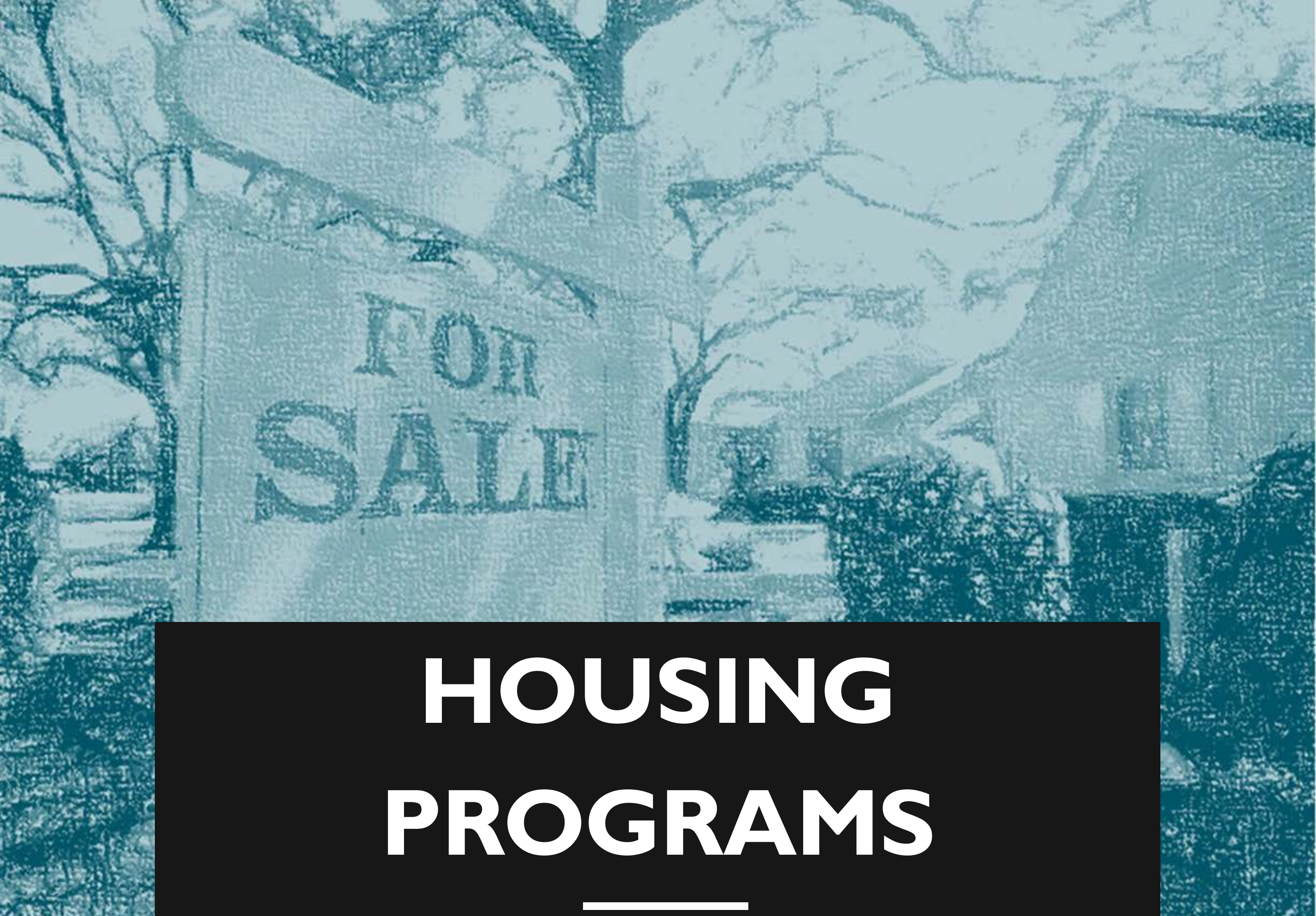

HOUSING PROGRAMS

THE NEED FOR ONE ROOF

MAJORITY STAFF REPORT

COMMITTEE ON THE BUDGET

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UNITED STATES SENATE

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1. EXECUTIVE SUMMARY

Our housing assistance system is broken. The goals of our nation's housing programs should not be to maintain a bureaucracy, but rather to serve those in need efficiently and effectively. Moreover, we should ask the foundational question: If designing a system from scratch, would it look anything like the current system?

The federal government spends over $50 billion per year on low-income housing assistance programs, guarantees $2 trillion in home loans, and provides billions more through the tax code. A Government Accountability Office analysis identified 20 different entities administering 160 housing assistance programs and activities.

This sprawling, fractured system is the result of 80-plus years of legislative efforts to address shifting goals. Those changing priorities and other shifts have led to duplication and overlap. For example:

- The loan guarantee and rental assistance programs of the departments of Agriculture (USDA) and Housing and Urban Development (HUD) overlap in terms of the assistance offered, service delivery, and areas served.
- HUD's three main rental assistance programs—Public Housing, Housing Choice Vouchers, and Section 8 project-based rental assistance—each have similar eligibility rules and serve largely similar populations.
- Two block grant programs, the Housing Trust Fund and the HOME Investment Partnerships Program, are identical in many respects and should be consolidated or streamlined. They are the same in terms of their allocation, administrative funds, fund commitment and expenditure deadlines, and overall goal of affordable housing.
- The government also supports housing through tax preferences. The Low Income Housing Tax Credit is a multi-billion dollar tax expenditure that overlaps with other housing programs, most notably project-based Section 8 and the tenant-based Housing Choice Voucher Program.

This byzantine system is failing the neediest Americans. We spend billions each year, yet over half a million people in this country were homeless in a single night in 2019. Programs are scattered across agencies, creating confusion and headaches for those seeking assistance. The system can and should be improved.

To that end, this report seeks to begin a needed conversation about reforming our housing system. An important first step would be consolidating some of these programs under one roof.

2. INTRODUCTION

> "….[T]he Nation's housing laws today . . . contain internal inconsistencies, numerous duplications, cross-purposes, and overlaps as well as outright conflicts and gimmickry. In some cases, the objectives themselves are open to serious question.
>
> "The complicated maze of HUD program laws, filling hundreds of pages in the statute books, are properly recognized as replete with inconsistencies, conflicts, and obsolete provisions and without overall design or coordinated structure. All this is magnified in the red tape flowing from implementing regulations."
>
> – The U.S. Department of Housing and Urban Development, 1974[1]

In fiscal year 2019, the federal government spent over $50 billion per year on low-income housing assistance programs, guaranteed about $2 trillion in home loans, and provided billions more through the tax code.[2]

How is that money spent, and where does it go? And why are people not getting needed services? It's complicated.

An Overly Complex System

In 2012, the Government Accountability Office (GAO) found that 20 different entities administered 160 programs, tax expenditures, and other tools supporting homeownership and rental housing in fiscal year 2010. Thirty-nine programs helped with buying, selling, or financing a home. Twenty-five programs provided assistance for financing the construction of affordable rental housing or subsidizing rental payments for low-income households.[3] GAO restated these findings in September 2020.[4]

In short, the system is a sprawling, tangled, and expensive mess. How can we provide adequate assistance, and properly steward taxpayer dollars, when housing assistance programs are scattered under so many different roofs? How can we help the neediest when we don't know precisely how, where, and to whom billions of dollars are flowing?

We can't. But we could provide more effective housing assistance with the same level of resources if the current array of federal housing programs were more streamlined and less complicated. Congress should undertake sensible reforms to reorganize and consolidate housing programs to improve efficiency and effectiveness, save taxpayer dollars, and better serve those in need.

Shifting Goals

To move forward, we need to understand how we got here.

Today's housing assistance system is the result of more than 80 years of efforts to address shifting goals and priorities. Those changing priorities, combined with other changes, have led to numerous areas of duplication and overlap.

Federal involvement in housing dates back to 1913, when the new income tax allowed for the deduction of mortgage interest and property taxes from federal income.[5] Two decades later, in the 1930s, the United States began providing housing assistance as part of recovery efforts from the Great Depression.[6]

Over time, our nation's housing policy goals and mechanisms have changed. Congress first created the framework for government to build and own housing. Later Congress enacted legislation that sought to encourage private development of affordable housing through construction subsidies for developers. For example, in the 1986 tax bill, Congress used the tax code to encourage housing development through tax credits for affordable housing construction. Congress also created programs to provide housing assistance to specific groups, such as veterans, the elderly, the disabled, and many others. Table 1 below outlines certain key housing laws through the years.

Table 1: Key Housing Laws and Their Provisions

<u>1930s and 1940s</u>

- **The Housing Act of 1934:** Set forth provisions to support the mortgage market in response to the turmoil of the Great Depression. Its reforms were designed to encourage investment in housing and boost construction employment. Key provisions included creation of the Federal Housing Administration and the Mutual Mortgage Insurance Fund.[7]
- **The U.S. Housing Act of 1937:** Created a framework for funding the creation of affordable rental housing. States could establish local public housing authorities, which could apply for funds to build developments for low-income families. The law also created the United States Housing Agency—a forerunner to today's U.S. Department of Housing and Urban Development (HUD)—to administer the program.[8]
- **The Housing Act of 1949:** Enacted to address a perceived shortage of affordable and safe housing in the years following World War II. Its provisions included new programs for urban redevelopment, money for public housing construction, and expanded mortgage insurance to encourage home buying and construction. This Act also created a program specifically targeted at improving farm and rural housing within the U.S. Department of Agriculture.[9]

<u>1950s and 1960s</u>

- **The Housing Act of 1959:** Marked the first significant use of incentives encouraging private developers to build affordable housing for low- and moderate-income households.[10]
- **The Housing Act of 1961:** Further expanded the private sector's role in providing housing.[11]
- **The Housing and Urban Development Act of 1965:** Created HUD and the Rent Supplement program.[12]
- **The Housing and Urban Development Act of 1968:** Created rental and homeownership programs for lower-income families, and spun off Ginnie Mae from Fannie Mae.[13]
- **The Civil Rights Act of 1968:** Prohibited housing discrimination.[14]

<u>1970s into the 2000s</u>

- **The Housing Act of 1974:** Created the Section 8 program and Community Development Block Grants.[15]
- **The Tax Reform Act of 1986:** Created the Low Income Housing Tax Credit program.
- **The Stewart B. McKinney Homeless Assistance Act of 1987:** Was the United States' first comprehensive approach to addressing homelessness.[16]
- **The National Affordable Housing Act of 1990:** Authorized the HOME Investment Partnerships program.[17]
- **The Housing and Economic Recovery Act of 2008:** Created the Housing Trust Fund.[18]

Today, low-income housing assistance programs cover three broad areas: rental housing assistance, federal assistance to state and local governments, and homeowner assistance.[19] But even these areas are not always mutually exclusive.[20] For example, some assistance to states and localities can be used to provide housing finance or homeownership assistance.[21] And no one program dominates the landscape.[22] That means within the federal housing assistance system, no one program serves a clear majority of low-income recipients, with some of the poorest households not being served at all.[23]

The number of agencies involved further complicates these programs. The U.S. Department of Housing and Urban Development (HUD) administers most low-income housing assistance programs, but the U.S. Department of Agriculture (USDA), the Department of Veterans Affairs (VA), the Treasury Department, and several others also provide housing assistance.[24]

The system is byzantine and bloated. It does little to support affordable housing, responsibly steward billions in taxpayer dollars, or deliver services to the neediest Americans. If starting from scratch, no one would design our current federal housing assistance system.

The Senate Budget Committee's Housing Roundtable

On September 16, 2020, the United States Senate Committee on the Budget held a roundtable discussion entitled "Examining Federal Housing Assistance Programs." Daniel Garcia-Diaz of GAO called the system "exceedingly complex and fragmented," and said the federal government "only reaches a small fraction" of the "significant" housing needs of lower-income families. Professor Edgar Olsen of the University of Virginia said low-income housing assistance is "fertile ground" for reform, with most recipients "served by programs whose cost is enormously excessive for the housing provided." Diane Yentel of the National Low Income Housing Coalition supported some efforts to streamline and realign housing programs, but advocated expanding and fully funding housing programs.[25]

There was bipartisan agreement that the system needs improvement. There also seemed to be agreement around the concept of giving greater control to tenants. Perhaps most notably, bipartisan consensus emerged that housing vouchers were a particularly effective affordable housing tool. This high-level agreement merits further exploration, and gives hope that there is common ground on which to build reforms.[26]

Starting the Conversation

Building on the roundtable's promise, this report aims to begin a conversation about reforming federal housing assistance programs.

Section 3 provides examples of overlap. It also highlights the redundancies in HUD's major rental assistance programs. This section further shows that the similarities between the HOME Investment Partnerships program and the Housing Trust Fund suggest opportunities for consolidation and streamlining. It also raises important transparency and evaluation concerns: the lack of even basic information about the administrative costs of these programs, and the number of employees administering them. Finally, this section discusses housing-related tax expenditures, particularly the Low Income Housing Tax Credit (LIHTC). While not intended to be used in isolation, the LIHTC overlaps with the project-based Section 8 and tenant-based Housing Choice Voucher programs, among other programs.

Section 4 sets out the report's conclusions. In summary, our current housing assistance programs need reform. Under such consolidation, HUD appears to be the most logical agency to house many of the existing programs. This section also addresses some anticipated objections to reform.

Reforming Housing

There are numerous federal housing programs serving similarly-situated individuals and—while they may have some variation—their goal is the same: affordable housing.

This point is obvious, but important. If the housing assistance system isn't reformed sooner rather than later, difficult changes may lie ahead. Millions are already left out in the cold. We can and should do better.

If home is where the heart is, then we should care about our housing assistance system and pursue meaningful reform now.

3. EXAMPLES OF HOUSING OVERLAP

A. HUD's and USDA's Loan Guarantee and Rental Assistance Programs Overlap

GAO's report on opportunities for collaboration and consolidation in housing programs identified a total of 88 HUD housing programs and 18 USDA housing programs. GAO reported overlap in HUD and USDA loan guarantee and rental assistance programs.

1. Loan Guarantee Programs

Both HUD, through the Federal Housing Administration (FHA), and the USDA's Rural Housing Service (RHS) administer single-family and multi-family guaranteed loan programs.

A. Single-Family Loan Guarantee Programs

FHA and RHS single-family loan programs guarantee 30-year fixed-rate mortgages with little or no down payment and low up-front fees. The programs differ slightly in the extent to which the agencies cover losses to the lender, and RHS loan guarantees are limited by income and geography, but both serve the same basic purpose of helping homebuyers get access to credit.[27] GAO has recommended that Congress require HUD and USDA to examine consolidation of certain housing assistance programs, and this program appears to be a prime candidate for such a consolidation.[28] The Trump Administration proposed moving the single-family loan guarantee program to HUD in its 2018 government reorganization proposal.[29]

Data from single-family loan programs show overlap in the income and location of households served. USDA limits borrower income to 115 percent of area median income (AMI) for RHS single-family loan guarantees, and restricts participation to eligible rural areas. But FHA insures the majority of mortgages for borrowers eligible for both FHA and RHS programs. This fact calls into question whether a program specifically for rural homebuyers is needed, as current rural homebuyers are more likely to use FHA than RHS already.[30]

In the last decade, first in 2012 and then in 2016, GAO issued two reports comparing FHA and RHS single-family loans. In 2012, GAO found that 1,291,000 (or 74 percent) of FHA borrowers met income eligibility requirements for RHS's single-family loan guarantee program for fiscal year 2009.[31] FHA guaranteed more loans to borrowers with incomes at or below 115 of AMI than RHS and the VA combined that year.[32]

In 2016, GAO reported that significant percentages of RHS borrowers could have met key criteria such as credit score, payment-to-income (PTI) ratio, debt-service-to-income (DTI) ratio, and loan size for FHA guaranteed home purchase loans for 2010-2014. This means most RHS borrowers could have used the FHA program. GAO estimated that of the 614,148 borrowers with RHS guaranteed loans from 2010-2014, 432,612 borrowers (or 70 percent) could have met those FHA loan guarantee criteria. These results were not unexpected, GAO noted, as RHS has relatively stricter benchmarks for credit score, PTI, and DTI ratios.[33]

The data also show significant overlap in geographic areas served. In 2015, 97 percent of the land area of the United States and 37 percent of the population was in RHS-eligible areas.[34] In 2012, GAO reported that FHA served a larger number of borrowers in RHS-eligible areas than RHS.[35] For fiscal year 2009, FHA guaranteed more than 210,000 loans in rural zip codes, compared to 59,000 for RHS.[36] The conclusion is that FHA is already serving rural Americans.

For the years 2010-2014, FHA continued to serve more borrowers than RHS in RHS-eligible areas.[37] Over this period, FHA guaranteed about 880,000 loans in RHS-eligible areas, compared with about 614,000 loans for RHS (a 36 percent difference).[38] In 2018, the Office of Management and Budget reported that FHA guaranteed approximately 633,000 single-family loans in zip codes that were 100 percent USDA-eligible from fiscal years 2015 to 2017, compared to 258,000 loans guaranteed by USDA.[39] Further, of the 1,088,000 loans guaranteed by either FHA or USDA for calendar year 2018 (the most recent data available), FHA guaranteed about 90 percent of them.[40]

The data is clear. FHA serves more borrowers that meet RHS eligibility requirements than RHS is serving. In the past, RHS helped rural populations face unique housing challenges. But many of these challenges requiring a separate, stand-alone agency in the Department of Agriculture no longer exist. Consolidating these programs could save money on duplicative government bureaucracy.

B. Multi-Family Loan Guarantee Programs

FHA and RHS multi-family loan programs help finance the development of new rental units or the preservation of existing units through refinancing or rehabilitation. The programs differ in property and tenant eligibility requirements. FHA-guaranteed loans can be used for any property nationwide and have no tenant income limits, while RHS loan guarantees are limited to rental properties in eligible rural areas that serve moderate-income tenants.

But aspects of the programs are similar. Both programs guarantee 40-year, fixed-rate loans. Both programs set limits on the dollar amount that can be borrowed for each unit and the maximum property values that can be financed. And loan guarantees for both cover 90 percent of lender losses.

Comparisons of multifamily guarantee programs show that properties financed with USDA guaranteed loan programs were more concentrated in rural areas, while properties financed with guaranteed loans through the selected HUD programs were concentrated primarily in urban and suburban areas.[41] This trend indicates there is potentially less overlap in the geographic location of the population served than is seen with single-family loan guarantee programs. But similarities in the delivery structure of the multifamily programs suggests that consolidation could lead to a more streamlined and less bureaucratic experience.

In its 2012 report, GAO noted RHS multifamily direct and guaranteed lending programs were more prevalent in rural areas than the much larger FHA multifamily guaranteed loan program. But other than to maintain existing properties, RHS was moving away from new direct loans in favor of more guaranteed loans. RHS multifamily properties also tended to be much smaller in terms of units than FHA, indicating RHS products served a unique market segment.[42] HUD has made several attempts to pilot small project guaranteed loans in the past, and RHS has had apparent success in guaranteeing such projects. The consolidation of multifamily programs could help transfer the successful aspects of RHS' model to FHA, which reaches a broader population.

2. HUD and USDA Rental Assistance Programs

HUD and USDA both administer project-based rental assistance (PBRA) programs. These programs provide rental subsidies to property owners that provide housing for low-income households. In 2012, GAO compared USDA's Rural Rental Assistance Payments (Section 521) with HUD project-based rental assistance. GAO stated these programs were similar in that they provide direct payments to rental property owners on behalf of tenants for a designated number of units. The payments are subject to contracts with property owners (generally for one year), and property owners are responsible for ensuring households meet program eligibility requirements. But the programs differ in contract administration. HUD contracts are managed through state or local housing authorities, while USDA contracts are managed directly via USDA national, state, and local offices.[43]

Despite these differences, OMB in 2018 proposed moving USDA's rental housing programs to HUD. OMB noted that because HUD serves all communities across the nation, there is no clear need for USDA to administer separate, rural-focused housing programs. Further, the programs share the same general goal of making rent affordable to low-income tenants by paying the difference between a unit's rent and 30 percent of a household's adjusted income.[44]

Given the similarities, OMB proposed consolidating programs under HUD, both as a first step toward improving operational efficiency and service delivery, and to produce savings by reducing agency bureaucracy costs.[45] This proposal aligns with the 2012 GAO report, which found that the RHS did not have the same access to wage matching data as HUD, even though those data are needed to assure the accuracy of rental payments under RHS rental assistance programs.[46] In addition to less overhead, placing these rental assistance programs under one agency would eliminate the need to negotiate separate data sharing agreements. This is one example of an increase in operational efficiency that could result from sensible consolidation.

B. HUD's Rental Assistance Programs Serve Similar Populations

1. HUD's Three Primary Rental Assistance Programs

In FY 2019, rental assistance accounted for 79 percent of HUD's discretionary appropriations.[47] The three main HUD rental assistance programs are:

- *Public Housing*. Created by the Housing Act of 1937, the Public Housing program was established to provide rental housing for low-income families, the elderly, and the disabled.[48] HUD provides aid to local housing agencies that manage properties for low-income residents at affordable rents.[49] Families in public housing generally pay rent equal to 30 percent of their adjusted gross income.[50]

- *Housing Choice Vouchers*. The Housing Choice Voucher (HCV) program helps very low-income families (those with incomes at or below 50 percent of the local area median income), the elderly, and the disabled afford housing in the private market.[51] Local public housing agencies (PHAs) administer these "portable" vouchers, which recipients can use to lower their rents.[52]

- *Project-Based Section 8*. Section 8 project-based rental assistance (PBRA) gives subsidies directly to the owners of multifamily housing subsidizing the rent for specific rental units.[53]

Together, these three programs account for the overwhelming majority of HUD rental assistance funding and HUD-subsidized households. A closer look at them illustrates why the nation's housing programs need a complete review.

2. Multiple Programs Serving Similar Populations

The existence of multiple low-income housing programs could be justifiable if the separate programs served different populations with distinct housing needs. But while HUD's main rental assistance programs deliver assistance in different ways, they each have similar eligibility rules and serve largely similar populations.

Eligibility for HUD rental assistance is generally limited to households that have incomes at or below 50 percent of the HUD area median income (AMI). Additionally, federal income targeting rules require a certain minimum percentage of newly assisted households in public housing, project-based rental assistance, or the Housing Choice Voucher program to be "extremely low-income" (*i.e.*, with incomes at or below 30 percent of the area median income).

For each program, about three-quarters of assisted households have incomes at or below 30 percent of the area median income.[54] Because over 60 percent of units in privately owned multifamily projects are efficiencies or one-bedroom units, units in project-based Section 8 tend to be somewhat older, smaller, and less likely to include children than households receiving public housing or vouchers.[55] Otherwise, resident characteristics are largely similar across HUD's three major rental assistance programs, as demonstrated in Table 2.

Table 2: HUD-Subsidized Households in 2019

	All HUD Programs	Public Housing	Housing Choice Vouchers	Project-Based Section 8	Smaller Multifamily Programs
Households (thousands)	4,619	915	2,300	1,218	188
People (thousands)	9,440	1,909	5,249	2,063	218
Avg. Household Size	2	2.1	2.3	1.7	1.2
Avg. Household Income	14,835	15,738	15,373	13,301	13,787
% Extremely Low Income	75%	72%	75%	77%	75%
% of Residents with a Disability	23%	24%	24%	18%	26%
% Households Age 62+	37%	34%	28%	50%	75%
% of Households with Children	36%	37%	41%	27%	4%
% of Households in 1-bedrooms	44%	41%	32%	62%	93%
% Minority	65%	71%	70%	56%	50%

Source: 2019 data from HUD's *Picture of Subsidized Households*, https://www.huduser.gov/portal/datasets/assthsg.html (last visited Oct. 2, 2020). "Smaller Programs" includes Moderate Rehabilitation, Rental Assistance Program, Rent Supplement, the Section 236 program, the Section 221(d)(3) Below Market Interest Rate, Section 202 Housing for the Elderly, and Section 811 Housing for Persons with Disabilities.

Smaller project-based programs, such as Housing for the Elderly (Section 202) and Housing for Persons with Disabilities (Section 811), are targeted to particular demographic groups. The former is open to very low-income households with at least one person age 62 years or older, while the latter is open to very low-income persons with disabilities who are between 18 and 62 years of age.[56] But HUD's larger rental assistance programs also serve many households with elderly or disabled members, with the Housing Choice Voucher program serving more elderly households and people with disabilities than any other HUD rental assistance program.

There are some regional differences in the populations receiving assistance from different HUD programs. Public housing tenants are most concentrated in the Northeast, while the voucher program has a regional distribution that more closely tracks the distribution of all very-low income renters. Roughly a third of all HUD-assisted housing is in the South (see Table 3).

Table 3: Distribution of HUD-Assisted Housing by Region in 2017

Census Region	Tenants in Public Housing	Voucher Recipients	Tenants in Privately Owned MF Units	All Very-Low Income Renters
Northeast	36.5%	24.4%	26.8%	22.0%
Midwest	21.4%	19.2%	26.7%	20.3%
South	33.4%	33.4%	31.6%	35.2%
West	8.8%	22.9%	14.8%	22.4%

Source: HUD's *Characteristics of HUD-Assisted Renters and Their Units in 2017* (March 2020), https://www.huduser.gov/portal/sites/default/files/pdf/HUD-Assisted-Renters-2017.pdf (last visited Oct. 2, 2020).

This is more attributable to the age of the programs than any regional differences in housing needs or program efficacy. The majority of public housing units were built before 1970 and were concentrated in the urban centers of the Northeast.[57]

3. Why So Many Rental Assistance Programs?

Given all the overlap and duplication among the 160 programs GAO identified, the natural question is why do so many programs exist?

First, the history of housing programs reflects an evolution from public housing, to subsidized private housing, to vouchers. Public housing was the only major form of housing assistance until the 1960s, and a majority of currently occupied units were built before 1969.[58] Privately-owned and subsidized housing programs were rolled out in the 1960s, and their production accelerated after 1974 when Section 8 project-based rental assistance was created. By the 1980s these privately-owned programs accounted for a plurality of HUD-assisted units. Since then, the inventory of privately-owned and subsidized housing has declined. Owners can choose not to renew their contracts with HUD once they expire and instead rent out their properties at market rates. Many opted out in the 1990s and early 2000s. Tenant-based assistance began in 1974, and the voucher program is now HUD's largest low-income housing subsidy program.

These developments reflect changing evidence on the effectiveness of different programs and attitudes towards how housing assistance should be delivered. Over time, evidence emerged highlighting problems with the federal government's primary mechanisms for providing housing assistance—first public housing and then privately owned subsidized projects—suggesting that new approaches were needed. As early as the 1950s, for example, many began to recognize issues with the public housing program and how it contributed to racial and economic segregation.[59] In the 1970s, new research found that programs creating new, subsidized housing did not help those who lived in physically adequate housing, but could not make rent.[60]

Another reason for the large number of rental assistance programs is that some had aims beyond delivering housing assistance. When the Housing Act was first enacted during the Great Depression, it was partially justified as a public works program that would create jobs for the construction sector.[61] Slum clearance was also a major goal of public housing in the early years of the program.[62] And later programs had the goals of furthering civil rights and reducing segregation.[63] These separate historical aims help explain the proliferation of housing programs and the lack of coherence in the federal government's approach to housing.

A final reason for the large number of rental assistance programs is politics. An enacted housing bill was to some "a Christmas tree bill bearing gifts for all," noted a HUD report from the 1970s.[64] In the housing context, as elsewhere, old programs endure because of powerful political constituencies and fear that a new program may not work as well. These political forces can shape not only the contours of policy, but also lead to the existence of multiple, complicated programs in multiple jurisdictions. In 1973, for example, the Nixon Administration announced a moratorium on new expenditures for subsidized low-income housing programs, and suggested a policy of direct assistance to tenants. This shift was forcefully opposed by interest groups representing builders, local governments, and others who benefited from existing project-based housing programs. The ensuing debate in Congress ultimately led to the Housing and

Community Development Act of 1974, which introduced tenant-based assistance while also significantly expanding project-based programs.[65]

Many housing policy experts have argued that tenant-based vouchers that directly subsidize low-income renters are in many ways superior to programs subsidizing the production and operation of low-income housing.[66] But while the problems of project-based assistance have been known for many years, such programs continue to account for about half of all HUD-assisted households and about half (47 percent) of HUD's budget.[67] This is partly because some remain concerned that a total shift toward vouchers would make affordable housing less available, or that certain groups would be unable to find suitable housing, despite limited evidence supporting these claims.[68]

Project-based programs also have strong constituencies that support their continuation. Indeed, some experts contend that the proliferation of multiple separate housing assistance programs for low-income families was "due more to political forces than any coherent overall plan or policy motivation."[69]

In 1995, for instance, the Clinton Administration proposed consolidating about 60 individual HUD programs into three performance-based block grants, and replacing the entire federal system of public and assisted housing tied to project subsidies with vouchers issued to tenants.[70] But while subsequent legislation merged earlier forms of tenant-based assistance into the Housing Choice Voucher program, there was no sweeping consolidation of programs or a complete shift from place-based subsidies to vouchers. This ensured that the *status quo* remains. The lack of comprehensive review and piling of program upon program is not limited to these examples, as demonstrated in the next section.

C. The HOME Program and the Housing Trust Fund Overlap

The Housing Trust Fund (HTF) and the HOME Investment Partnerships Program (HOME), both within HUD, are overlapping programs that should be consolidated or streamlined. Each are examples of programs with good intentions, but similar goals. They evidence an ongoing issue: whenever a new problem arises, a new program is created rather than reforming our existing programs to address the issue.

1. The Housing Trust Fund

The Housing and Economic Recovery Act of 2008 established the HTF to provide funds to states to use for affordable housing, particularly for rental housing for extremely low-income households.[71]

The HTF provides formula-based grants to states to use for affordable housing. By law, each state and the District of Columbia receives a minimum annual grant of $3 million. Most funds must go toward rental housing, but states can use up to 10 percent of grants for certain homeownership activities. Grantees and any subgrantees must submit plans to HUD explaining how they will allocate HTF funds.[72]

HUD administers the HTF, but Fannie Mae and Freddie Mac fund it.[73] Most recently, in February 2020, the Federal Housing Finance Agency authorized a disbursement of $326.4 million to HUD for the HTF.[74] States have received $660 million in HTF allocations since 2016.[75]

2. HOME Investment Partnerships Program

The National Affordable Housing Act of 1990 authorized the HOME program, which gives funding to states and localities for affordable housing activities benefiting low-income households.[76]

These block grant funds are used for four purposes: the rehabilitation of owner-occupied housing; assistance to home buyers; the acquisition, rehabilitation, or construction of rental housing; and tenant-based rental assistance.[77] HOME funds may also be used for demolition, relocation, and other activities.[78] Similar to the HTF, eligible states or localities must submit plans to HUD explaining how they will allocate HOME funds.[79]

HUD receives an annual appropriation for HOME, which it disburses by formula: 40 percent to states and 60 percent to localities.[80] The HOME program received $1.35 billion in funding for fiscal year 2020.[81] The Trump Administration has proposed eliminating the program, noting it has been unauthorized since 1994.[82]

3. The Programs' Similarities Show Redundancy and Overlap

These two programs have several similarities, as shown in Table 4:

Table 4: The Housing Trust Fund and HOME Program

CATEGORIES	HOUSING TRUST FUND (HTF)	HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)
Statutory Authority	Title I of the Housing and Economic Recovery Act of 2008	Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended
Regulatory Authority	24 CFR Part 93	24 CFR Part 92
Grantees	States or State designated entities	40% of funds to States; 60% to local participating jurisdictions
Purpose	State determines priority housing need throughout the State for production or preservation, primarily of rental housing, affordable and available to extremely low-income households	State or local government determines mix of activities to address locally-identified priority housing needs, through development or rehabilitation of housing for rent or homeownership, repair of substandard owner-occupied housing, or provision of tenant-based rental assistance
Allocation	Formula	Formula
Formula Factors	• Substandard housing: defined as overcrowding, or incomplete kitchen facilities, or incomplete plumbing, or high rent to income ratio • Shortage of standard housing affordable to very low- and extremely low – income (below 50% AMI and 30% AMI) households; weighted toward extremely low-income households • High rent to income ratio (≥ 50% of income for rent) • Cost of producing housing relative to national average	• Substandard rental housing: defined as overcrowding, incomplete kitchen facilities, incomplete plumbing, high rent to income ratio • Rental households in poverty • Poverty relative to national average • Cost of producing housing relative to national average • Inadequate housing – low vacancy, poor renters • Pre-1950 housing stock occupied by poor households • Fiscal incapacity
Minimum Grant Threshold	States: $3 million minimum, or alternative methodology if minimum funding is not available	States: $3 million
Matching Requirement	No match requirement	25% match required. Reductions possible based on fiscal distress reduction or Presidentially-declared major disaster
Minimum Income Targeting	• 100% for extremely low-income households (≤ 30% AMI) or families with incomes at or below the poverty line (whichever is greater) when HTF funds are less than $1 billion • 75% for extremely low-income households (≤30% AMI) or families with incomes at or below the poverty line (whichever is greater) when HTF funds are greater than $1 billion; up to 25% for very low-income households (≤ 50% of AMI)	• 100% for low-income households (≤ 80% of AMI) • 90% (of rental units and TBRA) for households at ≤ 60% AMI • 20% of rental units in projects of more than 5 HOME units for households at ≤ 50% AMI
Eligible Activities	• New construction of rental and homebuyer* units • Acquisition or acquisition/rehabilitation of rental and homebuyer* units	• New construction of rental and homebuyer* units • Acquisition or acquisition/rehabilitation of rental and homebuyer* units

Table 4: The Housing Trust Fund and HOME Program (cont'd.)

CATEGORIES	HOUSING TRUST FUND (HTF)	HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)
	• Operating costs for rental projects (up to one third of annual grant) *Note: required housing counseling for homebuyers	• Rehabilitation of owner-occupied housing • Tenant-based rental assistance *Note: required housing counseling for homebuyers
Limits on Eligible Activities	• No more than 10 percent of annual grant can be used for homeownership housing • Homeownership housing is restricted to 1st time homebuyers only	Grantee determines mix of activities to be undertaken and tenure types of housing to be assisted, based upon on locally-determined needs and priorities
Use with Public Housing	May be used on public housing units being constructed or rehabilitated in Choice Neighborhoods or mixed finance/Low Income Housing Tax Credit projects	May not be used for construction, modernization or operating cost assistance for public housing units, except that HOME funds may be used for new construction of public housing units that also receive HOPE VI funding but no Capital Fund assistance
Rents	Rents plus utilities are capped at 30% of the income of a household whose income is 30% AMI	High HOME rents (including utilities) are capped at the lesser of: the Fair Market Rent (FMR) for the area or 30% of the income of a household whose income is 65% of AMI. Low HOME rents (including utilities) are capped at 30% of the income of a household whose income is 50% of AMI, or if there is Federal or State project-based rental assistance, 30% of the tenant's adjusted gross income
Administrative Funds	Up to 10% of the sum of annual grant and program income received	Up to 10% of the sum of annual grant and program income received
Allocation Plan/Action Plan/Consolidated Plan	• State grantee must establish an allocation plan for HTF funds to be included in the Consolidated Plan Annual Action Plan and approved by HUD • A subgrantee that is a local government must include an HTF allocation plan that is consistent with the State's HTF plan in its own Annual Action Plan submission to HUD	Each grantee must establish a Consolidated Plan Annual Action Plan that includes the planned use of HOME funds to be approved by HUD
Maximum per-unit subsidy limits	Limits are set by grantee based on modest housing units with suitable amenities and local market conditions	Limits are set by 221(d)(3)(ii) of the National Housing Act (12 U.S.C.17151)
Affordability periods	• Rental projects- 30 years • Homebuyer projects with resale provisions- 30 years • Homebuyer projects with recapture provisions- 10, 20 or 30 years depending upon the amount of the HTF investment	• Rental and homebuyer projects- 5,10, 15 years depending upon the amount of the HOME investment • Rental - 20 years for new construction
Funds Commitment/ Expenditure Deadlines	24 months/ 5 years	24 months/ 5 years

Source: U.S. Department of Housing and Urban Development, Comparison of Housing Trust Fund and the HOME Investment Partnerships Program, https://files.hudexchange.info/resources/documents/Comparison-Chart-HTF-vs-HOME.pdf (last visited Oct. 8, 2020).

As shown above, these two affordable housing block grant programs are identical in terms of their allocation (by formula), administrative funds (up to 10 percent of the annual grant and program income received), and fund commitment and expenditure deadlines (24 months/5 years). Both have a minimum grant threshold of $3 million, though an "alternate methodology" may be used for the HTF if minimum funding isn't available. They also have the same overall goal—affordable housing—and are even administered by the same office within HUD: the Office of the Assistant Secretary for Community Planning and Development.[83] To be sure, these programs have some differences, as in the areas of minimum income targeting, eligible activities, and the limitations on those activities. But on balance, the similarities show that opportunities for efficiencies and consolidation exist.

These similarities are not surprising. According to the Congressional Research Service, the HTF's critics argued that "the federal government already provides funding for affordable housing through other programs, including flexible block grant programs such as the HOME program," and that the HTF "is duplicative of other programs since the activities that it funds are also eligible uses of other sources of federal funds."[84]

In a 2010 proposed rule implementing the HTF, HUD stated that "[t]he HOME program is similar in most aspects to the proposed HTF," and that "[m]any of the program requirements applicable to the HOME program are applicable to the HTF." HUD also said they "modeled" the HTF regulations' organization after the HOME program's regulations, and "elected to adopt many existing HOME program requirements."[85]

Consolidating or streamlining these two programs, established less than two decades apart, would be advantageous for several reasons. First, service delivery could improve if HUD administered a single program, rather than two similar ones. Second, merging the programs would likely lower their administrative costs, ultimately allowing more money to flow to the neediest recipients. Third, consolidation or harmonizing program requirements would cut down on the need for grantees to create multiple plans for similar projects, reducing red tape, confusion, and regulatory burdens for potential applicants. Finally, a single program would have one bureaucracy instead of two, allowing HUD to more efficiently allocate staff expertise and other resources.

D. The Lack of Cost Data Hinders Program Evaluation

For many of the federal housing assistance programs surveyed, basic information about the administrative costs of these programs, and the number of full-time equivalent (FTE) employees working on them, is not publicly available.

Such information may be found occasionally by office. But "offices" within federal agencies can administer multiple programs and have hundreds, or even thousands, of employees. Someone looking for basic cost and FTE data about a specific program is usually out of luck.

This lack of transparency raises serious questions about the true costs of these programs and how well agencies administer them, including how they allocate staff and other resources. It also prevents quantitative analysis of what savings might result from streamlining or consolidating these programs.

The administrative costs of such programs should be publicly available. That way Congress, independent auditors, and other advocates could evaluate the cost-effectiveness of improving and reforming these programs. Any program should always be able to determine how many people are working to administer it and how much the administrative costs are.

E. The Federal Government Also Supports Housing Through Billions in Tax Expenditures

The federal government provides significant and costly support for housing through a number of tax provisions benefiting homeowners and builders.

While identifying such "tax expenditures" is somewhat subjective and there is no definitive list, the Joint Committee on Taxation and the Treasury Department both identify the following housing-related provisions as tax expenditures:

Table 5: Housing-Related Tax Expenditures, 2019

Provisions	FY 2019 estimate (in millions)
Capital gains exclusion on home sales	$43,610
Deductibility of mortgage interest	$25,130
Low Income Housing Tax Credit	$8,760
Accelerated depreciation on rental housing	$8,000
Deductibility of State and local property tax	$6,010
Deferral of income from installment sales	$1,460
Exclusion of interest on rental housing bonds	$1,030
Exclusion of interest on owner-occupied mortgage subsidy bonds	$790

Source: Treasury Department, https://home.treasury.gov/policy-issues/tax-policy/tax-expenditures (last visited Oct. 2, 2020).

Each expenditure is briefly explained in Table 6:

Table 6: Housing-Related Tax Expenditures, In Brief

Capital gains exclusion on home sales. Typically, when taxpayers sell an asset for more than its purchase price, they pay capital gains taxes on any profits realized from the sale. But homeowners may exclude from taxable income up to $250,000 (or $500,000 if filing jointly) of capital gains from the sale their house if it has been their principal residence for at least two of the five years preceding the sale.

Mortgage interest deduction. Taxpayers who itemize may deduct mortgage interest paid on their primary residence and one secondary residence. The deduction is typically limited to interest on mortgage debt of no more than $1 million, but for tax years beginning after December 31, 2017, and before January 1, 2026, the $1 million limit is reduced to $750,000 for mortgage debt incurred after December 15, 2017. This deduction primarily benefits higher-income taxpayers who are more likely to itemize, face higher marginal tax rates, and have larger mortgages. The Tax Policy Center estimates over 90 percent of the tax benefits of the deduction went to taxpayers with incomes over $100,000 in 2018.[86]

The Low Income Housing Tax Credit (LIHTC). The LIHTC was created by the Tax Reform Act of 1986 and has become the federal government's largest policy tool for the development of affordable rental housing.[87] Generally, the federal government issues the credits to states, which allocate them to private developers who in turn sell them to investors for equity financing.[88] The credit is not targeted to the lowest income households. Less than half of LIHTC tenants in 2015 had incomes at or below 30 percent of AMI.[89] The Internal Revenue Service and state housing finance agencies administer the LIHTC.[90]

Accelerated depreciation on rental housing. The tax code allows new rental housing to be depreciated in equal amounts over 27.5 years. This can be considered a tax expenditure compared to a "pure" comprehensive income tax, as it allows rental housing to be depreciated faster than the property's estimated loss of economic value over time.

Property tax deduction. Though never intended to encourage homeownership,[91] the property tax deduction is another tax benefit assisting homeowners. Homeowners who itemize may deduct State and local property taxes paid on real property. For taxable years beginning after December 31, 2017, and before January 1, 2026, the deduction for state and local taxes is limited to $10,000. As with the mortgage interest deduction, higher-income households generally see the greatest benefit from the deduction. In 2018, over 80 percent of the deduction's benefits went to taxpayers with incomes above $100,000.[92]

Deferral of income from installment sales. An installment sale is a sale of property in which some payments are received after the year the sale occurs. Certain taxpayers selling real estate property can effectively defer taxes on income from up to $5,000,000 of installment sales, with transactions where the sales price is less than $150,000 not counting toward the limit.[93]

Exclusion of interest on rental housing bonds and mortgage subsidy bonds. Interest earned on state and local bonds used to finance multifamily rental housing projects or mortgage subsidies for first-time homebuyers is exempt from tax. These bonds are subject to a state's annual volume cap on private activity bonds.

The interaction between these expenditures and the housing assistance system is beyond the scope of this report. But the LIHTC and its overlap with other federal housing assistance programs warrants mention.

The LIHTC overlaps with various housing programs, but perhaps most conspicuously with project-based Section 8 and the tenant-based Housing Choice Voucher program.[94] The reasons for this redundancy are complex,[95] but one consideration is that the LIHTC is intended to be used with other programs. For example, state housing finance agencies that award LIHTCs require that projects have funding in addition to LIHTC equity. Developers may cover funding gaps with HOME and HTF dollars, in addition to other loans and grants, and HOME itself has a leveraging requirement. And the LIHTC can be combined with rental assistance, typically project-based vouchers, to make units affordable to the lowest-income households. Thus, a low-income housing developer in a given city might build low-income rental housing by relying on various subsidy sources. From 2009-2016 in California, for example, 90 percent of approved projects had at least two other development funding sources beyond a conventional first mortgage and tax credits, two-thirds had at least three, and more than a fifth had at least five.[96]

Overlap also occurs at the recipient level. Half of LIHTC households receive other forms of rental assistance.[97] How much overlap is difficult to quantify because estimates vary widely. A 2018 Urban Institute report stated, "[a]lthough overall LIHTC costs appear to be about one-fifth the cost of all other major federal housing assistance programs combined, overlap with other federal housing assistance programs (anywhere from 18 to 70 percent of LIHTC residents receive other rental assistance) makes it difficult to disentangle cost by program . . . ."[98] This makes untangling the duplication regarding LIHTC even more challenging. Making matters worse, the LIHTC's performance has been called "woeful."[99]

LIHTC is another example of our balkanized housing system. It illustrates how overlap can occur at both the program and individual levels, making it harder to assess program costs, performance, and effectiveness. The complexity should be simplified. Congress can start the process of evaluating and reforming these programs so they operate in a thoughtful, cost-effective manner.

4. MAJOR FINDINGS AND CONCLUSIONS

We Must Improve and Simplify an Overly Complex System

This report makes the following findings:

1. The federal housing assistance system is failing those who need it most. All too often, it serves the bureaucracy. Few, if given the chance, would design a system to look like the current one.

2. Merging programs to eliminate duplication and overlap will make funding for housing programs go further. These programs, in turn, would be able to serve more people because they would be less confusing. This would make solutions easier to find and utilize. Reform would also push federal employees to focus on finding the best solutions for those seeking assistance as opposed to trying to preserve their isolated programs.

3. We spend billions each year on federal housing assistance, but the system is duplicative and too complicated.

4. Decades of shifting federal priorities have led to a system that is a patchwork of programs, laws, and regulatory red tape across multiple agencies. Congress over the years has had one good idea after another, but by default created a system that is too confusing to be efficient or effective.

5. Basic information about the administrative costs of housing assistance programs, and the number of employees who work on them, is not publicly available. Among other challenges, this lack of transparency prevents objective analysis about where savings could be found.

6. Our current approach is no way to deliver services to the neediest Americans or responsibly steward billions in taxpayer dollars.

7. Congress should undertake bipartisan review and reforms to create a modern housing assistance program to improve effectiveness and efficiency. A September 2020 Senate Budget Committee roundtable revealed bipartisan support for several reform ideas with certainly more areas for review.

8. Reformers suggest HUD is the most logical agency to house these programs, given its mission "to create strong, sustainable, inclusive communities and quality affordable homes for all."[100]

Our System is Failing People and Needs Reform

The system is failing people now. Some may fear that a different approach could mean that their needs will not be met in the same way. There may be a certain comfort in the existing dysfunction. But a dysfunctional system, no matter how familiar it may be, does not best serve those in need.

As highlighted during the Senate Budget Committee roundtable, we spend billions on housing assistance, yet over half a million people are homeless each night.[101] There are years-long waiting lists for public housing. Studies have shown that public housing and project-based programs can trap families in high-poverty neighborhoods, with significant long-term consequences for their health and well-being. Programs are scattered across agencies, creating confusion and headaches for those seeking assistance. During the roundtable, a robust discussion suggested we could provide assistance to more families through vouchers, which have been shown to be more cost-effective than place-based programs.

Streamlined programs and fewer bureaucrats would not mean less direct assistance to those in need. Instead, it could mean less administrative costs, including expensive bureaucratic salaries, and fixing or consolidating underperforming programs. It would also mean more dollars to the programs that are effective and actually making a difference.

Yet some insist that spending more money is the answer. More money does not equal better housing. In light of the nation's declining fiscal condition, the better approach is to carefully assess what is and is not working, before throwing billions more at a flawed system. The savings realized from consolidating or simplifying programs could then go toward helping needy families and others. "Well-designed" reforms, argued roundtable witness Professor Olsen, "would not only alleviate poverty, but also largely eliminate homelessness and evictions."[102]

Objections to Reform Fall Short

Some will object to any housing reform effort. Their anticipated objections to changing our current system are addressed below.

Objection: We Need Different Programs for a Massive, Sprawling Nation

Critics may argue that multiple housing assistance programs are needed in the United States, given its tremendous regional and other variations. But the populations served by housing assistance programs are actually quite similar across programs.

A look at the programs' overlapping recipients supports this conclusion. HUD programs benefit people in rural areas, for example, and USDA programs benefit urban residents. Over 2 million suburban and rural households rely on HUD programs for housing, while nearly 30 percent of households receiving USDA's Rural Rental Assistance are in suburban and urban areas.[103] As noted previously, half of LIHTC households get additional federal or state rental assistance according to one estimate.[104] These populations may be distinct, but they are united in their common need for affordable housing.

Others may claim that housing programs' differences are so pronounced and extensive that "apples to apples" comparisons between programs are impossible. Thus, they reason, one should not even try to compare and streamline them. If even basic comparisons and oversight are not possible, this only proves our point: the system is unmanageable and needs reform. Ultimately, opposing reform because the housing system has "nuances" or "complexity" strikes an almost cynical, "why bother?" tone. Differences in programs or their beneficiaries, even if profound, are no reason to keep the status quo.

As to the efficacy of the programs themselves, numerous programs are not needed. Many experts persuasively contend, for instance, that tenant-based vouchers are superior to project-based rental assistance, public housing, and the LIHTC. HUD's Housing Choice Voucher program is by far the most cost-effective low-income housing program, as Professor Olsen and others have found, and it is simpler and performs better than the LIHTC.[105]

Objection: Reformers Only Want to Help Their Preferred Causes, Not the Poor

Another likely objection is that reformers simply want to funnel money away from the poorest Americans to their preferred causes. Housing reformers aren't failing the poor; the current system is. Take, for example, the New York City Housing Authority (NYCHA). *The Wall Street Journal* has noted how "[r]ats, roaches, mold and leaks have long abounded at the nation's largest public housing authority with some 174,000 apartments."[106] Such conditions are appalling, and sadly not unique to New York City. These living conditions can color one's entire outlook, negatively affect their health, and have far-reaching effects on a person and how they interact in society. Successful federal housing programs would not let people live in rodent-infested squalor. That is why this report calls for reform: to better assist those Americans. It is not about harming those in need, it is about helping them.

This report is also about a Rube Goldberg-style bureaucracy that has grown out of control. HUD alone administers a whopping 73 housing assistance programs.[107] Congress appropriated $258 billion to those 73 programs just between fiscal years 2014 and 2018.[108]

As for NYCHA, nearly 90 percent of its 174,000 apartments lost heat or hot water during the winter of 2018-2019.[109] The agency's federal monitor, observing that NYCHA was unlikely to meet its own goal of completing lead testing by the end of 2020, estimated that 74,000 apartments will ultimately be found to have lead paint.[110] And because NYCHA is mostly federally funded, it is not just a local issue.[111] These housing bureaucracies, at various levels of government, have metastasized to the point that they are failing those they should be serving. The above objections are unconvincing, and should be rejected.

A Path Forward for Helping the Neediest

Congress, the Executive Branch, and others must conduct the necessary work of improving our multibillion-dollar housing assistance system. At a minimum, Congress should (1) begin to address the already-identified duplication and overlap, and (2) identify which programs demonstrate the best performance and cost-effectiveness. Congress should target the high-performing programs first when making any funding decisions. To be successful, this effort will require the relevant congressional committees to resolve any jurisdictional issues.

Congress should also explore ways to expand and incentivize the use of vouchers, which enjoyed bipartisan support at the Budget Committee's housing roundtable. Some say a key shortcoming of vouchers is landlords will not accept them. The reasons for refusal are varied, but one study found that three key factors for landlords are financial motivation, perception of tenants, and bureaucratic factors.[112] To address these issues, Congress should explore the desirability and cost-effectiveness of federal source of income protections, as well as ways to positively incentivize landlords to accept vouchers, perhaps by providing a bonus for the first voucher recipient a landlord accepts.

Reluctance to disturb the *status quo*, or citing its complexity to fend off reforms, will only perpetuate a flawed system. And ensuring full employment for bureaucrats is surely no reason to keep funding redundant federal programs year after year.

Our dysfunctional housing system does not best serve those in need. We can and should do better, both for present and future generations.

APPENDIX: GAO's Inventory of Housing Assistance Programs

	Activity or Program Name	Administering Agency or Entity
1	Accelerated depreciation on rental housing	Internal Revenue Service
2	Adjustable Rate Mortgages (Section 251)	Department of Housing and Urban Development
3	Affordable Housing Program	Federal Home Loan Banks
4	Agency Mortgage-Backed Securities Purchase Program	Federal Reserve System
5	Assisted-Living Conversion Program	Department of Housing and Urban Development
6	Capacity Building for Community Development and Affordable Housing	Department of Housing and Urban Development
7	Capital gains exclusion on home sales	Internal Revenue Service
8	Choice Neighborhoods	Department of Housing and Urban Development
9	Community Development Block Grant (CDBG) Section 108 Loan Guarantee	Department of Housing and Urban Development
10	Community Development Block Grant (CDBG) Disaster Recovery Assistance	Department of Housing and Urban Development
11	Community Development Block Grant (CDBG) Insular Areas	Department of Housing and Urban Development
12	Community Development Block Grant (CDBG) Section 107	Department of Housing and Urban Development
13	Community Development Block Grants (CDBG) Entitlement	Department of Housing and Urban Development
14	Community Development Block Grants (CDBG) States and Small Cities	Department of Housing and Urban Development
15	Community Development Financial Institutions (CDFI) Fund	Department of the Treasury
16	Community Investment Program	Federal Home Loan Banks
17	Community Reinvestment Act (CRA)	Federal Financial Regulators (Federal Reserve Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency) and the Federal Financial Institutions Examination Council (FFIEC)

	Activity or Program Name	Administering Agency or Entity
18	Counseling for Homebuyers, Homeowners, and Tenants (Section 106)	Department of Housing and Urban Development
19	Deduction for mortgage insurance premiums	Internal Revenue Service
20	Direct Loans for Certain Disabled Veterans	Department of Veterans Affairs
21	District of Columbia first-time homebuyer tax credit	Internal Revenue Service
22	Dollar Home Sales	Department of Housing and Urban Development
23	Emergency Capital Repairs Program	Department of Housing and Urban Development
24	Energy Efficient Mortgage Insurance	Department of Housing and Urban Development
25	Energy Innovation Fund: Multifamily Energy Pilot	Department of Housing and Urban Development
26	Energy Innovation Fund: Single Family Pilot	Department of Housing and Urban Development
27	Enforcement of the Fair Housing Act (Title VIII)	Department of Housing and Urban Development
28	Ensure the timely payment of principal and interest on insured Farm Credit System debt obligations purchased by investors.	Farm Credit System Insurance Corporation
29	Equal Credit Opportunity Act (ECOA)	Consumer Financial Protection Bureau (CFPB) and Federal Financial Regulators (Federal Reserve Board, Federal Deposit Insurance Corporation, National Credit Union Administration, and Office of the Comptroller of the Currency) and the Federal Financial Institutions Examination Council (FFIEC)
30	Exclusion of forgiven mortgage debts	Internal Revenue Service
31	FFIEC Appraisal Subcommittee	Federal Financial Institutions Examination Council
32	Fair Housing Assistance Program (FHAP)	Department of Housing and Urban Development
33	Fair Housing Initiatives Program (FHIP)	Department of Housing and Urban Development
34	Family Unification Program	Department of Housing and Urban Development
35	Fannie Mae: Purchase mortgage loans and issue mortgage-backed securities	Fannie Mae
36	Federal Guarantees for Financing for Tribal Housing Activities (Title VI)	Department of Housing and Urban Development

	Activity or Program Name	Administering Agency or Entity
37	Federal Housing Administration (FHA) Short Refinance	Department of the Treasury and Department of Housing and Urban Development
38	First-time homebuyer tax credit	Internal Revenue Service
39	Freddie Mac: Purchase mortgage loans and issue mortgage-backed securities	Freddie Mac
40	Good Neighbor Next Door	Department of Housing and Urban Development
41	Graduated Payment Mortgage (Section 245(a))	Department of Housing and Urban Development
42	Grants to States for Low-income Housing Projects in Lieu of Low-income Housing Credits Program (Section 1602 Program)	Department of the Treasury
43	Green Retrofit Program for Multifamily Housing	Department of Housing and Urban Development
44	Growing Equity Mortgage Insurance (Section 245(a))	Department of Housing and Urban Development
45	Guarantee the timely payment of principal and interest on mortgage-backed securities backed by government-guaranteed loans	Government National Mortgage Association (Ginnie Mae)
46	HOME Investment Partnerships Program	Department of Housing and Urban Development
47	HOPE for Homeowners	Department of Housing and Urban Development
48	Healthy Homes Program	Department of Housing and Urban Development
49	Historic preservation tax credit (20 percent)	Internal Revenue Service and National Park Service
50	Home Equity Conversion Mortgage Program (Section 255)	Department of Housing and Urban Development
51	Home Mortgage Disclosure Act of 1975 (HMDA)	Consumer Financial Protection Bureau (CFPB) and Federal Financial Regulators (Federal Reserve Board, Federal Deposit Insurance Corporation, National Credit Union Administration, and Office of the Comptroller of the Currency) and the Federal Financial Institutions Examination Council (FFIEC)
52	Homeownership Voucher Assistance	Department of Housing and Urban Development
53	Housing Assistance Council (HAC)	Department of Housing and Urban Development
54	Housing Choice Voucher Program	Department of Housing and Urban Development
55	Housing Finance Agency Initiative: New Issue Bond Program	Department of the Treasury

	Activity or Program Name	Administering Agency or Entity
56	Housing Finance Agency Initiative: Temporary Credit and Liquidity Program	Department of the Treasury
57	Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets (Hardest Hit Fund or HHF)	Department of the Treasury
58	Housing Finance Authority Risk Sharing (Section 542(c))	Department of Housing and Urban Development
59	Housing Improvement Program (HIP)	Department of the Interior
60	Housing Opportunities for Persons with AIDS (HOPWA)	Department of Housing and Urban Development
61	Housing Trust Fund (HTF)	Department of Housing and Urban Development
62	Increased standard deduction for property taxes	Internal Revenue Service
63	Indian Community Development Block Grant (ICDBG) Program	Department of Housing and Urban Development
64	Indian Housing Block Grant	Department of Housing and Urban Development
65	Institutions of the Farm Credit System, which include the Agricultural Credit Bank and Farm Credit Banks, provide financed credit to agricultural and rural communities	Farm Credit System
66	Insured Mortgages on Hawaiian Home Lands (Section 247)	Department of Housing and Urban Development
67	Insured Mortgages on Indian Land (Section 248)	Department of Housing and Urban Development
68	Lead Hazard Reduction Demonstration Grants	Department of Housing and Urban Development
69	Lead Hazard Reduction Technical Studies and Support	Department of Housing and Urban Development
70	Lead-Based Paint Hazard Control Grants	Department of Housing and Urban Development
71	Loan Guarantees for Indian Housing (Section 184)	Department of Housing and Urban Development
72	Loan Guarantees for Native Hawaiian Housing (Section 184A)	Department of Housing and Urban Development
73	Loss Mitigation	Department of Housing and Urban Development
74	Low-income housing tax credit	Internal Revenue Service
75	Mainstream Vouchers	Department of Housing and Urban Development

	Activity or Program Name	Administering Agency or Entity
76	Making Home Affordable (MHA)	Department of the Treasury
77	Manufactured Home Construction and Safety Standards	Department of Housing and Urban Development
78	Manufactured Homes Loan Insurance (Title I)	Department of Housing and Urban Development
79	Mark-to-Market Program	Department of Housing and Urban Development
80	Mortgage Insurance for Condominium Units (Section 234(c))	Department of Housing and Urban Development
81	Mortgage Insurance for Cooperative Housing (Section 213)	Department of Housing and Urban Development
82	Mortgage Insurance for Disaster Victims (Section 203(h))	Department of Housing and Urban Development
83	Mortgage Insurance for Manufactured Home Parks (Section 207)	Department of Housing and Urban Development
84	Mortgage Insurance for Older, Declining Areas (Section 223(e))	Department of Housing and Urban Development
85	Mortgage Insurance for Purchase or Refinancing of Existing Multifamily Rental Housing (Sections 207/223(f))	Department of Housing and Urban Development
86	Mortgage Insurance for Rental Housing for the Elderly (Section 231)	Department of Housing and Urban Development
87	Mortgage Insurance for Rental and Cooperative Housing (Section 221(d)(3))	Department of Housing and Urban Development
88	Mortgage Insurance for Rental and Cooperative Housing (Section 221(d)(4))	Department of Housing and Urban Development
89	Mortgage Insurance for Single Room Occupancy Projects (Section 221(d)) pursuant to Section 223(g)	Department of Housing and Urban Development
90	Mortgage and Major Home Improvement Loan Insurance for Urban Renewal Areas (Section 220)	Department of Housing and Urban Development
91	Mortgage interest deduction	Internal Revenue Service
92	Mortgage subsidy bonds interest exclusion	Internal Revenue Service
93	Mortgage-Backed Securities Purchase Program	Department of the Treasury
94	Moving to Work (MTW)	Department of Housing and Urban Development
95	Multi-family Housing Revitalization Demonstration Program	Department of Agriculture

	Activity or Program Name	Administering Agency or Entity
96	Multifamily Operating Loss Loans (Section 223(d))	Department of Housing and Urban Development
97	Multifamily Property Disposition	Department of Housing and Urban Development
98	National Farmworker Jobs Program - Housing Assistance	Department of Labor
99	Native American Veterans Housing Loan Program	Department of Veterans Affairs
100	Native Hawaiian Housing Block Grant Program (NHHBG)	Department of Housing and Urban Development
101	Neighborhood Reinvestment Corporation, also known as NeighborWorks America	Neighborhood Reinvestment Corporation
102	Neighborhood Stabilization Program	Department of Housing and Urban Development
103	One-to-Four-Family Home Mortgage Insurance (Section 203(b))	Department of Housing and Urban Development
104	Passive rental losses	Internal Revenue Service
105	Project-Based Rental Assistance (Section 8 Contracts)	Department of Housing and Urban Development
106	Project-Based Voucher Program	Department of Housing and Urban Development
107	Property Improvement Loan Insurance (Title I)	Department of Housing and Urban Development
108	Property tax deduction	Internal Revenue Service
109	Provide advances to member institutions	Federal Home Loan Banks
110	Public Housing Capital Fund	Department of Housing and Urban Development
111	Public Housing Homeownership (Section 32)	Department of Housing and Urban Development
112	Public Housing Operating Fund	Department of Housing and Urban Development
113	Purchase agricultural or rural housing mortgage loans and securitize loans into guaranteed securities or agricultural mortgage-backed securities	Federal Agricultural Mortgage Corporation (Farmer Mac)
114	Purchase of Fannie Mae, Freddie Mac and Federal Home Loan Bank Debt	Federal Reserve System

	Activity or Program Name	Administering Agency or Entity
115	Real Estate Settlement Procedures Act of 1974 (RESPA)	Consumer Financial Protection Bureau (CFPB) and Federal Financial Regulators (Federal Reserve Board, Federal Deposit Insurance Corporation, National Credit Union Administration, and Office of the Comptroller of the Currency) and the Federal Financial Institutions Examination Council (FFIEC)
116	Regulator and conservator of Fannie Mae and Freddie Mac (the enterprises) and the regulator of the Federal Home Loan Banks (FHL Banks)	Federal Housing Finance Agency
117	Regulator and examiner of the banks, associations, and related entities of the Farm Credit System, including the Federal Agricultural Mortgage Corporation (Farmer Mac)	Farm Credit Administration
118	Rehabilitation Loan Insurance (Section 203(k))	Department of Housing and Urban Development
119	Rent Supplement Program	Department of Housing and Urban Development
120	Rental Housing Assistance Payments (RAP)	Department of Housing and Urban Development
121	Rental housing bonds interest exclusion	Internal Revenue Service
122	Revitalization of Severely Distressed Public Housing (HOPE VI)	Department of Housing and Urban Development
123	Risk Sharing Program - Qualified Participating Entities (Section 542(b))	Department of Housing and Urban Development
124	Rural Community Development Initiative Grants	Department of Agriculture
125	Section 236 Interest Reduction Payments	Department of Housing and Urban Development
126	Section 502 Mutual Self-Help Housing Loan Program	Department of Agriculture
127	Section 502 Rural Housing Single Family Loans - Direct	Department of Agriculture
128	Section 502 Rural Housing Single Family Loans - Guaranteed	Department of Agriculture
129	Section 504 Direct Housing Loans and Grants for Natural Disasters	Department of Agriculture
130	Section 504 Very Low-income Repair Loans and Grants	Department of Agriculture
131	Section 509(f) Housing Application Packaging Grants	Department of Agriculture
132	Section 514 and 516 Farm Labor Housing Loan and Grant Program	Department of Agriculture

	Activity or Program Name	Administering Agency or Entity
133	Section 515 Multifamily Direct Rural Rental Housing Loans	Department of Agriculture
134	Section 521 Rural Rental Assistance Payments	Department of Agriculture
135	Section 523 Mutual and Self-Help Housing Technical Assistance Grants	Department of Agriculture
136	Section 523 Self-Help Housing	Department of Agriculture
137	Section 524 Site Development	Department of Agriculture
138	Section 525 Technical and Supervisory Assistance Grants	Department of Agriculture
139	Section 533 Rural Housing Preservation Grants	Department of Agriculture
140	Section 538 Rural Rental Housing Guaranteed Loans	Department of Agriculture
141	Section 542 Rural Development (RD) Voucher Program	Department of Agriculture
142	Section 8 Moderate Rehabilitation Program	Department of Housing and Urban Development
143	Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act)	Consumer Financial Protection Bureau (CFPB) and Federal Financial Regulators (Federal Reserve Board, Federal Deposit Insurance Corporation, National Credit Union Administration, and Office of the Comptroller of the Currency) and the Federal Financial Institutions Examination Council (FFIEC)
144	Self-Help Homeownership Opportunity Program (SHOP)	Department of Housing and Urban Development
145	Self-Help Housing Property Disposition	Department of Housing and Urban Development
146	Senior Preferred Stock Purchase Agreements	Department of the Treasury
147	Single Family Cooperative Housing Mortgage Insurance (Section 203(n))	Department of Housing and Urban Development
148	Single Family Property Disposition Program (Section 204(g))	Department of Housing and Urban Development
149	Special Housing Adaptation (SHA) for Disabled Veterans	Department of Veterans Affairs
150	Specially Adapted Housing (SAH) for Disabled Veterans	Department of Veterans Affairs
151	Supplemental Loans for Multifamily Projects (Section 241)	Department of Housing and Urban Development

	Activity or Program Name	Administering Agency or Entity
152	Supportive Housing for Persons with Disabilities (Section 811)	Department of Housing and Urban Development
153	Supportive Housing for the Elderly (Section 202)	Department of Housing and Urban Development
154	Sustainable Communities Initiative	Department of Housing and Urban Development
155	Tax Credit Assistance Program (TCAP)	Department of Housing and Urban Development
156	Temporary Residence Adaptation (TRA)	Department of Veterans Affairs
157	Truth in Lending Act (TILA)	Consumer Financial Protection Bureau (CFPB) and Federal Financial Regulators (Federal Reserve Board, Federal Deposit Insurance Corporation, National Credit Union Administration, and Office of the Comptroller of the Currency) and the Federal Financial Institutions Examination Council (FFIEC)
158	Veterans Administration Home Loan Guaranty	Department of Veterans Affairs
159	Veterans Housing Manufactured Home Loans	Department of Veterans Affairs
160	Veterans housing bonds interest exclusion	Internal Revenue Service

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