

HUD Budget Appropriations Update – House and Senate Bills September 23, 2004

Section 8 Housing Vouchers

On Tuesday, September 21, the Senate Appropriations Committee approved their Veteran's Affairs/Housing and Urban Development appropriations bill. The Senate included \$2.2 billion more than the President had requested for Section 8 and did not include the Administration's Flexible Voucher Proposal. The House HUD appropriations bill included \$1.5 billion more than the President's request. The Senate version of the bill would fully fund all existing Section 8 vouchers.

McKinney-Vento Homeless Assistance Grants

The Senate bill does not cut McKinney-Vento Homeless Assistance Grants. The Senate Committee included \$1.26 billion for McKinney-Vento Homeless Assistance, virtually the same level as last year. The House bill included \$1.206 billion, and the Administration requested \$1.257 billion. The Administration also requested an additional \$25 million for prisoner reentry, and \$50 million for the Samaritan Initiative (supportive housing for chronic homelessness) neither of which were funded in the Senate or House bills.

Housing Opportunities for Persons with AIDS (HOPWA)

HOPWA was given \$294.8 million in the Senate bill, \$282 million in the House bill.

Community Development Block Grants and HOME

The Community Development Block Grant (CDBG) can be used to develop affordable housing or assist low-income or homeless people. In the Senate, CDBG would receive a \$16 million increase from last year to nearly \$5 billion. In the House CDBG would be cut by 4.5%. The HOME Investment Partnerships program would be cut to \$1.92 billion in the House bill, but would receive a \$45 million increase to \$2.05 billion in the Senate. Furthermore, the Senate reduced the amount earmarked for down payment assistance, so approximately \$82 million more than last year would be available to develop affordable housing and provide rental assistance.

Public Housing

Under the Senate bill, the level of funding for public housing would be virtually unchanged. The House bill would cut about 4% over last year. The public housing capital fund would receive nearly the same amount as last year – \$2.7 billion – in the Senate and a cut in the House to \$2.58 billion. HOPE VI would also be nearly flat-funded in the Senate at \$150 million, with a cut to \$143 million in the House.

Information provided by the National Alliance to End Homelessness and the National Association of Housing and Redevelopment Officials. For more information, contact Norm Suchar at NAEH at 202-638-1526, x103, or Jonathan Zimmerman at NAHRO at 202-289-3500, x238.