

# Treasury, Federal Housing Finance Agency, and Consumer Financial Protection Bureau

## Presidential Transition Regulatory Recommendations

Agency	Regulatory or Subregulatory	Action	Recommendation
Treasury	Regulatory & Subregulatory	Preserve and Improve the Treasury's LIHTC Program	<p><b>Enforce Source of Income (SOI) protections in LIHTC Properties.</b> HUD and IRS should collaborate with state tax credit allocation agencies to identify properties and owners who refuse to rent to voucher families and work with them to comply with nondiscrimination laws. HUD and IRS should also provide additional guidance to LIHTC properties about SOI compliance.</p>
			<p><b>Close the Qualified Contracts loophole and give tenants the right to stop planned foreclosure to limit early program exits.</b> Owners who competitively apply for and receive tax credits based upon a commitment to provide affordable housing for at least 30 years should not be allowed to opt out of the program after the first 15 years. Treasury should issue guidance clarifying that a failure to expressly reserve the Qualified Contracts process in the regulatory agreement makes the process unavailable to owners looking for a loophole. Additionally, Treasury should clarify that tenants and Housing Finance Agencies have authority to enforce § 42's prohibition on planned foreclosures.</p>
			<p><b>Require advance notice of pending affordability rent restriction expirations and impose a grace period during which good cause and rent restrictions apply.</b> Tenants in existing LIHTC projects should receive timely notice of expiring affordability terms to protect against sudden rent increases, housing instability, or potential homelessness due to abrupt departures from the LIHTC program.</p>
			<p><b>Promulgate regulations to <u>implement existing tenant protections and fair housing obligations</u> in the LIHTC program,</b> such as a more specific definition of good cause that clearly requires culpable, material, and repeated conduct to evict, and address LIHTC specific situations. Treasury should also adopt standard admissions policies that are consistent with HUD guidance on the use of criminal records, credit scores, and past evictions in the screening process. Fair lease provisions (e.g., automatic one-year lease renewals, limits on late fees, etc.) are also necessary to ensure the housing stability and affordability the program is designed to provide to low-income tenants.</p>

Treasury	Regulatory	<b>Improve Language Accessibility and Disability Protections in the LIHTC Program</b>	<b>Issue guidance that interprets Section 504 and Title VI to apply to LIHTC properties.</b> Section 504 of the Rehabilitation Act of 1973 prohibits discrimination against people with disabilities, imposes accessibility standards on housing providers, and ensures coverage for tenants under the Uniform Relocation Act in housing programs that are in receipt of “federal financial assistance.” Similarly, Title VI of the Civil Rights Act of 1964 prohibits discrimination in programs and activities receiving federal financial assistance on the basis of race, color, and national origin. The prohibition of discrimination on the basis of national origin has been interpreted to include providing meaningful language access to persons with limited English proficiency, such as providing written translations of key documents and providing free oral interpretation. The Internal Revenue Service (IRS) failed to explicitly state that tax credits are “federal financial assistance” in its guidance, rendering Section 504 and Title VI inapplicable in the LIHTC program and stripping LIHTC residents of important rights. Treasury should publish regulations pursuant to Section 504 and Title VI that clearly state tax credits are “federal financial assistance” because the economic benefits of tax credits and exemptions are indistinguishable from the economic benefits produced by actual expenditures.
Treasury	Regulatory & Subregulatory	<b>Implement and Enforce VAWA Protections in the LIHTC Program</b>	<b>Enhance protections for survivors of gender-based violence by issuing guidance for compliance with VAWA across the LIHTC program in the following ways:</b> 1) Mandate the use of the VAWA lease addendum. 2) Adopt the Department of Housing and Urban Affairs’ (HUD) proposed Notice of Occupancy Rights and Certification Form. 3) Utilize HUD’s new template for emergency transfer plans. 4) Issue guidance similar to the Rural Housing Service’s <a href="#">Unnumbered Letter on VAWA compliance</a> to Housing Finance Agencies and property owners. 5) Issue guidance akin to <a href="#">HUD’s Public and Indian Housing notice</a> , emphasizing adverse factors, family break-up, documentation requirements, and occupancy rights. 6) Encourage Housing Finance Agencies to highlight VAWA priorities in their Qualified Allocation Plans, Extended Low-Income Housing Commitments (LURAs), compliance manuals, and program bulletins. 7) Provide an FAQ stating that LIHTC housing is an essential resource for immigrant survivors, who will not face immigration restrictions as they might with other federally-assisted housing programs.
Federal Housing Finance Agency	Regulatory	<b>Promote Source of Income Protections in Federally-Backed Housing</b>	<b>Issue regulations that prohibit voucher discrimination for properties with federally-backed mortgages.</b> Over 40% of families live in areas where it is legal to discriminate against voucher tenants. The federal government should do its part to eliminate the stigma against voucher families and prohibit owners who take out federally-backed loans to discriminate against voucher families.

<p><b>Consumer Financial Protection Bureau</b></p>	<p>Subregulatory</p>	<p><b>Protect Consumers from Predatory Utility Products</b></p>	<p><b>Issue guidance on Inclusive Utility Investment (IUI)/Tariffed On-Bill Financing/ Pay As You Save (PAYS®) (referred to jointly as “TOB”).</b> These products are growing substantially in the market and without clear consumer protections, pose significant challenges to consumers’ financial and housing stability, while threatening consumers’ access to essential utility services. Specifically, CFPB should clarify that TOB is credit and subject to the Truth in Lending Act (TILA); and issue guidance on TOB based on Unfair, Deceptive, or Abusive Acts or Practices (UDAAP) risks.</p>
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