

May 23, 2017

## President Officially Releases FY 18 Budget Proposal, Slashes Housing and CD Spending

The President's FY 2018 budget request was officially released today.

The proposal, which largely mirrors the budget preview released in March makes steep cuts to housing and community development programs, slashing the overall HUD budget by \$6 billion. The bulk of the cuts are to community development programs, which are largely eliminated. The budget also cuts the Public Housing Capital Fund by 68 percent, requesting a funding level of just \$628 million for the upcoming fiscal year. The budget document also mentions that the Administration is working toward a "comprehensive package of rental assistance reforms" including "increased tenant rent contributions, the establishment of mandatory minimum rents, and the end of utility allowance reimbursements, among others."

These proposed cuts, if implemented, would be devastating for communities. NAHRO strongly opposes the President's budget proposal and will work to provide necessary and responsible funding for critical housing and community development programs. NAHRO will also fight for long-overdue program and regulatory reforms that can reduce costly administrative burdens. Listed below are the Administration's proposed 2018 funding levels for programs central to the work of NAHRO's membership.

- Public Housing Operating Fund: \$3.9 billion, \$500 million less than FY 2017
  - Public Housing Capital Fund: \$628 million, \$1.31 billion less than FY 2017
  - Choice Neighborhoods: \$0
  - Tenant-Based Rental Assistance: \$19.318 billion, \$974 million less than FY 2017
  - Section 8 Housing Assistance Payment Renewals: \$17.584 billion, \$771 million less than FY 2017
  - Ongoing Administrative Fees: \$1.54 billion, \$100 million less than FY 2017
  - Family Self-Sufficiency: \$75 million, level funding from FY 2017
  - Section 8 Project-Based Rental Assistance: \$10.751 billion, \$65 million less than FY 2017
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- Community Development Block Grant: \$0
- HOME Investment Partnerships Program: \$0
- Housing Opportunities for Persons with AIDS: \$330 million, \$26 million less than FY 2017
- Homeless Assistance Grants: \$2.25 billion, \$133 million less than FY 2017
- National Housing Trust Fund: \$0

Members should note that the President's request is the first step in the budget and appropriations process. The Administration's budget request has over the years become a political document that reflects the fiscal goals and priorities of the Administration for the upcoming fiscal year. It does not carry the force of law. Congress, who controls the nation's purse strings, can choose to accept the request wholesale, pick and choose parts of it, or reject it outright, which they frequently do.

Though the budget preview released in March was largely rejected by members of Congress, it is still important to communicate to your members of Congress the impact these types of cuts would have in your community.

This year's budget comes months later than the traditional budget release date of the first Monday in February, placing a serious time constraint on Congress to approve as many appropriations bills as possible prior to leaving Washington for the August recess. Typically, by this time in the year, cabinet agency funding bills for 2018 would have already been approved. For example, the Senate passed the FY 2017 Transportation, Housing, and Urban Development (T-HUD) spending bill on May 19, 2016. Because of this shortened timeline, it is largely expected that a continuing resolution (CR) will be necessary to keep the government functioning beyond the end of the fiscal year on September 30.

Detailed coverage of the 2018 HUD budget request will follow later this week, which will give the membership more specific information and analysis that will assist you in educating and inform decision-makers and other interested parties. Questions on this information should be directed to NAHRO's Policy Team: [Georgi Banna](#), [Tushar Gurjal](#), [Eric Oberdorfer](#), and [Jenny Hsu](#). Questions on this Direct News, the congressional time table and decision-making process regarding this request as well as how you can educate, inform and responsibly advocate for HCD programs should be directed to NAHRO's Congressional Relations team: [John Bohm](#) and [Tess Hembree](#).

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**National Association of Housing and Redevelopment Officials**

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