

HOMES JOBS COMMUNITY



*NDC Washington
Webinar Series*

*August Recess Advocacy and Summer
Legislative Update*

Presented by: Jane Campbell | July 27, 2017



Rethinking How We Invest

HOMES, JOBS AND
COMMUNITIES IN 2017
AND BEYOND

ndcacademy.org

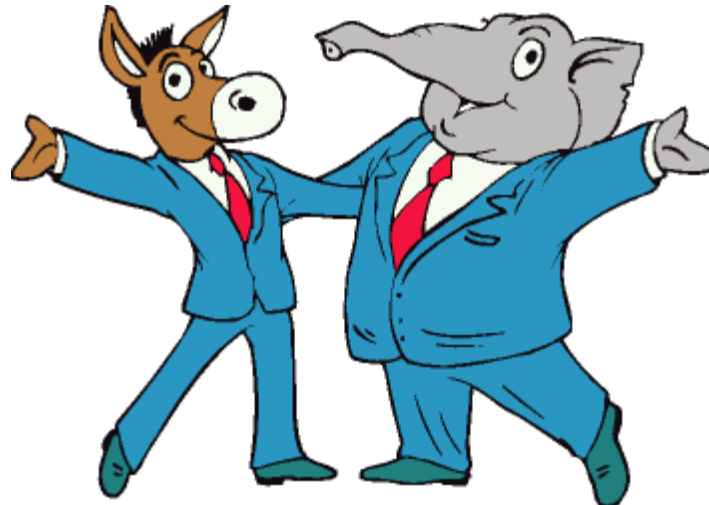


OCTOBER 23-25, 2017
WASHINGTON, DC



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***Previously on
NDC Washington Webinar
Series ...***



Fiscal Year 2017

October 1st, 2016 – September 30th, 2017

- Started October 1, 2016
- Continuing Resolution set to expire December 9, 2016
- Extended the CR until April 28, 2017
- Extended the CR once again May 5, 2017
- Agreement reached April 30, 2017
- The House voted May 3, 2017 to approve the omnibus deal
 - Republicans: 131 yea, 103 nay
 - Democrats: 178 yea, 15 nay
- The Senate voted 79-18 May 4, 2017

Fiscal Year 2017

October 1st, 2016 – September 30th, 2017

What the Omnibus Package actually included ...

- **\$1.16 T total government Funding**
- \$15B increase to defense
- \$1.5B boarder security efforts (NO WALL)
- \$1B for healthcare for miners
- \$295.9M Puerto Rican aid
- More than \$8 billion in emergency and disaster relief funding in states like North Carolina, California, Louisiana, West Virginia and more
- \$34 billion for the National Institutes of Health, a \$2 billion or 6.2 percent increase from current levels
- Restored year-round Pell Grants for low-income college students
- \$990 million in emergency famine relief
- \$68 million to reimburse local law enforcement agencies for the costs of protecting Trump and his family, predominantly in Manhattan.



A New Foundation for American Greatness

Budget of the U.S. Government FY 2018

- Propose to **reverse the \$54 billion in defense sequestration cuts** scheduled to take place in 2018 and, to offset the cost, deepen the already significant non-defense sequestration **cuts by \$54 billion.**
- Made clear that it will focus on discretionary spending, and perhaps just for 2018. Such spending accounts for about **one-third of the federal budget.**
- Under current law, 2018 will be the eighth straight year of austerity in NDD appropriations. The 2018 cap is scheduled to fall by **almost \$3 billion relative to the prior year's cap**, reflecting the imposition — for the first time — of full sequestration cuts, because the most recent bipartisan sequestration-relief agreement expires after 2017.
- Several agencies will be looking at proposed cuts of anywhere **from 15 to 20 percent**, — with EPA seeing **a proposed 25% cut!**
- The headcount of the federal workforce could be lowered at agencies to save money, depending on the discretion of Cabinet secretaries.
- Expected to call for **elimination of swaths of the EPA, Commerce, State and Energy departments.**
- **Elimination** of programs involving solar energy, biofuels or anything that looks like the government is propping up one sector over another.



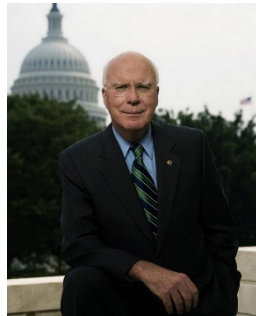
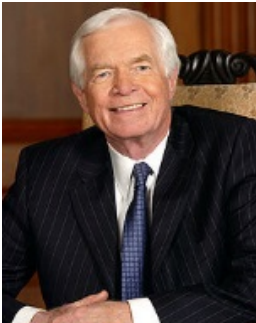
“The President Proposes, Congress Appropriates”

...

“The administration’s budget isn’t going to be the budget,” said Sen. Marco Rubio (R-Fla.). “We do the budget here. The administration makes recommendations, but Congress does budgets.”

United States Senate Committee on Appropriations

Thad Cochran (R-MS) Chair
Patrick Leahy (D-VT) Vice Chair



United States House of Representatives Committee on Appropriations

Rodney Frelinghuysen (R-NJ) Chair
Nita Lowey (D-NY) Ranking Member



“The President Proposes, Congress Appropriates”

*Transportation, Housing and Urban Development, and Related Agencies
Subcommittee*

United States Senate

Susan Collins (R-ME) Chair
Jack Reed (D-RI) Ranking



United States House of Representatives

David Joyce (R-OH) Chair
David Price (D-NC) Ranking



Housing and Urban Development

...



| HUD | FY 17 Final | FY 18 Budget | FY 18 House | FY 18 Senate |
|-----------------------------------|-------------|--------------|-------------|--------------|
| HOME | 950 | 0 | 850 | 950 |
| Capacity Building | | | | |
| Transformation Initiative | | | | |
| Housing Counseling | 55 | 43 | 50 | 50 |
| Community Development Fund | 3060 | 0 | 2960 | 3060 |
| CDBG Formula funding | 3000 | 0 | 2900 | 3000 |
| Choice Neighborhoods Initiative | 137.5 | 0 | 20 | |
| Housing Trust Fund** | 220 | 0 | 0 | |
| SHOP | 54 | 0 | 45 | |
| Section 108 Program Level | 300 | 0 | 300 | 300 |
| Section 202 Housing for Elderly | 502.4 | 510 | 573 | 573 |
| | | | | |

“The President Proposes, Congress Appropriates”

Financial Services and General Government Subcommittee

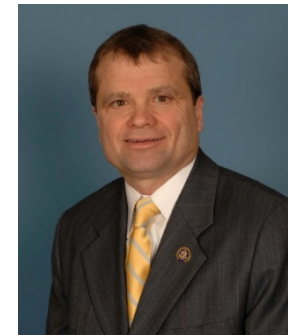
United States Senate

Shelly Moore Capito (R-WV)
Chair
Chris Coons (D-DE) Ranking



United States House of Representatives

Jamie Herrera Butler (R-WA) Chair
Mike Quigley (D-IL) Ranking



Department of the Treasury

The President's 2018 Budget requests \$12.1 billion in discretionary resources for the Department of the Treasury's domestic programs



| Treasury Programs | FY 17 Final | FY 18 Budget | FY 18 House |
|---|-------------|--------------|--------------------|
| CDFI Fund | 248 | 14 | 190 |
| CDFI FA/TA Grant Programs | 161.5 | 3** | 137 |
| Native Initiative | 15 | 0 | 15 |
| Healthy Food Financing Initiative | 22 | 0 | 0 |
| Bank Enterprise Award | 23 | 0 | 15 |
| Capital Magnet Fund* | | - | |
| Admin and Research | 26 | 14 | 23 |
| Disabilities Fund | | | |
| Bond Program | 500 | 500 | 500 |
| Economic Development Administration | FY 17 Final | FY 18 Budget | FY 18 House |
| Economic Development Assistance Programs | 237 | 0 | 140 |

* mandatory account authorized under the Housing and Economic Recovery Act of 2008 and proposed for repeal in 2018

** the budget chart includes amounts for these programs , but indicates in the text that there is no new funding provided

*** not specified in the budget request

“The President Proposes, Congress Appropriates”

...

*Agriculture, Rural Development, Food and Drug Administration, and Related
Agencies Subcommittee*

United States Senate

John Hoeven(R-ND) Chair
Jeff Merkley (D-OR) Ranking



United States House of Representatives

David Valado (R-CA) Chair
Stanford Bishop (D-GA) Ranking



Department of Agriculture

The President's 2018 Budget requests \$17.9 billion for USDA



| RHS/RUS Programs | FY 17 Final | FY 18 Budget | FY 18 House |
|---|-------------|--------------|-------------|
| 502 Single Family Direct | 1,000 | 0 | 900 |
| 502 Single Family Guaranteed | 24,000 | 24,000 | 24000 |
| 504 Loans | 26 | 0 | 24 |
| 504 Grants | #28.7 | 0* | [0] |
| 514 Farm Labor Housing Loans | 23.855 | 0 | 15 |
| 515 Rural Rental Housing | 35 | 0 | 23.398 |
| 516 Farm Labor Housing Grants | 8.336 | 0 | 6 |
| 521 Rural Rental Assistance | 1,405.03 | 1,345.29 | 1345.29 |
| 523 Self-Help TA | 30 | 0 | 25 |
| 533 Housing Preservation Grants | #5 | 0 | [0] |
| 538 Rental Housing Guaranteed | 230 | 250 | 230 |
| Multi-Family Restructuring (BA) | 41.4 | 20 | 35 |
| Housing Preservation Demonstration | 0 | 0 | (15) |
| Voucher Demonstration | 19.4 | (20) | (20) |
| Supervisory TA Grants | 0 | 0 | 0 |
| Community Facility Loans | 2,600 | 3,000 | 2600 |
| Community Facility Grants | 30 | 0* | [0] |
| Community Facility Guarantee | 148.305 | 0 | 148.305 |
| Water-Wastewater Loans | 1,200 | 0 | 1200 |
| Water-Wastewater Grants | 391.98 | 0 | 472.7 |
| Water-Wastewater Guarantee | 50 | 0 | 50 |
| Solid Waste Grants | 4 | 0 | 4 |
| Small Systems Revolver | 1 | 0 | 1 |
| Rural Business Enterprise Grants | 24 | 0 | 24 |
| Intermediary Re-lending | 18.889 | 0 | 17.5 |
| RCDI | 4 | 0 | 0 |
| B&I | 919.765 | 0 | 919 |
| Rural Microenterprise Investment BA/Program Authority | 0/0 | 0/0 | 0/0 |
| Rural Microenterprise Investment Grants | N/A | 162 | 122.692 |

Tax Reform Debate

Unified **GOP** Government seeks to tackle comprehensive Tax Reform in 2017

Senate Finance Committee



Orrin Hatch
R- Utah
Chairman



Ron Wyden
D- Oregon
Ranking

Ways and Means Committee



Kevin Brady
R- Texas
Chairman



Richard Neal
D- Mass.
Ranking

Affordable Housing Credit Improvement Act of 2017 S. 548

- Introduced March 7
- Strong Bipartisan Support: 6 Republicans and 9 Democrats
- Strong Support on the Finance Committee: Nearly $\frac{1}{4}$ of the Finance Committee including both the Chairman (lead sponsor) and Ranking Member



Senator Cantwell
D-Washington



Finance
Committee
Chairman Hatch
R-Utah

Affordable Housing Credit Improvement Act of 2017 H.R. 1661

- Introduced March 21
- Strong bipartisan support: 15 Republicans and 11 Democrats
- Strong support on Ways and Means: Nearly 50 percent of the Committee, including the Ranking Member (lead sponsor)



Representative Tiberi
R-Ohio

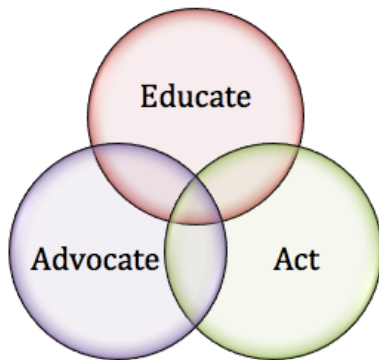


W&M Ranking
Member Neal
D-Massachusetts



Advocating for S.548/H.R.1661

Make “the Ask”:



- Urge members to cosponsor Housing Credit legislation.
 - Urge them to tell Committee leaders to include the provisions in the bill in tax legislation.
- Low-hanging fruit: Make sure to thank those Senators who cosponsored the Cantwell-Hatch bill in the last Congress and urge their support again.
- Other potential supporters: members who sponsored S.1193 and H.R. 1142
- Target members on the tax-writing committees (Finance and Ways and Means), but seek support from all members.

Advocating for the Housing Credit and Bonds

- Stress the importance of the Credit and Bonds to their state/district:
 - Growing affordable housing need
 - Production, preservation, and homeownership accomplishments
 - Local economic benefits: job creation and state & local revenues
- Remind them that but for the Housing Credit and Bonds there would be virtually no affordable housing development.
- Stress program attributes:
 - Public-private partnerships
 - State-administered for limited federal bureaucracy
 - An important contributor to our economic well-being
 - A critical part of our nation's infrastructure
 - A record of exceptional performance
 - Meeting a need the private sector could not otherwise address
 - Alleviates poverty by promoting financial stability and economic mobility– health outcomes, school performance, discretionary income, better access to transportation and employment



ncsha.org



Tell Congress to:

- Preserve the Credit and maintain the tax-exemption on private activity Housing Bonds in tax reform.
- Ensure that changes to the tax code do not result in reduced production potential for the Credit and Bonds.
- Expand and strengthen the Housing Credit by increasing program authority by at least 50 percent and providing new flexibility to states to maximize Housing Credit resources.
- Strengthen the Housing Bond program.
- Urge House members to join the Municipal Finance Caucus.

Visit www.rentalhousingaction.org for more information.

[LIHTC Advocacy toolkit.](#)



New Markets Tax Credit Extension Act of 2017, H.R. 1098/S.384

- Permanent Authorization
- About \$5 billion in annual credit authority adjusted for inflation
- Exception from AMT for NMTC investors



House Sponsors (H.R. 1098)

Leads: **Pat Tiberi (R-OH),**
Richard Neal (D-MA),
Tom Reed (R-NY)

Cosponsors:

Rep. Bilirakis, Gus M. [R-FL-12]
Rep. Buchanan, Vern [R-FL-16]
Rep. Curbelo, Carlos [R-FL-26]
Rep. Diaz-Balart, Mario [R-FL-25]
Rep. Gibbs, Bob [R-OH-7]
Rep. Johnson, Bill [R-OH-6]*
Rep. Joyce, David P. [R-OH-14]*
Rep. Kelly, Mike [R-PA-3]*
Rep. King, Peter [R-NY-2]
Rep. Long, Billy [R-MO-7]
Rep. McKinley, David B. [R-WV-1]*
Rep. Meehan, Patrick [R-PA-7]*
Rep. Paulsen, Erik [R-MN-3]*
Rep. Renacci, James B. [R-OH-16]*
Rep. Rooney, Thomas J. [R-FL-17]
Rep. Ross, Dennis [R-FL-15]
Rep. Smith, Jason [R-MO-8]*
Rep. Smucker, Lloyd [R-PA-16]
Rep. Stivers, Steve [R-OH-15]*
Rep. Turner, Michael R. [R-OH-10]*
Rep. Valadao, David G. [R-CA-21]
Rep. Yoho, Ted S. [R-FL-3]
Rep. Young, Don [R-AK-At Large]

Rep. Kind, Ron [D-WI-3]*
Rep. Higgins, Brian [D-NY-26]*
Rep. Blumenauer, Earl [D-OR-3]*
Rep. Davis, Danny K. [D-IL-7]*
Rep. Thompson, Mike [D-CA-5]*
Rep. Pascrell, Bill, Jr. [D-NJ-9]*
Rep. Sewell, Terri A. [D-AL-7]*
Rep. Larson, John B. [D-CT-1]*
Rep. Sanchez, Linda T. [D-CA-38]*
Rep. Norton, Eleanor Holmes [D-DC]
Rep. Price, David E. [D-NC-4]
Rep. Ryan, Tim [D-OH-13]
Rep. Cummings, Elijah E. [D-MD-7]
Rep. Ellison, Keith [D-MN-5]
Rep. DelBene, Suzan K. [D-WA-1]
Rep. Doyle, Michael F. [D-PA-14]

Senate Sponsors (S. 384)

Leads: **Roy Blunt (R- MO),**
Ben Cardin (D-MD)

Cosponsors: Sen. Cochran, Thad [R-MS] Sen. Schumer, Charles E. [D-NY]
Sen. Wicker, Roger [R-MS] Sen. Gillibrand, Kirsten E. [D-NY]

Senate Targets:

Portman (R-OH)

Heller (R-NV)

Scott (R-SC)

Capito (R-WV)

Collins (R-ME)

Murkowski (R-AK)

Resources

- <https://ndconline.org/new-markets-tax-credits/>
- <http://nmtccoalition.org/advocacy>

Follow us:



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@NatlDevCouncil

The Historic Tax Credit Improvement Act (HTCIA)

H.R. 1158

- Sponsored by Reps. Mike Kelly, R-Pa., and Earl Blumenauer, D-Ore., in the House, the HTCIA continues to attract strong bipartisan support from 66 members—34 Republicans and 32 Democrats—including 12 members of the Ways and Means Committee.

S. 425

The Senate version of the bill, introduced by Sens. Ben Cardin, D-Md., and Susan Collins, R-Maine, has 12 cosponsors—eight Democrats and four Republicans.

The Historic Tax Credit Improvement Act (HTCIA)

Check here to see if your members of Congress have cosponsored the bill:

- [House cosponsors](#)
- [Senate cosponsors](#)

Additional Resources and Toolkits :

- [Talking points](#)
- [Bill summary](#)
- [State and congressional district maps with economic impact data](#)
- [Interactive mapping tool developed by Novogradac and Company](#)

For more information and resources go to

<https://ntcic.com/public-policy/>

Preserve the Tax Exemption for Municipal Bonds

For over 100 years, state and local governments have financed infrastructure and community improvement projects using tax-exempt municipal bonds. Infrastructure financed by municipal bonds makes possible nearly every aspect of daily life and is a critical component in building and maintaining a strong economy for every citizen and company in this country.

A reduction or elimination of the tax exemption for municipal bonds could raise infrastructure costs by 10 to 12 percent, with these increased costs being passed directly to taxpayers in your state. Ensuring that issuers can continue to fund capital projects by effective means will ultimately reduce the burden on every taxpayer and all levels of government.

Additional resources and Advocacy Toolkit can be found [HERE](#).

Tax-exempt municipal bonds are the only proven mechanism to accomplish this task and their full tax-exempt status must be preserved.



Municipal
Bonds for
America

Rethinking How We Invest

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