

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Housing Certificate Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Supplemental/ Rescission	Total Resources	Obligations	Net Outlays
2021 Appropriation	-	81,656	-	81,656	6,228	20,892
2022 Annualized CR	-	77,427	-	77,427	25,088	25,000
2023 President's Budget	-	54,000	-	54,000	20,000	20,000
Change from 2022	-	(23,427)	-	(23,427)	(5,088)	(5,000)

a/ Refer to the table below for a description of the source of the funds.

b/ Table may not reflect complete resources as compared to the 2023 Budget Appendix due to rounding.

PROGRAM PURPOSE

The Housing Certificate Fund (HCF) is best described as a composite account. Prior to 2005, it funded contracts that are now administered in the Tenant-Based Rental Assistance (TBRA) and Project-Based Rental Assistance (PBRA) programs. In 1998, some smaller accounts (including Annual Contributions for Assisted Housing) were consumed by HCF, making it an even more eclectic mix.

- Beginning in 2005, the account stopped receiving annual appropriations and the TBRA and PBRA accounts were established.
- HCF continues to “hold” the account’s prior obligations for original term PBRA contracts that were funded in advance (i.e., long-term, up to 40 years). These funds continue to pay for contract expenses as they come due.
- As original contract terms draw to completion, annual renewals subsequently take place in the PBRA account, thus slowly depleting the inventory of projects and contracts in HCF, while increasing the number of projects in PBRA.
- Any undisbursed funds remaining on contracts at termination are recaptured and either cancelled or re-appropriated (depending on the source year). Eligible uses of recaptures include PBRA renewals, amendments, and administrative fees for multifamily housing programs.

BUDGET OVERVIEW

The 2023 President’s Budget requests no funding for the Housing Certificate Fund. The Budget request for HCF reflects the use of anticipated carryover and recaptures from previous years. Continuing appropriations language for HCF provides that recaptures from source years 1975 through 1987 will be cancelled and an amount of additional budget authority equal to the amount cancelled will be appropriated. Recaptures of contract authority originating in 1974 and prior are cancelled.

SOURCE OF FUNDS

	Carryover ^{a/}	Recaptures	Rescind ^{b/}	Appropriations ^{c/}	Total Resources	Obligations
2021	72,334,524	124,617,838	(16,186,964)	13,046,395	81,655,738	6,228,190
2022	75,427,547	10,000,000	(23,000,000)	15,000,000	77,427,547	25,087,848
2023	52,000,000	10,000,000	(23,000,000)	15,000,000	54,000,000	20,000,000

a/ 2021 carryover is net of SF-133 adjustment.

b/ Rescissions include all recaptured funds appropriated prior to 1987.

c/ An equivalent amount of the rescinded funds from 1974 to 1987 are then re-appropriated to HUD.

HUD anticipates using available residual funding from the HCF account to supplement appropriations in the PBRA account. Currently, HUD estimates this need at \$20 million but may use more based on actual operational need. The recaptures in 2023, along with funds remaining from prior year HCF recoveries, are anticipated to support Performance Based Contract Administrators (and/or successor contracts) and contract renewals in the PBRA program, providing an offset to new appropriations needed in the PBRA account.

JUSTIFICATION

For more detailed information, please see the "Project-Based Rental Assistance (PBRA)" justification.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2021 Budget Authority	2020 Carryover Into 2021	2021 Total Resources	2021 Obligations	2022 Annualized CR	2021 Carryover Into 2022	2022 Total Resources	2023 President's Budget
Contract Administrators	-	81,656	81,656	6,228	-	77,427	77,427	-
Renewal of Expiring Section 8 Contract	-	-	-	-	-	-	-	-
Total	-	81,656	81,656	6,228	-	77,427	77,427	-

a/ Table may not reflect complete resources as compared to the 2023 Budget Appendix due to rounding.

LEGISLATIVE PROPOSALS AND GENERAL PROVISIONS

None

APPROPRIATIONS LANGUAGE

The 2023 President's Budget includes the appropriation language listed below.

(INCLUDING CANCELLATIONS)

Unobligated balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under this heading, the heading "Annual Contributions for Assisted Housing" and the heading "Project-Based Rental Assistance", for fiscal year 2023 and prior years may be used for renewal of or amendments to section 8 project-based contracts and for performance-based contract administrators, notwithstanding the purposes for which

HOUSING CERTIFICATE FUND

such funds were appropriated: Provided, That any obligated balances of contract authority from fiscal year 1974 and prior fiscal years that have been terminated are hereby permanently cancelled:

Provided further, That amounts heretofore recaptured, or recaptured during the current fiscal year, from section 8 project-based contracts from source years fiscal year 1975 through fiscal year 1987 are hereby permanently cancelled, and an amount of additional new budget authority, equivalent to the amount permanently cancelled is hereby appropriated, to remain available until expended, for the purposes set forth under this heading, in addition to amounts otherwise available.

Note.—A full-year 2022 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2022 (Division A of P.L. 117-43, as amended).