CARH’S BROADCAST E-MAIL – Regulatory and Legislative Alert

February 19, 2014

Rental Assistance Issues

As CARH members know from numerous emails regarding the budget for Fiscal Years (FY) 2013 and 2014 and the impact, particularly of sequestration on the Section 521 Rental Assistance (RA) program, Congress passed and the President signed into law on January 18, 2014, a $1.012 Trillion Appropriations bill (P.L. 113-76). This Omnibus Appropriations Act contains funding for all of the Department of Agriculture’s Rural Development (RD) programs as well as programs administered by the Department of Housing and Urban Development.

In CARH’s broadcast email of January 17, 2014, we indicated that the RA program would receive $1.110 billion, which is $95 million more than the FY 2014 budget request and $250 million more than the FY 2013 budget level. In this email, we also stated that the contract renewal issues that many borrowers experienced at the end of FY 2013 should be resolved. However, at the end of last week it was brought to our attention that several borrowers are continuing to receive notices from their state offices that there are insufficient funds to renew contracts. Many of the same procedures used by RD during FY 2013 and while the government was operating under a Continuing Resolution (CR) are being requested of borrowers, i.e. sending paper checks for mortgage payments to the Centralized Servicing Center (CSC) in St. Louis, Missouri and project worksheets submitted after and not before the 1st of the month.

CARH has been in contact with the national RD office as well as officials at the Office of Management and Budget (OMB). From information received, in order for agencies to receive funds for program operations, an “apportionment request” must be sent to OMB. It appears that the budget office at the Department of Agriculture has yet to send this apportionment request to OMB. Officials at OMB have indicated that as soon as the request is received it will be processed. OMB and RD hopes to have the apportionment process resolved next week, with funding being made available soon thereafter. Hopefully, this is the last step in resolving funding issues surrounding RA for FY 2014. Interesting, we are not seeing the apportionment delay with other housing programs. Therefore, it will be important for CARH members to continue to educate their Members of Congress on the importance of the RA program.

The President’s FY 2015 budget is expected to be submitted during the first two weeks of March (reportedly on March 4). A broadcast email on the proposed budget will be sent at that time. It remains unsettled if the House and Senate will pass their own budgets for FY 2015 given that the
Ryan-Murray budget agreement included budget spending levels for FY 2015. While the House and Senate could amend the Ryan-Murray budget, the overall levels are likely settled due to that agreement. Keep in mind, however, that preparations for FY 2016 will also start soon and that the appropriations committees will still have to pass appropriations bills for FY 2015 to set specific funding levels.

Please contact the CARH national office at carh@carh.org or 703-837-9001 should you have further questions.

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*Don’t miss CARH’s 2014 Annual Meeting & Legislative Conference
June 8-10, 2014, at the Ritz Carlton Pentagon City in Arlington, Virginia!*

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Council for Affordable and Rural Housing
1112 King Street, Alexandria, VA 22314
703-837-9001 Phone; 703-837-8467 Fax
[carh@carh.org](mailto:carh@carh.org); [www.carh.org](http://www.carh.org)