NATIONAL LEASED HOUSING ASSOCIATION

NLHA Legislative Report — 117th Congress

Through July 2022

Enacted Legislation

FY 2021 HUD Appropriations—President Biden signed a final FY22 omnibus appropriations package that wraps up all 12 appropriations bills and provides a healthy level of funding for HUD programs on March 15. The legislation provides increased funds to renew Housing Choice Vouchers and Section 8 PBRA contracts, raises voucher administrative fees, funds an estimated 30,000 new vouchers, provides for Section 202 new housing construction, and increases funding for Choice Neighborhoods.

American Rescue Plan Act (H.R. 1319, P.L. 117-2)—The bill, which President Biden signed into law on March 11, 2021, provides $1.9 trillion in COVID-19 pandemic relief and economic stimulus, including $40 billion for financially distressed renters and homeowners. The bill has $21.5 billion for the Emergency Rental Assistance program operated by the Treasury Department, in addition to the $25 billion provided in the COVID-19 relief bill (H.R. 133) that President Trump signed on Dec. 27, 2020. The Rescue Plan Act also provided stimulus payments and extended unemployment insurance benefits to individuals.

Infrastructure Investment and Jobs Act (H.R. 3684, P.L. 117-58)—Signed by President Biden on Nov. 15, this bipartisan legislation has $65 billion in broadband programs that will provide the affordable housing industry with significant resources to bridge the gap in internet access between low-income families and other households. The bill provides a $30 broadband subsidy per month for low-income households, $75 per month on tribal lands, and block grants to the states for broadband infrastructure that includes the installation of the internet for underserved families in multifamily buildings.

Passed House of Representatives

Build Back Better Act (H.R. 5376)—The massive $2 trillion budget reconciliation bill passed the House 220-213 on Nov. 18, 2021. The bill provides funding and establishes programs in a broad array of areas, including education, labor, childcare, health care, taxes, immigration, and the environment. The bill has about $150 billion for HUD housing and community development, including $24 billion for Housing Choice Vouchers and $1 billion for Section 8 project-based rental assistance. The measure contains provisions from the Affordable Housing Credit Improvement Act. It would lower the 50% bond financing threshold test to 25%, temporarily increase the annual housing tax credit allocation to the states from 2022-24, and provide a 50% basis boost for development serving extremely low-income households.

Senate Democrats released a draft version of the Build Back Better budget reconciliation bill with housing provisions nearly identical to what the House passed in November. The measure would provide more than $135 billion for affordable housing while the housing tax credit title differs from the House bill by extending the increased credit allocation an additional year through 2025.

Enactment of this bill became doubtful after Democratic Sen. Joe Manchin III of West Virginia said he is opposed to it. Democrats need all 50 votes from their caucus to pass the bill in the Senate. President Biden said during a Jan. 19 press conference that he and congressional leaders may break up the bill into separate portions that have a chance of passage this year.

Committee Markup

Expediting Assistance to Renters and Landlords Act of 2021 (H.R. 5196)—Approved by the House Financial Services Committee 28-22 Sept. 14, the bill would remove barriers that prevent tenants from receiving Emergency Rental Assistance. The bill allows landlords to apply directly for rent arrears for tenants who have not given their consent or have vacated a property, mandates bulk processing of applications and payments, and requires ERA grantees to accept tenant self-attestation of income. The Department of Treasury guidance issued in August permitted ERA administrators to adopt these provisions but did not make them mandatory.

H.R.6529—Referred to the House Financial Service Committee on January 28, the bill would require owners of federally assisted rental dwelling units to install self-closing doors. The bill requires owners of these units to replace all existing doors with self-closing doors no later than 1 year after the bill is enacted and to certify the installation, maintenance, and functioning of these doors each month to HUD. HUD will offer guidance to PHAs concerning how to educate tenants about self-closing doors and other safety measures.

Legislation Introduced, Proposed

Housing Temperature Safety Act of 2022 (H.R. 6528) - This bill would require owners of federally assisted rental dwelling units to install temperature sensors. These sensors would be required to connect to the internet to record temperature, time, and date data 6 times each day. HUD would then report this data to Congress with an analysis of owners who have and have not installed these sensors, as well as the number of temperature-related fatalities.

Affordable Housing Credit Improvement Act (S. 1136, H.R. 2573)—AHCIA was reintroduced with bipartisan co-sponsors and with some revisions from the 116th Congress. The legislation includes a 50% increase in 9% housing credit authority phased in over two years to address the increased need for affordable housing. AHCIA contains more than two dozen other provisions that would help preserve existing affordable housing, facilitate housing credit development for extremely low-income households and in hard-to-serve communities through basis boosts, and give credit allocation agencies new tools to strengthen program administration. In one key provision, the threshold for private activity bond financing with 4% tax credits would be lowered from 50% to 25%. There are 132 cosponsors in the House and 31 cosponsors in the Senate for this bipartisan legislation.

Decent, Affordable, Safe Housing (DASH) Act (S. 2820)—Introduced Sept. 23 by Senate Finance Committee Chairman Ron Wyden (D-Ore.), the bill contains housing tax credit provisions from the Affordable Housing Credit Improvement Act (AHCIA). The bill allows a 50% housing credit basis boost for buildings that dedicate space for supportive services. It would create a middle-income housing tax credit for the construction of rental housing for renters between 60% and 100% of the area median income. And it would permanently authorize and create mandatory funding of Housing Choice Vouchers for the homeless.

House Financial Services Housing Investment Bills—HFS Committee Chairwoman Maxine Waters introduced comprehensive legislation to provide $600 billion for affordable housing, make Housing Choice Vouchers available to all income-eligible renters, and provide $100 billion in down payment and other assistance for first-time homebuyers. The universal voucher proposal would be phased in over several years. There are three bills: the Housing is Infrastructure Act (H.R. 4497), Ending Homelessness Act (H.R. 4496), and the Down payment Toward Equity Act (H.R. 4495).

Choice In Affordable Housing Act (H.R.6880)—The bill was originally introduced to the Senate in 2021 by Senator Chris Koons (D-DE) and has been reintroduced to the House by Representative Emanuel Cleaver (D-MO-5) on March 1, 2022. The bill would expand the housing choice, opportunity, and fairness by increasing the number of units in high-opportunity neighborhoods that accept Housing Choice Vouchers. The act would provide $500 million to create a Housing Partnership Fund for PHAs to distribute signing bonuses to landlords in areas with less than 20% poverty, provide security deposit assistance to tenants, and financial bonuses to PHAs with a dedicated landlord liaison on staff. It would also increase funding for the Tribal HUD-VASH program, expand the Small Area Fair Market Rent calculation in metropolitan areas, reduce inspection delays by approving pre-inspections up 60 days in advance of receiving a housing choice voucher and would approve units that have passed voucher inspections within the last year, and refocus HUD's evaluation of housing agencies by reforming PHA evaluations to promote diversity in neighborhoods where vouchers are used.

Rent Relief Act of 2022 – Introduced by Representative Danny Davis (D-IL-7), the bill would amend the Internal Revenue Code of 1986 to allow for a credit against tax for rent paid on the personal residence of the taxpayer. In general, the bill would allow taxpayers paying more than 30% of their gross income on rent to receive a tax credit equal to the 30% of the gross income for the taxable year or the lesser of rent paid for a principal residence or small area fair market rent.

Public and Federally Assisted Housing Fire Act of 2022 – Introduced by Representative Madeline Dean (D-PA-4), the bill would require all public housing, tenant-assistance, and project-based assistance units to install smoke alarms that qualify under the International Code Council or National Fire Protection Association in each sleeping area, including basements, with exceptions for crawl spaces and attics. Qualifying smoke alarms would need to be hard-wired or use 10-year non-rechargeable, nonreplaceable primary batteries, sealed, tamper-resistant, contain silent means, and provide notifications for hearing impaired residents.

Healthy Homes Act (H.R. 7990) – This bill would increase the annual allocation of LIHTCs to states by $1 per capita for three years and allow the increase of the state credit ceiling by the aggregate amount allocated by the state housing agency to healthcare-oriented housing. The legislation would also provide an increase of 50% of the eligible basis for healthcare-oriented housing under the LIHTC. States would be allowed to carry over funds from year to year without an increase to the following calendar year. Healthcare-oriented will include 5 standards such as social determinants of health with a health center, on-site healthcare, broadband for telehealth, classroom and kitchen areas for public education, and a healthcare service coordinator.

Fair Housing Improvement Act of 2022 – U.S. Senator Tim Kaine, a former fair housing attorney, reintroduced the Fair Housing Improvement Act of 2022 to protect veterans and low-income families from housing discrimination based on the source of income. Current law allows landlords to deny housing to individuals based on the source of income, and many veterans and low-income families have reported discrimination when using vouchers to pay their rent. Companion legislation was introduced by Representative Scott Peters (D-CA-52).

s

Eviction Crisis Act & Stable Families Act – The Eviction Crisis Act, introduced by Senators Michael Bennet (D-CO) and Rob Portman (R-OH), along with the Stable Families Act, a House companion bill introduced by Representative Ritchie Torres (D-NY), provide an innovative approach to increasing housing stability by creating a new national Emergency Assistance Fund (EAF). The EAF is a permanent program – funded at $3 billion annually – to help stabilize households experiencing an economic shock before it causes instability and homelessness.

Stay Cool Act (H.R 7949) – Introduced by Representative Bonnie Watson Coleman(D-NJ), the Act would provide a package of proposals for addressing heat emergencies and expanding research into how extreme heat emergencies can be mitigated. The bill would address the impact of heat waves on those most vulnerable to extreme heat and includes provisions to include air conditioning as a covered utility in public housing and create and implement safe residential temperature standards for federally assisted rental dwelling units. The bill would also create grant initiatives to establish senior check-in programs to be used during extreme heat events, as well as public greenspaces and cooling centers in overburdened communities.

Coordinating Substance Use and Homelessness Care Act (S.4482) – Senator Alex Padilla (D-CA) introduced this act as a companion to Representative Madeline Dean's measure (D-PA) (H.R. 7716) to create a HUD grant program to coordinate substance use treatment and homelessness services. The program would create grants of up to $500,000 for municipal governments for improving program infrastructure, technology, and administrative costs as well as assist with Medicaid enrollment and increasing naloxone availability.

EVs for All Act (H.R. 6662) – The EVs (Electric Vehicles) Act would establish a $50 million annual grant program at the Department of Energy to support EV car sharing and charging infrastructure for residents in public housing communities. Introduced by Representative Nanette Barragan (CA-44) the aims to focus its attention on eligible housing authorities across the nation that enable investments in

EV charging stations, support community education, outreach, and funding to make EVs accessible to residents.