

Dear NAHMA Members,

This week, the Administration released its Fiscal Year 2019 Budget request, which proposes steep cuts to affordable housing programs beginning October 1, 2018.

HUD

The President's budget requests a \$8.8 billion or 18.3 % cut to [HUD](#) overall, compared with FY2017 enacted levels, achieved in part by eliminating the Public Housing Capital Fund, HOME, Community Development Block Grant (CDBG), Housing Trust Fund (HTF), and Choice Neighborhoods programs. The budget also proposes removing the Rental Assistance Demonstration (RAD) unit cap and the sunset date, and requests funds to facilitate Section 202 PRAC Conversions (RAD for PRAC).

In addition, the budget proposes legislative rent reforms targeting "work-able" tenants to shoulder more of their housing costs, and establishes EnVision Centers for a holistic approach to self-sufficiency. NAHMA also expects to see last year's proposed "rent reform" provisions for Rental Assistance programs, as the budget requests an additional \$1 billion to avoid rent increases on elderly and disabled families.

USDA Rural Housing

The President's Budget requests a \$19 billion or 16% cut to [USDA](#) overall, compared with the FY2017 enacted level. In particular, the budget does not request funding for activity in the Section 515 Rural Rental Housing program, including Revitalization Program loans. The budget request proposes decreased funding for Section 521 Rental Assistance program and no increase in funding for the Section 542 Rural Voucher program, while establishing a \$50 minimum tenant rent contribution. In addition, the request proposes only a slight increase to Section 538 Multifamily Housing Loan Guarantees.

NAHMA opposes the proposed budget cuts to affordable housing programs and is preparing advocacy materials for members to voice their opposition to lawmakers during the upcoming March Meeting. NAHMA will update members with a NAHMA analysis on the President's FY19 budget request once Congress completes the current year's FY18 funding bills to provide comparison between the two years.

Please stay tuned for more updates. Thanks,

Juliana

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NAHMA is the leading voice for affordable housing management, advocating on behalf of multifamily property managers and owners whose mission is to provide quality affordable housing.