

# **Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations for FY2023**

December 9, 2022

**Congressional Research Service**

<https://crsreports.congress.gov>

R47335



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**Maggie McCarty**

Specialist in Housing Policy

**David Randall Peterman**

Analyst in Transportation  
Policy

## **Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations for FY2023**

The House and the Senate Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations subcommittees are charged with providing annual appropriations for the Department of Transportation (DOT), the Department of Housing and Urban Development (HUD), and certain related agencies.

President Biden's FY2023 budget proposed increasing discretionary funding for THUD agencies by 9.6% (+\$7.8 billion) from FY2022 levels. The bulk of that increase was directed to HUD (+\$7.9 billion, +14.6%), primarily for increased funding for HUD rental assistance programs (+\$6 billion). DOT would receive an additional \$1.5 billion (+1.5%).

On June 30, 2022, the House Appropriations Committee approved its version of a THUD appropriations bill (H.R. 8294; H.Rept. 117-402). The bill included a larger increase in overall funding for THUD agencies than the President's budget request, with larger increases than requested for both HUD (+16.7%, +\$9.0 billion) and DOT (+2.4%, +\$2.4 billion) compared to FY2022. The text of several other appropriations bills were added to the THUD bill and the resulting consolidated appropriations bill was passed by the House on July 20.

While the Senate never formally considered its own FY2023 THUD legislation, on July 28, 2022, the chair of the Senate Appropriations Committee released a majority draft of the THUD bill and accompanying draft report language. According to the chair, the purpose of this release was to advance negotiations toward enacting final full-year appropriations. That same day, the chair of the THUD Subcommittee, introduced S. 4670, the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act of 2023, which appeared to be identical to the draft text released by the full committee chair. This bill recommended a smaller increase compared to FY2022 than was requested in the President's budget for HUD (+11%, +\$5.9 billion) and a larger increase than requested for DOT (+3.6%, +\$3.7 billion).

Outside of the regular appropriations process, DOT will receive an additional \$36.8 billion in funding for FY2023 as a result of the supplemental funding provided in Division J, Title VIII of the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58). DOT received an additional amount in FY2022 and is scheduled to receive similar additional amounts through FY2026.

Because final full-year FY2022 appropriations were not enacted before the start of the fiscal year on October 1, 2022, Congress enacted a continuing resolution (P.L. 117-180) to maintain government operations through December 16, 2022.

## Contents

FY2023 Budget Process .....	1
FY2023 THUD Appropriations Process .....	3
President’s Budget .....	3
House Action .....	3
Senate Action .....	3
Department of Transportation.....	4
Administration Budget Request .....	5
House and Senate Committee Action.....	5
Selected DOT Issues .....	8
Additional Funding for FY2023 Provided in the IIJA .....	8
Department of Housing and Urban Development .....	9
Overview .....	9
Agency Funding.....	10
FY2023 HUD Appropriations .....	11
Selected FY2023 HUD Appropriations Topics .....	14
Rental Assistance Funding.....	14
CDBG, EDI, and Section 108 .....	15
HOME Down Payment Assistance Set-Aside Proposal .....	15
New Assistance for Manufactured Housing.....	16
CDBG-DR Authorization.....	16
NAHASDA Reauthorization.....	16
THUD Related Agencies .....	17

## Tables

Table 1. FY2023 THUD 302(b) Suballocations in Context .....	2
Table 2. THUD Appropriations by Bill Title, FY2022-FY2023.....	4
Table 3. Department of Transportation, FY2022-FY2023 Detailed Appropriations .....	5
Table 4. FY2023 Department of Transportation Funding Provided in the IIJA, Outside the FY2023 THUD Appropriations Act .....	8
Table 5. Department of Housing and Urban Development, FY2022-FY2023 Detailed Appropriations.....	11
Table 6. THUD Related Agencies, FY2022-FY2023 Detailed Appropriations .....	17

## Contacts

Author Information.....	18
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The House and the Senate Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations subcommittees are charged with providing annual appropriations for the Department of Transportation (DOT), the Department of Housing and Urban Development (HUD), and certain related agencies.

This report describes action on FY2023 annual appropriations for THUD, including detailed tables for each major agency and a brief overview of selected issues.

### Recent Development: Continuing Resolution

On September 30, 2022, the President signed into law the FY2023 Continuing Appropriations and Ukraine Supplemental Appropriations Act (P.L. 117-180). It continues funding for federal programs and activities through the earlier of enactment of final FY2023 appropriations measures on December 16, 2022. It contains several THUD-related anomalies:

- Section 153 extends through the end of FY2023 HUD's Market-to-Market program, which was slated to be repealed at the end of FY2022;
- Section 154 allows for an increased loan volume for the Section 184A Native Hawaiian housing loan programs so that loans can be processed during the period of the continuing resolution;
- Section 155 provides \$2 billion in emergency disaster recovery funding via HUD's Community Development Block Grant Disaster Relief (CDBG-DR) program, to address unmet recovery needs in communities experiencing major disasters in calendar years 2021 and 2022;
- Section 156 authorizes HUD to transfer funding from the Project-Based Rental Assistance account to the Rental Housing Assistance account to address a funding shortfall related to the Section 236 Interest Reduction Payment program; and
- Section 157 extends the availability of funds awarded by DOT under the National Infrastructure Investment Grants program.

For more information, see CRS Report R47283, *Overview of Continuing Appropriations for FY2023 (Division A of P.L. 117-180)*.

## FY2023 Budget Process

Appropriations for DOT, HUD, and the related agencies typically funded in the THUD bill happen in the context of the broader annual congressional appropriations process. That process generally begins with the submission of the President's budget request, followed by adoption of congressional spending limits (generally, in a budget resolution) that set the overall level of spending for that fiscal year's appropriations bills. From there, the subcommittees of the House and Senate Committees on Appropriations generally begin action on each of the 12 appropriations bills. While each bill reported out of the Appropriations Committee may receive floor consideration individually, in recent years it has been more common for bills to be considered in combination with one another in consolidated or omnibus appropriations acts.

The President's budget request for the upcoming fiscal year is due to be submitted to Congress by the first Monday in February. However, the FY2023 budget submission was delayed until March 28, 2022.<sup>1</sup>

<sup>1</sup> The White House, "Statement by President Joe Biden on the FY2023 Budget," press release, March 28, 2022, <https://www.whitehouse.gov/briefing-room/statements-releases/2022/03/28/statement-by-president-joe-biden-on-the-fy-2023-budget/>.

The framework for budget enforcement under the congressional budget process currently involves procedural elements, primarily associated with the budget resolution.<sup>2</sup> The budget resolution limits both total discretionary spending available to the appropriations committees (commonly referred to as “302(a) allocations”) and spending under the jurisdiction of each appropriations subcommittee (“302(b) suballocations”).

As of the cover date of this report, a FY2023 budget resolution has not been agreed to by the House and the Senate. In the absence of a budget resolution, the House provided for budget enforcement prior to initial floor consideration of the FY2023 appropriations measures by adopting a deeming resolution, H.Res. 1151, on June 8, 2022.<sup>3</sup> This resolution provided for 302(a) allocations to the House Appropriations Committee at a specified level, provided limits on advance appropriations,<sup>4</sup> and allowed adjustments to those allocations for emergency requirements and other purposes. Pursuant to this resolution, the chair of the House Budget Committee, Representative Yarmuth, published in the *Congressional Record* the House Appropriations Committee allocations on June 21, 2022.<sup>5</sup> The House Appropriations Committee reported initial 302(b) suballocations for all 12 subcommittees on June 24 (H.Rept. 117-398).<sup>6</sup> The Senate has not taken similar action to establish Senate Appropriations Committee allocations.<sup>7</sup>

**Table 1** shows the suballocation to the THUD Subcommittee, compared to the applicable FY2022 enacted and President’s budget request figures.

**Table 1. FY2023 THUD 302(b) Suballocations in Context**

(dollars in billions)

	<b>FY2022 Enacted</b>	<b>President’s FY2023 Request</b>	<b>House FY2023 302(b)</b>	<b>Senate FY2023 302(b)</b>	<b>FY2023 Enacted</b>
<b>THUD Totals</b>	81.038	88.811	90.888		

**Source:** FY2022 Enacted and President’s FY2023 Request figures taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 117-402, pp. 503, 532.

**Note:** FY2022 Enacted and President’s FY2023 Request figures exclude emergency appropriations to provide for comparability across figures.

<sup>2</sup> In the recent past, budget enforcement had both statutory and procedural elements. The statutory elements included limits on discretionary spending established by the Budget Control Act of 2011, as amended (BCA; P.L. 112-25). However, those discretionary spending limits extended only through FY2021, meaning no statutory limits on discretionary spending are in place for FY2023.

<sup>3</sup> For a discussion of budget enforcement through methods such as H.Res. 467, see CRS Report R44296, *Deeming Resolutions: Budget Enforcement in the Absence of a Budget Resolution*.

<sup>4</sup> *Advance appropriations* become available for obligation one or more fiscal years after the budget year covered by the appropriations act. The FY2023 THUD appropriations bill generally would contain advance appropriations for FY2024 for two HUD programs. For further information, see CRS Report R43482, *Advance Appropriations, Forward Funding, and Advance Funding: Concepts, Practice, and Budget Process Considerations*.

<sup>5</sup> “Publication of Budgetary Material,” *Congressional Record*, daily edition, Vol. 168, No. 105 (June 21, 2022), p. H5731-5732.

<sup>6</sup> Suballocations are commonly adjusted through the appropriations cycle to account for changing priorities. As of the cover date of this report, they were most recently amended on July 1, 2022, by H.Rept. 117-398.

<sup>7</sup> For a discussion of budget enforcement through methods such as H.Res. 1151, see CRS Report R47175, *Setting Budgetary Levels: The House’s FY2023 Deeming Resolution*.

# FY2023 THUD Appropriations Process

## President's Budget

As noted earlier, the President's FY2023 budget was submitted to Congress on March 28, 2022. It included the following:

- \$104.5 billion for DOT (+1.5% over FY2022), including \$26.8 billion in discretionary funding and \$77.6 billion in mandatory funding;
- \$61.6 billion for HUD, a \$7.9 billion (+14.6%) increase in net funding over FY2022; and
- \$416 million for the related agencies, a 4.6% increase over FY2022.

## House Action

On June 30, 2022, the House Appropriations Committee approved its FY2023 THUD appropriations bill, H.R. 8294. This was preceded by THUD Subcommittee approval on June 23. Subsequently, the text of H.R. 8294 was amended to include the text of five other appropriations measures. The revised bill, retitled the FY2023 Consolidated Appropriations Act, was approved by the House on July 20, 2022.

As passed by the House, the consolidated measure would provide the following:

- \$105.4 billion for DOT (+\$2.4 billion, +2.4% from FY2022), including \$27.8 billion in discretionary funding and \$77.6 billion in mandatory funding;
- \$62.7 billion for HUD (+\$9.0 billion, +16.7% from FY2022); and
- \$436 million for the related agencies (+\$38 million, +9.5% from FY2022).

## Senate Action

On July 28, 2022, the chairman of the Senate Appropriations Committee released a chairman's mark for each of the 12 appropriations bills, including draft committee reports. The same day, the chairman of the THUD Subcommittee introduced S. 4670, which contained the text of the chairman's mark for THUD. It would provide the following:

- \$106.6 billion for DOT (+\$3.7 billion, +3.6% from FY2022), including \$29.0 billion in discretionary funding and \$77.6 billion in mandatory funding;
- \$59.6 billion for HUD (+\$5.9 billion, +11.0% from FY2022);
- \$419 million for the related agencies, (+\$21 million; +5.4% from FY2022); and
- \$1.4 billion in emergency funding for disaster recovery via HUD's Community Development Block Grant Disaster Recovery (CDBG-DR) program.

**Table 2** tracks FY2023 THUD funding at the bill title level.

**Table 2. THUD Appropriations by Bill Title, FY2022-FY2023**  
(dollars in millions)

	<b>FY2022 Enacted</b>	<b>FY2023 Request</b>	<b>FY2023 House</b>	<b>FY2023 Chairman's Mark (S. 4670 )</b>	<b>FY2023 Enacted</b>
Title I: DOT	102,947	104,455	105,393	106,635	
<i>Discretionary</i>	26,946	26,841	27,779	29,020	
<i>Mandatory</i>	76,002	77,614	77,614	77,614	
Title II: HUD	53,694	61,554	62,673	59,608 <sup>a</sup>	
Title III: Related Agencies	398	416	436	419	
<b>Total Discretionary</b>	81,038	88,811	90,888	90,495	
<b>Total Mandatory</b>	76,002	77,614	77,614	77,614	
<b>Total</b>	157,085	166,425	168,502	168,109	
<i>Additional Appropriations</i>	44,536 <sup>b</sup>	36,811 <sup>c</sup>	36,811 <sup>c</sup>	38,258 <sup>d</sup>	39,811 <sup>e</sup>

**Source:** FY2022 Enacted, FY2023 President's Request and FY2023 House figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 117-402, adjusted for floor amendments; FY2023 Chairman's Mark figures are taken from S. 4670 and the draft committee report released by the Chairman at <https://www.appropriations.senate.gov/imo/media/doc/THUDFY23RPT.pdf>.

**Notes:** Totals may not add or exactly match source materials due to rounding. Totals include both discretionary budget authority and contract authority (a type of mandatory budget authority provided to DOT that is not included in the bill's discretionary budget authority figure). Amounts noted as "emergency" are excluded when calculating total funds countable towards 302(b) allocation.

- Excludes \$1.447 billion in emergency spending, shown elsewhere in this table.
- Includes appropriations provided to DOT and HUD through the Disaster Relief Supplemental Appropriations Act, 2022 (Division B, Title VII of P.L. 117-43) and Division J, Title VIII of the IIJA (P.L. 117-58).
- Reflects additional appropriations provided to DOT in Division J, Title VIII of the IIJA (P.L. 117-58).
- Includes \$1.447 billion in emergency funding for HUD's CDBG-DR program for disaster recovery grants proposed by S. 4670 and \$36.81 billion in additional appropriations provided to DOT in Division J, Title VIII of the IIJA (P.L. 117-58).
- Includes \$2 billion in enacted funding from Section 155 of the FY2023 Continuing Appropriations and Ukraine Supplemental Appropriations Act (P.L. 117-180) for CDBG-DR for unmet needs arising from disasters declared in 2021 and 2022; \$1 billion appropriated to HUD by Title III of the Inflation Reduction Act (P.L. 117-169) for "Improving energy efficiency or water efficiency or climate resilience of affordable housing"; and \$36.811 billion in additional appropriations provided to DOT in Division J, Title VIII of the IIJA (of P.L. 117-58).

## Department of Transportation

The majority of DOT's annual funding is established by two periodic authorization acts, one for surface transportation programs and one for aviation programs. Most of the funding for the programs in those acts is drawn from the DOT Highway Trust Fund and the Aviation and Airways Trust Fund, respectively. Highway Trust Fund revenues come largely from fuel taxes and increasingly from transfers from the general fund of the Treasury. Aviation and Airways Trust Fund revenues come largely from taxes on passenger tickets and aviation fuel and some general fund money.

## Administration Budget Request

The Administration's FY2023 budget requested a 1.5% (+\$1.5 billion) increase for DOT over the amount it received through the regular FY2022 appropriations process. Within that request, the notable variations in funding requested compared to regular FY2022 appropriations include the following:

- National Infrastructure Investment program: a 94% (+\$725 million) increase in funding for the RAISE grant program;
- Federal Railroad Administration: an 86% (+\$625 million) increase in funding for state rail grant programs;
- Amtrak: a 29% (+\$669 million) increase in funding for grants to Amtrak;
- Federal Transit Administration: a 27% (+\$602 million) increase in funding for capital investment grants (including New Starts and Small Starts projects); and
- Federal Highway Administration: a 2% (-\$1.2 billion) decrease in funding.

## House and Senate Committee Action

The House Appropriations Committee recommended \$105.4 billion for DOT for FY2023, a 2.4% (+\$2.4 billion) increase from the FY2022 enacted amount of \$102.9 billion and 0.9% (+\$938 million) over the President's request (\$104.5 billion), and the House-passed bill reflected this recommendation. Every agency within the department, save the Maritime Administration, would receive an increase compared to FY2022. The Senate Appropriations Committee chair's draft proposed a 3.6% (+\$3.7 billion) increase over FY2022, which would be 2.1% more than the President's request. Details are provided in **Table 3**.

**Table 3. Department of Transportation, FY2022-FY2023 Detailed Appropriations**  
(dollars in millions)

DOT Selected Accounts	FY2022 Enacted	FY2023 Request	FY2023 House	FY2023 Chairman's Mark (S. 4670)	FY2023 Enacted
<b>Office of the Secretary (OST)</b>					
National infrastructure investment (RAISE/BUILD/TIGER)	775	1,500	775	1,090	
Cyber Security Initiatives	39	48	48	48	
Payments to air carriers (Essential Air Service) <sup>a</sup>	350	369	355	369	
Thriving Communities Initiative	25	111	100	25	
Electric Vehicle Fleet	—	16	11	16	
All other accounts	258	295	293	301	
Total, OST	1,447	2,339	1,582	1,844	
<b>Federal Aviation Administration (FAA)</b>					
Operations	11,414	11,934	11,870	11,901	
Facilities & equipment	2,893	3,015	2,900	3,060	
Research, engineering, and development	249	261	261	266	



<b>DOT Selected Accounts</b>	<b>FY2022 Enacted</b>	<b>FY2023 Request</b>	<b>FY2023 House</b>	<b>FY2023 Chairman's Mark (S. 4670)</b>	<b>FY2023 Enacted</b>
Grants-in-aid for airports (Airport Improvement Program) (limitation on obligations)	3,350	3,350	3,350	3,350	
Airport Discretionary Grants	554	—	273	517	
Total, FAA	18,460	18,559	18,653	19,094	
<b>Federal Highway Administration (FHWA)</b>					
Federal-Aid Highways (limitation on obligations + exempt contract authority)	58,212	59,504	59,504	59,504	
Federal-Aid Highways: discretionary funding	2,445	—	1,755	3,160	
Total, FHWA	60,657	59,504	61,259	62,664	
<b>Federal Motor Carrier Safety Administration (FMCSA)</b>					
Motor carrier safety operations and programs	360	368	368	368	
Motor carrier safety grants to states	496	506	506	506	
Total, FMCSA	856	874	874	874	
<b>National Highway Traffic Safety Administration (NHTSA)</b>					
Operations and research	393	470	427	407	
Highway traffic safety grants to states (limitation on obligations)	774	795	795	795	
Total, NHTSA	1,167	1,265	1,222	1,202	
<b>Federal Railroad Administration (FRA)</b>					
Safety and Operations	241	254	250	254	
Railroad Research and Development	43	58	47	44	
Federal-state Partnership for State of Good Repair	100	555	555	200	
Consolidated Rail Infrastructure and Safety Improvements	625	500	630	535	
Railroad Crossing Elimination Program	—	245	—	—	
Restoration and Enhancement grants	—	50	—	—	
Amtrak					
Northeast Corridor grants	875	1,200	882	1,135	
National Network	1,457	1,800	1,463	1,466	
Subtotal, Amtrak grants	2,331	3,000	2,345	2,601	
Rescission	-15	—	-2	—	
Total, FRA	3,325	4,662	3,826	3,634	
<b>Federal Transit Administration (FTA)</b>					
Formula Grants (mandatory)	13,355	13,634	13,634	13,634	
Transit Infrastructure Grants	504	200	646	527	

<b>DOT Selected Accounts</b>	<b>FY2022 Enacted</b>	<b>FY2023 Request</b>	<b>FY2023 House</b>	<b>FY2023 Chairman's Mark (S. 4670)</b>	<b>FY2023 Enacted</b>
Transit Research	—	30	—	—	
Technical Assistance and Training	8	8	8	8	
Capital Investment Grants (New Starts)	2,248	2,850	3,012	2,511	
Grants to Washington Metropolitan Area Transit Authority	150	150	150	150	
<i>Rescission</i>	-7	—	—	-7	
Total, FTA	16,258	16,872	17,450	16,830	
<b>Saint Lawrence Seaway Development Corporation</b>	38	39	42	38	
<b>Maritime Administration (MARAD)</b>					
Maritime Security Program	318	318	318	318	
Cable Security Fleet	10	—	10	10	
Tanker Security Program	60	60	60	60	
Operations and Training	172	192	192	245	
State Maritime Academy Operations	233	78	78	121	
Assistance to Small Shipyards	20	20	20	25	
Ship Disposal	10	6	6	10	
Maritime Guaranteed Loan Program	3	3	3	3	
Port Infrastructure Development Program	234	230	300	234	
Total, MARAD	1,251	840	987	959	
<b>Pipeline and Hazardous Materials Safety Administration (PHMSA)</b>					
Subtotal	279	292	289	294	
Emergency preparedness grants (mandatory)	28	47	28	28	
<i>Offsetting user fees</i>	-155	-159	-159	-165	
Total, PHMSA	307	339	317	322	
<b>Office of Inspector General</b>	103	108	108	108	
<b>DOT Totals</b>					
Appropriation (discretionary funding)	27,163	26,908	27,821	29,087	
Limitations on obligations (mandatory)	76,002	77,614	77,614	77,614	
<b>Subtotal—new funding</b>	<b>102,969</b>	<b>104,522</b>	<b>105,762</b>	<b>106,701</b>	
<i>Rescissions</i>	-218	-67	-42	-67	
<b>Net new discretionary funding</b>	<b>26,946</b>	<b>26,841</b>	<b>27,779</b>	<b>29,020</b>	
<b>Net new budget authority</b>	<b>102,947</b>	<b>104,455</b>	<b>105,393</b>	<b>106,635</b>	
Additional appropriations (emergency) <sup>b</sup>	44,536	36,811	36,811	36,811	
<b>Net new budget authority (incl. additional appropriations from P.L. 117-43 and P.L. 117-58)</b>	<b>147,483</b>	<b>141,266</b>	<b>142,204</b>	<b>143,446</b>	

**Sources:** FY2022 Enacted, FY2023 President's Request, and FY2023 House figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 117-402, pp. 501-532, adjusted for floor amendments; FY2023 Chairman's Mark figures are taken from S. 4670 and the draft committee report released by the chairman at <https://www.appropriations.senate.gov/imo/media/doc/THUDFY23RPT.pdf>.

**Notes:** Totals may not add due to rounding.

- a. In addition to its appropriation, the Essential Air Service program receives funding from overflight fees; this additional funding is not reflected in this table. For FY2022, those fees were expected to provide an additional \$116 million to the program. Due to the pandemic's effects on aviation, the Administration's FY2023 estimate for overflight fees is down to \$81 million; the House estimated a higher amount (\$122 million), which combined with the recommended appropriation would provide a total of \$477 million for the program. The Senate draft bill recommended the Administration's requested appropriation and estimated fee amount, which combined would provide a total of \$450 million.
- b. In FY2022, DOT received supplemental appropriations from the Disaster Relief Supplemental Appropriations Act, FY2022 (Division B, P.L. 117-43) and in Division J, Title VIII of the IIJA (P.L. 117-58). Title VIII appropriated a total of \$184.1 billion for DOT in FY2022, but divided that total into five equal portions, to be made available to DOT annually over the period of FY2022-FY2026; \$36.811 billion is the amount available in FY2023.

## Selected DOT Issues

### Additional Funding for FY2023 Provided in the IIJA

DOT received \$184.1 billion in additional appropriations for many DOT programs in Division J, Title VIII of the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58; commonly referred to as the *bipartisan infrastructure law* or BIL). These funds were appropriated in FY2022, but were divided into equal portions (\$36.8 billion) that become available each year of the authorization period (FY2022-FY2026) for DOT programs authorized in Divisions A-C of the IIJA. That \$36.8 billion in annual supplemental funding equals slightly over one-third of the FY2023 funding recommended for DOT in the THUD FY2023 appropriations bills. For some agencies within DOT, this additional funding represents a relatively small addition to the FY2022 regular appropriated amount (e.g., 16% (+\$9.5 billion) for FHWA, 26% (+\$4.3 billion) for FTA); for other agencies, the additional funding is greater than the regular FY2022 appropriated amounts (e.g., \$5 billion on top of \$3.9 billion for FAA infrastructure accounts, \$13.2 billion on top of \$725 million for FRA state rail grants). **Table 4** shows the distribution of the supplemental funding available to DOT during FY2023.

**Table 4. FY2023 Department of Transportation Funding Provided in the IIJA, Outside the FY2023 THUD Appropriations Act**

(dollars in millions)

DOT Accounts	FY2023
<b>Office of the Secretary (OST)</b>	
National Infrastructure Investments	\$2,500.0
Safe Streets and Roads for All grants	1,000.0
National Culvert Removal, Replacement, and Restoration grants	200.0
Strengthening Mobility and Revolutionizing Transportation Grant Program	100.0
Total OST	3,800.0
<b>Federal Aviation Administration (FAA)</b>	
Facilities and Equipment	1,000.0
Airport Infrastructure Grants	3,000.0

<b>DOT Accounts</b>	<b>FY2023</b>
Airport Terminal Program	1,000.0
Total FAA	5,000.0
<b>Federal Highway Administration (FHWA)</b>	
Highway Infrastructure Program	9,454.4
<b>Federal Motor Carrier Safety Administration (FMCSA)</b>	
Motor Carrier Safety Operations and Program	10.0
Motor Carrier Safety Grants	124.5
Total FMCSA	134.5
<b>National Highway Traffic Safety Administration (NHTSA)</b>	
Crash Data	150.0
Vehicle Safety and Behavioral Research Programs	109.7
Supplemental Highway Traffic Safety Programs	62.0
Total, NHTSA	321.7
<b>Federal Railroad Administration (FRA)</b>	
Consolidated Rail Infrastructure and Safety Improvements	1,000.0
Northeast Corridor Grants to Amtrak	1,200.0
National Network Grants to Amtrak	3,200.0
Railroad Crossing Elimination Program	600.0
Federal-State Partnership for Intercity Passenger Rail Grants	7,200.0
Total FRA	13,200.0
<b>Federal Transit Administration (FTA)</b>	
Transit Infrastructure Grants	2,050.0
Capital Investment Grants	1,600.0
All Stations Accessibility Program	350.0
Electric or Low-Emitting Ferry Program	50.0
Ferry Service for Rural Communities	200.0
Total FTA	4,250.0
<b>Maritime Administration (MARAD)</b>	
Port Infrastructure Development Program	450.0
Total MARAD	450.0
<b>Pipeline and Hazardous Materials Safety Administration (PHMSA)</b>	
Natural Gas Distribution Infrastructure Safety and Modernization Grant Program	200.0
<b>Total Other Appropriations</b>	<b>\$36,810.6</b>

**Source:** H.Rept. 117-402 accompanying H.R. 8294, "Other Appropriations," pp. 521-532.

**Note:** These funds were provided in Division J, Title VIII of the IIJA (P.L. 117-58).

## Department of Housing and Urban Development

### Overview

HUD is the nation's housing agency. The programs and activities it administers are designed primarily to address housing problems faced by households with very low incomes or other

special housing needs and to expand access to homeownership.<sup>8</sup> The largest share of HUD's budget is devoted to its rental assistance programs: Section 8 Housing Choice Vouchers; project-based rental assistance via Section 8, Section 202 and Section 811; and public housing. These programs, which serve nearly 4.6 million households, provide subsidies to allow low-income recipients to pay below-market, income-based rent.

Two flexible block grant programs—the HOME Investment Partnerships grant program and the Community Development Block Grant (CDBG) program—help states and local governments finance a variety of housing and community development activities designed to serve low-income families. Indian tribes receive their own direct housing grants through the Indian Housing Block Grant program (also called the Native American Housing Block Grant program).

Other more specialized grant programs help communities meet the needs of homeless persons (through the Homeless Assistance Grants, namely the Continuum of Care and Emergency Solutions Grants programs), including those living with HIV/AIDS (through the Housing Opportunities for Persons with AIDS program). Additional programs fund fair housing enforcement activities and healthy homes activities, including lead-based paint hazard identification and remediation.

HUD's Federal Housing Administration (FHA) insures mortgages made by lenders to homebuyers with low down payments and to developers of multifamily rental buildings containing relatively affordable units. FHA collects fees from borrowers with FHA-insured mortgages, which are used to sustain its insurance funds.

## Agency Funding

Nearly all of HUD's funding is provided via discretionary appropriations generally contained in the annual Transportation, HUD, and Related Agencies appropriations legislation. (HUD programs may also receive additional resources from supplemental or other funding measures in some years, most often in response to disasters.) The annual THUD bill provides budget authority via appropriations for HUD programs and activities for a fiscal year. The "cost" of that budget authority, as determined by the Congressional Budget Office's scorekeeping process, is generally reduced by offsetting receipts from the FHA's loan programs and the Government National Mortgage Association (GNMA) securitization of government loans. To a lesser extent, other collections and rescissions of prior-year appropriations can also effectively offset the cost of the HUD budget. The gross budget authority provided to HUD, minus savings from offsets and rescissions, is the net budget authority total used for budget enforcement purposes.

<sup>8</sup> For more information about federal housing assistance programs, see CRS Report RL34591, *Overview of Federal Housing Assistance Programs and Policy*.

## FY2023 HUD Appropriations

**Table 5. Department of Housing and Urban Development,  
FY2022-FY2023 Detailed Appropriations**

(dollars in millions)

HUD Accounts	FY2022 Enacted	FY2023 Request	FY2023 House	FY2023 Chairman's Mark (S. 4670)	FY2023 Enacted
<b>Appropriations</b>					
Salaries and Expenses (Mgmt. & Adm.)	1,588	1,796	1,800	1,767	
Tenant-Based Rental Assistance (Sec. 8 Housing Choice Vouchers) <sup>a</sup>	27,370	32,130	31,043	30,182	
<i>Voucher Renewals (non-add)</i>	24,095	26,234	26,184	26,184	
<i>Administrative Fees (non-add)</i>	2,410	3,014	2,756	2,802	
<i>Veterans Affairs Supportive Housing     (VASH) incremental vouchers (non-add)</i>	50	0	50	85 <sup>b</sup>	
<i>Family Unification Program (FUP)     incremental vouchers</i>	30	0	30	30	
<i>Other Incremental Vouchers (non-add)</i>	200	1,550	1,100	50	
<i>Mobility services (non-add)</i>	25	445	25	0	
Public Housing Fund	8,452	8,780	8,734	8,469	
<i>Operating Grants (non-add)</i>	5,038	5,035	5,039	5,039	
<i>Capital Grants (non-add)</i>	3,200	3,200	3,400	3,225	
<i>Climate Resiliency/Utility Consumption     Reduction Grants (non-add)</i>	0	276	75	0	
Choice Neighborhoods	350	250	450	250	
Self Sufficiency Programs	159	175	175	200	
Native American Programs	1,002	1,000	1,000	1,052	
<i>Native American Block Grants (Formula)     (non-add)</i>	772	772	772	819	
<i>Native American Block Grants     (Competitive) (non-add)</i>	150	150	150	150	
<i>Indian Community Development Block     Grants (non-add)</i>	72	70	70	75	
Indian housing loan guarantee	4	6	6	6	
Native Hawaiian block grant	22	10	10	22	
Housing, persons with AIDS (HOPWA)	450	455	600	468	
Community Development Fund	4,841	3,770	5,299	4,818	
<i>CDBG Formula Grants</i>	3,300	3,550	3,300	3,525	
<i>SUPPORT for Patients and Communities</i>	25	25	25	25	

HUD Accounts	FY2022 Enacted	FY2023 Request	FY2023 House	FY2023 Chairman's Mark (S. 4670)	FY2023 Enacted
<i>Economic Development Initiatives<sup>c</sup></i>	1,516	—	1,974	1,068	
Competitive Economic Development Grants	—	—	60 <sup>d</sup>	—	
HOME Investment Partnerships	1,500	1,950	1,675	1,725	
Preservation and Reinvestment Initiative for Community Enhancement <sup>e</sup>	—	—	500	0	
Self-Help Homeownership	63	60	65 <sup>f</sup>	70	
<i>Self-Help and Assisted Homeownership Opportunity Program</i>	13	10	13	17	
<i>Section 4 Capacity Building</i>	41	41	47 <sup>f</sup>	43	
<i>Rural Capacity Building</i>	5	5	5	6	
<i>Veterans Home Rehabilitation and Modification Pilot Program</i>	4	4	0	4	
Homeless Assistance Grants	3,213	3,576	3,604	3,545 <sup>g</sup>	
Project-Based Rental Assistance (Sec. 8) <sup>a</sup>	13,940	15,000	14,940	14,687	
<i>Contract Renewals</i>	13,585	14,065	14,565	14,312	
<i>Contract Administrators</i>	355	375	375	375	
<i>Service coordinators for the elderly</i>	0	31	0	0	
Housing for the Elderly (Section 202)	1,033	966	1,200	1,033	
Housing for Persons with Disabilities (Section 811)	352	288	400	288	
Housing Counseling Assistance	58	66	70	63	
Manufactured Housing Fees Trust Fund <sup>h</sup>	14	14	14	14	
Green Retrofit for Multifamily	0	250	0	0	
Federal Housing Administration (FHA) Expenses <sup>h</sup>	150	165	150	150	
Government National Mortgage Assn. (GNMA) Expenses <sup>h</sup>	35	42	35	43	
Research and technology	145	145	180 <sup>i</sup>	115	
Fair housing activities	85	86	86	85	
<i>Fair Housing Assistance Program (non-add)</i>	25	26	26	26	
<i>Fair Housing Initiatives Program (non-add)</i>	56	56	56	55	
Lead Hazard Reduction	415	400	415	390	
Information Technology Fund	323	382	380 <sup>f</sup>	384	
Inspector General	140	149	140	140	

HUD Accounts	FY2022 Enacted	FY2023 Request	FY2023 House	FY2023 Chairman's Mark (S. 4670)	FY2023 Enacted
<i>Gross Appropriations Subtotal</i>	65,702	71,911	73,029	69,964	
<b>Offsetting Collections and Receipts</b>					
Manufactured Housing Fees Trust Fund	-14	-14	-14	-14	
FHA	-9,596	-8,236	-8,236	-8,236	
GNMA	-2,363	-2,107	-2,106	-2,106	
<i>Offsets Subtotal</i>	-11,973	-10,357	-10,356	-10,356	
<b>Rescissions</b>					
Native Hawaiian block grant rescission	-6	0	0	0	
Executive and Administrative Support Offices rescission	-29	0	0	0	
<i>Rescissions Subtotal</i>	-35	0	0	0	
<b>Total Net Discretionary Budget Authority</b>	<b>53,694</b>	<b>61,554</b>	<b>62,673</b>	<b>59,608</b>	
<i>Emergency Disaster Funding<sup>k</sup></i>	<i>5,000<sup>l</sup></i>	<i>0</i>	<i>0</i>	<i>1,447<sup>m</sup></i>	<i>2,000<sup>n</sup></i>
<i>Total w/Emergency Disaster Funding</i>	<i>58,694</i>	<i>61,554</i>	<i>62,673</i>	<i>61,055</i>	

**Source:** FY2022 Enacted, FY2023 President's Request and FY2023 House figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 117-402, p. 532, adjusted for floor amendments, as well as congressional budget justifications; FY2023 Chairman's Mark figures are taken from S. 4670 and the draft committee report released by the chairman at <https://www.appropriations.senate.gov/imo/media/doc/THUDFY23RPT.pdf>.

**Notes:** Totals may not add or exactly match source materials due to rounding.

- a. This account receives advance appropriations provided in the prior fiscal year and also includes appropriations that become available in the subsequent fiscal year.
- b. Up to \$10 million of the \$85 million proposed for HUD-VASH in S. 4670 would be for administrative expenses, including amounts to facilitate leasing through payment of security deposits and landlord retention payments.
- c. All funding contained in this set-aside is earmarked for congressionally requested projects.
- d. Competitive grant funds provided under the Community Development Loan Guarantees Program Account, with authority from Section 108(q) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. §5308).
- e. The House bill would include funding for a new Preservation and Reinvestment Initiative for Community Enhancement that would provide competitive funding for a range of activities in support of manufactured housing and manufactured home communities. For additional detail, see the "New Assistance for Manufactured Housing" section in this CRS report.
- f. Amount adjusted for floor amendment.
- g. The Senate chairman's mark proposes a set-aside of \$100 million in Continuum of Care program funds for the new construction, acquisition, or rehabilitation of permanent supportive housing.
- h. Some or all of the cost of funding these accounts is offset by the collection of fees or other receipts. Those offsets are shown later in this table.
- i. The proposal for Research and Technology in H.R. 8294 includes \$20 million for grants to provide legal assistance for people facing eviction.
- j. Total includes advance appropriations.



- k. Amounts presented here reflect discretionary funding for disaster recovery designated as an emergency requirement, and thus are excluded from totals for budget enforcement purposes. Amounts presented here do not include one-time mandatory funding provided by the American Rescue Plan Act (P.L. 117-2) or the Inflation Reduction Act (P.L. 117-169). HUD received \$10.77 billion from ARPA and \$1 billion from the IRA, both in FY2022.
- l. Division B of the Extending Government Funding and Delivering Emergency Assistance Act (P.L. 117-43) provided \$5 billion in emergency supplemental FY2022 funding for HUD's Community Development Block Grant disaster recovery grants.
- m. \$1.4 billion would be provided for HUD's CDBG-DR program for disaster recovery grants.
- n. Section 155 of the FY2023 Continuing Appropriations and Ukraine Supplemental Appropriations Act (P.L. 117-180) appropriated these funds to CDBG-DR for unmet needs arising from disasters declared in 2021 and 2022.

## Selected FY2023 HUD Appropriations Topics

### Rental Assistance Funding

Through various programs utilizing different mechanisms, the federal government subsidizes the rents of nearly 4.6 million low-income households, allowing them to pay affordable, below-market rents, generally set at 30% of a family's income. The vast majority of HUD funding each year is devoted to maintaining these rental assistance programs, which include (from largest to smallest in terms of households [HHs] served in FY2020):

- Housing Choice Vouchers (2.3 million HHs);
- Section 8 project-based rental assistance (1.2 million HHs);
- public housing (880,000 HHs);
- Section 202 Housing for the Elderly (124,000 HHs); and
- Section 811 Housing for Persons with Disabilities (32,000 HHs).<sup>9</sup>

Funding for these rental assistance programs accounts for roughly 80% of HUD's total (gross) appropriations, most of which is used to maintain assistance for currently assisted families.

It is estimated that roughly one in four eligible households receives rental assistance, leading to waiting lists for assistance in most communities. For many years, expansions of these programs to serve new families were limited. For example, most new Housing Choice Vouchers (referred to as incremental vouchers) that were funded in annual appropriations acts were only for homeless veterans, via the Veterans Affairs Supportive Housing (VASH) program, and for child welfare-involved families and former foster youth, via the Family Unification Program (FUP). This changed in FY2021, when Congress funded the first expansion in general purpose vouchers in nearly 20 years; and in FY2022, when Congress funded an even larger expansion.

### New Housing Choice Vouchers

The President's FY2023 budget request included \$1.55 billion in the tenant-based rental assistance account for new incremental Housing Choice Vouchers. Budget documents stated this would allow the program to serve an additional 200,000 families, the largest one-year increase in new vouchers since the program was created. All of these new vouchers would be general

<sup>9</sup> HUD FY2022 Congressional Budget Justifications, *Overview of Rental Assistance Programs*, p. 2-1, [https://www.hud.gov/sites/dfiles/CFO/documents/5\\_2022CJ-OverviewofRentalAssistancePrograms.pdf](https://www.hud.gov/sites/dfiles/CFO/documents/5_2022CJ-OverviewofRentalAssistancePrograms.pdf).

purpose vouchers, rather than being provided through VASH or FUP. This would be an increase over the \$200 million that was provided for new incremental vouchers in FY2022.

The House-passed bill included \$1.1 billion for general purpose new incremental vouchers, which the committee estimates would be sufficient to serve an additional 140,000 households. The bill would also provide another \$50 million for homeless veterans through VASH and \$30 million for families and youth involved in the child welfare system through FUP.

The Senate chairman's mark also included funding for new incremental vouchers, but less than was requested by the President, passed in the House, or funded the previous year. Specifically, it proposed \$50 million for new general purpose incremental vouchers, plus \$85 million for VASH and \$30 million for FUP.

### **CDBG, EDI, and Section 108**

The President's budget requested \$3.77 billion for the Community Development Fund (CDF) account, with \$3.55 billion in CDBG funds for entitlement communities, states, and insular areas. The House-passed bill would include \$5.29 billion in CDF funds, with \$3.30 billion in CDBG funds and \$1.97 billion in congressionally directed spending under the Economic Development Initiative (EDI). The House-passed bill would also include \$60 million in competitive economic development grants under the Community Development Loan Guarantees Program account, of which \$50 million would be specifically for shopping mall redevelopment projects.<sup>10</sup> The Senate chairman's mark would include \$4.81 billion for the CDF account, with \$3.52 billion in CDBG funds and \$1.06 billion in EDI funding.

### **HOME Down Payment Assistance Set-Aside Proposal**

The HOME Investment Partnerships Program (HOME) provides formula funding to states, local governments, and insular areas that can be used for a range of eligible affordable housing activities that benefit low-income households. The President's budget requested up to \$100 million in HOME funding for a new initiative titled FirstHOME Downpayment Assistance that would provide funds to states and insular areas for assistance to homebuyers. (While homebuyer assistance is currently one of several eligible use of HOME funds, FirstHOME would be a set-aside of HOME funds to be used specifically for homebuyer assistance.<sup>11</sup>) The House-passed bill would include up to \$50 million for FirstHOME down payment assistance. The appropriations language requested by HUD and included in the House-passed bill would leave HUD with broad discretion in how to implement the program, although both the HUD budget justifications and the House committee report indicate that the funding would be intended to support first-time, first-generation homebuyers.<sup>12</sup> The Senate chairman's mark does not include funding for FirstHOME down payment assistance.

<sup>10</sup> The Community Development Loan Guarantees Program account typically sets the maximum loan commitments under the HUD Section 108 Loan Guarantee program. Section 108(q) of the Housing and Community Development Act of 1974, as amended, also authorizes the provision of grants related to Section 108 loan funded projects (42 U.S.C. §5308). In the past, Congress has used this authority to fund competitive grants under the EDI and the Brownfields Economic Development Initiative.

<sup>11</sup> For several years in the 2000s, Congress provided a set-aside of HOME funding to be used for down payment assistance and certain other homebuyer assistance through the American Dream Downpayment Initiative (ADDI). For more information on ADDI, see Appendix A of CRS Report R40118, *An Overview of the HOME Investment Partnerships Program*.

<sup>12</sup> See HUD's FY2023 Congressional Budget Justifications, p. 18-2, [https://www.hud.gov/sites/dfiles/CFO/documents/2023\\_CJ\\_Program\\_-\\_HOME\\_updated.pdf](https://www.hud.gov/sites/dfiles/CFO/documents/2023_CJ_Program_-_HOME_updated.pdf), stating that the initiative would aim "to support sustainable homeownership

## New Assistance for Manufactured Housing

The House committee report includes language discussing the importance of manufactured housing as a source of affordable housing and certain challenges faced by residents of manufactured homes or manufactured home communities.<sup>13</sup> In response to some of these challenges, the House-passed bill would provide \$500 million to support manufactured housing through a new Preservation and Reinvestment Initiative for Community Enhancement. The funding would be for competitive grants to support the preservation and revitalization of manufactured housing and eligible manufactured home communities. Eligible grantees would include states, local governments, resident-owned manufactured housing communities, cooperatives, nonprofits, community development financial institutions (CDFIs), Indian tribes or their tribally designated housing entities (TDHEs), or other entities approved by the Secretary of HUD. Grant funds could be used for a range of eligible activities, including infrastructure, planning, resident and community services, resiliency activities, and other assistance, such as land and site acquisition. Of the \$500 million in the House-passed bill, \$50 million would be for a pilot program to help redevelop manufactured home communities as affordable replacement housing.

## CDBG-DR Authorization

Title V of the Senate chairman's mark includes the text of S. 2471, the Reforming Disaster Recovery Act. It would establish the Office of Disaster Management and Resiliency within HUD, to oversee disaster preparedness and response in the department, and manage inter- and intra-agency coordination. The act would permanently authorize CDBG-DR as a standing program under which HUD could establish a standardized regulatory structure.<sup>14</sup> It would also establish the Long-Term Disaster Recovery Fund to provide for CDBG-DR grant assistance and program administration.

## NAHASDA Reauthorization

Title VI of the Senate chairman's mark includes the text of S. 2264, the Native American Housing Assistance and Self-Determination Reauthorization Act of 2021. It would reauthorize certain programs authorized under the Native American Housing Assistance and Self-Determination Act (NAHASDA); namely, the Indian Housing Block Grant and Native Hawaiian Housing Block Grant, as well as the Section 184 Indian Housing Loan Guarantee and Section 184A Native Hawaiian Loan Guarantee programs. In addition, it would make certain changes to NAHASDA programs and include other provisions related to housing assistance for tribes.

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among first-generation, first-time homebuyers," and H.Rept. 117-402, pp. 144-145, stating that "the Committee includes up to \$50,000,000 for down payment assistance to support sustainable homeownership among first-generation, first-time homebuyers."

<sup>13</sup> See H.Rept. 117-402, p. 114-115. In addition to the funding that the House-passed bill would provide for the Preservation and Reinvestment Initiative for Community Enhancement, the House committee report otherwise addresses manufactured housing in various ways. These include directing HUD to conduct a review of its programs that can be used for activities related to manufactured housing and directing that \$2.5 million in technical assistance funding provided in the Policy Development and Research account be used in support of manufactured housing (see page 161 of the committee report).

<sup>14</sup> The President's FY2023 budget also supported the authorization of CDBG-DR.

## THUD Related Agencies

As shown in **Table 6**, most of the related agencies funded in the THUD bill would have received level or increased funding relative to the prior year under the President's FY2023 budget request. The largest dollar increases were proposed for the National Transportation Safety Board (+\$8 million, +7%) and the Neighborhood Reinvestment Corporation/Neighborworks (+\$4 million, +2%). The House-passed legislation proposed increases above the President's request for several agencies, including \$15 million more for the Neighborhood Reinvestment Corporation relative to the President's budget. The Senate chairman's mark largely matched the President's request, although it included more for the Federal Maritime Commission (+\$3 million compared to the President's request) and less for the Interagency Council on Homelessness (matching the FY2022 enacted level).

**Table 6. THUD Related Agencies, FY2022-FY2023 Detailed Appropriations**

(dollars in millions)

Related Agency	FY2022 Enacted	FY2023 Request	FY2023 House	FY2023 Chairman's Mark (S. 4670)	FY2023 Enacted
Access Board	10	10	10	10	
Federal Maritime Commission	33	35	38	38	
National Railroad Passenger Corporation (Amtrak) Office of Inspector General	26	28	28	28	
National Transportation Safety Board	121	129	129	129	
Neighborhood Reinvestment Corporation (NeighborWorks)	166	170	185	170	
Surface Transportation Board	39	41	42	41	
Offsetting Collections	-1	-1	-1	-1	
U.S. Interagency Council on Homelessness	4	5	5	4	
<b>Total</b>	<b>398</b>	<b>416</b>	<b>436</b>	<b>419</b>	

**Source:** FY2022 Enacted, FY2023 President's Request and FY2023 House figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 117-402, p. 532, adjusted for floor amendments, as well as congressional budget justifications; FY2023 Chairman's Mark figures are taken from S. 4670 and the draft committee report released by the chairman at <https://www.appropriations.senate.gov/imo/media/doc/THUDFY23RPT.pdf>.

**Notes:** Totals may not add or exactly match source materials due to rounding.

## Author Information

Maggie McCarty  
Specialist in Housing Policy

David Randall Peterman  
Analyst in Transportation Policy

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