



FY11 and FY12 Budget and HUD Appropriations

Urge Congress to:

- Pass a full year FY11 bill that provides funding for HUD programs at or above the FY10 levels, with necessary increases for key programs to ensure all currently assisted households remain housed and additional people are assisted.
- Oppose H.R. 1, the House-passed FY11 funding bill, which would impose more than \$5.7 billion in cuts to HUD.
- Provide sufficient FY12 funding for HUD's core rental housing programs to serve existing and additional extremely low income (ELI) households. Base FY12 funding off of the demonstrated increase in ELI housing need.

| HUD Program | FY10 Enacted | FY11 President's Request | FY11 NLIHC's Request | FY11 House Passed Bill 2/19/11 | FY11 Senate Proposal 3/9/11 | FY12 President's Request | FY12 NLIHC's Request |
|---|--------------|--------------------------|----------------------|--------------------------------|-----------------------------|--------------------------|----------------------|
| Tenant Based Rental Assistance | 18,184 | 19,551 | 19,551 | 18,080 | 18,547 | 19,226 | 19,551* |
| New Tenant Based Rental Assistance | --- | --- | 2,060 | --- | --- | --- | 2,060 |
| Project Based Rental Assistance | 8,552 | 9,382 | 9,382 | 9,282 | 9,276 | 9,429 | 9,429 |
| Public Housing Capital Fund | 2,500 | 2,044 | 5,000 | 1,428 | 2,500 | 2,405 | 2,500 |
| Public Housing Operating Fund | 4,775 | 4,829 | 5,084 | 4,626 | 4,626 | 3,962 | 4,962 |
| Resident Opportunity and Supportive Services | 50 | 0 | 55 | 50 | 50 | 0 | 55 |
| Housing Opportunities for Persons with AIDS | 335 | 340 | 410 | 335 | 335 | 335 | 410 |
| Homeless Assistance Grants | 1,865 | 2,055 | 2,400 | 1,865 | 2,055 | 2,372 | 2,400 |
| Housing for the Elderly (Section 202) | 825 | 274 | 825 | 238 | 825 | 757 | 825 |
| Housing for Persons with Disabilities (Section 811) With \$113 million in TBRA, total funding is \$300 million | 300 | 90 | 187 | 90 | 300 | 196 | 196 |
| Fair Housing and Equal Opportunity | 72 | 61 | 83 | 72 | 72 | 72 | 72 |

*This top line figure may change; NLIHC will advocate for fill funding of contract renewals, administrative funding, and specialty vouchers.

Background:

The 111th Congress ended in December 2010 without passing appropriations bills to fund the federal government for fiscal year 2011 which was already three months underway. The 112th Congress has still not passed these FY11 appropriations bills and has instead funded the government under a series of six continuing resolutions (CR), agreements between the House and Senate that provided short term funding to prevent a government shutdown. Most HUD programs have been funded at FY10 levels under these CRs. The latest is set to expire on April 8.

Because Congress is seeking to agree on a top line figure for non-defense domestic discretionary spending, there has been little focus on what the allocations for the appropriations subcommittees will be, such as the Transportation, Housing and Urban Development and Related Agencies (T-HUD) subcommittee. It is important for advocates to continue to remind legislators of how critical HUD funding is to their states and local communities so that they recognize the impact that cuts to a top line spending figure will have on housing programs.

With Congress focusing on passing an FY11 bill and advocates focusing on preventing deep cuts to HUD programs in FY11, the President's FY12 budget request submitted to Congress in February 2011, has received comparatively little attention. The House and Senate began hearings on the FY12 budget request but members continue to focus on finalizing FY11 figures.

The President's budget request to Congress for FY12 continued a freeze on non-security and non-veterans discretionary funding at the FY10 level the Administration announced last year. HUD has met this goal by cutting capital programs and not increasing other critical resources. The President's FY12 budget request includes:

- \$1 billion to capitalize the National Housing Trust Fund (also requested in FY10 and FY11);
- A demonstration version of the FY11 proposed Transforming Rental Assistance initiative allowing public/assisted housing conversion to a new subsidy;
- A proposal to change targeting of the Low Income Housing Tax Credit (LIHTC). HUD proposes broadening targeting to make both households with higher and lower incomes eligible;
- The Housing and Services Vouchers for Homeless Persons Demonstration with lesser funding than proposed in FY11;
- The Veterans Affairs Supportive Housing program at FY10 levels;
- Increased funding for Homeless Assistance Grants to implement many activities authorized under the Hearth Act;
- \$1 billion less than the HUD estimates needing for the Public Housing Operating Fund and a proposal to require PHAs to use excess reserve funding to make up the balance;
- Funding for the Public Housing Capital Fund only at a basic maintenance level;
- Funding for the Choice Neighborhoods Initiative (CNI) to replace the Hope VI program;
- Funding to renew existing Tenant Based and Project Based Rental Assistance;
- Cuts to the Community Development Block Grants and capital programs;
- Elimination of the Resident Opportunity and Supportive Services program (as proposed in FY11).