

Federal Legislation Update

BUDGET & FUNDING-RELATED ITEMS - Updates

BIDEN ADMINISTRATION ANNOUNCES FIRST-EVER FUNDING OPPORTUNITY FOR COORDINATED APPROACHES TO ADDRESS UNSHELTERED HOMELESSNESS, INCLUDING RESOURCES FOR RURAL COMMUNITIES – New – On 6/22 the Biden Administration released a first-of-its-kind package of resources for unsheltered homelessness and homeless encampments. The Initiative for Unsheltered and Rural Homelessness will help communities humanely and effectively implement coordinated approaches for solving unsheltered homelessness with housing, health care, and supportive services.

The **\$365 million package** includes:

- **\$322 million** in Continuum of Care (CoC) Program grants, with **\$54.5 million** set aside specifically for **rural communities**, through a Special Notice of Funding Opportunity to fund homeless outreach, permanent housing, supportive services, and other costs. The grants will fund projects for three years then will be eligible for renewal through the annual CoC Program.
- **\$43 million** for approximately **4,000 new Housing Choice Vouchers** that will be allocated through a separate notice to public housing authorities. The vouchers can serve people who are:
 - Experiencing or at risk of homelessness;
 - Fleeing or attempting to flee domestic violence, dating violence, sexual assault, and stalking; and
 - Veterans and their families if they meet one of the proceeding criteria.

This funding opportunity strongly promotes partnerships with health care organizations, public housing authorities and mainstream housing providers, and people with lived experience of homelessness.

FEMA Hotels – No new update– On 3/1 it was announced that FEMA funding for hotels as non-congregate shelter has been extended until 7/1 (previously set to expire on 4/1). This does not solve for hotels that will be choosing not to extend their current contracts in Maine, of which there are many.

Forthcoming Budget Reconciliation Bill – No new update – Congress continues to work on the forthcoming Budget Reconciliation Bill. On 4/6, Senators Dianne Feinstein and Alex Padilla sent a letter to congressional leadership calling for the inclusion of robust housing investments in any future budget reconciliation package. The letter urges leadership to ensure that the targeted housing investments in the House-passed Build Back Better Act remain in any future reconciliation bill.

House FY 23 T-HUD Budget – New – The house is expected to release its FY 23 T-HUD bill the week of 6/20.

FY 23 Budget – No new update– On 3/24 President Biden released his FY 23 budget, which per CBPP “calls for a range of policies that would boost opportunity and reduce poverty, improve health and well-being, and advance widely shared prosperity, funded by proposals to make the nation’s tax system stronger and fairer.” “The Administration recognizes that discussions with Congress on an economic package are ongoing. Rather than laying out specific proposals for that package in its budget, it calls on Congress to craft an economic package that reduces costs for families, tackles climate change, and raises revenues to pay for these investments and shrink the deficit.” The proposed budget funds HUD programs at \$71.9 billion, \$6.2 billion more than the final FY 22 level.

Specifically the President’s Budget would provide:

- **\$32.1 billion for HCVs**, an increase of \$6.4 billion (including emergency funding) over the 2021 enacted level, to maintain services for all currently assisted families and to expand assistance to **an additional 200,000 households**, particularly for those who are experiencing homelessness or fleeing, or attempting to flee, domestic violence or other forms of gender-based violence.
- Sufficient funding to renew all existing Project-Based Section 8 (\$1 billion increase).
- \$3.6 billion (11% increase) for Homeless Assistance Grants to meet renewal needs and expand assistance to nearly 25,000 additional households, including survivors of domestic violence and homeless youth.
- \$2.7 billion to Veterans’ homelessness programs, with the goal of ensuring every veteran has permanent, sustainable housing with access to healthcare and other supportive services to prevent and end veteran homelessness.
- Nearly \$2 billion for the HOME Investment Partnerships Program (HOME) (30% increase), to construct and rehabilitate affordable rental housing and provide homeownership opportunities. If enacted, this would be the highest funding level for HOME in nearly 15 years.
- \$86 million in grants to support State and local fair housing enforcement organizations and to further education, outreach, and training on rights and responsibilities under Federal fair housing laws. The Budget also invests in HUD staff and operations capacity to deliver on the President’s housing priorities, including to lift barriers that restrict housing and neighborhood choice, affirmatively further fair housing, and provide redress to those who have experienced housing discrimination.
- \$3.8 billion for the Community Development Block Grant program to help communities modernize infrastructure, invest in economic development, create parks and other public amenities, and provide social services. The Budget includes a targeted increase of \$195 million to spur equitable development and the removal of barriers to revitalization in 100 of the most underserved neighborhoods in the United States.

- \$1 billion to fund tribal efforts to expand affordable housing, improve housing conditions and infrastructure, and increase economic opportunities for low-income families. Of this total, \$150 million would prioritize activities that advance resilience and energy efficiency in housing-related projects.
- \$180 million to support 2,000 units of new permanently affordable housing specifically for the elderly and persons with disabilities, supporting the Administration’s priority to maximize independent living for people with disabilities. To complement these investments, the Budget contains a total of \$50 billion in mandatory funding and additional Low-Income Housing Tax Credits to increase affordable housing development. Specifically, the Budget provides \$35 billion in HUD funding for State and local housing finance agencies and their partners to provide grants, revolving loan funds, and other streamlined financing tools that reduce transactional costs and increase housing supply, as well as grants to advance State and local jurisdictions’ efforts to remove barriers to affordable housing development.
- \$15 million to test new ways to enable low-income youth with disabilities—including youth who are in foster care, involved in the justice system, or are experiencing homelessness—to successfully transition to employment.

BILLS - Updates

President Biden’s Housing Supply Action Plan – No new update – On 5/16 the White House released a comprehensive plan for combatting one of the major causes of inflation: the rising cost of rent and the severe shortage of homes affordable and available to America’s lowest-income and most marginalized households. The “Housing Supply Action Plan” includes a series of measures designed to increase the supply of housing over the next five years, including (1) using federal transportation funds to incentivize jurisdictions to reduce restrictive local zoning laws; (2) supporting manufactured housing, accessory dwelling units, and small-scale developments; and (3) streamlining federal financing and funding sources to help lower costs and speed development.

S 4181, LIHTC Financing Enabling Long-term Investment in Neighborhood Excellence (LIFELINE) Act – No new update – On 5/11, Senators Leahy and Connolly introduced the LIFELINE Act which would allow state, local, territorial, and tribal governments to use Coronavirus State and Local Fiscal Recovery Funds (FRF) to make long-term loans to Housing Credit developments. Senators Collins and King have signed on as original co-sponsors. The bill is companion legislation to the House version of the LIFELINE Act (H.R. 7078), introduced by Representatives Alma Adams (D-NC) and David Rouzer (R-NC) in March (co-sponsored by Congresswoman Pingree). The LIFELINE Act would remedy the current issue of ARPA funding not blending well with the Low-Income Housing Tax Credit (LIHTC program). Both the House and Senate versions of the LIFELINE Act allow FRF to be loaned to Housing Credit developments as a soft financing source to fill debts with loan maturities of 30 years or more and allow repayments on those loans to be used to finance affordable housing, including future Housing Credit properties.

HR 7716 Coordinating Substance Use and Homelessness Care Act of 2022– No new update – On 5/11 Congresswoman Madeleine Dean introduced the Coordinating Substance Use and Homelessness Care Act of 2022. On 5/17 the House ordered to be Reported in the Nature of a Substitute by the Yeas and Nays: 27 – 22. This bill would establish a grant program through HUD to award competitive grants to eligible entities to build or increase their capacities for the better coordination of health care and homelessness services for people who are experiencing homelessness and significant behavioral health issues, including substance use disorders, and are voluntarily seeking assistance.

S 2182, The Eviction Crisis Act – New – In 2021, Senators Michael Bennet (D-CO), Rob Portman (R-OH), Sherrod Brown (D-OH) and Todd Young (R-IN) introduced the Eviction Crisis Act. Opportunity Starts at Home, a coalition of national organizations seeking a solution to the eviction crisis have also endorsed this legislation. The bill would provide \$3 billion annually to fund the Emergency Assistance Fund to help low-income households who experience a catastrophic unexpected event that threatens their ability to remain stably housed and potentially fall into homelessness. Examples are fluctuation in income, car repairs, or medical bills. Work is underway to have Senator Collins and Senator King co-sponsor this legislation.

HR 7191 Homes for All Act – No new update – On 3/24 Congresswoman Omar reintroduced the Homes for All Act. The bill would invest \$1 trillion in dramatically expanding public housing and the national Housing Trust Fund and would guarantee housing as a human right. The Homes for All Act would invest \$800 billion over 10 years to build 8.5 million new units of public housing. The bill would also invest an additional \$200 billion over 10 years in the national Housing Trust Fund to build 3.5 million new permanently affordable homes for extremely low-income families. The bill would repeal the Faircloth Amendment (which currently prohibits the creation of additional public housing), make ongoing public housing operating and capital expenses mandatory, and create a new program to help protect families from gentrification and displacement.

HR 7196 Flexibility in Addressing Rural Homelessness Act – No new update – On 3/24 Congresswoman Axne and Congressman Frank introduced the “Flexibility in Addressing Rural Homelessness Act”. On 5/17 the House ordered to be Reported in the nature of a Substitute by Voice Vote. The bipartisan Act would allow Continuums of Care in rural areas to operate with more flexibility in spending homelessness funding provided through the “McKinney-Vento Homeless Assistance Act.” The legislation would allow McKinney-Vento funding to be used for short-term emergency housing in motels or hotels, repairs to make housing fit for habitation, and staff training and capacity building

S 3788/HR 6989 Housing for All Act of 2022 – No new update – On 2/25 Senator Padilla introduced the Housing for All Act of 2022 (companion bill introduced in the House on 3/9). The bill’s stated purpose is: “To address the homelessness and housing crises, to move toward the goal of providing for a home for all Americans, and for other purposes.” The bill would address the severe

shortage of 6.8 million affordable homes for renters with the lowest incomes by investing in proven solutions to housing instability among the lowest-income households, including:

- The national Housing Trust Fund (\$45 billion);
- Supportive housing programs for the elderly and people with disabilities (\$900 million);
- HOME Investment Partnership Programs (\$40 billion);
- Housing Choice Vouchers (Expands the housing choice voucher program to provide assistance to homeless individuals and families and creates an entitlement to housing choice vouchers for extremely low income families);
- Project-Based Rental Assistance (\$14.5 billion);
- ESG (\$5 billion over 10 years);
- CoC Grants (\$15 billion over 10 years);
- Hotel/motel acquisitions and conversions to housing or non-congregate shelter (\$500 million); and
- Permanently reauthorize USICH.

HR 6693 Asylum Seeker Work Authorization Act – No new update – On 2/10 Congresswoman Pingree reintroduced her Asylum Seeker Work Authorization Act, which would reduce the 365-day waiting period for Asylum seekers to obtain work authorization to 30 days. The bill makes no changes to law or regulation relating to the asylum process. Senator Collins and Senator Sinema introduced a companion bill in the Senate (co-sponsored by Senator King).

S 1469/HR 6287 Homeless Children and Youth Act – No New Update– On 12/14 the Homeless Children and Youth Act was introduced in the House by Congresswoman Sherrill and Congressman Van Taylor, and co-signed by nine other members of Congress. It was previously introduced in the Senate on 4/29 by Senators Feinstein, Portman, and Baldwin. HCYA corrects flaws in the HUD homeless assistance system. It aligns the HUD definition of homelessness with the definitions utilized by other federal agencies, increases data transparency within the current system, and allows localities to prioritize program models that best meet the needs of their communities.

S 3350 Helping Foster and Homeless Youth Achieve Act – No New Update – On 12/9 the Helping Foster and Homeless Youth Achieve Act was introduced in the U.S. Senate by Senators Jacky Rosen (D-NV) and Rob Portman (R-OH). This bipartisan legislation removes barriers to higher education for youth experiencing homelessness and youth formerly in foster care by requiring federally-funded institutions of higher education waive application fees for foster and homeless youth. Waiving the barrier of application fees will increase access to postsecondary education for homeless and foster youth.

RULES – No New Updates

State Update: On 5/9 the Legislature Adjourned Sine Die.

Governor Mills & MaineHousing Announce \$20 Million to Expand Affordable Rental Housing in Rural Maine – No new update – On 5/10 Governor Mills and MaineHousing announced the launch of a \$20 million program supported by the Governor’s Maine Jobs & Recovery Plan to tackle Maine’s housing shortage by expanding the availability of affordable rental housing across rural Maine. The Rural Affordable Rental Housing Program will provide funding to build smaller affordable rental housing units. Under the program, projects must be between 5 and 18 units in size and may either be new construction, rehabilitation of existing housing, or reuse of existing buildings into livable spaces for low- and moderate-income households. The program is funded with \$10 million from the Maine Jobs & Recovery Plan, the plan proposed by Governor Mills and approved by the Legislature to invest nearly \$1 billion in American Rescue Plan Act to support Maine’s economic recovery from the pandemic. It is also funded with \$10 million from MaineHousing using money the agency gained last year by refinancing existing bonds and purchasing new bonds at lower interest rates or from the agency’s Housing Opportunities for Maine (HOME) fund.

Local Update:

- On 6/7, the South Portland City Council voted to enact a 6-month emergency ordinance that institutes an emergency eviction moratorium (retroactive to 5/31) and a 10% rent increase cap (retroactive to 4/1 and goes through November). The eviction moratorium only applies to tenants who do not pay rent increases, and not the original amount of the rent itself. The City Council will work on a longer-term a rent stabilization ordinance that’s scheduled for a council workshop on 6/14.