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# Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations for FY2021: In Brief

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The respective House and Senate Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations Subcommittees are charged with providing annual appropriations for the Department of Transportation (DOT), the Department of Housing and Urban Development (HUD), and certain related agencies. This report describes action on FY2021 annual appropriations for THUD, including detailed tables for each major agency and a brief overview of selected issues.

# FY2021 Budget Process

Appropriations for DOT, HUD, and the related agencies typically funded in the THUD bill happen in the context of the broader annual congressional appropriations process. That process generally begins with the submission of the President's budget request in February and the adoption of the congressional spending limits (generally, in a budget resolution) that set the overall level of spending for that fiscal year's appropriations bills.

The framework for budget enforcement under the congressional budget process has both statutory and procedural elements. The statutory elements include limits on "defense" and "nondefense" discretionary spending established by the Budget Control Act of 2011 (BCA; P.L. 112-25); THUD appropriations are classified as nondefense spending. The procedural elements are primarily associated with the budget resolution and limit both total discretionary spending available to the Appropriations Committees (commonly referred to as "302(a) allocations") and spending under the jurisdiction of each appropriations subcommittee ("302(b) suballocations"). Certain spending, such as that designed as for an "emergency requirement," is effectively exempt from these limits (this type of exemption is commonly referred to as a "cap adjustment").[1]

On August 2, 2019, the FY2020 and FY2021 BCA spending limits were increased via the enactment of the Bipartisan Budget Act of 2019 (BBA 2019; P.L. 116-37).[2] The FY2021 nondefense limit ($626.5 billion) was 0.8% (+$5 billion) more than the FY2020 limit. In addition, BBA 2019 provided procedures to establish the spending allocations to the House and Senate Appropriations Committees via statements submitted to the *Congressional Record* by the chairs of the House and Senate Budget Committees, without the adoption of a budget resolution.[3] Among other requirements, these spending allocations must be consistent with the levels established by the statutory discretionary spending limits. These FY2021 committee-level spending allocations were submitted in the House on May 1, and in the Senate on May 4, 2020.[4]

Generally, the next step in the appropriations process is for each of the Appropriations Committees to adopt "suballocations" from the total amount allocated to them. These 302(b) suballocations provide a limit on current-year (e.g., FY2021) appropriations within each subcommittee's jurisdiction and incorporate any applicable scorekeeping adjustments made by the Congressional Budget Office. The House Appropriations Committee adopted 302(b)

[1] For further information, see CRS Report R45778, *Exceptions to the Budget Control Act's Discretionary Spending Limits*.

[2] For further information, see CRS Insight IN11148, *The Bipartisan Budget Act of 2019: Changes to the BCA and Debt Limit*.

[3] Ibid. For a general discussion of budget enforcement mechanisms that may be adopted in the absence of a budget resolution, see CRS Report R44296, *Deeming Resolutions: Budget Enforcement in the Absence of a Budget Resolution*.

[4] "Publication of Budgetary Material," *Congressional Record*, daily edition, Vol. 166, No. 82 (May 1, 2020), pp. H1968-H1969. "Budget Enforcement Levels for Fiscal Year 2021," *Congressional Record*, daily edition, Vol. 166, No. 83 (May 4, 2020), pp. S2205-S2206.

suballocations for each of its 12 subcommittees on July 9.[5] The House THUD discretionary suballocation for FY2021 was set at $75.924 billion, a 2.2% increase over the FY2020 enacted level (excluding emergency funding). The Senate Appropriations Committee has not yet adopted its suballocations. Revisions to suballocations throughout the appropriations process are a common practice to reflect actual action on appropriations bills and changes in congressional priorities. However, if the House and Senate take divergent approaches with regard to the topline that each assumes for the THUD bill, complications may arise as the House and Senate seek to resolve their differences on appropriations.

# FY2021 THUD Appropriations Status

The President's FY2021 budget request was submitted to Congress on February 10, 2020. Following the President's budget submission, appropriations decision-making has proceeded on the basis of procedures and budgetary limits enacted in the BBA 2019(discussed in"FY2021 Budget Process"). In addition, congressional action on FY2021 appropriations may be influenced by the ongoing Coronavirus Disease 2019 (COVID-19) pandemic. A number of emergency FY2020 supplemental discretionary appropriations measures have been enacted in response to the pandemic; one, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act; P.L. 116-136), increased available budgetary resources for DOT and HUD in FY2020. Further supplemental appropriations may be considered during the FY2021 cycle. **Table 1** tracks FY2021 THUD funding at the bill-title level.

## President's Budget

The Administration's budget request would cut funding for THUD agencies by 20% (-$15 billion) from their FY2020 levels (regular discretionary appropriations, excluding supplemental CARES Act funding). Under the President's budget request, DOT discretionary funding would be reduced by 13% (-$3 billion), HUD funding would be reduced by 24% (-$12 billion), and the related agencies generally funded in the THUD bill would be reduced by 33% (-$122 million) (see **Table 1**).

DOT's discretionary funding reduction would be offset by a $4.9 billion increase in funding from DOT trust funds (classified as mandatory funding that does not count against THUD appropriation's 302(b) limit), producing an overall increase of 2% (+$1.7 billion) for DOT; among DOT agencies only Amtrak would experience a significant reduction in the President's budget, from $2 billion in FY2020 to $953 million for FY2021.

The reductions in HUD funding would come from zeroing out a half-dozen programs, the largest of which is the Community Development Block Grant (CDBG) program, and reducing funding for many more programs. One independent agency, the Neighborhood Reinvestment Corporation, is also proposed for reductions in the President's budget request.

### CARES Act Pandemic Relief Funding

Following the declaration of a public health emergency related to the global pandemic of COVID-19, Congress enacted a series of supplemental appropriations and relief measures in the

[5] House Appropriations Committee, "Appropriations Committee Approves FY2021 Subcommittee Allocations," press release, July 9, 2020, at https://appropriations.house.gov/news/press-releases/appropriations-committee-approves-fy-2021-subcommittee-allocations. Revised allocations were subsequently reported on July 16, but no changes were made to the THUD subcommittee allocation in that amendment. See https://appropriations.house.gov/events/markups/fy-2021-homeland-security-financial-services-and-general-government-appropriations.

spring of FY2020. Division B of the CARES Act included $36.1 billion in additional FY2020 discretionary appropriations for DOT accounts and $12.4 billion in appropriations for HUD accounts. The law designated these funds as being for an emergency requirement, meaning they do not count toward enforceable spending limits.

## House Action

The House Committee on Appropriations ordered reported its FY2021 THUD appropriations bill on July 14, 2020, following subcommittee markup the week prior. H.R. 7616 includes a $1.7 billion increase (+2.2%) in non-emergency discretionary funding relative to FY2020 THUD annual appropriations (see **Table 1**). The largest discretionary dollar increase is directed to HUD ($1.5 billion), although the related agencies would receive the largest relative increase (+17%). DOT's discretionary funding would be essentially level, but its overall funding would increase by 24% ($21.1 billion), virtually all of which would come from DOT's trust funds which are classified as mandatory spending. In addition to regular appropriations, the bill includes $75 billion in emergency funding for transportation and housing infrastructure improvements. The total emergency discretionary appropriations proposed by the bill are nearly equal to the total regular discretionary funding provided in the bill ($75 billion vs. $76 billion). Thus, the funding in the House bill can be thought of as being divided into three categories: regular discretionary funding ($75.9 billion), DOT mandatory funding ($82.3 billion), and emergency discretionary funding ($75 billion).

On July 20, 2020, the House Rules Committee announced that the Committee is likely to meet the week of July 27 to grant a rule for the House to consider H.R. 7617, a bill combining the text of several appropriations acts as reported by the House Appropriations Committee, including the THUD bill, H.R. 7616, as Division G.[6]

**Table 1. THUD Appropriations by Bill Title, FY2020-FY2021**

(dollars in millions)

| | FY2020 Enacted | FY2021 Request | FY2021 House Committee | FY2021 Senate | FY2021 Enacted |
|---|---|---|---|---|---|
| Title I: DOT | 86,156 | 87,852 | 107,248 | | |
| *Discretionary* | *24,833* | *21,653* | *24,911* | | |
| *Mandatory* | *61,323* | *66,199* | *82,337* | | |
| Title II: HUD | 49,087 | 37,261 | 50,581 | | |
| Title III: Other Independent Agencies | 370 | 248 | 432 | | |
| Title IV: General Provisions | -20 | -— | — | | |
| Title V: Additional Infrastructure Investments (emergency) | — | — | 75,000 | | |
| **Total Discretionary (non-emergency)** | **74,270** | **59,162** | **75,924** | | |

[6] House Committee on Rules, "Amendment Process Announcement for H.R. 7617—Defense, CJS, Energy and Water, FSGG, Homeland, Labor-HHS, and THUD Appropriations," press release, July 20, 2020, at https://rules.house.gov/news/announcement/amendment-process-announcement-hr-7617-defense-cjs-energy-and-water-fsgg-homeland.

| | FY2020 Enacted | FY2021 Request | FY2021 House Committee | FY2021 Senate | FY2021 Enacted |
|---|---|---|---|---|---|
| **Total Mandatory** | **61,323** | **66,199** | **82,332** | | |
| **Total (non-emergency)** | **135,593** | **125,362** | **158,256** | | |
| *Emergency Appropriations* | *48,508* | — | *75,000* | | |
| ***Total (incl. emergency)*** | ***184,101*** | ***125,362*** | ***233,256*** | | |

**Source:** Comparative Statement of Budget Authority, beginning on p. 192, in H.Rept. 116-452.

**Notes:** Totals may not add or exactly match source materials due to rounding. The totals include both discretionary budget authority and contract authority (a type of mandatory budget authority provided to DOT that is not included in the bill's discretionary budget authority figure).

# Department of Transportation

The majority of DOT's annual funding is established by two periodic authorization acts, one for surface transportation programs and one for aviation programs. Most of the funding for the programs in those acts is drawn from the DOT Highway Trust Fund and the Aviation and Airways Trust Fund, respectively. Highway Trust Fund revenues come largely from fuel taxes and increasingly from transfers from the general fund of the Treasury. Aviation and Airways Trust Fund revenues come largely from taxes on passenger tickets and aviation fuel and some general fund money. The current surface transportation authorizations run through FY2020, so the FY2021 funding levels for DOT's surface programs (highways, transit, and rail) have not been set.

The appearance of COVID-19 in the United States in the spring of 2020 devastated the finances of transportation agencies at every level of government. The initial lockdown of economic activity in an effort to slow the spread of the virus greatly reduced highway travel, and travel volume has remained below normal. This has resulted in a decrease in fuel tax revenues for the states and the federal Highway Trust Fund. Aviation and transit usage has dropped to a fraction of its usual level, as has the resulting passenger fare revenues (Congress has suspended the tax on aviation passenger tickets and fuel for the balance of 2020). This is due not only to the impact of the pandemic on the economy, but also due to public concern about the risk of transmission of the virus in the confined spaces of airplanes and transit vehicles. That concern may continue to depress aviation and transit usage unless and until a vaccine is developed and is widely available.

The Administration's budget request was developed prior to the identification of the pandemic in the United States. Congress's funding decisions are being made in light of the pandemic, and with concerns to alleviate its impacts.

## Administration Budget Request

The Administration's budget requested a 2% (+$1.7 billion) increase in DOT funding. This reflected relatively minor increases for most agencies, and relatively significant reductions to the Federal Railroad Administration (FRA) (-29%, -$800 million) and Maritime Administration (MARAD) (-30%, -$310 million) budgets. The major differences in the Administration's request compared to what Congress enacted in FY2020 included reductions to the following activities:

- Amtrak: requested $936 million, down from $2.0 billion (FY2020);

- Federal Aviation Administration (FAA) grants to airports: requested $3.35 billion, down from $3.75 billion;
- FRA Federal-state Partnership for State of Good Repair: no funding requested, down from $200 million;
- MARAD Port infrastructure development program: no funding requested, down from $225 million.

The Administration requested $1 billion for a new grant program for nationally significant freight projects and $550 million for a new grant program for rail (National Network Transformation; no details provided).

## H.R. 7616

The House Appropriations Committee recommended $107.2 billion for DOT, a 24% (+$20 billion) increase over the FY2020 enacted amount of $86.156 billion (which was virtually the same as the FY2019 enacted amount). Every agency would receive an increase compared to FY2020. The largest percentage increases would be for the Federal Transit Administration (+46%, +$6.0 billion), the Federal Motor Carrier Safety Administration (+30%, +$207 million), the Federal Highway Administration (+28%, +$13.6 billion), and the National Highway Traffic Safety Administration (+27%, +268 million). The details of the recommended funding can be found in **Table 2**.

The House committee-reported bill also included additional emergency funding for DOT (and HUD) in a new Title V. This title would provide an additional $25.7 billion in funding for DOT; see **Table 7** for details.

In April 2020, the CARES Act provided an additional $36.1 billion in emergency FY2020 funding for several DOT programs and activities to assist with the economic costs of the pandemic; see **Table 3** for details.

**Table 2. Department of Transportation FY2020-FY2021 Detailed Budget Table**

(dollars in millions)

| Department of Transportation Selected Accounts | FY2020 Enacted | FY2021 Request | FY2021 House Committee | FY2021 Senate | FY2021 Enacted |
|---|---|---|---|---|---|
| **Office of the Secretary (OST)** | | | | | |
| National infrastructure investment (BUILD/TIGER) | 1,000 | 1,000 | 1,000 | | |
| Payments to air carriers (Essential Air Service)[a] | 162 | 142 | 162 | | |
| Nationally significant freight projects | — | 1,000 | — | | |
| Railroad Rehabilitation and Improvement Financing Program loan modifications | — | — | 70 | | |
| All other accounts | 183 | 190 | 208 | | |
| Total, OST | 1,345 | 2,332 | 1,440 | | |
| **Federal Aviation Administration (FAA)** | | | | | |
| Operations | 10,630 | 11,002 | 11,052 | | |
| Facilities & equipment | 3,045 | 3,000 | 3,045 | | |

| Department of Transportation Selected Accounts | FY2020 Enacted | FY2021 Request | FY2021 House Committee | FY2021 Senate | FY2021 Enacted |
|---|---|---|---|---|---|
| Research, engineering, & development | 193 | 170 | 193 | | |
| Grants-in-aid for airports (Airport Improvement Program) (limitation on obligations) | 3,350 | 3,350 | 3,350 | | |
| Airport Discretionary Grants | 400 | — | 500 | | |
| Total, FAA | 17,618 | 17,522 | 18,139 | | |
| **Federal Highway Administration (FHWA)** | | | | | |
| Federal-Aid Highways (limitation on obligations + exempt contract authority) | 47,104 | 50,721 | 61,869 | | |
| Federal-Aid Highways: discretionary funding | 2,166 | — | 1,000 | | |
| *Rescission of budget authority* | — | *-138* | — | | |
| Total, FHWA | 49,270 | 50,583 | 62,869 | | |
| **Federal Motor Carrier Safety Administration (FMCSA)** | | | | | |
| Motor carrier safety operations and programs | 288 | 299 | 380 | | |
| Motor carrier safety grants to states | 391 | 403 | 506 | | |
| Total, FMCSA | 679 | 702 | 886 | | |
| **National Highway Traffic Safety Administration (NHTSA)** | | | | | |
| Operations and research | 349 | 317 | 385 | | |
| Highway traffic safety grants to states (limitation on obligations) | 623 | 647 | 855 | | |
| Impaired driving/highway-rail grade crossing safety | 17 | — | 17 | | |
| Total, NHTSA | 989 | 965 | 1,257 | | |
| **Federal Railroad Administration (FRA)** | | | | | |
| Safety and Operations | 224 | 226 | 236 | | |
| Research and Development | 41 | 41 | 41 | | |
| Amtrak | | | | | |
| Northeast Corridor grants | 700 | 325 | 750 | | |
| National Network | 1,300 | 611 | 1,300 | | |
| Subtotal, Amtrak grants | 2,000 | 936 | 2,050 | | |
| Consolidated Rail Infrastructure and Safety Improvements | 325 | 330 | 500 | | |
| Federal-state Partnership for State of Good Repair | 200 | — | 200 | | |
| Restoration and Enhancement grants | 2 | — | — | | |
| Magnetic Levitation Program | 2 | — | 5 | | |
| National Network Transformation Grants | — | 550 | — | | |
| *Rescission* | — | *-92* | — | | |

| Department of Transportation Selected Accounts | FY2020 Enacted | FY2021 Request | FY2021 House Committee | FY2021 Senate | FY2021 Enacted |
|---|---|---|---|---|---|
| Total, FRA | 2,794 | 1,991 | 2,996 | | |
| **Federal Transit Administration (FTA)** | | | | | |
| Administrative Expenses | 117 | 121 | 121 | | |
| Formula Grants (M) | 10,150 | 11,046 | 15,945 | | |
| Technical Assistance and Training | 5 | — | 7 | | |
| Capital Investment Grants (New Starts) | 1,978 | 1,889 | 2,175 | | |
| Transit Infrastructure Grants | 510 | — | 510 | | |
| Transit Research | — | 8 | — | | |
| Washington Metropolitan Area Transit Authority | 150 | 150 | 150 | | |
| *Rescission* | — | *-2* | — | | |
| Total, FTA | 12,910 | 13,212 | 18,906 | | |
| **Maritime Administration (MARAD)** | | | | | |
| Maritime Security Program | 300 | 314 | 314 | | |
| Operations and training | 153 | 138 | 161 | | |
| State maritime academy operations | 342 | 338 | 432 | | |
| Assistance to small shipyards | 20 | — | 20 | | |
| Ship disposal | 5 | 4 | 5 | | |
| Maritime Guaranteed Loan Program | 3 | — | 3 | | |
| Port infrastructure development program | 225 | — | 300 | | |
| *Rescission* | — | *-55* | — | | |
| Total, MARAD | 1,048 | 738 | 1,245 | | |
| **Pipeline and Hazardous Materials Safety Administration (PHMSA)** | | | | | |
| Subtotal | 253 | 248 | 261 | | |
| *Offsetting user fees* | *-145* | *-141* | *-150* | | |
| Emergency preparedness grants (M) | 28 | 28 | 28 | | |
| Total, PHMSA | 282 | 276 | 289 | | |
| **Office of Inspector General** | 95 | 98 | 98 | | |
| **Saint Lawrence Seaway Development Corporation** | 38 | 31 | 40 | | |
| **DOT Totals** | | | | | |
| Appropriation (discretionary funding) | 24,833 | 21,940 | 24,950 | | |
| Limitations on obligations (M) | 61,323 | 66,199 | 82,337 | | |
| **Subtotal—new funding** | **86,156** | **88,139** | **107,287** | | |
| *Rescissions* | — | *-287* | *-39* | | |
| **Net new discretionary funding** | **24,833** | **21,653** | **24,911** | | |

| Department of Transportation Selected Accounts | FY2020 Enacted | FY2021 Request | FY2021 House Committee | FY2021 Senate | FY2021 Enacted |
|---|---|---|---|---|---|
| **Net new budget authority** | **86,156** | **87,852** | **107,248** | | |
| Supplemental Emergency Funding | 36,085[b] | — | 25,689 | | |
| **Net new budget authority (incl. emergency)** | **122,241** | **87,852** | **132,937** | | |

**Source:** Comparative Statement of Budget Authority, pp. 187-212 in H.Rept. 116-452 accompanying H.R. 7616; and P.L. 116-136.

**Note:** Totals may not add due to rounding.

a. In addition to its appropriation, the Essential Air Service program receives funding from overflight fees. For FY2020 and FY2021, those fees were estimated to provide an additional $150 million to the program, but due to the pandemic's effects on aviation that amount will be greatly reduced. The CARES Act included $56 million for the Essential Air Service program.

b. Includes $25 billion in emergency funding for transit systems through the Federal Transit Administration and $10 billion for airports through the Federal Aviation Administration provided by the CARES Act (P.L. 116-136).

# Selected DOT Issues

## Public Health While Traveling on Common Carriers

The bill would require passengers and crew members on airlines, Amtrak trains, and transit vehicles[7] to wear a mask or protective face covering while on board.[8]

## Infrastructure Funding

The House committee-reported bill would provide an increase of roughly $14 billion for transportation infrastructure.[9] The vast majority of that increase would go to the Federal Highway Administration, with smaller increases for FAA, FRA, and MARAD. This figure does not include the $5.8 billion increase recommended for the Federal Transit Administration's formula grant programs. In the context of transit agencies experiencing sudden declines in their revenues, the House bill would allow transit agencies to use their federal formula funding for operation and maintenance costs, as well as infrastructure investment, thus how much of that additional funding would be used for infrastructure is not known.

## Commercial Truck Safety

The congressional mandate[10] for heavy trucks to be equipped with electronic logging devices (ELDs) to track the time worked by drivers went into effect at the end of 2017.[11] The purpose was to improve safety by reducing violations of the federal hours-of-service limits (which limit the amount of time a driver can drive each day and each week to reduce the risk of truckers driving while fatigued). The limits were not changed when ELDs became mandatory; ELDs make it

[7] Limited to transit vehicles in urban areas of 500,000 people or more.

[8] Title IV, §421.

[9] This figure does not include the proposed supplemental funding in Title V of the bill.

[10] §32301(b) of the Moving Ahead for Progress in the 21st Century Act (MAP–21), P.L. 112-141.

[11] Federal Motor Carrier Safety Administration, "Final Rule: Electronic Logging Devices," 80 *Federal Register* 78292, December 16, 2015, at https://www.govinfo.gov/content/pkg/FR-2015-12-16/pdf/2015-31336.pdf.

harder for drivers to exceed the limits without detection. Objections from certain sectors of the trucking industry have led Congress and the President to repeatedly bar enforcement of the ELD mandate with respect to livestock haulers in the annual THUD appropriation act. This action has been opposed by safety advocates. The House Committee-reported bill did not include the waiver for livestock haulers.

### CARES Act Supplemental Funding

Division B, Title XII of the CARES Act provided $36.1 billion in additional FY2020 funding for several DOT programs and activities.[12] Virtually all of the funding went to airports and transit agencies, entities whose revenues have dropped as usage of those modes has declined since the beginning of the pandemic, both in response to the general curtailment of economic activity and because of the public's concern about risk of transmission of the disease inside airplanes and transit vehicles.

**Table 3. CARES Act Funding for DOT**

(dollars in millions)

| Account | FY2020 Enacted (emergency) |
|---|---|
| FAA—Airport Improvement Program grants (to maintain operations at airports) | $10,000 |
| FMCSA—Motor Carrier Safety and Operations | <1 |
| FRA—Safety and Operations | <1 |
| FRA—Amtrak Northeast Corridor Grants | 492 |
| FRA—Amtrak National Network Grants (including funding to states to help them pay their share of the cost of state-supported routes) | 526 |
| FTA—Transit Infrastructure grants (for operating and capital expenses, to be distributed by existing formulas) | 25,000 |
| OST—Essential Air Services (to offset the reduction, due to canceled flights, in overflight fees that help pay for the EAS program) | 56 |
| DOT Office of the Secretary—Administration | 2 |
| DOT IG | 5 |
| MARAD—Operations and Training | 3 |
| MARAD—State Maritime Academy Operations | 1 |
| **Total** | **$36,085** |

**Source:** Division B, Title XII of P.L. 116-136.

**Note:** Totals may not add due to rounding.

# Department of Housing and Urban Development

As shown in **Table 4**, the President's FY2021 budget request for HUD would result in a decrease of $8.6 billion (-15%) in gross (regular, non-emergency) appropriations for HUD programs and

[12] In addition to funding for DOT programs, Congress also provided assistance to the airline industry in the CARES Act, including $32 billion to air carriers for support of employment and up to $46 billion in business loans and loan guarantees.

activities. (Because of an estimated increase in offsets in FY2021, *net* discretionary budget authority—used for budget enforcement purposes—would see an even larger decline than gross budget authority. However, gross appropriations is a better measure of the resources available to HUD's programs and activities.) Most of the proposed reduction in funding is attributable to requests to eliminate funding for several HUD grant programs, although most other accounts would also receive a funding reduction under the request.

Conversely, H.R. 7616 proposes to increase HUD funding relative to FY2020 regular appropriations. The bill would provide an increase of $4.8 billion (+8%) in gross appropriations for HUD programs and activities. (Because of the estimated increase in offsets, the increase in net budget authority is smaller ($1.5 billion; +3%.)

**Table 4. Department of Housing and Urban Development, FY2020-FY2021**

(dollars in millions)

| Accounts | FY2020 Enacted | FY2021 Request | FY2021 House Committee | FY2021 Senate | FY2021 Enacted |
|---|---|---|---|---|---|
| **Appropriations** | | | | | |
| Salaries and Expenses (Mgmt. & Adm.) | 1,425 | 1,497 | 1,525 | | |
| Tenant-Based Rental Assistance (Sec. 8 Housing Choice Vouchers) | 23,874 | 18,833[a] | 25,739 | | |
| *Voucher Renewals (non-add)* | *21,502* | *16,958*[a] | *22,852* | | |
| *Administrative Fees (non-add)* | *1,977* | *1,465*[a] | *2,155* | | |
| *Incremental (new) Veterans Affairs Supportive Housing (VASH) vouchers (non-add)* | *40* | *0* | *20* | | |
| *Incremental (new) Family Unification Program (FUP) vouchers (non-add)* | *25* | *0* | *25* | | |
| *Incremental (new) vouchers for veterans and domestic violence (non-add)* | *0* | *0* | *250* | | |
| Rental Assistance Demonstration | 0 | 100 | 0 | | |
| Public Housing Capital Fund | 2,870 | 0 | 3,180 | | |
| Public Housing Operating Fund | 4,549 | 3,572[b] | 4,649 | | |
| Moving to Work[c] | - | 5,185 | 0 | | |
| Choice Neighborhoods | 175 | 0 | 250 | | |
| Self Sufficiency Programs | 130 | 190 | 155 | | |
| Native American Programs | 825 | 600 | 835 | | |
| *Native American Block Grants (Formula) (non-add)* | *646* | *600* | *646* | | |
| *Native American Block Grants (Competitive) (non-add)* | *100* | *0* | *110* | | |
| *Indian Community Development Block Grants (non-add)* | *70* | *0* | *70* | | |
| Indian housing loan guarantee | 2 | 2 | 2 | | |

| Accounts | FY2020 Enacted | FY2021 Request | FY2021 House Committee | FY2021 Senate | FY2021 Enacted |
|---|---|---|---|---|---|
| Native Hawaiian block grant | 2 | 0 | 4 | | |
| Housing, persons with AIDS (HOPWA) | 410 | 330 | 430 | | |
| Community Development Fund | 3,425 | 0 | 3,525 | | |
| *CDBG Formula Grants* | *3,400* | *0* | *3,500* | | |
| *SUPPORT for Patients and Communities* | *25* | *0* | *25* | | |
| HOME Investment Partnerships | 1,350 | 0 | 1,700 | | |
| Self-Help Homeownership (SHOP) | 55[d] | 0 | 60 | | |
| *Self-Help and Assisted Homeownership Opportunity Program (non-add)* | *10* | *0* | *10* | | |
| *Section 4 Capacity Building (non-add)* | *36* | *0* | *45* | | |
| *Rural Capacity Building (non-add)* | *5* | *0* | *5* | | |
| Homeless Assistance Grants | 2,777 | 2,773 | 3,415 | | |
| Project-Based Rental Assistance (Sec. 8) | 12,570 | 12,642 | 13,451 | | |
| *Contract Renewals* | *12,225* | *12,292* | *13,101* | | |
| *Contract Administrators* | *345* | *350* | *350* | | |
| Housing for the Elderly (Section 202) | 793 | 853 | 893 | | |
| Housing for Persons with Disabilities (Section 811) | 202 | 252 | 227 | | |
| Housing Counseling Assistance | 53 | 45 | 75 | | |
| Manufactured Housing Fees Trust Fund[e] | 13 | 14 | 13 | | |
| Rental Housing Assistance | 3 | 0 | 0 | | |
| Federal Housing Administration (FHA) Expenses[e] | 130 | 130 | 130 | | |
| Government National Mortgage Assn. (GNMA) Expenses[e] | 32 | 31 | 57 | | |
| Research and technology | 98 | 95 | 118 | | |
| Fair housing activities | 70 | 65 | 80 | | |
| *Fair Housing Assistance Program (non-add)* | *24* | *24* | *27* | | |
| *Fair Housing Initiatives Program (non-add)* | *45* | *40* | *51* | | |
| Office, lead hazard control | 290 | 360 | 340 | | |
| Information Technology Fund | 280 | 258 | 293 | | |
| Inspector General | 138 | 133 | 146 | | |

| Accounts | FY2020 Enacted | FY2021 Request | FY2021 House Committee | FY2021 Senate | FY2021 Enacted |
|---|---|---|---|---|---|
| *Gross Appropriations Subtotal* | *56,540* | *47,960* | *61,291* | | |
| **Offsetting Collections and Receipts** | | | | | |
| Manufactured Housing Fees Trust Fund | -13 | -14 | -13 | | |
| FHA | -6,251 | -9,244 | -9,244 | | |
| GNMA | -1,182 | -1,439 | -1,439 | | |
| *Offsets Subtotal* | *-7,446* | *-10,697* | *-10,696* | | |
| **Rescissions** | | | | | |
| Section 238 Rental Housing Assistance | 0 | 0 | -14 | | |
| Section 228 Native Hawaiian | 0 | -2 | 0 | | |
| Section 237 Rescission of Emergency Funds[f] | -7 | 0 | 0 | | |
| *Rescissions Subtotal* | *-7* | *-2* | *-14* | | |
| **Total Net Discretionary Budget Authority** | **49,087** | **37,261** | **50,581** | | |
| *Emergency Funding* | *12,423*[g] | - | *49,012*[h] | | |
| ***Total with Emergency Funding*** | ***61,510*** | ***37,261*** | ***99,592*** | | |

**Source:** HUD FY2021 Congressional Budget Justifications, H.R. 7616, and H.Rept. 116-452, including the Comparative Statement of Budget Authority, beginning on p. 192.

**Notes:** Totals may not add due to rounding. Only selected set-asides are presented in this table. Figures include advance appropriations available in the fiscal year, rather than provided in the bill.

a. The President's budget requests that funding for a portion of the Housing Choice Voucher program—for agencies participating in the Moving to Work (MTW) demonstration—be provided in a new Moving to Work account. Thus, the amount shown here is not fully comparable to the FY2020 funding level. The comparable figure, according to H. Rept. 116-452, is $23,346 million, including $21,131 million for renewals and $1,805 million for administrative fees.

b. The President's budget requests that funding for a portion of the public housing Operating Fund program—for agencies participating in the MTW demonstration—be provided in a new Moving to Work account. Thus, the amount shown here is not fully comparable to the FY2020 funding level. The comparable figure, according to H.Rept. 116-452, is $4,244 million.

c. The President's budget requests that funding for agencies participating in the MTW demonstration that is normally provided through the Tenant-Based Rental Assistance and Operating Fund accounts instead be provided through a new MTW account.

d. The FY2020 appropriation for the SHOP account also included $4 million for pilot program to rehabilitate the homes of disabled or low-income veterans.

e. Some or all of the cost of funding these accounts is offset by the collection of fees or other receipts. Those offsets are shown later in this table.

f. The law included a rescission of emergency funding provided in prior years to HUD's tenant-based and project-based rental assistance accounts. The scoring of these savings was determined by the Congressional Budget Office to not result in savings for purposes of discretionary spending limits. (See the Congressional Budget Office, Status of Discretionary Appropriations, House of Representatives, report dated January 29, 2020, Table 1, note h, available at https://www.cbo.gov/system/files?file=2020-02/FY2020-House-2020-1-29.pdf). However, the Comparative Statements of Budget Authority used to prepare this report reflect the rescission in prior year total. This table reflects the conventions of the source document used.

g. See **Table 5** for account-level information on CARES Act COVID-19 relief funding for HUD.

h. Title V of H.R. 7616 includes additional funding for infrastructure, designated as emergency funding for budget enforcement purposes. See **Table 7** for account-level information.

# Selected HUD Issues

## Grant Program Funding

The President's budget request for FY2021 again included a proposal to eliminate funding for several HUD grant programs that support various affordable housing and community development activities. Among these are HUD's two largest block grant programs for states and localities, CDBG and HOME Investment Partnerships (HOME), as well as competitive grants funded in the Self-Help Homeownership Opportunity Program (SHOP) account (i.e., funding for sweat-equity programs, like Habitat for Humanity, and certain capacity-building programs). Additionally, the budget proposes to eliminate funding for the public housing Capital Fund, which provides formula grants for the repair and modernization of low-rent public housing properties. HUD's Congressional Budget Justifications state that the activities funded by these grant programs should be devolved to the state and local levels.

These grant programs were also slated for elimination in the President's FY2018, FY2019, and FY2020 budget requests, although they were ultimately funded in each of those fiscal years. In lieu of defunding these accounts, H.R. 7616 would increase funding for each relative to FY2020 regular appropriations level (excluding CARES Act supplemental funding).

## Rental Assistance Funding

Combined, HUD's rental assistance programs (tenant-based rental assistance, public housing, project-based rental assistance, and the Section 202 and Section 811 programs) serve roughly 4.7 million low-income individuals and families. Through the various programs, the federal government provides subsidies to allow families to pay low, income-based rents, generally set at 30% of a family's adjusted income.

The HUD Budget In Brief states that the requested funding for the various rental assistance programs would be sufficient to continue to serve all currently assisted households.[13] However, the President's budget documents assume savings from a set of rent reforms designed to increase tenant rents and therefore reduce federal subsidies. These reforms have been proposed in each of the last several budget requests, but have seen no legislative action in Congress.[14]

The report accompanying H.R. 7616 states that the committee rejects the President's proposed rent reforms and instead increases the funding levels for each of the rental assistance programs sufficient to fully fund all existing subsidies. Additionally, the bill would provide $295 million for new, incremental vouchers for specific populations, including homeless veterans, youth aging out of foster care, and survivors of domestic violence.

[13] HUD, *FY2021 Budget In Brief*, p. 4, available at https://www.hud.gov/sites/dfiles/CFO/documents/BudgetinBrief_2020-02_06_Online.pdf.

[14] See HUD FY2021 Congressional Budget Justifications, "Overview of Rental Assistance Programs," at https://www.hud.gov/sites/dfiles/CFO/documents/5_FY21CJ_OverviewofRentalAssistancePrograms.pdf.

## Policy Provisions

H.R. 7616 includes a number of General Provisions to block HUD's implementation of various administrative actions that have been considered controversial:

- Section 237 would block HUD's implementation of a proposed rule to restrict the eligibility of certain families composed of members with varied immigration statuses from receiving housing assistance.[15]
- Section 235 would block HUD from revising or repealing HUD rules related to equal access to housing based on sexual orientation and gender identity.
- Section 236 would codify other HUD guidance related to transgender persons' access to emergency shelters in accordance with gender identity.

## CARES Act Funding

Division B of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act; P.L. 116-136) provided $12.4 billion in additional FY2020 funding for several HUD programs and activities. The funds provided by the law are generally for one of three broad purposes: to provide additional resources to meet emerging needs, to support existing rental assistance programs, or to provide additional administrative capacity and oversight. Three-quarters of the funding can be considered new resources to meet emerging needs, with most of the remaining funding supporting rental assistance programs. For more information on these funds and their use, see CRS Insight IN11319, *Funding for HUD in the CARES Act*.

**Table 5. CARES Act Funding for HUD**

(dollars in millions)

| Accounts | FY2020 Enacted (emergency) |
|---|---|
| HUD Administrative Support Offices | 35 |
| HUD Program Offices | 15 |
| Tenant-Based Rental Assistance (Housing Choice Vouchers) | 1,250 |
| *Administrative Fees* | *850* |
| *Housing Assistance Payments Adjustments* | *400* |
| Public Housing Operating Fund | 685 |
| Native American Programs | 300 |
| *Native American Housing Block Grant* | *200* |
| *Indian Community Development Block Grant* | *100* |
| Housing for Persons with AIDS | 65 |
| Community Development Fund (CDBG) | 5,000 |
| Homeless Assistance Grants | 4,000 |
| Project-Based Rental Assistance (Project-based Section 8) | 1,000 |
| Housing for the Elderly (Section 202) | 50 |
| Housing for Persons with Disabilities (Section 811) | 15 |

[15] For more information, see CRS Insight IN11121, *HUD's Proposal to End Assistance to Mixed Status Families*.

| Accounts | FY2020 Enacted (emergency) |
|---|---|
| Fair Housing | 3 |
| Office of Inspector General (HUD OIG) | 5 |
| **HUD Total** | **12,423** |

**Source:** Division B, Title XII of P.L. 116-136.

# THUD Related Agencies

As shown in **Table 6**, most of the related agencies funded in the THUD bill would receive level or increased funding relative to the prior year under the President's FY2021 budget request. The exception is the Neighborhood Reinvestment Corporation, which would see a significant funding decrease. Conversely, H.R. 7616 proposes to increase funding for this agency.

**Table 6. THUD Independent Agencies, FY2020-FY2021**

(dollars in millions)

| Related Agencies | FY2020 Enacted | FY2021 Request | FY2021 House Committee | FY2021 Senate | FY2021 Enacted |
|---|---|---|---|---|---|
| Access Board | 9 | 9 | 9 | | |
| Federal Maritime Commission | 28 | 29 | 30 | | |
| National Railroad Passenger Corporation (Amtrak) Office of Inspector General | 24 | 26 | 26 | | |
| National Transportation Safety Board | 110 | 116 | 118 | | |
| Neighborhood Reinvestment Corporation (NeighborWorks) | 159 | 27 | 209 | | |
| Surface Transportation Board | 37 | 38 | 38 | | |
| Offsetting Collections | -1 | -1 | -1 | | |
| U.S. Interagency Council on Homelessness | 4 | 4 | 4 | | |
| **Total** | **370** | **248** | **431** | | |
| *Emergency Funding* | | | *300*[a] | | |
| ***Total with Emergency Funding*** | ***370*** | ***248*** | ***731*** | | |

**Source:** FY2021 President's budget materials, H.R. 7616, and H.Rept. 116-452, including the Comparative Statement of Budget Authority, beginning on p. 192.

**Note:** Totals may not add due to rounding.

a. Title V of H.R. 7616 includes additional funding for infrastructure, designated as emergency funding for budget enforcement purposes. See **Table 7** for account-level information.

## Selected Independent Agencies Issues

### NeighborWorks America

As in FY2018, FY2019 and FY2020, the President's FY2021 budget included a request for legislation to begin the process of winding down federal funding for the Neighborhood Reinvestment Corporation (commonly known as NeighborWorks America), which was created

via federal charter in 1978 to support affordable housing and neighborhood revitalization nationwide. The requested funding level of $27 million was intended to cover personnel, administrative, and other costs associated with winding down existing commitments. H.R. 7616 rejects this proposal and proposes to instead fund NeighborWorks at an increased level relative to FY2020. Of the amount provided for NeighborWorks in H.R. 7616, $25 million would be for competitive grants to support specified redevelopment activities in areas with high rates of abandoned or distressed properties.

# Emergency Funding for Transportation and Housing Infrastructure

H.R. 7616 includes a new Title V—Additional Funding for Infrastructure Investments. As shown in **Table 7**, it would provide $75 billion in additional discretionary resources for various accounts at DOT and HUD, as well as one related agency. This funding, which nearly matches the total discretionary funding provided in the preceding titles of the bill, would be designated as an "emergency requirement" for budget enforcement purposes and would thus not count against the subcommittee spending limit (or 302(b)) or the overall discretionary spending limits established under the BBA.

The addition of this emergency spending package proved controversial. The bill was ordered reported by the committee on a party-line vote, with the ranking member stating: "Further, this bill includes $75 billion in new emergency spending including components of the infrastructure bill that was pushed through the House without Republican involvement. I did not support that bill because it was a departure from years of bipartisan work on transportation and infrastructure priorities and I can't support this additional spending until there's a serious discussion with members on our side of the aisle"[16] A committee press release accompanying the bill's passage quotes the chairwoman as stating: "The emergency funding in this bill is pivotal to kickstart a strong and equitable recovery from the coronavirus pandemic and the ensuing economic collapse. After an unprecedented year of challenges, the investments in this bill lay the foundations for sustained economic growth and expanded opportunity for every American in every corner of our nation."[17]

**Table 7. H.R. 7616 Title V-Additional Infrastructure Investments, by Account**

(dollars in millions)

| Accounts | Emergency FY2021 Funding |
|---|---|
| **DOT** | |
| National Infrastructure Investments (BUILD Grants) | 3,000 |
| Cyber Security Initiatives | 11 |
| FAA Facilities & Equipment | 500 |
| FAA Grants-in-Aid for Airports | 2,500 |

[16] CQ Congressional Transcripts, "House Appropriations Committee Holds Markup of Fiscal 2021 Defense, Commerce-Justice-Science and Transportation-HUD Appropriations," Revised Final transcript, July 14, 2020, available at https://plus.cq.com/doc/congressionaltranscripts-5957344?3.

[17] House Committee on Appropriations, "Appropriations Committee Approves Fiscal Year 2021 Transportation-Housing and Urban Development Funding Bill," press release, July 14, 2020, at https://appropriations.house.gov/news/press-releases/appropriations-committee-approves-fiscal-year-2021-transportation-housing-and; https://plus.cq.com/doc/news-5955675?4.

| Accounts | Emergency FY2021 Funding |
|---|---|
| FRA Consolidated Rail Infrastructure and Safety Improvements Grants | 5,000 |
| FRA Magnetic Levitation Technology Deployment Program | 100 |
| FRA Northeast Corridor Grants to Amtrak | 5,000 |
| FRA National Network Grants to Amtrak | 3,000 |
| FTA Capital Investment Grants (New Starts) | 5,000 |
| MARAD Operations & Training | 125 |
| MARAD State Maritime Academy Operations | 356 |
| MARAD Assistance to Small Shipyards | 100 |
| MARAD Port Infrastructure Development Program | 1,000 |
| DOT Inspector General Salaries and Expenses | 8 |
| **DOT Total** | **25,689** |
| **HUD** | |
| Public Housing Capital Fund | 24,250 |
| Choice Neighborhoods | 300 |
| Native American Programs | 1,000 |
| Native Hawaiian Housing Block Grant | 20 |
| Community Development Fund (CDBG) | 4,000 |
| HOME | 17,500 |
| SHOP/Capacity Building | 55 |
| Assisted Housing Investments/Project Based Rental Assistance | 750 |
| Housing for the Elderly | 750 |
| Housing for Persons with Disabilities | 179 |
| Lead Hazard Reduction | 100 |
| Cybersecurity and Information Technology Fund | 100 |
| HUD OIG | 8 |
| **HUD Total** | **49,012** |
| **Related Agencies** | |
| Neighborhood Reinvestment Corporation | 300 |
| **Related Agencies Total** | **300** |
| **Title V Total (emergency)** | **75,000** |

**Source:** Comparative Statement of Budget Authority, beginning on p. 192, in H.Rept. 116-452.

**Note:** Totals may not add due to rounding.

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