

**PUBLIC AND INDIAN HOUSING  
TENANT-BASED RENTAL ASSISTANCE  
2019 Summary Statement and Initiatives  
(Dollars in Thousands)**

| TENANT-BASED RENTAL ASSISTANCE | <u>Enacted/<br/>Request</u> | <u>Carryover</u>          | <u>Supplemental/<br/>Rescission</u> | <u>Total<br/>Resources</u> | <u>Obligations</u> | <u>Outlays</u>    |
|--------------------------------|-----------------------------|---------------------------|-------------------------------------|----------------------------|--------------------|-------------------|
| 2017 Appropriation .....       | \$20,292,000                | \$390,017 <sup>a/</sup>   | ...                                 | \$20,682,017               | \$20,312,544       | \$20,584,148      |
| 2018 Annualized CR .....       | 20,292,000                  | 472,629 <sup>b/</sup>     | -\$137,803 <sup>c/</sup>            | 20,626,826                 | 20,622,274         | 20,748,000        |
| 2019 Request .....             | <u>20,549,749</u>           | <u>87,552<sup>e</sup></u> | <u>-4,552<sup>d</sup></u>           | <u>20,632,749</u>          | <u>20,632,749</u>  | <u>20,948,000</u> |
| Change from 2018 .....         | +257,749                    | -385,077                  | +133,251                            | +5,923                     | +10,475            | +200,000          |

a/ Includes \$9.5 million in recaptured funds and \$83.2 million transferred from the Public Housing Operating Fund and Capital Fund for the purpose of Rental Assistance Demonstration (RAD) conversions.

b/ Includes an estimated \$104 million transferred from the Public Housing Operating Fund and Capital Fund for the purpose of Rental Assistance Demonstration (RAD) conversions.

c/ Public Law 115-56 requires a reduction from the fiscal year 2017 enacted budget authority of 0.6791 percent.

d/ Includes a rescission of \$4.5 million in recovered funds originally awarded for the Disaster Housing Assistance Program under P.L. 110-329. These funds are designated as "emergency" funds for the purpose of the budget caps under BBEDCA, Title II of P.L. 99-177, and does not offset the request.

e/ Includes an estimated \$83 million transferred from the Public Housing Operating Fund and Capital Fund for the purpose of Rental Assistance Demonstration (RAD) conversions.

**1. Program Purpose and Fiscal Year 2019 Budget Overview**

The fiscal year 2019 President's Budget of \$20.549 billion for the Section 8 Housing Choice Voucher (HCV) program, is \$396 million more than the fiscal year 2018 Annualized CR level. As described further below, the funding request reflects a set of policies that reduce costs while continuing to assist current residents, and the Administration will submit a legislative package of comprehensive rental assistance reforms consistent with this funding request following submission of the Budget. With implementation of these cost-saving policies, the requested funding level will provide currently-served households (approximately 2.2 million low-income families in 2018) with decent, safe, and sanitary housing while supporting the approximately 700,000 landlords and property owners who participate in the HCV program by providing a fair market rent so that they can meet mortgage payments, local tax obligations, and utility expenses, and maintain properties in good physical condition.

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The goals of the HCV program are:

- Providing greater access to housing and better housing opportunities for very low- and extremely low-income families;
- Ensuring that families currently assisted under the HCV program continue to receive assistance, thereby preventing them from having worst case housing needs or facing homelessness;
- Reducing the number of chronically homeless individuals, families, and veterans; and
- Maximizing the federal investment and the number of families assisted through HUD's rental housing assistance programs through comprehensive monitoring of voucher utilization.

## 2. Request

The HCV program is the federal government's major program for assisting very low-income families, the elderly, and persons with disabilities to afford decent, safe, and sanitary housing in the private market. The program serves the most economically vulnerable families in the country, including families with disabilities, elderly families, formerly homeless veterans, and families with children.

HUD's *Worst Case Housing Needs: 2017 Report to Congress*, available at <https://www.huduser.gov/portal/sites/default/files/pdf/Worst-Case-Housing-Needs.pdf>, reveals that among very low-income renter households that lacked assistance, 8.3 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 formerly experienced worst-case housing needs and, without the benefit of this program, would be at immediate risk of homelessness. The 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 2,200 public housing agencies (PHAs). Requested funding levels and brief descriptions for each of the major funding components of the HCV program are provided below:

- Contract Renewals: \$18.749 billion for contract renewals, which provide funding to renew expiring HCV program Housing Assistance Payments (HAP) funding increments on a calendar-year basis. Contract renewals include funding for special purpose vouchers (SPVs), which PHAs must reissue only to qualifying participants upon turnover, either from their waiting lists or referrals. Some of these programs are HUD- VASH, Non-Elderly Disabled, Tribal HUD-VASH, and the Family Unification Program. Contract renewals also include renewal funding tenant protection vouchers. In order to prevent terminations of assistance, the requested funding level assumes both program-specific savings policies and savings from legislative reforms.
- Administrative Fees: \$1.550 billion for administrative fees, which are a vital component of the HCV program, providing PHAs with the resources necessary to administer the requested rental assistance for over 2.2 million families.
- Tenant Protection Vouchers: \$140 million for Tenant Protection Vouchers (TPV), which are provided to families impacted by housing

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conversion actions beyond their control, such as public housing demolition or repositioning, and when private owners of multifamily developments choose to leave the project-based program or convert to long term Section 8 contracts. The increase in TPVs reflects an anticipated increase in demolitions, dispositions, and voluntary conversions as well as the establishment of a new category of protected residents whose public housing property is released from the Declaration of Trust. (See the general provision providing more flexibility to HUD to grant releases of the Declaration of Trust (DOT), coupled with tenant protections.)

- Section 811 Mainstream Renewals: \$107 million for 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 also includes administrative fees for the renewed vouchers.
- Tribal HUD-VASH Demonstration: \$4 million for renewals or issuance of vouchers (and associated administrative costs) appropriated under the Tribal HUD-VASH demonstration program in prior Acts, or if funds remain after renewal assistance is awarded, for new grants to be awarded based on the need and administrative capacity of eligible applicants. This demonstration provides rental assistance for Native American veterans who are homeless or at-risk of homelessness living on or near a reservation or other Indian areas. The Department of Veterans Affairs (VA) provides case management and clinical services to these veterans, increasing the likelihood that they will remain housed. HUD has worked with the VA and 26 tribes to implement the program, which, by the end of fiscal year 2017, had housed 188 Native veterans, with 76 more receiving case management and in the pipeline to be housed.

### 3. Justification

The HCV program partners with local PHAs and landlords to provide housing to our nation's neediest citizens. Of the families currently receiving HCV assistance, over half are either elderly or have a disabled head of household, and 75 percent are extremely low-income with incomes at or below 30 percent of the area median income. Without rental assistance, these families would be at great risk of homelessness or would be forced to choose between decent housing and other life necessities, such as food, clothing, and medicine. A unique aspect of the HCV program is that it is designed to work in partnership, rather than in competition, with the private rental market. 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 family. The family is responsible for finding a suitable rental unit with an owner who is willing to participate in the program. The PHA pays a monthly housing assistance payment 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 this private sector partnership to effectively and efficiently provide affordable housing opportunities in the local community instead of depending on direct government intervention to do so.

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

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- 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
- Tribally Designated Entities (TDHEs) and Tribal governments.

The HCV program has proven to be effective at meeting the housing needs of our most vulnerable citizens compared to other approaches. For example, in October 2016, HUD published the results of the Family Options Study. Launched in 2008, the study's goal was to determine which housing and services interventions work best for families with children experiencing homelessness. Reports published in July 2015 and October 2016 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. The study team followed the families for 3 years and measured outcomes in five domains of family well-being: (1) housing stability, (2) family preservation, (3) adult well-being, (4) child well-being, and (5) self-sufficiency. 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.

## Rent Reform Legislative Proposal

HUD continues its concerted efforts to ensure that the program operates efficiently and effectively, and to provide enough local flexibilities that allow PHAs to tailor the program to work better in their communities. The Department is re-examining the program, both to simplify administration and to make certain that the HCV program's shared responsibilities extend beyond the Federal taxpayer to PHAs, participating owners, and the assisted families. The Budget proposes a set of policies for its core rental assistance programs that will reduce costs while continuing to assist current residents, encouraging work, and promoting self-sufficiency. These proposals will provide administrative flexibilities and increase transparency and flexibility for the HCV program.

The current rent structure in HUD's rental assistance programs creates disincentives to employment and stable family formation, imposes large administrative burdens, generates significant costs to the Federal government, and represents a one-size-fits-all approach that does not take into consideration local community needs. HUD is committed to the reformation of its rental assistance programs with the following goals:

1. Encouraging work and stable family formation;
2. Simplifying program administration;
3. Increasing local control and choice;
4. Reducing costs to the federal government; and
5. Protecting current elderly and disabled households from adverse impacts.

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In furtherance of these goals, while also continuing to assist current residents, HUD will submit a rental reform legislative proposal to Congress in March. This Budget reflects key elements of that proposal, including:

- Establishing or increasing mandatory minimum rents;
- Simplifying rent calculations and increasing tenant rent contributions;
- Preventing rent increases for the most vulnerable current tenants, the elderly and disabled, when the new rent policies are implemented;
- Limiting income recertification for all households to once every three years, which supports stable family formation and incentivizes work by deferring increases in tenant rent payments as a result of increased wages;
- Providing a hardship exemption for tenants who, in certain circumstances, are unable to pay their rents; and
- Giving PHAs and property owners the option to choose alternative rent structures, approved by the Secretary, that work best for their communities, as well as the option to implement minimum work requirements for work-able residents. These alternative rent structures must incur the same overall program costs.

Proposed funding levels, while significantly reduced from the 2017 enacted level, should support currently assisted households while strategically reshaping the Federal footprint of HUD's rental assistance programs over time. As the legislative proposal is finalized, the requested allocation of funding across rental assistance programs in 2019 may change within the existing Departmental topline. HUD will provide Congress with updates to these programs' funding levels after the proposal is released.

Please see the "Enhance Rental Assistance" justification for more information.

### Regulatory Reform and Programmatic Improvements

For PHAs to continue to serve the families currently housed, the Budget includes authorities for HUD to provide additional flexibilities to PHAs. These flexibilities will enable PHAs to manage their programs in a fiscally responsible manner while avoiding displacement of currently supported households. Many of the proposals for the HCV program provide additional flexibility for PHAs to be able to manage their limited resources more efficiently and effectively. For fiscal year 2019, HUD proposes to seek authority for the following programmatic changes:

- The ability of the Secretary of Housing and Urban Development to waive, or specify alternative requirements for, statutory or regulatory provisions related to public housing agency (PHA) administrative, planning, and reporting requirements, energy audits, income recertification, and program assessments. In the HCV program, this increased flexibility will allow PHAs to access a full menu of savings options to fit their needs.

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- PHAs will not have to provide higher payments for enhanced vouchers. These changes will apply the same cost limitation on the maximum subsidy that may be paid under the HCV program to enhanced vouchers.

The requested broad waiver authority described above will help PHAs better manage their programs within their available resources and provide PHAs with a variety of options for temporary regulatory and statutory relief. In addition, HUD will work with PHAs to manage the proposed changes using a full menu of options, including adjustments to existing PHA discretionary policies, reserve offsets, new flexibilities, and voucher attrition (i.e., not reissuing vouchers when families exist the program), as needed to avoid resident displacement. This approach will empower local communities to manage the cost savings proposals in a fiscally responsible manner and help to avoid the displacement of currently assisted households, by giving PHAs the flexibility to employ those relief measures that make the most sense in relation to their own needs, priorities, and rental markets. This budget request for the HCV program reflects the President's commitment to fiscal responsibility while still supporting critical functions that provide rental assistance to very low-income and vulnerable households.

## General Provisions

The President's Budget proposes the following new General Provisions for Tenant-Based Rental Assistance, which are described in greater detail in the General Provisions Congressional Justification:

- Allowing HUD to provide PHAs with greater flexibility to use the statutory exception for PBV new construction provided to certain formerly federally assisted projects from the PBV program cap and income mixing requirements (Sec. 224).
- Revising the supportive services exception to the PBV income mixing requirement to provide PHAs with greater administrative flexibility to project-base vouchers (Sec. 225).
- Implementing requirements to reduce costs and provide for the more effective administration of the HCV program (Sec. 228).
- Eliminating higher payments for new enhanced vouchers (Sec. 229).
- The provision allows the PHA to certify to HUD that the PHA will fulfill all the program responsibilities required of a private owner for a PHA-owned unit. This will allow a family to rent a PHA-owned unit without the PHA first having to create a PHA-affiliate with which to execute the HAP contract. In either case, an independent entity is still required to conduct the unit inspections and other PHA administrative functions for the PHA-owned unit. This provision is designed to increase housing opportunities for voucher families by helping facilitate the use of PHA-owned units in the Housing Choice Voucher Program (Sec. 241).

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**PUBLIC AND INDIAN HOUSING  
TENANT-BASED RENTAL ASSISTANCE  
Summary of Resources by Program  
(Dollars in Thousand)**

| <u>Budget Activity</u>                                   | <u>2017 Budget Authority</u> | <u>2016 Carryover Into 2017</u> | <u>2017 Total Resources</u> | <u>2017 Obligations</u> | <u>2018 Annualized CR</u> | <u>2017 Carryover Into 2018</u> | <u>2018 Total Resources</u> | <u>2019 Request</u> |
|--|------------------------------|---------------------------------|-----------------------------|-------------------------|---------------------------|---------------------------------|-----------------------------|---------------------|
| Contract Renewals ...                                    | \$18,355,000                 | \$74,713                        | \$18,429,713                | \$18,315,132            | \$18,228,495              | \$114,581                       | \$18,343,076                | \$18,748,749        |
| Administrative Fees ...                                  | 1,650,000                    | 76,969                          | 1,726,969                   | 1,691,294               | 1,640,652                 | 35,675                          | 1,676,327                   | 1,550,000           |
| Section 8 Rental Assistance .....                        | 110,000                      | 115,261                         | 225,261                     | 93,414                  | 109,253                   | 131,847                         | 241,100                     | 140,000             |
| Veterans Affairs Supportive Housing (VASH) Program ..... | 40,000                       | 23,412                          | 63,412                      | 20,176                  | 39,728                    | 43,236                          | 82,964                      | ...                 |
| Tribal HUD-Vash .....                                    | 7,000                        | ...                             | 7,000                       | ...                     | 6,952                     | 7,000                           | 13,952                      | 4,000               |
| Section 811 Mainstream Renewals .....                    | 120,000                      | 10,083                          | 130,083                     | 111,155                 | 119,185                   | 18,928                          | 138,113                     | 107,000             |
| Rental Assistance Demonstration .....                    | ...                          | 85,027                          | 85,027                      | 81,373                  | ...                       | 106,810                         | 106,810                     | ...                 |
| Family Unification Program (FUP) .....                   | 10,000                       | ...                             | 10,000                      | ...                     | 9,932                     | 10,000                          | 19,932                      | ...                 |
| Disaster Displacement .                                  | ...                          | <u>4,552</u>                    | <u>4,552</u>                | ...                     | ...                       | <u>4,552</u>                    | <u>4,552</u>                | ...                 |
| Total .....  | 20,292,000                   | 390,017                         | 20,682,017                  | 20,312,544              | 20,154,197                | 472,629                         | 20,626,826                  | 20,549,749          |

Tenant-Based Rental Assistance

**PUBLIC AND INDIAN HOUSING  
TENANT-BASED RENTAL ASSISTANCE  
Appropriations Language**

The fiscal year 2019 President's Budget includes the appropriation language listed below.

*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.) ("the Act" herein), not otherwise provided for, \$20,549,749,000, to remain available until September 30, 2021, shall be available on October 1, 2018 (in addition to the \$4,000,000,000 previously appropriated under this heading that shall be available on October 1, 2018), and \$4,000,000,000, to remain available until September 30, 2022, shall be available on October 1, 2019: Provided, That the amounts made available under this heading are provided as follows:*

*(1) \$18,748,749,000 shall be available for renewals of expiring section 8 tenant-based 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 2019 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 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, 2019: Provided further, That the Secretary may extend the notification period with notification to the House and Senate Committees on Appropriations: Provided further, That public housing agencies participating in the MTW demonstration shall be funded pursuant to their MTW agreements and in accordance with the requirements of the MTW program and shall be subject to the same pro rata adjustments under the previous provisos: Provided further, That the Secretary may offset public housing agencies' calendar year 2019 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 2018 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, from the agencies' calendar year 2019 MTW funding allocation: Provided further, That the Secretary shall use any offset referred to in the previous 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: Provided further, That the Secretary may utilize unobligated balances, including recaptures*



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*and carryover, remaining from funds appropriated under this heading from prior year appropriations (excluding special purpose vouchers), notwithstanding the purposes for which such amounts were appropriated, to avoid or reduce such prorrations: Provided further, That the Secretary may make temporary adjustments to the allocations for public housing agencies 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.), to avoid significant funding reductions that would otherwise result from the disaster, upon request by a public housing agency and supported by documentation as required by the Secretary that demonstrates that the need for the adjustment is due to the disaster: Provided further, That up to \$100,000,000 shall be available only: (1) 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; (2) 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; (3) for adjustments for costs associated with HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers; (4) 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; and (5) for public housing agencies that have experienced increased costs or loss of units as a result of a Presidentially-declared disaster: Provided further, That the Secretary shall allocate amounts under the previous proviso based on need, as determined by the Secretary;*

*(2) \$140,000,000 shall be 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, the family unification program under section 8(x) of the Act, relocation of witnesses 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, HOPE VI and Choice Neighborhood vouchers, mandatory and voluntary conversions, tenant protection assistance in connection with the release of the Declaration of Trust from a public housing property, 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 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 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: 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;*

*(3) \$1,550,000,000 shall be for administrative and other expenses of public housing agencies in administering the section 8 tenant-based rental assistance program, of which up to \$20,000,000 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*

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*administration of disaster related vouchers, HUD-VASH vouchers, and other special purpose incremental vouchers: Provided, That no less than \$1,530,000,000 of the amount provided in this paragraph shall be allocated to public housing agencies for the calendar year 2019 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 previous 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 previous proviso, utilize unobligated balances, including recaptures and carryovers, remaining from funds appropriated to the Department of Housing and Urban Development under this heading in this Act and prior year Acts (excluding special purpose vouchers), notwithstanding the purposes for which such amounts were appropriated: Provided further, That public housing agencies participating in the MTW demonstration shall be funded pursuant to their MTW agreements and in accordance with the requirements of the MTW program, and shall be subject to the same uniform percentage decrease as under the previous proviso: Provided further, That the Secretary may make temporary adjustments to the administrative fee eligibility determinations for public housing agencies 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.), to avoid significant funding reductions that would otherwise result from the disaster, upon request by a public housing agency and supported by documentation as required by the Secretary that demonstrates that the need for the adjustment is due to the disaster; 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) \$107,000,000 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;*

*(5) \$4,000,000 shall be for rental assistance and associated administrative fees for Tribal HUD-VA Supportive Housing (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 the recipients that received assistance under the rental assistance and supportive housing demonstration program for Native American veterans authorized under the heading "TENANT-BASED RENTAL ASSISTANCE" in prior acts: 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 under the demonstration program: Provided further, That any amounts remaining after such renewal assistance is awarded may be available for new grants to recipients eligible to receive block grants under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.) 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 further, That funds shall be awarded based on need, and administrative capacity, as established by the Secretary in a Notice published in the Federal Register after coordination with the Secretary of Veterans Affairs: Provided further, That renewal grants and new grants under this paragraph shall be administered by block grant recipients in accordance with program requirements under*

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*the Native American Housing Assistance and Self-Determination Act of 1996: Provided further, That assistance under this paragraph shall be modeled after, with necessary and appropriate adjustments for Native American grant recipients and veterans, the rental assistance and supportive housing program known as HUD-VASH, including administration in conjunction with the Department of Veterans Affairs and overall implementation of section 8(o)(19) of the United States Housing Act of 1937: Provided further, That the Secretary of Housing and Urban Development 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 under this paragraph (except requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by the Secretary that any such waiver or alternative requirement is 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;*

*6) the Secretary shall separately track all special purpose vouchers funded under this heading; and*

*(7) All unobligated balances from funds appropriated under the heading "Department of Housing and Urban Development—Public and Indian Housing—Tenant Based Rental Assistance" in the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (Public Law 110–329) are hereby permanently cancelled.*

*Note.—A full-year 2018 Annualized CR 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, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.*