

The Federal Budget & Proposals for Work Requirements and Rent Increases in HUD Programs

The federal government is currently funded through March 23, 2018 under this year's fifth [Continuing Resolution](#). Before March 23, the government will either have to pass another temporary Continuing Resolution or pass a spending bill that will fund the government for the rest of this fiscal year (through September). [Recent bipartisan agreements](#) will mean that most federal programs, including affordable housing, will receive slight increases in funding. Current advocacy efforts are focused on ensuring that all housing programs get their fair share of that increase to keep up with rising housing costs nationwide.



On February 12, the President released a [budget outline for Fiscal Year 19](#), which begins in October. That proposal seeks to decimate important affordable housing programs, like public housing and Housing Choice Vouchers. For more information about how the proposal would affect your state, please see the Center on Budget and Policy Priorities's [data](#). While the details of every President's budget proposal are largely disregarded by Congress, the proposal sends an important message about the President's priorities and where funding cuts are possible. This, combined with [recently leaked draft federal legislation](#) proposing [drastic rent increases and harmful work requirements](#) for low-income tenants, underscores the importance of advocacy with your elected representatives.

GAO Report Raises Serious Questions About the MTW Program

On February 15, 2018, the Government Accountability Office (GAO) released a 110-page report evaluating HUD's Moving to Work (MTW) demonstration program. The [GAO report](#), *Rental Housing: Improvements Needed to Better Monitor the Moving to Work Demonstration, Including Effect on Tenants*, confirms NHLP's concerns and experiences with HUD's implementation, oversight, and expansion of the MTW program, as [we recently expressed](#) to HUD Secretary Carson. GAO's major findings (summarized [here](#)) reveal serious questions about MTW's effectiveness, inadequate HUD oversight, and insufficient HUD MTW staffing. For more information, please contact Deborah Thrope at dthrope@nhlp.org.

Leaked Draft "Public Charge" Regulations

On February 8, the media leaked [draft regulations](#) by the Department of Homeland Security (DHS) that would change the way in which the

agency determines whether someone is a "public charge" – an immigrant who can be deemed inadmissible because they are likely to become primarily dependent on the government for subsistence.



The draft regulations broadly expand the types of benefits to be considered in the public charge determination – including housing assistance such as the Section 8 voucher and McKinney–Vento homeless programs, and likely other housing subsidies. A notice of proposed rulemaking by USCIS is expected to be issued as early as March. For more information on the changing public charge policy, see [this handout](#) by the National Immigration Law Center (NILC).

NHLP is working with NILC to organize a housing subgroup to coordinate comments and other advocacy efforts with the national Protecting Immigrant Families Campaign. If you would like more information, please contact Karlo Ng at kng@nhlp.org.

Emerging Issues

On January 5, HUD issued [a notice](#) in the Federal Register **immediately suspending the implementation of the Affirmatively Furthering Fair Housing (AFFH) rule for local governments** required to conduct Assessments of Fair Housing (AFHs). HUD is soliciting comments, which are due March 6. NHLP has created a [template letter](#) for local advocates who would like to submit comments. Please contact Renee Williams at rwilliams@nhlp.org with any questions.



Disability Rights Maryland (DRM) filed a formal [RAD complaint](#) with the HUD Office of Recapitalization against the

Housing Authority of Baltimore City claiming that **tenants' due process and grievance rights have been routinely denied after RAD conversions**. DRM has requested that HUD fully investigate these actions, identify other tenants who may have left voluntarily after receiving deficient eviction notices, and create a uniform lease termination notice to be used by all RAD owners in Baltimore. NHLP identified these and other violations in RAD conversions in our [letter to Secretary Carson](#) last year.

After much advocacy, HUD finally issued the [FY](#)



Of Note



In a fantastic [written opinion](#), NHLP and Oregon Law Center prevailed in a motion to dismiss

regarding the preservation of a rural property in Tillamook County, Oregon. A federal district court denied USDA's motion to dismiss, allowing tenants and a local nonprofit to challenge USDA's regulations, policies, and practices when rural property owners apply to prepay their USDA–subsidized loans. For more information about rural preservation, please see NHLP's introductory webinar [here](#).

After significant advocacy, [RD has agreed](#) to provide 119



low-income households in 23 rural housing properties in California with federal rental assistance. Tenants in these RD Section 515 properties currently receive state–funded rental assistance, which is expiring later this year. Federal rental assistance will allow these tenants to remain in their homes in these rural communities.

The parties in *Open Communities Alliance v. Carson*, the lawsuit challenging HUD's suspension of the Small Area Fair Market Rent rule, **agreed to allow the court to enter**

[17 Tenant Protection Voucher Notice](#)

(summarized [here](#)). This notice describes the **eligibility requirements and process for obtaining set-aside Tenant Protection Vouchers for tenants who live in certain properties in "low-vacancy areas"** that are at risk of losing their affordability restrictions. HUD adopted several NHP recommendations, including the elimination of the notice's expiration date and a much broader definition of "low-vacancy area." For more information, contact Jessie Cassella at jcassella@nhlp.org or Jim Grow at jgrow@nhlp.org.

The Vera Institute of Justice is [soliciting applications](#) from **public housing authorities seeking technical assistance to plan and implement reentry programs** or change their admissions policies for individuals with conviction histories.



On February 1, the National Fair Housing Alliance and 19 fair housing organizations filed [a fair housing discrimination lawsuit](#) in federal district court in Chicago against Deutsche Bank, Ocwen Financial, and Altisource alleging **poor maintenance of foreclosed bank-owned homes ("REO properties") in middle- and working-class African-American and Latino neighborhoods** in 30 metropolitan areas.

NHLP is co-sponsoring a [California bill](#) that will **strengthen an existing state law combatting nuisance ordinances** by in part expanding its coverage to other groups seeking emergency assistance and preventing landlords from evicting those calling 911 for help.



[judgment in favor of the plaintiffs](#), effectively ending the litigation.

On February 20, Travelers Indemnity Company entered into [a settlement](#) in a fair housing lawsuit challenging the company's practice of **not insuring landlords for buildings where some units were rented to Section 8 voucher holders**.

The National Consumer Law Center has published [a resource](#) on **obtaining mortgage relief for victims of disasters**.



NHLP's California Homeowner Bill of Rights (CA HBOR) [Foreclosure Newsletter for January 2018 is now available](#). Going forward, NHLP will send foreclosure newsletters on an ad hoc basis when important developments arise.



Beginning on March 8, NHLP will host a 6-part series about **important HUD preservation issues and tools to save affordable homes**. Key topics will include an overview of project-based rental assistance, Housing Assistance Payment (HAP) Contract renewals and opt-outs, mortgage prepayments and maturities, REAC and troubled properties, and recapitalization and project economics. Stay tuned for more details.



NHLP is [accepting applications from law students](#) for **summer 2018 clerkships**. NHLP is committed to training law students who are making a commitment to careers in the public interest.

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