DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Tenant-Based Rental Assistance

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Net Outlays
2022 Appropriation	27,369,641	4,656,776	-	32,026,417	27,317,632	26,361,100
2023 Appropriation	30,253,112	4,761,700	-	35,014,812	31,989,000	30,138,000
2024 President's Budget	32,703,000	3,073,000	-	35,776,000	33,625,000	33,782,000
Change from 2023	2,449,888	(1,688,700)	-	761,188	1,636,000	3,644,000

a/ 2022 Carryover includes \$1.0 million in recaptured prior year unpaid obligations and \$3.8 billion in 2021 American Rescue Plan (ARP) mandatory unobligated balance brought forward, Additionally, it includes \$53 million transferred from the Public Housing Fund and \$3 million transferred from the Housing for the Elderly account for the purpose of Rental Assistance Demonstration (RAD) conversions.

PROGRAM PURPOSE

The Housing Choice Voucher (HCV) program is authorized under Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) and is administered locally by approximately 2,100 public housing agencies (PHAs) that currently serve approximately 2.3 million families. Tenant-Based Rental Assistance (TBRA), commonly known as the HCV program, seeks to provide greater access to housing choices and better housing opportunities for very low- and extremely low-income families; reduce the number of individuals, families, and veterans experiencing homelessness; and reverse the effects of residential segregation in the pursuit of racial equity.

BUDGET OVERVIEW

The 2024 President's Budget requests \$32.7 billion for Tenant-Based Rental Assistance (TBRA), which is \$2.5 billion more than the 2023 enacted level. The Budget simultaneously supports the Administration's strategic goals to strengthen and broaden Federal housing assistance for people in need and advance housing equity by improving housing choices and access to economic opportunity. The 2024 TBRA Budget aligns with the Administration's efforts to build on our historic economic recovery and stabilize communities.

The HCV program is the Federal Government's largest program targeted to assist very low-income families, the elderly, and persons with disabilities rent affordable, decent, safe, and sanitary housing in the private market. The program serves the most economically vulnerable individuals and families in the country, including families with disabilities, elderly families, formerly homeless veterans, and families with children, by providing Federal voucher assistance payments that help them meet their rental housing needs.

b/ 2023 Appropriation designates \$2.7 billion of the TBRA Contract Renewal appropriation as an emergency requirement pursuant to the Disaster Relief Supplemental Appropriations Act, 2023.

c/ 2023 Carryover includes \$3.5 billion in 2021 American Rescue Plan (ARP) mandatory unobligated balance brought forward. Additionally, it includes an estimated \$49 million transferred from the Public Housing Fund and an estimated \$4 million transferred from the Housing for the Elderly account for the purpose of Rental Assistance Demonstration (RAD) conversions.

d/ 2024 Carryover includes \$3.0 billion in 2021 American Rescue Plan (ARP) mandatory unobligated balance brought forward. Additionally, it includes an estimated \$45 million transferred from the Public Housing Fund and an estimated \$3 million transferred from the Housing for the Elderly account for the purpose of Rental Assistance Demonstration (RAD) conversions.

The 2024 Budget includes funding for the following activities:

- \$27.8 billion for Contract Renewals, which is an increase of \$1.4 billion from the 2023 appropriation.
- \$3.2 billion in Administrative Fees, which is an increase of \$424 million from the 2023 appropriation.
- \$385 million for Tenant Protection Vouchers (TPV), which is an increase of \$48 million from the 2023 appropriation.
- \$686 million for Section 8 Mainstream Renewals, which is an increase of \$79.5 million from the 2023 appropriation.
- \$565 million for Incremental Vouchers, which is an increase of \$515 million from the 2023 appropriation.
- \$25 million for Mobility Services, which is an increase of \$25 million from the 2023 appropriation.

JUSTIFICATION

The HCV program is an essential component of the Federal housing safety net for people in need. Housing Choice Vouchers offer low- and extremely low-income families improved affordable housing options and access to greater economic opportunities. The option to project base vouchers helps create and preserve deeply affordable units available to families in need. The Administration supports a strategy that recognizes the HCV program as an essential resource to reduce and prevent homelessness and advance racial equity.

The HCV program partners with local PHAs and landlords to provide housing to our Nation's neediest families. Of the families currently receiving HCV assistance:

- 78 percent are extremely low-income, earning below 30 percent of the area median income;
- 76 percent of program participants identify as people of color, with 53 percent of those as Black, non-Hispanic;
- 31 percent of households served have an elderly head of household:
- 24 percent have a non-elderly disabled head of household; and
- 34 percent of families served have female heads of households with children.

Without rental assistance, these families face a great risk of housing instability or even homelessness or being forced to forgo other life necessities, such as food, clothing, and medicine.

These programs align with HUD 2022-2026 Strategic Objective 2A: *Increase the Supply of Housing* and 2B: *Improve Rental Assistance*.

HUD's *Worst Case Housing Needs: 2021 Report to Congress* reveals that among very low-income renter households that lacked assistance, 7.77 million had worst-case housing needs resulting from severe rent burden (paying more than one-half of their monthly income for rent) or living in severely inadequate housing units. Many families assisted by the HCV program have experienced worst-case housing needs and, without the benefit of this program, would be at immediate risk of homelessness.

HCV assistance is primarily tenant-based assistance, which means the assistance is not permanently tied to a particular unit or project, but rather to an individual household. The household is responsible for finding a suitable unit in the private rental market. The PHA pays

¹ HUD's Worst Case Housing Needs Report, 2021 Report to Congress (https://www.huduser.gov/portal/sites/default/files/pdf/worst-case-housing-needs-2021.pdf)

monthly housing assistance directly to the owner on behalf of the family. That payment helps cover the affordability gap between what very low-income families can afford to pay for rent, and the actual rent charged. The HCV program relies on private-sector partnerships to provide affordable housing opportunities effectively and efficiently in the local community instead of depending on more costly direct government intervention to build additional affordable housing.

HUD works with numerous stakeholders in providing HCV assistance to families. In addition to PHAs and private owners, these include:

- Other Federal agencies, such as the Department of Veterans Affairs,
- State and local entities, such as Public Child Welfare Agencies,
- Housing Industry Associations,
- Resident Groups and Advocates, and
- Tribally Designated Entities (TDHEs) and Tribal governments.

The HCV program has proven to be effective at meeting the housing needs of the most vulnerable citizens compared to other approaches. Several landmark studies conducted in the past 20 years attest to the effectiveness of housing vouchers to increase housing stability and reduce homelessness. For example, the 2006 report "Effects of Housing Vouchers on Welfare Families" found that receiving a housing voucher helped families move to neighborhoods with lower poverty rates, higher employment rates, and lower rates of public benefit receipt. Receiving a housing voucher also substantially decreased the likelihood that a household would experience homelessness and/or overcrowding.

The 2016 Family Options Study: Short-term Impacts of Housing Services Interventions for Homeless Families report by HUD's Office of Policy Development and Research presented evidence regarding the effects of giving families in emergency shelters priority access to housing choice vouchers, rapid re-housing, or project-based transitional housing.² The study determined that the HCV program was the most effective intervention of the approaches tested. HCV intervention reduced most forms of residential instability by more than one-half, reduced food insecurity, and improved multiple measures of adult and child well-being. In 2022, HUD's Family Options Study will survey the field to evaluate which of the impacts that were detected three years after random assignment persist. In addition, the Moving to Opportunity demonstration found that young children in families that used a housing voucher to move to lower-poverty areas were significantly more likely to attend college and earned more as young adults, compared to children in other families that did not receive a voucher.

Based on the assumptions provided for the 2024 Budget, the amounts in this budget will fund TBRA and Mainstream Housing Assistance Payments (HAP) to PHAs at 100 percent proration in 2024 and will expand housing assistance to approximately 2.5 million families which is in alignment with HUD's 2024 priority goal to increase the utilization of housing choice vouchers, including vouchers for special populations. The Administrative Fee proration will be at 100 percent, which is critical for PHAs to secure the continuity of operations and program compliance. This is attained by maintaining and increasing the PHA's capacity through the recruitment of experienced personnel responsible for fundamental program activities, which include admitting households, conducting housing quality inspections, completing tenant income certifications, and paying salaries and overhead costs incurred while managing the program.

The Budget does not request new funding for additional HUD-Veterans Affairs Supportive Housing (HUD-VASH) or for the Family Unification Program (FUP) vouchers. Previously appropriated funds for HUD-VASH that remain available for carryover are sufficient to fund the anticipated need for

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² https://www.huduser.gov/portal/sites/default/files/pdf/Family-Options-Study-Full-Report.pdf

new vouchers among veterans experiencing homelessness. The President's Budget includes a separate mandatory housing proposal that would expand vouchers for extremely low-income veteran households and youth transitioning from foster care (please see the Mandatory Affordable Housing Programs Congressional Justification). In addition, the amount for Contract Renewals includes approximately \$700 million to continue assistance for approximately 79,000 low-income veteran households under the HUD-VASH program and over 21,000 youth and families currently leased under FUP through calendar year-end 2022, and through additional leasing that will be attained through calendar year-end 2023.

HUD continues to take steps to improve the operations of the voucher program, enhance systems, and streamline requirements to reduce the administrative burden for families, PHAs, and owners. The continued implementation of the Economic Growth Act of 2018 and the Housing Opportunities Through Modernization Act of 2016 will provide PHAs with new flexibilities that will enable them to reduce administrative burdens and redirect those resources to improve performance and services. Through the development and deployment of the Housing Information Portal (an upgrade to the Inventory Management System-Public Housing Information Center) and National Standards for the Physical Inspection of Real Estate (NSPIRE) inspection standards, HUD will modernize key systems and improve the operation of the program. HUD is also creating the Enterprise Voucher Management System (eVMS), which will automate the workflow process for fund allocation management, calculate the HAP funding requirement for each PHA, and improve data stewardship. Improving these key business processes to create efficiencies will enable staff to focus on HCV policy and finance issues and the expanding portfolio which includes nearly 300,000 Project-Based Voucher units and nearly 250,000 Special Purpose Voucher units.

The 2024 Budget supports the Administration's priority of increasing access to affordable housing and providing greater opportunities for economic independence to America's neediest families through the provision of vouchers. This includes attempting to address barriers families face when trying to find rental housing such as a source of income discrimination, landlord participation, and rising rent costs. The 2024 Budget funding level will advance housing equity and broaden the Federal housing safety net for people in need including those fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, and human trafficking; homeless persons; veterans; Native American veterans; and at-risk youths aging out of foster care.

The 2024 requested funding levels and description for the major components of the HCV Program to achieve the above priorities are:

Contract Renewals - \$27.8 billion

The 2024 President's Budget provides funding to renew expiring HCV program HAP funding increments on a calendar year basis. The requested funding level of \$27.8 billion for contract renewals in the TBRA account will renew assistance for approximately 2.3 million households. Contract renewals also include up to \$5 million in funding necessary to maintain current services for Tribal HUD-VASH participants. In addition, the 2024 Budget includes new authority for HUD to offset PHAs' renewal allocations and allocate the resulting budget authority to other PHAs with the capacity to serve additional families.

Rental Assistance Demonstration Conversion Subsidy - \$50 million

HUD requests \$50 million in the TBRA account, from within the \$27.8 billion in Contract Renewals, to support the cost-effective conversion of public housing properties that are unable to convert to Section 8 using only the funds provided through existing appropriations. This request would permit PHAs who want to participate in the Rental Assistance Demonstration (RAD) to convert approximately 30,000 units and, in the process, holistically address critical property needs, environmental hazards, and energy inefficiencies, and increase housing choices for residents.

Combined with the \$62 million requested in the Project-based Rental Assistance (PBRA) account, this request would permit PHAs to generate an estimated \$1.8 billion in financing to re-invest in impacted communities or to bring deep rental assistance into neighborhoods of opportunity.

As part of the Administration's whole-of-government approach to the climate crisis, this request will assist communities with reducing carbon pollution, increasing resilience to the impact of climate change, and delivering environmental justice. The National Climate Assessment has shown that climate change disproportionately impacts low-income and disadvantaged communities, the very communities and households served by HUD programs. HUD's Budget addresses climate change on two fronts: 1) tracking and lowering the carbon footprint and energy consumption of public and assisted housing, and 2) at the same time helping the communities served by HUD programs to better withstand and increase their resilience to future disasters. These investments are crucial to assist communities throughout the country to mitigate and prepare for the worst effects of climate change.

Administrative Fees - \$3.2 billion

Administrative fees are a vital component of the HCV program, providing PHAs with the resources necessary to administer the requested rental assistance for over 2.3 million families. The Budget provides \$3.2 billion in administrative fees for the HCV program resulting in a proration of 100 percent. While prior years have funded administrative fees at roughly 90 to 91 percent, HUD believes higher fees are necessary to support additional leasing in challenging market conditions where additional resources may be warranted for landlord incentives and other housing search assistance, as well as align with increasing access to affordable housing. These fees allow PHAs to perform routine fundamental program responsibilities, such as admitting households, conducting housing quality inspections, completing tenant income certifications, and paying salaries and other costs incurred while managing the HCV program.

Tenant Protection Vouchers - \$385 million

Tenant Protection Vouchers (TPV) are provided to families impacted by housing conversion actions beyond their control, such as public housing demolition, disposition, Voluntary Conversions, Choice Neighborhood transformation of public housing and HUD multifamily housing, and when private owners of multifamily developments choose to leave the project-based rental assistance program or prepaid their multifamily mortgages, or Moderate Rehabilitation replacements. The Budget also allows that up to \$20 million of this amount may be used to protect tenants due to the maturity, prepayment, or foreclosure of loans under USDA section 514 and 515 mortgages. TPVs are a critical component in revitalizing public housing units. Actions impacting an estimated 36,776 public housing units will be supported with TPVs funded at this level. The requested funding level combined with 2023 carryover funds is sufficient to meet the estimated need.

Section 811 Mainstream Renewals - \$686 million

Mainstream Renewals are contracts and administrative fees originally funded under the Section 811 tenant-based program. The Housing for Persons with Disabilities (Section 811) program provides tenant-based assistance for persons with disabilities to access affordable, private housing of their choice. The requested funding is in alignment with the Administration's proposed goal of developing a policy that aggressively enforces the civil rights of people with disabilities while expanding their access to accessible, integrated, and affordable housing. PIH will support over 58,100 Mainstream voucher holders with this level of funding. The requested funding also includes administrative fees for the renewed vouchers. This amount does not include funding for new incremental vouchers in the calendar year 2024.

Incremental Vouchers - \$565 million

HUD requests \$565 million to support approximately 50,000 new incremental vouchers to expand affordable housing and provide greater access to areas of opportunity. The Administration looks forward to working with Congress to build on this investment and achieve its long-term goal of providing housing vouchers to all eligible households while increasing the program's impact on equity and poverty alleviation. When added to the approximately 130,000 additional vouchers that could be supported from non-Moving to Work (MTW) and MTW program reserves, approximately 180,000 additional families could be served in 2024.

Mobility Services - \$25 million

Mobility Services expand families' housing choices and improve their access to communities with high-performing schools, better jobs, and higher-quality housing options. Children and parents reap benefits from living in resource-rich communities — for instance, children are more likely to attend college — yet discrimination and other barriers have long hindered low-income families, particularly families of color, from moving to such areas. The Budget includes \$25 million to enable public housing agencies to provide evidence-based Mobility Services for families with children, including robust housing search and security deposit assistance, help connecting with schools, health services, and childcare, and offering modest incentive payments that encourage landlords to rent units to families with HCVs.

Outcomes, Performance Indicators, and Other Evidence

The 2022 Annual Homeless Assessment Report on the Point-in-Time (PIT) count of sheltered and unsheltered homeless persons found that while the number of people experiencing homelessness nationwide increased by less than one percent between 2020 and 2022, it marked the fifth consecutive year that total homelessness has increased in the United States.³ The total number of people experiencing homelessness on a single night in 2022 was 582,462 which is largely driven by the increase in the unsheltered homeless population. The 2022 Continuum of Care Homeless Assistance Programs Homeless Populations Report also identified 25,795 survivors of domestic violence in emergency shelters, 6,421 in transitional housing, and an additional 16,147 unsheltered.⁴ The requested funding is in alignment with the Administration's proposed goal to expand the safety net for homeless persons and survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking, including access to affordable housing.

The demographics of the families participating in the HCV program demonstrate how essential this program is to serve those most in need. The HCV program currently serves approximately 2.3 million families; 76 percent of program participants are people of color. The average household size is 2.2 persons with an average household income of approximately \$16,460. Extremely low–income families (families earning less than 30 percent of an area's median income) make up approximately 78 percent of households served. More than half of households are headed by seniors and people with disabilities, and 37 percent include children. Twenty-five percent of households earn wages as their primary source of income, and the average household contribution towards rent monthly (Total Tenant Payment) is \$422. The chart below provides additional insight into the demographics of the households currently supported by the program.

³ The 2022 Annual Homelessness Assessment Report (AHAR to Congress) Part 1: Point-In-Time Estimates of Homelessness, December 2022 (huduser.gov)

⁴ CoC PopSub NatlTerrDC 2022.pdf (hudexchange.info)

Q2 2023 Housing Choice Voucher Tenant Characteristics

How many households and people are served?

- 4.9 million people
- 2.3 million households

What are the racial characteristics of the tenants?

This program serves a diverse population: **76%** of residents are in a minority group.

Asian/Pacific	Black, non-	Hispanic	Native	White, non-
Islander	Hispanic		American	Hispanic
3%	53%	19%	1%	24%

What are the characteristics of the heads of household?

Female headed

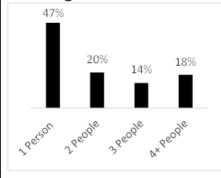
families with children 34%

Elderly

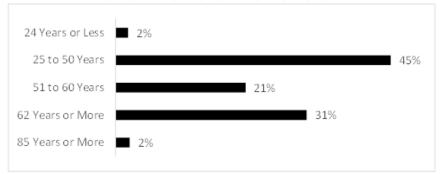
31%

Non-elderly disabled 24%

How big are the households?



How old are the heads of household?



What is the share of rent paid by the tenant and HUD?

Average household contribution: \$422

Average HUD

Contribution: \$870

What are the income levels of assisted households?

Tenants make an average gross income of \$16,460. 72% of households earn \$20,000 or less per year

How do household incomes compare to the local area median income?

 Extremely low income (less than 30% AMI)
 78%

 Very low income (30% to 50% AMI)
 17%

 Low Income (50% to 80% AMI)
 4%

Some percentage totals not equal to 100 due to rounding. Source: HUD PIC and TRACS databases. December 2022 extract

Information Technology (IT)

Within the Information Technology Fund, the Budget requests \$3.7 million to support the PIH Modernization (EIV Modernization & HUDCAPS Section 8) and the Disaster Tracking System.

<u>PIH Modernization (EIV Modernization & HUDCAPS Section 8) - \$1.1 million</u>: This project encompasses and funds two efforts partially funded in the Consolidated Appropriations Act, 2023: Enterprise Income Verification (EIV) modernization and HUDCAPS Section 8. The purpose of these investments, by project, are:

- EIV Modernization \$418 thousand: EIV modernization will allow HUD to modernize its EIV system which was developed approximately 20 years ago as a custom-built application used to verify both prospective and existing HUD housing applicants' income and assets to ensure their eligibility for rental assistance. EIV has been a vital system used by Public Housing Agencies (PHAs) and other HUD rental housing providers for HUD's compliance with the Payments Integrity Information Act (PIIA), of which HUD is non-compliant. Specifically, this investment will allow for the creation of an entirely new application with many new and critical functions including integration with the Housing Information Portal (HIP), which is the replacement for PIH's Inventory Management System-Public Housing Information Center (IMS-PIC) and application programming interfaces (APIs) that will allow for potentially daily data exchanges with partner Federal agencies that provide income and asset data used for income verification, including, but not limited to: the Social Security Administration, Department of Health and Human Services Office of Child Support Enforcement, and the Internal Revenue Service.
- HUDCAPS Section 8 \$684 thousand: The HUDCAPS Section 8 IT modernization effort will continue to focus on ensuring key accounting events and the disbursements of subsidy payments are migrated from the HUD Central Accounting Program System (HUDCAPS) and are properly interfaced with HUD's General Ledger. This is a requirement for retiring HUDCAPS (a legacy, but vital mainframe application). HUDCAPS disburses approximately \$27 billion in Housing Assistance Payment (HAP) and Administrative Fees (Admin Fee) for TBRA annually. The IT knowledge base of HUDCAPS (ongoing operations and maintenance support) is extremely limited and shrinking quickly, creating potential risk that HUD may not be able to support HUDCAPS, risking payments to PHAs and owners/landlords of voucher units. This effort will integrate with PIH's new Enterprise Voucher Management System (EVMS), which automates the calculation, but does not disburse HAP and Admin Fee payments with the recording of the financial activity and the disbursement of funds. The integration of EVMS and this new solution is one element that will enable the Department to reduce its reliance on the legacy HUDCAPS system. This will allow for the Department to move closer to its goal of decommissioning HUDCAPS.

<u>Disaster Tracking System - \$2.6 million:</u> There are 150 to 250 disasters that affect HUD-assisted families each year. The existing process for gathering and analyzing data is manual, labor intensive, prone to reporting delays, and fragmented across different parts of HUD. This IT investment will provide an automated, streamlined workflow, reporting, and tracking mechanism. It will enable HUD to better visualize disaster impacts on assisted families and properties across the United States, quickly identify resources such as alternative/temporary housing, and efficiently deploy those resources to mitigate the disasters' effects. This automated platform could serve as the foundation for a HUD-wide disaster reporting system that shows all HUD-assisted families and properties in one dashboard for a coordinated, agency-wide approach to each disaster.

Enterprise Voucher Management System (ongoing investment from prior year funding): HUD continues to make progress toward modernizing its Information Technology (IT) systems to improve the administration of Tenant-Based Rental Assistance programs. In coordination with the Office of the Chief Information Officer and as part of the approved 2021 and 2022 PIH IT Performance Plans, PIH is developing a new system, the Enterprise Voucher Management System (eVMS), which will automate the calculation of funding and disbursements for most TBRA programs and associated

Administrative Fees using household level data, which will enable PIH to tie to voucher payments directly to household level need calculations. The eVMS will also enable PIH to auto-reconcile housing assistance payment needs within two to three days for each PHA based on household-level changes (e.g., rent changes, move-ins, move-out, portability) and consistent with cash management requirements to calculate funding based on the established need. The eVMS will also provide substantial insight into voucher utilization, which will enhance HUD's ability to promote leasing.

For additional information regarding HUD's Information Technology investments, please see the Information Technology Fund justification.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

	2022	2021	,	,		2022		2024
Budget Activity	Budget Authority	Carryover Into 2022	2022 Total Resources	2022 Obligations	2023 Appropriation	Carryover Into 2023	2023 Total Resources	President's Budget
Contract Renewals	24,095,029	262,936	24,357,965	23,804,421	26,402,000	548,543	26,950,543	27,840,000
Contract Renewals (CARES Act)	-	-	-	-	-	-	1	1
Administrative Fees	2,410,612	196,542	2,607,154	2,323,454	2,777,612	283,701	3,061,313	3,202,000
Administrative Fees (CARES Act)	-	7	7	-	-	7	7	-
Section 8 Rental Assistance	100,000	40,642	140,642	132,815	337,000	7,827	344,827	385,000
Veterans Affairs Supportive Housing (VASH) Program	50,000	48,412	98,412	18,662	50,000	79,750	129,750	-
Tribal HUD-VASH (CR set-aside)	[5,000]	7,694	7,694	8,055	[7,500]	4,639	4,639	[5,000]
Section 811 Mainstream Renewals	459,000	133,350	592,350	457,388	606,500	134,962	741,462	686,000
Rental Assistance Demonstration	-	70,145	70,145	57,551	-	65,511	65,511	[50,000]
Family Unification Program (FUP)	30,000	27,630	57,630	21,104	30,000	36,526	66,526	-
Mobility Demonstration	-	4,269	4,269	-	-	4,269	4,269	-
Mobility Services	25,000	-	-	-	-	25,000	25,000	25,000
Homelessness and Domestic Violence Vouchers	-	43,439	43,439	-	-	43,439	43,439	-
Incremental Vouchers	200,000	-	200,000	197,946	50,000	2,054	52,054	565,000
FSS Coordinator	-	26	26	-	-	26	26	-
Emergency – Housing Vouchers (ARP Act)	-	3,390,912	3,390,912	227,198	-	3,310,378	3,310,378	-
Administrative Fees (ARP Act)	-	246,402	246,402	31,334	-	215,068	215,068	-
Allocation Adjustments for CY 2023 (ARP Act)	-	184,369	184,369	37,704	-	-	-	-
Total	27,369,641	4,656,775	32,001,416	27,317,632	30,253,112	4,761,700	35,014,812	32,703,000

LEGISLATIVE PROPOSALS AND GENERAL PROVISIONS

Appropriations Language Changes

The 2024 President's Budget includes the following new proposals:

Expand Eligible Uses of HCV Housing Assistance Payment Funding to Include Assistance for Tenant Leasing Costs such as Security and Utility Deposits (Demonstration): Low-income families with HCVs often struggle to identify units to lease because they have few financial resources and are unable to pay security deposits and utility deposits. HUD proposes appropriations language for a demonstration to allow PHAs to use a limited amount of Housing Assistance Payments funding to assist HCV recipients with tenant leasing expenses such as security deposits, utility deposits, and where the last month's rent is required upfront.

As part of the demonstration, HUD would study whether PHAs can effectively help families secure units and thereby improve funds utilization and increase the number of families served. This request advances the long-term goal of expanding access to affordable housing to extremely low-income families and vulnerable populations through the expansion of the HCV program.

The 2024 President's Budget includes the following continuing proposals:

- <u>FUP and FYI Administrative Flexibilities</u>: HUD proposes to provide PHAs with certain flexibilities in the administration of Mainstream, FUP and FYI programs. These flexibilities would allow PHAs to adopt certain specialized policies for these programs, enabling them to create separate waiting lists, extend the time households may search for housing, apply reduced screening criteria, and accept direct referrals from supportive service agencies. HUD further proposes to provide statutory flexibilities for PHAs to allow FUP and FYI programs the flexibility to adopt a 90- to 120-day referral timeline. It is difficult for youths to find units for lease within the current 90-day timeframe, which increases the risk that such persons would experience homelessness. This extended referral timeline would allow more people more time to enter these programs. There is no budgetary impact on this proposal.
- Funding Reallocation to Improve Leasing: HUD requests authority to offset the renewal funding allocations for PHAs with excess reserves and reallocate the resulting budget authority to PHAs that have the capacity to lease up additional vouchers. This is in addition to the existing authority to reallocate the budget authority to prevent terminations due to funding shortfalls and to mitigate or eliminate any downward proration or renewal allocations. HUD also requests authority to reallocate authorized units (Unit Months Available or UMA) in cases where PHAs have a demonstrated history of under-leasing and there is a lack of housing need in the community or other PHAs are well-situated to meet the need. These vouchers would be directed to high-capacity PHAs leasing at or close to authorized levels. In reallocating funds and units, neighboring PHAs with additional capacity would receive priority to receive additional funds/units. HUD would also give preference to PHAs with previous renewal funding offset due to excessive reserves, but with demonstrated increased capacity through improved voucher utilization following the offset.

Legislative Proposals

The 2024 Budget supports the following legislative proposals and will seek changes to the HCV program through the authorization process:

Repair Timeframe Flexibility for HCV: For non-HCV programs, HUD already has the
authority to establish a shorter timeframe for repairs. HUD cannot reduce the timeframe to
less than 30 days for serious issues not meeting the definition of a life-threatening deficiency.
This prevents full alignment of inspection requirements across HUD programs, as is

intended by NSPIRE, and limits HUD in taking expedient action on non-life-threatening deficiencies where it may be required. For example, a missing unit entry door is a non-life-threatening deficiency, but HUD believes it is unreasonable to allow a resident to live within a unit without an entry door for up to 30 days. There is no budgetary impact for this proposal.

- <u>Enhance HCV Landlord Participation</u>: This proposal allows PHAs to conduct pre-qualifying inspections or "pre-inspections" for units not actively linked to a specific HCV family.
- <u>Triennial Recertification to Promote Family Wealth Building</u>: This proposal would allow PHAs to, instead of annual or biennial income examinations, implement triennial recertification of income, like what is currently available to PHAs for fixed-income families.
- Align PBV Maximum Rent Limitations with Expanded PHA Flexibility to Set Payment Standards to Adapt to Changing Housing Market Conditions: Setting HCV payment standards at levels that adequately reflect local market rents is essential to enable families to successfully lease units, particularly in higher-rent areas. Local housing markets can change rapidly, and HCV program stakeholders have repeatedly complained that Fair Market Rents (FMRs), which form the basis of payment standards, are often out of sync with local market conditions. When FMRs and HCV payment standards do not reflect market conditions, families' housing options shrink, and their rent burdens may be high. During the COVID-19 pandemic, PHAs were granted, and many used, increased flexibility to raise HCV payment standards to 120 percent of FMR under an expedited approval process.

Under the existing sections 8(o)(1)(B) and (D), HUD has the flexibility to expand the basic range in which the PHA may establish its payment standard for its HCV program without HUD approval. However, one major drawback to expanding the basic range is that it creates a problem with respect to the maximum rents permitted in the PBV program, which currently may not exceed the higher of 110 percent or any exception payment standard approved by HUD. For example, if HUD increased the basic range to 120 percent of the FMR and a PHA subsequently increased its payment standard to that maximum amount, the rents for PBV projects administered by the PHA would still be capped at 110 percent of the FMR. The PHA would not be able to align the PBV rent limitation with its new payment standard, as any payment standard up to 120 percent would no longer be an exception payment standard approved by the Secretary, and consequently, the PBV maximum rent could not exceed 110 percent of the FMR. This would negatively impact the PHA's ability to project-base vouchers in certain opportunity areas (areas where the PHA had determined that rents support payment standards between 110 percent and 120 percent of the FMR).

To accommodate any future changes HUD may make to increase the basic range, HUD is proposing to revise section 8(o)(13)(H) of the 1937 Act to change the existing rent limitation to the higher of 110 percent of the FMR or the applicable payment standard for the area. This change would allow the PHA to continue to approve PBV rents up to any exception payment standard approved by HUD as permitted under current law. In addition, the PHA would also be able to approve a PBV rent up to a payment standard above 110 percent of FMR that falls within any newly expanded basic range that may be established by HUD in the future. PBV rents would still need to meet all other applicable requirements under 8(o)(13)(H), including rent reasonableness.

• Expanding Eligible Uses of HCV Administrative Fees to Increase Families' Housing Opportunities and Improve Housing Voucher Utilization: To provide an adequate range of housing opportunities and allow families to successfully use their vouchers, including in tight rental markets, PHAs must employ strategies and undertake activities beyond those historically required to fulfill their basic administrative responsibilities. HUD has recently permitted PHAs, in limited circumstances, to use administrative or special fees for landlord incentive payments, security deposits, and expenses for other purposes that can significantly

expand families' housing options and improve their chances of successfully leasing with a housing voucher. HUD proposes to amend Section 8(q) to expressly provide that PHAs may use HCV administrative fees for landlord incentive payments and holding fees, security deposit assistance, assistance for utility deposits and arrears, and renter's insurance (where leases require it), in addition to using fees for PHAs' costs of administering housing vouchers. There is prior authority to perform this function in Congressional appropriations; however, permanent authority is needed for long-term use.

• <u>FUP and Mainstream Funds Recapture</u>: HUD requests language that would allow for the recapture of vouchers and associated funds for FUP and Mainstream when they are not being utilized (e.g., FUP-only PHAs can self-identify themselves for recapture). The vouchers and associated funds would be reallocated to PHAs that have demonstrated a need for FUP and Mainstream vouchers and that are successfully utilizing their current voucher funding for these targeted populations and the HCV program in general. PHAs that have FUP or Mainstream vouchers recaptured would then be able to re-apply for these vouchers when they are ready to use them. There is no budgetary impact on this proposal.

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.

For activities and assistance for the provision of tenant-based rental assistance authorized under the United States Housing Act of 1937, as amended (42 U.S.C. 1437 et seq.) (in this [title] heading "the Act"), not otherwise provided for, [\$23,599,532,000]\$28,703,000,000, to remain available until expended, which shall be available on October 1, [2022]2023 (in addition to the \$4,000,000,000 previously appropriated under this heading that shall be available on October 1, [2022]2023), and \$4,000,000,000, to remain available until expended, which shall be available on October 1, [2023] 2024: Provided, That of the sums appropriated under this heading—

(1) [\$23,748,420,000]\$27,840,000,000 shall be available for renewals of expiring section 8 tenantbased annual contributions contracts (including renewals of enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act) and including renewal of other special purpose incremental vouchers: Provided, That notwithstanding any other provision of law, from amounts provided under this paragraph and any carryover, the Secretary for the calendar year [2023] 2024 funding cycle shall provide renewal funding for each public housing agency based on validated voucher management system (VMS) leasing and cost data for the prior calendar year and by applying an inflation factor as established by the Secretary, by notice published in the Federal Register, and by making any necessary adjustments for the costs associated with the first-time renewal of vouchers under this paragraph including tenant protection and Choice Neighborhoods vouchers: [Provided further, That none of the funds provided under this paragraph may be used to fund a total number of unit months under lease which exceeds a public housing agency's authorized level of units under contract, except for public housing agencies participating in the Moving to Work (MTW) demonstration, which are instead governed in accordance with the requirements of the MTW demonstration program or their MTW agreements, if any:] Provided further, That costs associated with any forgone increases in tenant rent payments due to the implementation of rent incentives as authorized pursuant to waivers or alternative requirements of the Jobs-Plus initiative as described under the heading "Self-Sufficiency Programs" shall be renewed: Provided further, That the Secretary shall, to the extent necessary to stay within the amount specified under this paragraph (except as otherwise modified under this paragraph), prorate each public housing agency's allocation otherwise established pursuant to this paragraph: Provided further, That except as provided in the following provisos, the entire amount specified under this paragraph (except as otherwise modified under this paragraph) shall be obligated to the public housing agencies based on the allocation and pro rata method described above[, and the Secretary shall notify public housing agencies of their

annual budget by the latter of 60 days after enactment of this Act or March 1, 2023: Provided further, That the Secretary may extend the notification period with the prior written approval of the House and Senate Committees on Appropriations]: Provided further, That public housing agencies participating in the Moving to Work (MTW) demonstration shall be funded in accordance with the requirements of the MTW demonstration program or their MTW agreements, if any, and shall be subject to the same pro rata adjustments under the preceding provisos: Provided further, That the Secretary may offset public housing agencies' calendar year [2023] 2024 allocations based on the excess amounts of public housing agencies' net restricted assets accounts, including HUD-held programmatic reserves (in accordance with VMS data in calendar year [2022] 2023 that is verifiable and complete), as determined by the Secretary: Provided further, That public housing agencies participating in the MTW demonstration shall also be subject to the offset, as determined by the Secretary, [excluding amounts subject to the single fund budget authority provisions of their MTW agreements,] from the agencies' calendar year [2023 MTW] 2024 funding allocation: Provided further, That the Secretary shall use any such offset amounts referred to in the preceding two provisos throughout the calendar year to prevent the termination of rental assistance for families as the result of insufficient funding, as determined by the Secretary[, and]; to avoid or reduce the proration of renewal funding allocations[:], except that MTW agencies not subject to offset due to the terms of their MTW agreements may not receive amounts to avoid or reduce proration as determined by the Secretary; and to enable public housing agencies operating their existing housing choice voucher programs with high utilization rates and a demonstrated capacity to serve additional families, as determined by the Secretary, to assist more families: Provided further, That the Secretary may also reallocate authorized units from public housing agencies with a history of significant underleasing and utilization to public housing agencies that meet the requirements of the previous proviso to receive funds to assist more families and that have under lease all, or nearly all, of their authorized units: Provided further, That such reallocations shall be made in accordance with terms and conditions established by the Secretary by notice: Provided further, That the Secretary may utilize unobligated balances, including recaptures and carryover, remaining from prior year appropriations (excluding special purpose vouchers), notwithstanding the purposes for which such amounts were appropriated, to avoid or reduce the proration of renewal funding allocations: Provided further, That up to [\$200,000,000]\$100,000,000 shall be available only:

- (A) for adjustments in the allocations for public housing agencies, after application for an adjustment by a public housing agency that experienced a significant increase, as determined by the Secretary, in renewal costs of vouchers resulting from unforeseen circumstances or from portability under section 8(r) of the Act;
- (B) for vouchers that were not in use during the previous 12-month period in order to be available to meet a commitment pursuant to section 8(o)(13) of the Act, or an adjustment for a funding obligation not yet expended in the previous calendar year for a MTW-eligible activity to develop affordable housing for an agency added to the MTW demonstration under the expansion authority provided in section 239 of the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2016 (division L of Public Law 114–113);
- (C) for adjustments for costs associated with HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers;
- (D) for public housing agencies that despite taking reasonable cost savings measures, as determined by the Secretary, would otherwise be required to terminate rental assistance for families as a result of insufficient funding;
- (E) for adjustments in the allocations for public housing agencies that—
 - (i) are leasing a lower-than-average percentage of their authorized vouchers,
- (ii) have low amounts of budget authority in their net restricted assets accounts and HUD-held programmatic reserves, relative to other agencies, and
- (iii) are not participating in the Moving to Work demonstration, to enable such agencies to lease more vouchers;
- (F) for withheld payments in accordance with section 8(o)(8)(A)(ii) of the Act for months in the previous calendar year that were subsequently paid by the public housing agency after the agency's actual costs were validated; and

(G) for public housing agencies that have experienced increased costs or loss of units in an area for which the President declared a disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170 et seq.):

Provided further, That the Secretary shall allocate amounts under the preceding proviso based on need, as determined by the Secretary: Provided further, That of the total amount provided under this paragraph, up to \$50,000,000 shall be available to supplement funds transferred from the heading "Public Housing Fund" to fund contracts for properties converting from assistance pursuant to Section 9 of the Act under the heading "Rental Assistance Demonstration" in title II of the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2012 (division C of Public Law 112-55) to further long-term financial stability and promote the energy or water efficiency, climate resilience, or preservation of such properties: Provided further, That the amounts under the previous proviso may also be available, without additional competition, for cooperative agreements with Participating Administrative Entities that have been previously or newly selected under section 513(b) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) (MAHRAA) to provide direct support, including carrying out due diligence and underwriting functions for owners and for technical assistance activities, on conditions established by the Secretary for small properties and owners entering into any conversion contract under the First Component: Provided further, That the Secretary may establish a demonstration program to continue through fiscal year 2027 at a limited number of public housing agencies in difficult rental markets, as determined by the Secretary, for the purpose of testing whether the provision of additional assistance to facilitate leasing increases the ability of families participating in the program to lease a unit: Provided further, That amounts made available under this paragraph in this and prior Acts to public housing agencies participating in such demonstration program shall be available for making utility and security deposit assistance payments (including last month's rent) and other costs consistent with the terms of the demonstration, in addition to the purposes for which such funds were appropriated and obligated and in addition to amounts for administrative and other expenses otherwise available for such payments and costs: Provided further, That any such utility or security deposit payments returned to the public housing agency, including any interest earned while such amounts were held by the owner, shall be available only for future housing assistance payment expenses (including eligible uses during the term of the demonstration);

(2) [\$337,000,000]\$385,000,000 shall be available for section 8 rental assistance for relocation and replacement of housing units that are demolished or disposed of pursuant to section 18 of the Act, conversion of section 23 projects to assistance under section 8, relocation of witnesses (including victims of violent crimes) in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency, enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act, Choice Neighborhood vouchers, mandatory and voluntary conversions, and tenant protection assistance including replacement and relocation assistance or for project-based assistance to prevent the displacement of unassisted elderly tenants currently residing in section 202 properties financed between 1959 and 1974 that are refinanced pursuant to Public Law 106-569, as amended, or under the authority as provided under this Act: Provided, That up to \$20,000,000 of the amounts made available under this paragraph may be used to provide replacement tenant protection assistance to low-income tenants assisted under section 521 of title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.), upon the determination and referral by the Secretary of the Department of Agriculture that section 521 assistance is no longer available to protect such tenants due to maturity, prepayment, or foreclosure of loans under section 514 or section 515 of such Act (42 U.S.C. 1484 and 1485): Provided further, That when a public housing development is submitted for demolition or disposition under section 18 of the Act, the Secretary may provide section 8 rental assistance when the units pose an imminent health and safety risk to residents: Provided further, That the Secretary may provide section 8 rental assistance from amounts made available under this paragraph for units assisted under a projectbased subsidy contract funded under the "Project-Based Rental Assistance" heading under this title where the owner has received a Notice of Default and the units pose an imminent health and safety risk to residents: Provided further, That of the amounts made available under this paragraph, no

less than \$5,000,000 may be available to provide tenant protection assistance, not otherwise provided under this paragraph, to residents residing in low vacancy areas and who may have to pay rents greater than 30 percent of household income, as the result of: (A) the maturity of a HUDinsured, HUD-held or section 202 loan that requires the permission of the Secretary prior to loan prepayment; (B) the expiration of a rental assistance contract for which the tenants are not eligible for enhanced voucher or tenant protection assistance under existing law; or (C) the expiration of affordability restrictions accompanying a mortgage or preservation program administered by the Secretary: Provided further, That such tenant protection assistance made available under the preceding proviso may be provided under the authority of section 8(t) or section 8(o)(13) of the Act: Provided further, That any tenant protection voucher made available from amounts under this paragraph shall not be reissued by any public housing agency, except the replacement vouchers as defined by the Secretary by notice, when the initial family that received any such voucher no longer receives such voucher, and the authority for any public housing agency to issue any such voucher shall cease to exist: Provided further, That the Secretary may only provide replacement vouchers for units that were occupied within the previous 24 months that cease to be available as assisted housing, subject only to the availability of funds;

- (3) [\$2,777,612,000] \$\\$3,202,000,000 shall be available for administrative and other expenses of public housing agencies in administering the section 8 tenant-based rental assistance program, of which up to \$30,000,000 shall be available to the Secretary to allocate to public housing agencies that need additional funds to administer their section 8 programs, including fees associated with section 8 tenant protection rental assistance, the administration of disaster related vouchers, HUD-VASH vouchers, and other special purpose incremental vouchers: Provided, That no less than [\$2,747,612,000]\$30,172,000,000 of the amount provided in this paragraph shall be allocated to public housing agencies for the calendar year [2023] 2024 funding cycle based on section 8(q) of the Act (and related Appropriation Act provisions) as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998 (Public Law 105-276): Provided further, That if the amounts made available under this paragraph are insufficient to pay the amounts determined under the preceding proviso, the Secretary may decrease the amounts allocated to agencies by a uniform percentage applicable to all agencies receiving funding under this paragraph or may, to the extent necessary to provide full payment of amounts determined under the preceding proviso, utilize unobligated balances, including recaptures and carryover, remaining from funds appropriated [to the Department of Housing and Urban Development under this heading from prior fiscal years, excluding special purpose vouchers, notwithstanding the purposes for which such amounts were appropriated: Provided further, That all public housing agencies participating in the MTW demonstration shall be funded in accordance with the requirements of the MTW demonstration program or their MTW agreements, if any, and shall be subject to the same uniform percentage decrease as under the preceding proviso: Provided further, That amounts provided under this paragraph shall be only for activities related to the provision of tenant-based rental assistance authorized under section 8, including related development activities;
- (4) [\$606,500,000]\$686,000,000 shall be available for the renewal of tenant-based assistance contracts under section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), including necessary administrative expenses: Provided, [That administrative and other expenses of public housing agencies in administering the special purpose vouchers in this paragraph shall be funded under the same terms and be subject to the same pro rata reduction as the percent decrease for administrative and other expenses to public housing agencies under paragraph (3) of this heading: Provided further, That up to \$10,000,000 shall be available only—
- (A) for adjustments in the allocation for public housing agencies, after applications for an adjustment by a public housing agency that experienced a significant increase, as determined by the Secretary, in Mainstream renewal costs resulting from unforeseen circumstances; and
- (B) for public housing agencies that despite taking reasonable cost savings measures, as determined by the Secretary, would otherwise be required to terminate the rental assistance for Mainstream families as a result of insufficient funding:

Provided further, That the Secretary shall allocate amounts under the preceding proviso based on need, as determined by the Secretary: Provided further, That upon turnover, section 811 special purpose vouchers funded under this heading in this or prior Acts, or under any other heading in prior Acts, shall be provided to non-elderly persons with disabilities;

(5) Of the amounts provided under paragraph (1), up to [\$7,500,000]\$5,000,000 shall be available for rental assistance and associated administrative fees for Tribal HUD-VASH to serve Native American veterans that are homeless or at-risk of homelessness living on or near a reservation or other Indian areas: Provided, That such amount shall be made available for renewal grants to recipients that received assistance under prior Acts under the Tribal HUD-VASH program: Provided further, That the Secretary shall be authorized to specify criteria for renewal grants, including data on the utilization of assistance reported by grant recipients: Provided further, That such assistance shall be administered in accordance with program requirements under the Native American Housing Assistance and Self-Determination Act of 1996 and modeled after the HUD-VASH program: Provided further, That the Secretary shall be authorized to waive, or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with the use of funds made available under this paragraph (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration of such assistance: Provided further, That grant recipients shall report to the Secretary on utilization of such rental assistance and other program data, as prescribed by the Secretary: Provided further, That the Secretary may reallocate, as determined by the Secretary, amounts returned or recaptured from awards under the Tribal HUD-VASH program under prior Acts to existing recipients under the Tribal HUD-VASH program;

[(6) \$50,000,000 shall be available for incremental rental voucher assistance for use through a supported housing program administered in conjunction with the Department of Veterans Affairs as authorized under section 8(o)(19) of the United States Housing Act of 1937: Provided, That the Secretary of Housing and Urban Development shall make such funding available, notwithstanding section 203 (competition provision) of this title, to public housing agencies that partner with eligible VA Medical Centers or other entities as designated by the Secretary of the Department of Veterans Affairs, based on geographical need for such assistance as identified by the Secretary of the Department of Veterans Affairs, public housing agency administrative performance, and other factors as specified by the Secretary of Housing and Urban Development in consultation with the Secretary of the Department of Veterans Affairs: Provided further, That the Secretary of Housing and Urban Development may waive, or specify alternative requirements for (in consultation with the Secretary of the Department of Veterans Affairs), any provision of any statute or regulation that the Secretary of Housing and Urban Development administers in connection with the use of funds made available under this paragraph (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration of such voucher assistance: Provided further, That assistance made available under this paragraph shall continue to remain available for homeless veterans upon turn-over: Provided further, That of the total amount made available under this paragraph, up to \$10,000,000 may be for additional fees established by and allocated pursuant to a method determined by the Secretary for administrative and other expenses (including those eligible activities defined by notice to facilitate leasing, such as security deposit assistance and costs related to the retention and support of participating owners) of public housing agencies in administering HUD-VASH vouchers;]

[(7) \$30,000,000 shall be available for the family unification program as authorized under section 8(x) of the Act: Provided, That the amounts made available under this paragraph are provided as follows:]

- [(A) \$5,000,000 shall be available for new incremental voucher assistance: Provided, That the assistance made available under this subparagraph shall continue to remain available for family unification upon turnover; and]
- [(B) \$25,000,000 shall be available for new incremental voucher assistance to assist eligible youth as defined by such section 8(x)(2)(B) of the Act: Provided, That assistance made available under this subparagraph shall continue to remain available for such eligible youth upon turnover: Provided further, That of the total amount made available under this subparagraph, up to \$15,000,000 shall be available on a noncompetitive basis to public housing agencies that partner with public child welfare agencies to identify such eligible youth, that request such assistance to timely assist such eligible youth, and that meet any other criteria as specified by the Secretary: Provided further, That the Secretary shall review utilization of the assistance made available under the preceding proviso, at an interval to be determined by the Secretary, and unutilized voucher assistance that is no longer needed shall be recaptured by the Secretary and reallocated pursuant to the preceding proviso: [Provided further, That for any public housing agency administering voucher assistance appropriated in a prior Act under the family unification program, or made available and competitively selected under this paragraph, that determines that it no longer has an identified need for such assistance upon turnover, such agency shall notify the Secretary, and the Secretary shall recapture such assistance from the agency and reallocate it to any other public housing agency or agencies based on need for voucher assistance in connection with such specified program or eligible youth, as applicable;]
- [(8) \$50,000,000] (6) \$565,000,000 shall be available for new incremental voucher assistance under section 8(o) of the Act to be allocated pursuant to a method, as determined by the Secretary, which may include a formula that may include such factors as severe cost burden, overcrowding, substandard housing for very low-income renters, homelessness, and administrative capacity, where such allocation method shall include both rural and urban areas: Provided, That the Secretary may specify additional terms and conditions to ensure that public housing agencies provide vouchers for use by survivors of domestic violence, dating violence, sexual assault, stalking, or human trafficking, or individuals and families who are homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a)), or at risk of homelessness, as defined in section 401(1) of such Act (42 U.S.C. 11360(1));
- (7) \$25,000,000 shall be for mobility-related services, as defined by the Secretary, for voucher families with children modeled after services provided in connection with the mobility demonstration authorized under section 235 of division G of the Consolidated Appropriations Act, 2019 (42 U.S.C. 1437f note; Public Law 116-6): Provided, That the Secretary shall make funding available to public housing agencies on a competitive basis and shall give preference to public housing agencies with higher concentrations of voucher families with children residing in high-poverty neighborhoods: Provided further, That the Secretary may recapture from the public housing agencies unused balances based on utilization of such awards and reallocate such amounts to any other public housing agency or agencies based on need for such mobility-related services as identified under such competition; and
- [(9)] (8) the Secretary shall separately track all special purpose vouchers funded under this heading: Provided further, That the Secretary may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the use of funds made available for the demonstration to facilitate leasing under paragraph (1), new incremental voucher assistance or renewals for the Mainstream program, and the family unification program (including the Foster Youth to Independence program) in this and prior Acts (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration of voucher assistance in such respective programs. (Department of Housing and Urban Development Appropriations Act, 2023.)

TENANT-BASED RENTAL ASSISTANCE

[For an additional amount for "Tenant-Based Rental Assistance", \$2,653,580,000, to remain available until expended, for activities specified in paragraph (1) (excluding any set-asides) of such heading in title II of division L of this consolidated Act.] (Disaster Relief Supplemental Appropriations Act, 2023.)