

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Housing Certificate Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Net Outlays
2022 Appropriation	-	80,902	-	80,902	-	10,191
2023 Appropriation	-	81,903	-	81,903	75,088	75,000
2024 President's Budget	-	7,000	-	7,000	2,000	2,000
Change from 2023	-	(74,903)	-	(74,903)	(73,088)	(73,000)

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 2024 Budget Appendix due to rounding.

c/ 2022 Carryover includes \$5 million from recaptures. 2023 Carryover includes \$1 million from anticipated recaptures.

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 performance-based contract administrators (PBCAs).

BUDGET OVERVIEW

The 2024 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, while recaptures from source years 1974 and prior will be cancelled.

HOUSING CERTIFICATE FUND

SOURCE OF FUNDS

(Dollars in Thousands)

	Carryover	Recaptures	Rescind	Appropriations	Total Resources	Obligations
2022	75,427,548	5,475,449	(5,469,816)	5,469,816	80,902,997	-
2023 (estimated)	80,902,997	1,000,000	(8,000,000)	8,000,000	81,902,997	75,000,000
2024 (estimated)	7,000,000	-	(5,000,000)	5,000,000	7,000,000	2,000,000

a/ Rescissions include all recaptured funds appropriated prior to 1987. An equivalent amount of the rescinded funds from 1974 to 1987 is re-appropriated to HUD.

HUD anticipates using residual funding from the HCF account to supplement appropriations in the PBRA account. Currently, HUD estimates 2023 PBCA operational needs will use approximately \$75 million of the available fund balance. Recaptures in 2024, along with funds remaining from prior year HCF recoveries, will be available for PBCAs and contract renewals in the PBRA program.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2022 Budget Authority	2021 Carry over Into 2022	2022 Total Resources	2022 Obligations	2023 Appropriation	2022 Carry over Into 2023	2023 Total Resources	2024 President's Budget
Contract Administrators	-	80,902	80,902	-	-	81,903	81,903	-
Renewal of Expiring Section 8 Contract	-	-	-	-	-	-	-	-
Total	-	80,902	80,902	-	-	81,903	81,903	-

a/ Table may not reflect complete resources as compared to the 2024 Budget Appendix due to rounding.

LEGISLATIVE PROPOSALS AND GENERAL PROVISIONS

None.

APPROPRIATIONS LANGUAGE

The 2024 President's Budget includes proposed changes in the appropriations language listed below. New language is italicized, and language proposed for deletion is bracketed.

(INCLUDING [RESCISSIONS] 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] *2024* 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 such funds were appropriated: Provided, That any obligated balances of contract authority from fiscal year 1974 and prior fiscal years that have been terminated [shall be rescinded] *are hereby permanently cancelled*: Provided further, That amounts heretofore recaptured, or recaptured during

HOUSING CERTIFICATE FUND

the current fiscal year, from section 8 project-based contracts from source years fiscal year 1975 through fiscal year 1987 are hereby [rescinded] *permanently cancelled*, and an amount of additional new budget authority, equivalent to the amount [rescinded] *permanently cancelled* is hereby appropriated, to remain available until expended, for the purposes set forth under this heading, in addition to amounts otherwise available. (*Department of Housing and Urban Development Appropriations Act, 2023.*)