

## CHAPTER 1. INTRODUCTION

1-1 PURPOSE OF THE HANDBOOK. The purpose of this Handbook is to provide guidance to HUD Field Offices, Public Housing Agencies (PHAs), certain Indian Housing Authorities (IHAs), Resident Management Corporations (RMCs), and PHA/IHA or RMC contractors and subcontractors concerning limitations on the payment of funds to influence Federal transactions for the Public and Indian Housing Program.

1-2 LEGAL AUTHORITY. Section 319 of the Fiscal Year 1990 Department of the Interior and Related Agencies Appropriations Act, Public Law 101-121, contained a prohibition on the use of any federally appropriated funds to influence or attempt to influence Federal officials in connection with any Federal contract, grant, loan, or cooperative agreement. This law, which became effective December 23, 1989, contained two requirements which are known collectively as the Byrd Amendment requirements. These two requirements apply to Federal contracts, grants and cooperative agreements exceeding \$100,000 and Federal loan guarantees and loan insurance exceeding \$150,000 and are as follows:

- A. The PHA/IHA or RMC is required to certify that no federally appropriated funds will be or have been used to influence Federal employees, Members of Congress, and Congressional staff regarding specific grants or contracts; and
- B. The PHA/IHA or RMC that uses other than federally appropriated funds for lobbying on behalf of specific projects or proposals is required to submit disclosure documentation when these efforts are intended to influence the decisions of Federal officials.

1-3 REGULATORY AUTHORITY. HUD implementing regulations governing the Byrd Amendment are at 24 CFR Part 87. Also refer to the June 15, 1990, Notice by the Office of Management and Budget (OMB) in the Federal Register (55 FR 24540), which provides further information about OMB's interim final guidance, published December 20, 1989.

1-4 APPLICABILITY.

- A. The Byrd Amendment requirements apply to all PHAs and IHAs established under State law for the following grants, if the individual grant amount is over \$100,000:

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- 1. Operating Subsidy;
- 2. Comprehensive Grant Program (CGP);
- 3. Comprehensive Improvement Assistance Program (CLAP);

4. Development;
5. Major Reconstruction of Obsolete Projects (MROP);
6. Section 23 Leased Housing adjustments;
7. Drug Elimination Grants;
8. Child Care Grants;
9. Resident Management Grants;
10. HOPE Planning Grants;
11. HOPE Implementation Grants;
12. Section 8 Rental Certificate Program;
13. Section 8 Rental Voucher Program;
14. Section 8 Moderate Rehabilitation Program; and
15. Any other grant program under Public and Indian Housing.

B. The Byrd Amendment requirements do not apply to:

1. IHAs established by tribal ordinance, regardless of the individual grant amount;
2. Section 23 Leased Housing basic annual contributions, regardless of the individual grant amount; and
3. Cumulative grants under subparagraph A in the same fiscal year that separately are \$100,000 or less, but cumulatively total more than \$100,000.

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1-5 PROHIBITION. The PHA/IHA or RMC is prohibited from using federally appropriated funds for the purpose of influencing or attempting to influence executive or legislative branch personnel in connection with the awarding of any Federal contract, the making of any Federal grant or loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement regardless of the amount.

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