

Urge Congress to Pass Continuing Resolution and Prevent a Government Shutdown

September 24, 2015

NAHMA is requesting your participation in a crucial effort to pass a short-term continuing resolution (CR) for the outset of fiscal year 2016, which will prevent the federal government from shutting down after Sept. 30, and subsequently allow lawmakers additional time to negotiate and pass a broad budget deal during the time frame of the CR.

The current fiscal year ends at midnight on September 30th, so there remains little time for Congress to finalize legislation for all federal non-defense discretionary programs. A temporary CR must be passed in order to prevent a government shutdown. (CRs continue funding levels from the previous fiscal year, and they often extend the funding for a limited amount of time so that lawmakers may draft alternative appropriations bills.)

This week the Senate Appropriations Committee will introduce a short-term CR for FY 2016, and it is expected to eventually pass the full Senate. Passage of the CR in the House of Representatives may prove harder due to partisan differences on funding, but your participation in this grassroots effort may convince your elected officials to pass the CR. Additionally, the CR is expected to include language beneficial to certain affordable housing programs and it may spark a broad discussion on current unsustainable budget caps for discretionary programs.

1) How to get Involved

Reaching out to the offices of congressional members is easy, and their staff are willing to receive your comments and requests. Fundamentally, we recommend sending an email to your congressman that identifies yourself, your company and its role/impact in the congressional district or state(s); and includes the details provided in the talking points listed below. Most importantly, you should include real-life examples on how your properties might be negatively impacted if Congress does not take the steps recommended below.

For additional background information, NAHMA's Grassroots Action Center features a full toolkit for members to use including webinars on advocacy strategies, FAQs on Congress as well as numerous documents to help you understand the program and funding considerations for fiscal year 2016. Additionally, NAHMA Maps can help you identify your elected official and their contact information.

2) Suggested Talking Points for your Grassroots Advocacy:

a) Important Language Change for Section 521, Rural Rental Assistance

In the FY 2015 Agriculture Appropriations bill, (Division A of the Consolidated and Further Continuing Appropriations Act, 2015) Congress adopted language which eliminated the automatic renewal of rental assistance contracts that occur within the 12-month contract period in Rural Development's Section 521 Rental Assistance program. This language has led to a funding crisis in the Section 521 portfolio: in the past few months, numerous property owners whose RA funding had been prematurely exhausted have learned that no additional RA funding is available in FY 2015. RD

initially stated in the summer that this issue would be limited to 50 properties, but the problem has now exceeded this estimate as more O/As discover that RA funding is no longer available. Some estimates identify the potential scope of the short-funding crisis to include some 800 properties.

Some O/As of rural affordable housing properties may be without funding for up to 5 months. As you can imagine, this lack of funding creates numerous issues at the property level such as delaying staff and vendor payments and putting off critical repairs, and it could eventually force tenants to contribute more toward their rent. On a positive note and as a result of NAHMA's advocacy efforts on the Hill, we have learned that there is language included in the draft CR which will reverse this problematic RD language and allow properties to renew RA funding within the 12-month contract period.

In your outreach to Congress, it is critical that you press support for this language change in the CR to allow Section 521 Rural Rental Assistance properties to renew funding within their 12-month contract period.

b) Broad Budget Deal

It is expected that Congress will use the time under the temporary CR to enact a broad budget deal that will eliminate the unsustainable budget caps for discretionary programs currently in place and remove the threat of automatic budget caps known as sequestration. Due to federal legislation passed in 2011, lawmakers must spend below specific budgetary caps for the next 8 years. Should federal funding exceed these caps, sequestration will be triggered and all federal programs would be cut by 5%. These budget caps have proven to be unworkable, and they will force many programs to go underfunded including affordable housing programs like Project-Based Section 8, Section 521 RA, and the Home program.

In your message to Congress, we ask that you urge your elected officials to pursue a bipartisan budget agreement that will remove the harsh budget caps currently in place and eliminate the threat of sequestration. Additionally, it is critical to pass this budget agreement so that full funding may be provided to affordable housing programs such as:

- Project Based Section 8
- Housing Choice Vouchers (Tenant-based Sec. 8)
- HOME Investment Partnerships
- Section 521 Rural Rental Assistance

Follow this link for more information:

<http://www.nahma.org/grassroots-advocacy/urgent-issues/>