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SUMMARY TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES FISCAL YEAR 2020 APPROPRIATIONS BILL

Washington, D.C. – The fiscal year 2020 Transportation, Housing and Urban Development, and Related Agencies (THUD) Senate Appropriations bill provides \$74.27 billion in discretionary budget authority – \$3.2 billion more than fiscal year 2019 – rejecting the President's proposal to cut more than \$15.8 billion from critical public safety, affordable housing, community development, and infrastructure programs.

The programs and activities supported by this bill include significant responsibilities entrusted to the Federal government and its partners to protect human health and safety by providing additional resources to prevent and end homelessness, as well as housing stability for nearly 5 million low-income households nationwide, the majority of which are elderly or disabled. The bill also sustains strong investments into safety and efficiency of our transportation networks, including the operation of the world's most complex air transportation system.

Key Points & Highlights

The bill provides funding for the Department of Transportation (DOT), the Department of Housing and Urban Development (HUD), and other related agencies.

The bill rejects the President's proposed \$3.2 billion cut to DOT programs and instead provides \$86.1 billion in total budgetary resources. Within this total, the bill provides \$24.8 billion in discretionary appropriations and \$61.3 billion in obligation limitations. While this is \$324 million less than fiscal year 2019, the agreement allows for significant, supplemental investments into the state of good repair of our nation's infrastructure in order to address multimodal demands for safety and capacity improvements. The bill also disagrees with the President's plan to change the longstanding, collaborative Federal-State partnership for passenger rail services that would result in states and local jurisdictions paying more or facing the elimination of environmentally friendly mobility options for millions of commuters. Instead, the bill responds with robust funding for Amtrak and continues key investments in transportation projects that

address population growth and congestion and improve the overall safety and infrastructure of our nation's roads, bridges, and railways.

For HUD programs, the bill provides \$56.5 billion in budget authority for fiscal year 2020, of which \$49 billion is from discretionary appropriations and \$7.4 billion is from offsetting receipts. The agreement reflects an increase of \$2.7 billion compared to fiscal year 2019, and \$12.4 billion more than the budget request. On an overwhelming bipartisan basis, the bill rejects the President's proposal to totally eliminate our federal affordable housing and economic development programs, including the Public Housing Capital Fund, HOME, Community Development Block Grants (CDBG), and Choice Neighborhoods. These Federal investments provide critical resources for states and local communities to address the nation's growing affordable housing crisis. Generational wage stagnation and a national shortage of affordable units for low-income families force 71 percent of low-income renters to spend more than half of their limited income on housing. Federal housing programs lessen cost burdens on vulnerable families who would have to work nearly 103 hours a week, or 2.5 full time jobs, in order to afford a market rate one bedroom apartment. As half a million people go without shelter on any given night and families are forced to choose between lifesaving medications and putting a roof over their children's head, preserving and investing in affordable housing programs is fundamentally necessary to prevent more families from falling into unsafe housing situations or homelessness.

Department of Transportation

Federal Aviation Administration: The bill provides \$17.6 billion in budgetary resources, which is \$165 million above the fiscal year 2019 enacted level and \$512 million above the President's budget request. This funding level includes \$3.75 billion for Airport Improvement Program (AIP) grants, which support airport safety, terminal, and noise mitigation projects. The bill increases funding for Aviation Safety by \$67 million for a total of \$1.4 billion in order to strengthen the safety inspector workforce and enable the Department to address identified weaknesses in the aircraft certification process. The bill also restricts the FAA's ability to expand Organizational Delegation Authority (ODA) until certain conditions are met. The bill directs the FAA to use exiting personnel authorities to recruit and retain highly skilled safety staff with expertise human factors and engineering. Resources are also targeted toward improving international aviation safety through outreach and training programs to promote U.S. aerospace safety standards, including for pilot training.

<u>Federal Highways</u>: The bill includes \$2.16 billion in discretionary appropriations and \$47 billion in obligation limitation for a total of \$49.27 billion for Federal Highway Administration (FHWA) activities. This level of funding is \$12 million above the fiscal year 2019 level and \$2 billion above the President's budget request. The proposed discretionary increase to the FAST Act authorized level includes \$781 billion in FHWA formula funds and allows these funds to be used to support alternative fuel corridors, \$1.15 billion for bridge repair and replacement, \$70 million for the National Significant Federal Lands and Tribal transportation program, \$100 million for the Appalachian Development Highway System (ADHS), and \$50 million for competitive grants to improve highway-railway crossings among other activities.

Transit and Rail: The bill provides more than \$15.7 billion for transit and rail-related activities, nearly \$1.2 billion more than the President's budget request. Of the amounts provided, \$2.8 billion is included for the Federal Railroad Administration and Amtrak for critical rail safety and infrastructure improvements. Specifically, the bill rejects the President's proposal to cut Amtrak's funding by 52 percent and instead provides \$2 billion for the Northeast Corridor (NEC) and National Network, an increase of \$58 million from fiscal year 2019. For the replacement of the single-level passenger cars used on the NEC and State-supported routes, the bill includes \$100 million to support a multi-year, \$1.5 billion acquisition to replace Amtrak's 40-year old fleet. The bill rejects the President's proposal to eliminate the Federal-State Partnership for State of Good Repair program and instead provides \$200 million to fund the replacement, rehabilitation, or repair of major infrastructure assets that are utilized for providing intercity passenger rail service and continues to reject the President's proposal to phase out Amtrak-operated long-distance routes.

For transit investments, the bill includes nearly \$13 billion in budget authority, which is \$494 million above the President's budget request. Of this amount, the bill includes a \$510 million increase to FAST Act formula programs, including \$338 million for Buses and Bus Facilities, \$75 million for Low and No Emission grants, \$40 million for formula grants for rural areas, \$40 million for high density state apportionments, and \$8.5 million for areas of persistent poverty among other activities. This increase in resources will allow assist transit agencies to purchase buses and rail cars, building maintenance facilities, and address a \$90 billion transit state-of-good-repair backlog across the country.

Department of Housing and Urban Development & Related Agencies

Preserves Affordable Rental Housing: The bill provides more than \$45 billion to preserve the nation's affordable housing for low-income HUD-assisted households currently served through the Section 8 Housing Choice Voucher, Public Housing, and Project-based Rental Assistance programs, and other assisted rental housing programs. This level of funding is an increase of more than \$2 billion from fiscal year 2019 and an increase of more than \$6.7 billion from the President's budget request. The bill rejects the President's proposed rent reforms and mandatory work requirements that would force already vulnerable families to choose between maintaining childcare or paying for medical expenses and homelessness. The bill also rejects the President's proposal to eliminate funding for Public Housing Capital Formula Grants, the sole federal resource for the repair and maintenance of the nation's public housing stock. Specifically, the bill includes:

- \$23.9 billion for the Tenant-based Rental Assistance account to preserve affordable housing for 2.2 million low-income households as well as expands housing opportunities for youth aging out of foster care and veterans at risk of or experiencing homelessness;
- \$7.4 billion to help preserve the nation's public housing for 1 million low-income households currently served through the program;
- \$12.6 billion for the preservation of Project-based Section 8 assistance for more than 1.2 million low-income households;

- \$793 million for the Housing for the Elderly program to continue rental assistance for approximately 127,000 low-income elderly households and renew grants for 1,500 service coordinators, as well as includes \$90 million for new grants to modify or repair homes and \$10 million for modifications for homeowners in order to enable this population to more successfully age in place; and,
- \$202 million for the Housing for Persons with Disabilities program to renew assistance for more than 29,000 households served through the program, and includes \$40 million for new grants to modify or repair homes.

<u>Prevents and Ends Homelessness</u>: The bill includes more than \$2.8 billion to help communities design and implement local solutions to end homelessness, an overall increase of \$141 million from fiscal year 2019 and an increase of \$178 million from the President's budget request. Of this amount, \$2.777 billion is included for the Homeless Assistance Grant (HAG) program in order to fully meet the program's renewal need, of which \$290 million is for Emergency Solutions Grants. The bill also includes HAG funding to support:

- \$80 million in targeted resources for youth to build on the \$200 million previously provided since fiscal year 2017; and,
- \$50 million for new rapid rehousing projects that serve victims and survivors of domestic violence, building on the \$100 million provided since fiscal year 2018, which will also help communities implement emergency transfer plans required by the Violence Against Women Act (VAWA) of 2013.

The bill rejects the President's proposal to eliminate funding for new vouchers under the HUD-VASH program by including \$40 million to support 5,100 new incremental rental vouchers for veterans experiencing homelessness, a critical resource for the nearly 38,000 veterans experiencing homelessness. This funding will build upon the more than \$755 million in investments already made through this program since 2008.

Expands Affordable Housing and Community Development Opportunities: Overall, the bill provides \$4.8 billion to preserve and expand affordable housing opportunities for low-income renters and homeowners and support local economic development projects for over 1,200 communities. Specifically, the bill rejects the President's proposal to eliminate the HOME program—the only federal program solely dedicated to affordable housing production and preservation—and instead provides \$1.35 billion, \$100 million above fiscal year 2019. Additional HOME funds will provide gap financing for development projects and leverage an additional \$10 billion in public-private investments for local affordable housing production and rental assistance to assist nearly 55,000 low-income households.

The bill rejects the President's proposal to eliminate the CDBG program, a critical funding source for state and local community and economic development, and includes \$3.425 billion, \$125 million above fiscal year 2019. CDBG provides grants to benefit approximately 6.8 million low-income Americans through public service programs, including services for seniors and persons with disabilities, employment training, and food banks. This level of funding will assist nearly 85,000 households with down payment assistance, housing construction and rehabilitation, and energy efficient improvement programs and will create and retain over 19,000

jobs. This funding level also includes an additional \$25 million for a pilot housing program that provides grants to states that are most impacted by the drug overdose epidemic to provide stable temporary housing to individuals in recovery, as authorized in Section 8071 of the SUPPORT for Patients and Communities Act.

Addresses Lead-Based Paint and Other Environmental Hazards: The bill provides a combined \$330 million to address lead-based paint and other environmental hazards in low-income and HUD-assisted housing. Of this amount, \$290 million is provided for the Office of Lead Hazard Control and Healthy Homes, an increase of \$11 million from fiscal year 2019. This includes up to \$171 million for lead hazard reduction grants, of which no less than \$95 million is reserved for communities with the highest lead-based paint abatement needs. It also includes \$64 million for the High Impact Neighborhoods demonstration, which will examine the effectiveness of intensive multi-year investments in lead-based paint remediation activities in seven to ten low-income communities, building on the \$45 million provided in fiscal year 2019. This total funding level will support lead-based paint hazard reductions in up to 17,000 units, providing safer homes for over 66,000 low-income families and individuals, including more than 16,000 children under the age of six.

The bill also includes \$45 million in the Public Housing Capital Fund for competitive grants to Public Housing Authorities (PHAs) to perform environmental interventions for lead-based paint and other hazards, including mold and carbon monoxide, in approximately 3,000 public housing units. Of this amount, \$25 million will support lead-based paint hazard remediation, equal to fiscal year 2019. The bill also addresses eligibility issues that have prevented certain PHAs from applying for or using prior year funds to address outstanding lead-related violations. This level of funding also includes \$15 million in new investments to address other housing-related hazards in public housing, including mold, to allow PHAs to improve the overall environmental housing conditions for public housing residents.

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