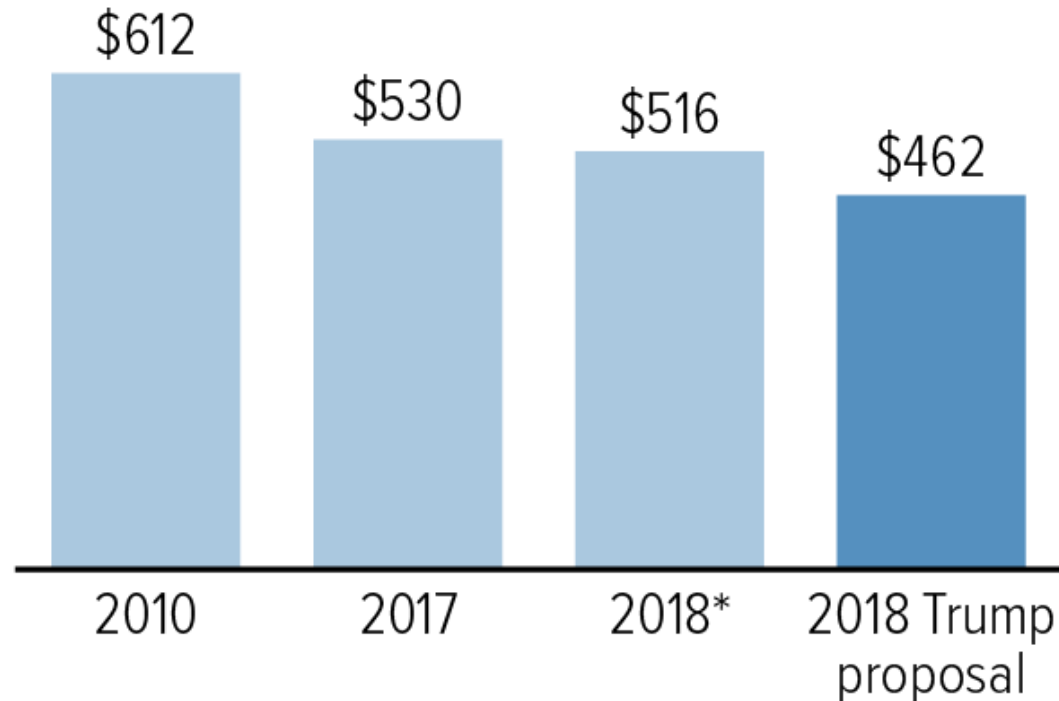
FY 2018 Budget Timeline



Action	Timing	Comments
Trump FY 2018 “Skinny” Budget	March 16	Included topline numbers, including non-defense discretionary spending. Under the budget proposal, gross discretionary spending for HUD would be capped at \$40.7 billion. HUD budget would be cut by 13%.
FY 2018 Budget Resolution or Deeming Resolutions	Mid-May	Set the overall discretionary funding levels for defense and non-defense programs that the House and Senate Appropriations Committees will use when drafting spending bills
FY 2018 Transportation-HUD (T-HUD) Committee Markup	May/June/July	House and Senate T-HUD Appropriations Committees set priorities, approve spending bills with specific program funding levels.
Final FY 2018 T-HUD Spending Bill	September-December	Likely a stopgap funding bill by September 30. T-HUD and other funding bills may be finalized later in the fall.

Non-Defense Appropriations Would Fall Under Trump Plan

In billions of 2018 dollars



*Funding level set in 2011 Budget Control Act, which establishes sequestration cuts.

Source: CBPP analysis of data from the Congressional Budget Office and the Office of Management and Budget

President Trump's Proposed Cuts to HUD and Other Programs/Agencies

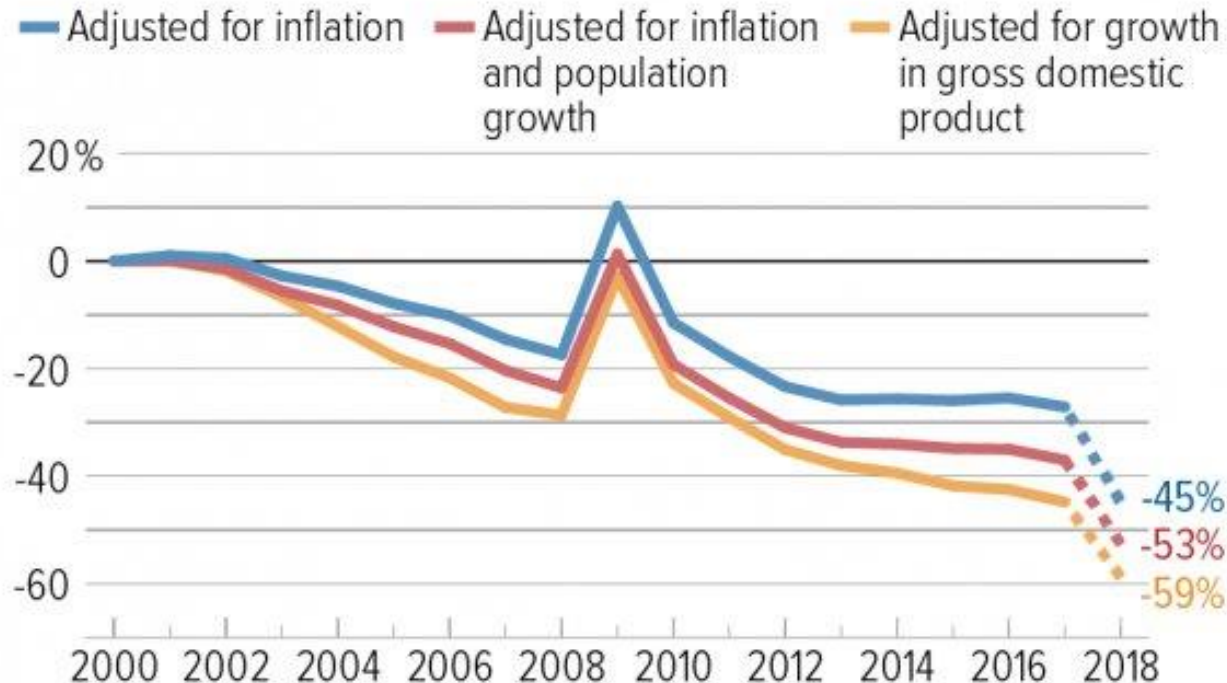


An early version of HUD's budget, obtained by the Washington Post, proposed deep cuts to HUD programs. Those cuts included:

- Public Housing: \$1.3 billion cut to capital fund; \$600 million cut to operating fund
- Housing Choice Vouchers: At least a \$300 million cut
- Section 202: \$42 million cut
- Section 811: \$29 million cut
- Native American Block Grants: \$150 million cut
- Budget would also eliminate:
 - HOME Investment Partnerships Program
 - Community Development Block Grant Program
 - Choice Neighborhoods Initiative
 - Section 4 Capacity Building Program
 - Self-Help Homeownership Program
 - LIHEAP and Community Services Block Grants (HHS)
 - Other agencies: U.S. Interagency Council on Homelessness, Legal Aid, NeighborWorks

Overall Funding for Housing, Health, and Human Services Block Grants, Already Low, Would Fall Significantly Under Trump Proposal

Change relative to 2000 funding level



Note: Includes funding from the 2009 Recovery Act. For discretionary programs, 2017 levels represent annualized funding under the current continuing resolution (which expires on April 28, 2017). Unless otherwise specified in the budget, 2018 levels are equal to 2017 levels.

Source: CBPP based on Congressional Research Service reports, agency budget justification documents, appropriations legislation, and the Office of Management and Budget. Inflation data from the Bureau of Labor Statistics; population data from the Social Security and Medicare Trustees; gross domestic product data from the Bureau of Economic Analysis.

Strong Effort Needed to Lift Spending Caps, Protect Housing/CD Programs



- President Trump's proposal is only the start of the FY 2018 appropriations process — Democrats and Republicans who support non-defense discretionary (NDD) programs will have leverage because of Senate filibuster rules, and Republican divisions.
- Lawmakers must use their leverage to raise the caps and sustain parity in defense and nondefense funding — or at least to prevent NDD cuts below current Budget Control Act cap levels.
- Whatever the NDD cap level, affordable housing programs should receive priority to receive funding necessary to sustain current rental assistance, avoid deepening cuts in other housing and community development programs.

Learning From History

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Tips for Reducing the Impact of Future Cuts to the Budgets of Public Housing Authorities

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Because no one knows what the final 2018 budget will look like, any actions that PHAs take today are speculative.



Potential PHA Actions Most Harmful to Tenants

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- Reducing the number of people served by:
 - Not issuing unused authorized vouchers on turnover
 - Making more aggressive fault terminations
 - Freezing vouchers for searchers
 - Denying all moving vouchers
- Terminating current participants
- Decreasing the payment standard
- Refuse to provide reasonable accommodation due to alleged financial burden

Significant Amendment or Modification

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- Definition of “significant amendment or modification”
 - Either PHA’s own definition OR
 - HUD’s fallback definition

- To make a “significant amendment or modification,” PHA must:
 1. Consult Resident Advisory Board;
 2. Satisfy the public review and comment requirements;
 3. Adopt the amendment/modification at a duly called PHA board meeting open to the public;
 4. Notify HUD; ***and***
 5. Obtain HUD approval.

Get Involved with the PHA Plan Process

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- **Submit comments during the public comment period**
 - PHA must hold public hearing to discuss PHA Plan and invite public comments
 - 45 day notice of public hearing
 - Draft PHA Plan and supporting documents must be available for review
- **Work with the Resident Advisory Board**
 - In general, PHA must consult with RAB, consider their recommendations, and describe how PHA considered comments to HUD.
 - After public hearing, PHA must consider comments and make changes in consultation

Better Actions for PHAs to Adopt

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These actions will allow PHAs to pay reasonable rents, ensure housing choice, and serve the maximum amount of families.

- Rent reasonableness reductions, determined either individually or across the board
- More accurate income/tenant payment determinations
- Voluntary rent reductions by owners
- Ask HUD to order a jurisdiction that bills and has substantial reserves and/or high turnover to absorb another PHA's portable vouchers
- Increase HQS enforcement
- Apply utility allowance based on family size, not unit size
- Various administrative efficiencies

Know Your PHA Budget

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Questions to Ask:

- Does the PHA have administrative reserves to cover shortfall?
- Are HOME-funded rental subsidies available?
- Are other local funds available?

How Legal Services and Other Advocates Can Get Involved

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Non-LSC Funded Advocates

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- ❑ Gather experiences from low-income tenants to share with your federal, state, and local representatives
 - ❑ NLIHC advocacy materials: <http://nlihc.org/partners/chcdf>
 - ❑ Data re: how FY 18 proposed cuts could impact your community: <https://affordablehousingonline.com/FY18-HUD-Budget-Cuts>
- ❑ Meet with/call/write to your representatives!
- ❑ Invite members of Congress, their staffers, and Dr. Ben Carson to visit subsidized housing buildings in your area
- ❑ Sign onto national letters to preserve and increase housing
- ❑ Get involved with your local PHA Plan Process
- ❑ Utilize media to bring attention to housing issues affecting your community

LSC-Funded Advocates

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- Use **non-LSC funds** to:
 - ❑ Respond to written requests for information or testimony from a government agency, legislative body, or committee (or a member of such agency, body, or committee)
 - ❑ Includes responding to requests relating to federal (or state/local) funding for legal services
 - ❑ Prepare written or oral comments in rulemaking proceedings, including items listed in Federal Register
- Also note LSC restrictions don't apply to your personal time

LSC-Funded Advocates

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- Use LSC funds to:
 - ❑ Continue representing eligible clients
 - ❑ Undertake community legal education programs to educate (and possibly represent) affected low-income tenants
 - ❑ Advocate to change agency (PHA) practices to be more responsive to tenants' needs and concerns (but must use non-LSC funds for rulemaking proceedings)
 - ❑ Get involved with your local PHA Plan Process
 - ❑ Educate members of Congress about what legal services organizations do for low-income families, including types of services provided and impact on community

Questions?

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THANK YOU!

