

# Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations for FY2024

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# Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations for FY2024

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.

The FY2024 appropriations process began with the release of the President's Budget request to Congress on March 9, 2023. For the agencies that comprise the THUD budget, it proposed

- \$27.8 billion in discretionary funding for DOT, which is 3.1% less than enacted for FY2023. The budget also includes \$79.4 billion in mandatory funding, for an overall DOT total of \$107.3 billion (+0.8% compared to FY2023). (DOT will also receive an additional \$36.8 billion outside the FY2024 appropriation process from Division J of the Infrastructure Investment and Jobs Act (IIJA).)
- \$73.3 billion in gross new appropriations for HUD, which is 7.0% more than enacted for FY2023. However, the FY2023 appropriations law also included \$3.6 billion in emergency funding to support regular HUD program activities. When accounting for those funds, the FY2024 request is 1.6% more than FY2023. In terms of net budget authority—which accounts for savings from offsetting receipts—the FY2024 request is \$70.5 billion, which is 21% more than the comparable FY2023 non-emergency total and 14% more when accounting for the emergency funding for regular program activities.
- \$453 million for the THUD related agencies, 7.9% more than FY2023.

As a part of the negotiations over a debt limit increase, Congress adopted discretionary spending caps intended to reduce overall spending relative to FY2023 (P.L. 118-5). Under those limits, the THUD subcommittee's spending allocation for FY2024 (or 302(b) allocation) was set 25.3% below FY2023 in the House and 0.9% above FY2023 in the Senate (excluding emergency funding).

On July 24, the House Appropriations Committee reported its FY2024 THUD appropriations bill, following subcommittee markup on July 12. H.R. 4820 as reported proposes \$144.6 billion in total funding—\$65.2 billion in discretionary funding—for THUD in FY2024, including

- \$21.6 billion in discretionary funding for DOT, which is 24.9% less than FY2023. H.R. 4820 also includes \$79.3 billion in mandatory funding, for an overall DOT total of \$100.9 billion (-5.1% compared to FY2023).
- \$68.2 billion in net budget authority for HUD, which is an increase of 17.3% above the comparable FY2023 non-emergency total and a 10.4% increase when accounting for emergency funding. Excluding savings from offsets and rescissions, H.R. 4820 proposes \$71.5 billion in gross appropriations; that is an increase of 4.3% above the FY2023 non-emergency total and a 0.9% *decrease* when accounting for emergency funding.
- \$452 million for the THUD related agencies, 7.8% more than FY2023.
- A rescission of \$25.0 billion in funding from the Department of the Treasury's Internal Revenue Service (IRS).

On July 20, the Senate Appropriations Committee reported its FY2024 THUD appropriations bill. S. 2437 as reported proposes \$167.5 billion in total regular funding—including \$88.1 billion in regular discretionary budget authority—as well as \$10.8 billion in emergency funding for THUD in FY2024. It proposes

• \$28.0 billion in non-emergency net discretionary funding for DOT, which is 2.7% less than FY2023, but 22.9% more than H.R. 4820. Including mandatory funding, the overall DOT total would be \$107.4 billion

#### **SUMMARY**

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David Randall Peterman Analyst in Transportation Policy (1.0% more than FY2023 and 6.0% more than H.R. 4820). Additionally, S. 2437 would provide \$469 million in emergency discretionary funding for regular program operations at the FAA.

- \$59.7 billion in net budget authority for HUD, which is 2.6% more than FY2023 and 14.3% less than H.R. 4820. Excluding savings from offsets and rescissions, S. 2437 proposes \$62.7 billion in gross *regular* (non-emergency) appropriations for HUD, which is a decrease of 8.6% relative to FY2023 and a decrease of 14.1% relative to H.R. 4820. Like FY2023, S. 2437 would provide emergency funding (\$10.4 billion) to support HUD's regular program activities. When accounting for these emergency funds, S. 2437 would provide \$73.0 billion in gross appropriations for HUD in FY2024, which is 1.2% more than FY2023 and 2.1% more than H.R. 4820.
- \$438 million for the THUD related agencies (4.3% more than FY2023; 3.3% less than H.R. 4820).

Because full year appropriations were not enacted before the start of the fiscal year, Congress passed and the President signed a continuing resolution to fund the government—including those agencies typically funded under the THUD bill—through November 17, 2023 (P.L. 118-15). The CR generally funds agencies at their FY2023 levels, with some anomalies addressing technical budget issues. The CR also extended the federal aviation program's authorization, which was scheduled to expire on October 1, 2023, through December 31, 2023.

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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 FY2024 annual appropriations for THUD, including detailed tables for each major agency and a brief overview of selected issues.

#### Latest Development: FY2024 Continuing Resolution

On September 30, 2023, Congress passed and the President signed into law a continuing resolution to fund the government—including the agencies typically funded by the THUD appropriations bill—through November 17, 2023 (P.L. 118-15). Generally, the CR funds agencies and programs at the FY2023 rate of operations, with some anomalies addressing technical budget issues. Title II of Division B extended the authorization of federal aviation programs, scheduled to expire at the end of FY2023, through December 31, 2023.

## **FY2024 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 was due to be submitted to Congress by the first Monday in February. However, the President's budget request for FY2024 was submitted on March 9, 2023, about five weeks after it was due. It was preceded by the enactment of FY2023 full-year annual appropriations (P.L. 117-328) on December 29, 2022, about three months into the fiscal year. The delay of the budget submission allowed the FY2023 funding amounts in the budget materials generally to reflect the annual appropriations in December.<sup>1</sup>

For FY2024, the discretionary spending levels in appropriations measures are enforceable by both statutory and procedural means. Statutory budget enforcement is through the discretionary spending limits in the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA; P.L. 99-177), as amended. These statutory limits are enforced through *sequestration*, which is largely across-the-board reductions made to the category of spending that is in excess of the limit (defense or nondefense), to eliminate the excess spending.<sup>2</sup> Procedural budget enforcement is primarily associated with the budget resolution, which provides a process for the House and Senate to agree on budgetary targets ahead of consideration of spending and revenue legislation. These targets are enforced through points of order.

<sup>&</sup>lt;sup>1</sup> On May 9, the President submitted amendments to the FY2024 budget that included changes to the language, but not the amounts, requested for specified HUD and DOT accounts. See budget amendments package at https://www.whitehouse.gov/wp-content/uploads/2023/05/FY 2024 Budget Amendment Corrections 5-9-23.pdf.

<sup>&</sup>lt;sup>2</sup> The Fiscal Responsibility Act of 2023 also contains procedures by which these limits might be temporarily or permanently adjusted in the case of a continuing resolution. For a summary of these adjustments, see CRS Insight IN12168, *Discretionary Spending Caps in the Fiscal Responsibility Act of 2023*, by Grant A. Driessen and Megan S. Lynch.

## **Statutory Budget Enforcement in FY2024**

The statutory limits on discretionary spending that are currently in effect were enacted as part of the Fiscal Responsibility Act of 2023 (FRA; P.L. 118-5) on June 3, 2023.<sup>3</sup> (Prior to the FRA, statutory limits on discretionary spending had been in effect between FY2012 and FY2021, but had expired at the end of FY2021.<sup>4</sup>) The FRA amended the BBEDCA to provide limits on defense discretionary (all spending under budget function 050) and nondefense discretionary (all other spending) for FY2024 and FY2025.<sup>5</sup> All funding in the THUD bill is subject to the nondefense limit. The statutory limit on nondefense discretionary spending for FY2024 is \$703.65 billion. This would be a \$40.2 billion (-5%) reduction relative to FY2023 enacted nondefense discretionary funding, when accounting for CBO scorekeeping, and prior to any adjustments to the limits pursuant to BBEDCA authorities.<sup>6</sup>

## Procedural Budget Enforcement in FY2024

The budget resolution process dates back to the Congressional Budget Act of 1974, and is used each year to impose a limit on total discretionary spending available to the appropriations committees (commonly referred to as a 302(a) allocation) and, subsequently, limits on spending under the jurisdiction of each appropriations subcommittee (referred to as 302(b) suballocations).<sup>7</sup>

As of the date of this report, there has been no House or Senate action on a FY2024 budget resolution. For the purposes of providing 302(a) allocations and budgetary aggregates for the consideration of FY2024 appropriations, as well as other matters that would have been traditionally associated with the budget resolution, the FRA directed the Chairs of the House Budget Committee and Senate Budget Committee to enter those amounts into the *Congressional Record* as soon as practicable. These were published in the Senate on June 21, 2023, but have not yet been published in the House.<sup>8</sup>

<sup>&</sup>lt;sup>3</sup> CRS Insight IN12168, *Discretionary Spending Caps in the Fiscal Responsibility Act of 2023*, by Grant A. Driessen and Megan S. Lynch.

<sup>&</sup>lt;sup>4</sup> These limits were initially established in 2011 by the amendments made by the Budget Control Act of 2011 (BCA; P.L. 112-25) to the BBEDCA, but they were subsequently revised several times over the course of their effectiveness. For a summary of these changes, see CRS Insight IN11148, *The Bipartisan Budget Act of 2019: Changes to the BCA and Debt Limit*, by Grant A. Driessen and Megan S. Lynch.

<sup>&</sup>lt;sup>5</sup> For further information, see CRS Report R44874, *The Budget Control Act: Frequently Asked Questions*, by Grant A. Driessen and Megan S. Lynch.

<sup>&</sup>lt;sup>6</sup> These calculations are based on the Congressional Budget Office (CBO), Report on the Status of Discretionary Appropriations, Fiscal Year 2023, U.S. Senate, February 10, 2023, https://www.cbo.gov/system/files?file=2023-02/ FY2023-Senate-2022-12-23.pdf. Note that CBO tabulates a slightly different amount of funding using House conventions in CBO, Report on the Status of Discretionary Appropriations, Fiscal Year 2023, U.S. House of Representatives, February 10, 2023, https://www.cbo.gov/system/files?file=2023-02/FY2023-House-2022-12-23.pdf. The FRA includes a provision described as incentivizing Members to enact regular full-year appropriations legislation. The FRA states that in the event that a continuing resolution (CR) is in effect on January 1 of 2024 or 2025 for any budget account, the discretionary spending limits for that fiscal year are automatically revised. The revision would result in an increase in nondefense discretionary budget authority and a decrease for defense discretionary spending levels when compared with the original levels. Under such a scenario, a sequester order would be issued on April 30 of either 2024 or 2025. The FRA states that the revised limits would revert to the original FRA limits if full-year appropriations were enacted before April 30. For more information, see CRS Insight IN12183, The FRA's Discretionary Spending Caps Under a CR: FAQs, by Drew C. Aherne and Megan S. Lynch.

<sup>&</sup>lt;sup>7</sup> For further information, see CRS Report 98-815, *Budget Resolution Enforcement*, by Bill Heniff Jr.

<sup>&</sup>lt;sup>8</sup> "Budget Enforcement Levels," *Congressional Record*, daily edition, vol. 169, no. 108 (June 21, 2023), pp. S2180-S2181.

Generally, the next step in the appropriations process is for each of the appropriations committees to adopt suballocations from the total amount allocated to them. These 302(b) suballocations provide a limit on current-year (i.e., FY2024) appropriations within each subcommittee's jurisdiction and incorporate any applicable scorekeeping adjustments made by CBO.<sup>9</sup> On June 15, 2023, the House Appropriations Committee voted to report its initial suballocations for all 12 bills, including THUD (33-27).<sup>10</sup> Subsequently, the Senate Appropriations Committee voted to report its suballocations on June 22, 2023 (15-13);<sup>11</sup> they have since been amended several times.<sup>12</sup>

**Table 1** shows the suballocation to the THUD Subcommittees, compared to the applicable FY2023 enacted level, the President's FY2024 budget request, and FY2024 enacted figures.

(dollars in billions)							
	FY2022 Enacted	FY2023 Enacted	President's FY2024 Request	House FY2024 302(b)	Senate FY2024 302(b)	FY2024 Enacted	
THUD Regular Discretionary Net Budget Authority	81.038	87.332	98.876	65.208	88.091		

Table 1. FY2024 THUD 302(b)	Suballocations in Context
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**Sources:** The FY2022 Enacted amounts are from CBO, Report on the Status of Discretionary Appropriations, Fiscal Year 2022, House of Representatives, as of May 26, 2022, https://www.cbo.gov/system/files?file=2022-05/FY2022-House-2022-05-26.pdf, and Table 3, "Estimated Discretionary Spending Under Division B of S. 2938, Bipartisan Safer Communities Act, as Amended by Senate Amendment Number 5099," in CBO, "Cost Estimate," June 22, 2022, https://www.cbo.gov/system/files?file=2022-06/S2938.pdf. The FY2023 Enacted amounts are from CBO, *CBO Estimate for Divisions A through N of H.R. 2617 (as modified by S.A. 6552), the Consolidated Appropriations Act, 2023*, December 21, 2022, https://www.cbo.gov/publication/58872. The FY2024 House Appropriations Committee initial suballocations are as published at https://appropriations.house.gov/sites/

FY24%20House%20Subcommittee%20Allocations%206.13.23\_0.pdf. The latest FY2023 Senate Appropriations Committee suballocations as of the date of this report were as published in S.Rept. 118-78.

**Notes:** Amounts reflect current-year discretionary budget authority subject to spending limits. Emergency appropriations and mandatory funding, which do not count against discretionary spending limits, are excluded.

## **FY2024 THUD Appropriations Process**

The following summarizes FY2024 appropriations actions; **Table 2** tracks FY2024 THUD funding at the bill title level.

<sup>&</sup>lt;sup>9</sup> Such suballocations are commonly revised throughout the appropriations process to reflect changing budgetary priorities.

<sup>&</sup>lt;sup>10</sup> The House Appropriations Committee suballocations have not yet been formally reported, but have been published by the House Appropriations Committee at https://appropriations.house.gov/sites/republicans.appropriations.house.gov/files/documents/FY24%20House%20Subcommittee%20Allocations%206.13.23\_0.pdf.

<sup>&</sup>lt;sup>11</sup> S.Rept. 118-45.

<sup>&</sup>lt;sup>12</sup> S.Rept. 118-57, S.Rept. 118-69, and S.Rept. 118-78.

## **President's Budget**

As noted earlier, the President's Budget request to Congress was submitted on March 9, 2023. For the agencies that comprise the THUD budget, it proposed

- \$27.8 billion in discretionary funding for DOT, which is 3.1% less than FY2023. The budget also includes \$79.4 billion in mandatory funding, for an overall DOT total of \$107.3 billion (+0.8% compared to FY2023).
- \$73.3 billion in gross new appropriations for HUD, which is 7.0% more than the regular gross appropriations provided in FY2023. However, the FY2023 appropriations law also included \$3.6 billion in emergency funding to support regular HUD program activities. When accounting for those funds, the FY2024 request is 1.6% more than FY2023. In terms of net budget authority—which accounts for savings from offsetting receipts—the FY2024 request is \$70.5 billion, which is 21% more than the comparable FY2023 non-emergency net budget authority total and 14% more when accounting for the emergency funding for regular program activities provided in FY2023.
- \$453 million for the THUD related agencies, 7.9% more than FY2023.

#### **House Action**

On July 24, 2023, the House Appropriations Committee reported its FY2024 THUD appropriations bill, following subcommittee markup on July 12. H.R. 4820 as reported proposes \$144.6 billion in total funding—\$65.2 billion in discretionary funding—for THUD in FY2024, including

- \$21.6 billion in discretionary funding for DOT, which is 24.9% less than FY2023. H.R. 4820 also includes \$79.3 billion in mandatory funding, for an overall DOT total of \$100.9 billion (-5.1% compared to FY2023).
- \$68.2 billion in net budget authority for HUD, which is an increase of 17.3% above the comparable FY2023 non-emergency total and a 10.4% increase when FY2023 emergency funding is included. This amount accounts for savings from offsets and rescissions; excluding those savings and looking only at gross new appropriations for HUD's programs and activities, H.R. 4820 proposes \$71.5 billion, an increase of 4.3% above FY2023. When accounting for FY2023 emergency funding, gross new appropriations provided in H.R. 4820 would provide a 0.9% *decrease* relative to FY2023.
- \$452 million for the THUD related agencies, 7.8% more than FY2023.
- A rescission of \$25.0 billion in funding from the Department of the Treasury's Internal Revenue Service (IRS).

## **Senate Action**

On July 20, the Senate Appropriations Committee reported its FY2024 THUD appropriations bill. S. 2437 as reported proposes \$167.5 billion in total regular funding—including \$88.1 billion in regular discretionary budget authority—as well as \$10.8 billion in emergency funding for THUD in FY2024. It proposes

• \$28.0 billion in non-emergency net discretionary funding for DOT, which is 2.7% less than FY2023, but 22.9% more than H.R. 4820. Together with \$79.4

billion in mandatory funding, the overall DOT total would be \$107.4 billion (1.0% more than FY2023 and 6.0% more than H.R. 4820). Additionally, S. 2437 would provide \$469 million in emergency discretionary funding for regular program operations at the FAA.

- \$59.7 billion in net budget authority for HUD, which is 2.6% more than FY2023 and 14.3% less than H.R. 4820. This amount accounts for savings from offsets and rescissions; excluding those savings, S. 2437 proposes \$62.7 billion in gross *regular* (non-emergency) appropriations for HUD, which is a decrease of 8.6% relative to FY2023 and a decrease of 14.1% relative to H.R. 4820. Like FY2023, S. 2437 would provide emergency funding (\$10.4 billion) to support HUD's regular program activities. When accounting for these emergency funds, S. 2437 would provide \$73.0 billion in gross appropriations for HUD in FY2024, which is 1.2% more than FY2023 and 2.1% more than H.R. 4820.
- \$438 million for the THUD related agencies (4.3% more than FY2023; 3.3% less than H.R. 4820).

	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	FY2024 Enacted
Title I: DOT	106,349ª	107,252	100,915	107,366 <sup>b</sup>	
Discretionary	28,735ª	27,850	21,574	27,964 <sup>b</sup>	
Mandatory	77,614	79,402	79,342	79,402	
Title II: HUD	58,178c	70,573	68,217	70,060 <sup>d</sup>	
Title III: Related Agencies	420	453	452	438	
Title IV: General Provisions		0	-25,035	0	
Total	<b> 64,946</b> ₫	178,278	144,550	167,493°	
Total Discretionary	<b>87,332</b> d	98,876	65,208	88,091°	
Total Mandatory	77,614	79,402	79,342	79,402	
Emergency Appropriations	9,640 <sup>f</sup>	0	0	10,840°	
Additional (Advance) Appropriations (DOT)	36,811	36,811	36,811	36,811	

# Table 2.THUD Appropriations by Bill Title, FY2023-FY2024 (dollars in millions)

**Sources:** FY2023 Enacted, FY2024 President's Request, and FY2024 House figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-154 beginning on p. 410, as well as congressional budget justifications. FY2024 Senate figures are taken from the Comparative Statement of New Budget Authority table, as published in S.Rept. 118-70, beginning on p. 219. Some figures have been adjusted for comparability.

**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.

- a. Excludes \$1.107 billion in supplemental appropriations designated as an emergency requirement provided by Division N of P.L. 117-328, shown under "Emergency Appropriations" later in this table.
- b. Excludes \$469 million in appropriations designated as emergency spending in the bill, shown under "Emergency Appropriations" later in this table.

- c. Excludes \$2 billion in emergency disaster Community Development Block Grant Disaster Recovery (CDBG-DR) funding provided by P.L. 117-180 and \$6.623 billion in supplemental funding for HUD provided in Division N of P.L. 117-328, shown under "Emergency Appropriations" later in this table.
- d. Excludes \$10.371 billion in appropriations designated as emergency spending in the bill, shown under "Emergency Appropriations" later in this table.
- e. Includes \$10.840 billion in appropriations designated as emergency spending in the bill, shown under "Emergency Appropriations" later in this table. Excludes \$36.811 billion in advance appropriations provided to DOT in Division J, Title VIII of the IIJA (P.L. 117-58).
- f. Includes \$7.640 billion in supplemental appropriations designated as an emergency requirement provided by Division N of P.L. 117-328 and \$2 billion in enacted funding from Section 155 of the FY2023 Continuing Appropriations and Ukraine Supplemental Appropriations Act (P.L. 117-180) for CDBG disaster recovery grants (CDBG-DR) for unmet needs arising from disasters declared in 2021 and 2022. Excludes \$1 billion in mandatory funding 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 advance appropriations provided to DOT in Division J, Title VIII of the IIJA (P.L. 117-58).

## **Department of Transportation**

DOT operates the nation's air traffic control system; regulates aviation, commercial trucking, and motor vehicle safety; and provides grants to support aviation, highway, transit, and passenger rail infrastructure as well as highway, maritime, and pipeline safety.

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. Most of the funding drawn from the Highway Trust Fund, and a portion of the funding drawn from the Aviation and Airways Trust Fund, is in the form of contract authority, a type of budget authority that is considered mandatory, rather than discretionary, and thus does not appear in the THUD bill's 302(b) suballocation. Thus, while DOT's discretionary appropriation for FY2023 was \$29 billion, it also received \$77 billion in new funding from its trust funds, for a total of \$106 billion in new budget authority. It also received an additional \$37 billion in advance appropriations for FY2023 from the Infrastructure Investment and Jobs Act (P.L. 117-58), for a grand total of \$143 billion in newly available funding for FY2023.

(dollars in millions)							
Selected Accounts	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	FY2024 Enacted		
Office of the Secretary (OST)							
National Infrastructure Investment (RAISE/BUILD/TIGER)	800	1,220	—	398			
Cyber Security Initiatives	48	49	49	49			
Payments to air carriers (Essential Air Service)	355	349	349	349			
Thriving Communities Initiative	25	100	_	_			
Electric Vehicle Fleet	_	26	_	_			

#### Table 3. Department of Transportation, FY2023-FY2024 Detailed Appropriations

Selected Accounts	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	FY2024 Enacted
All other accounts	295	357	267	1,506	
Total, OST	1,523	2,101	665	1,515	
Federal Aviation Administration (FAA)					
Operations	11,915	12,741	12,730	12,741	
Facilities & equipment	2,945	3,462	2,973	3,429	
Research, engineering, and development	255	255	196	260	
Grants-in-aid for airports (Airport Improvement Program) (limitation on obligations)	3,350	3,350	3,350	3,350	
Airport Discretionary Grants	559	_	304	501	
Total, FAA	19,024	19,808	19,249	20,279	
Federal Highway Administration (FHWA)					
Federal-Aid Highways (limitation on obligations + exempt contract authority)	59,504	60,835	60,835	60,835	
Federal-Aid Highways: discretionary funding	3,418	_	1,362	2,047	
Rescissions		-105	-105	-53	
Total, FHWA	62,921	60,730	62,092	62,828	
Federal Motor Carrier Safety Administration (FMCSA)					
Motor carrier safety operations and programs	368	435	375	435	
Motor carrier safety grants to states	506	516	516	516	
Total, FMCSA	874	951	891	951	
National Highway Traffic Safety Administration (NHTSA)					
Operations and research	407	505	461	423	
Highway traffic safety grants to states (limitation on obligations)	795	813	813	813	
Total, NHTSA	1,202	1,319	1,275	1,237	
Federal Railroad Administration (FRA)					
Safety and Operations	250	273	273	268	
Railroad Research and Development	44	59	44	59	
Federal-state Partnership for State of Good Repair	100	560	_	100	
Consolidated Rail Infrastructure and Safety Improvements	560	510	258	573	
Railroad Crossing Elimination Program	_	250	_	_	
Restoration and Enhancement grants		50	_	_	
Amtrak					
Northeast Corridor grants	1,260	1,227	99	1,141	
-					

Selected Accounts	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	FY2024 Enacted
National Network	1,193	1,841	776	1,313	
Subtotal, Amtrak grants	2,453	3,068	876	2,454	
Rescission	-3	_	_	-53	
Total, FRA	3,404	4,770	1,452	3,401	
Federal Transit Administration (FTA)					
Formula Grants (mandatory)	13,634	13,990	13,990	13,990	
Transit Infrastructure Grants	542	—	131	268	
Transit Research	_	30	—	—	
Technical Assistance and Training	8	8	8	8	
Capital Investment Grants (New Starts)	2,635	2,850	392	2,450	
Grants to Washington Metropolitan Area Transit Authority	150	150	150	150	
Rescission	_	_	_	-1	
Total, FTA	16,968	17,028	14,671	16,865	
Saint Lawrence Seaway Development Corporation	39	40	40	40	
Maritime Administration (MARAD)					
Maritime Security Program	318	318	318	318	
Cable Security Fleet	10	_	10	10	
Tanker Security Program	60	60	60	120	
Operations and Training	213	290	210	284	
State Maritime Academy Operations	121	53	56	131	
Assistance to Small Shipyards	20	20	20	20	
Ship Disposal	6	6	6	6	
Maritime Guaranteed Loan Program	3	3	3	103	
Port Infrastructure Development Program	212	230	70	213	
Rescission	-67	—	-6	_	
Total, MARAD	896	980	753	1205	
Pipeline and Hazardous Materials Safety Administration (PHMSA)					
Subtotal	291	340	310	332	
Emergency preparedness grants (mandatory)	28	47	28	47	
Offsetting user fees	-161	-198	-167	-196	
Total, PHMSA	319	368	338	379	
Office of Inspector General	108	121	121	116	
DOT Totals					
Appropriation (discretionary funding)	28,972	27,958	21,693	28,082	

Selected Accounts	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	FY2024 Enacted
Limitations on obligations (mandatory)	77,614	79,402	79,342	79,402	
Subtotal—new funding	106,586	107,360	101,035	107,484	
Rescissions	-237	-108	-120	-118	
Emergency Appropriations	_	_	_	469	
Net new discretionary funding	28,735	27,850	21,574	28,433	
Net new budget authority	106,349	107,252	100,915	107,835	
Additional (advance) appropriations (emergency)	36,811	36,811	36,811	36,811	
Net new budget authority (incl. additional appropriations from P.L. 117-43 and P.L. 117-58)	\$143,160	\$144,063	\$137,726	\$144,646	

**Sources**: FY2023 Enacted, FY2024 President's Request, and FY2024 House figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-154 beginning on p. 410, as well as congressional budget justifications. FY2024 Senate figures are taken from the Comparative Statement of New Budget Authority table, as published in S.Rept. 118-70, beginning on p. 219. Some figures have been adjusted for comparability.

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

#### Major Differences Between House and Senate Proposed Funding

The House bill would provide \$100.9 billion in new budget authority for DOT, 5.1% (\$5.4 billion) below the FY2023 level and 6.4% (\$6.9 billion) below the Senate FY2024 level. The major difference in funding between the House and Senate bills comes in the discretionary portion of DOT's budget: the House bill would provide \$21.6 billion in net new discretionary funding, 24% (\$6.859 billion) less than the Senate bill and 25% (\$7.161 billion) less than the comparable FY2023 enacted amount (not accounting for the reduction in relative purchasing power of the FY2024 amount resulting from inflation). Four budget items account for most of the difference between the House and Senate discretionary funding, as shown in **Table 4**.

# Table 4. FY2023 Enacted and FY2024 Proposed Discretionary Funding for Selected DOT Programs

(dollars in millions)

Budget Item	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	Additional Annual IIJA Funding
National Infrastructure Investment (OST)	\$800	\$1,220	_	\$398	\$2,500
Federal-aid Highways Discretionary Funding (FHWA)	3,418	_	1,362	2,047	9,454
Amtrak Grants (FRA)	2,453	3,068	876	2,454	4,400
Capital Investment Grants (FTA)	2,635	2,850	392	2,450	١,600
Subtotal	9,306	7,138	2,633	7,349	17,954

Budget Item	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	Additional Annual IIJA Funding
DOT Net New Discretionary Funding total	\$28,735	\$27,850	\$21,574	\$28,433	

**Sources:** FY2023 Enacted, FY2024 President's Request, and FY2024 House figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-154 beginning on p. 410, as well as congressional budget justifications. FY2024 Senate figures are taken from the Comparative Statement of New Budget Authority table, as published in S.Rept. 118-70, beginning on p. 219. Some figures have been adjusted for comparability.

**Notes:** Each of these budget items also received additional funding in FY2022 and FY2023, and are likely to receive additional funding in FY2024, FY2025, and FY2026, as part of an overall annual addition of \$36.8 billion to DOT from a supplemental appropriation in Division J, Title VIII of the IIJA (P.L. 117-58); the annual amount of additional funding for each of these budget items is shown in the rightmost column.

- The National Infrastructure Investment Program, popularly known as the RAISE Grant program, is a competitive discretionary grant program under which states, localities, and other entities can apply for grants for highways and bridges, public transportation, freight and passenger rail, port infrastructure, and bicycle and pedestrian improvements.
- The Federal-aid Highways Program discretionary funding provides additional funding from the General Fund of the Treasury to states, beyond the \$60.8 billion in contract authority provided from the Highway Trust Fund, for programs funded by formula and important safety and management priorities administered by FHWA.
- Amtrak grants provide funding to Amtrak for infrastructure, equipment, maintenance and operating subsidies.
- The Capital Investment Grant Program provides funding for the transit infrastructure projects popularly known as New Starts, Small Starts, and Core Capacity.

## Additional Funding for FY2024 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; also 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 certain 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 FY2024 funding recommended for DOT in the THUD FY2024 appropriations bills. For some agencies within DOT, this additional funding represents a relatively small addition to their regular FY2023 authorized or appropriated amount (e.g., 15% (+\$9.5 billion) for FHWA infrastructure, 25% (+\$4.3 billion) for FTA infrastructure); for other agencies, the additional funding is greater than the regular FY2024 authorized or requested amounts (e.g., \$5 billion on top of \$3.9 billion for FAA infrastructure accounts, \$13.2 billion on top of \$2.4 billion for FRA state rail grants). **Table 5** shows the distribution of the supplemental funding available to DOT during FY2024.

DOT Accounts	FY2024
Office of the Secretary (OST)	
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
Federal Aviation Administration (FAA)	
Facilities and Equipment	1,000.0
Airport Infrastructure Grants	3,000.0
Airport Terminal Program	1,000.0
Total FAA	5,000.0
Federal Highway Administration (FHWA)	
Highway Infrastructure Program	9,454.4
Federal Motor Carrier Safety Administration (FMCSA)	
Motor Carrier Safety Operations and Program	10.0
Motor Carrier Safety Grants	124.
Total FMCSA	134.
National Highway Traffic Safety Administration (NHTSA)	
Crash Data	150.0
Vehicle Safety and Behavioral Research Programs	109.3
Supplemental Highway Traffic Safety Programs	62.0
Total, NHTSA	321.7
Federal Railroad Administration (FRA)	
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
Federal Transit Administration (FTA)	
Transit Infrastructure Grants	2,050.0
Capital Investment Grants	I,600.0
All Stations Accessibility Program	350.
Electric or Low-Emitting Ferry Program	50.0

# Table 5. FY2024 Department of Transportation Funding Provided in the IIJA,Outside the FY2024 THUD Appropriations Act

(dollars in millions)

DOT Accounts	FY2024
Ferry Service for Rural Communities	200.0
Total FTA	4,250.0
Maritime Administration (MARAD)	
Port Infrastructure Development Program	450.0
Total MARAD	450.0
Pipeline and Hazardous Materials Safety Administration (PHMSA)	
Natural Gas Distribution Infrastructure Safety and Modernization Grant Program	200.0
Total Other Appropriations	36,810.6

**Source:** S.Rept. 118-70 accompanying S. 2437, "Other Appropriations," pp. 224-227. **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>13</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 over 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 lead-based paint hazard identification and remediation, along with other healthy homes initiatives.

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. The Government National Mortgage Association (GNMA) is also a part of HUD and it guarantees securities made up of federally insured or guaranteed mortgages.

<sup>&</sup>lt;sup>13</sup> For more information about federal housing assistance programs, see CRS Report RL34591, *Overview of Federal Housing Assistance Programs and Policy*, by Maggie McCarty, Libby Perl, and Katie Jones.

#### **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 given fiscal year. The "cost" of that budget authority, as determined by the Congressional Budget Office's (CBO's) scorekeeping process, is generally reduced by offsetting receipts from the FHA's loan programs and GNMA's securitization of federally insured or guaranteed mortgages. To a lesser extent, other collections and rescissions of prior-year appropriations can also offset the cost of the HUD budget. Deducting the savings from offsets and rescissions from the gross budget authority provided to HUD results in the net budget authority total used for budget enforcement purposes.

## FY2024 HUD Appropriations

 
 Table 6 provides detailed appropriations information for HUD accounts and selected subaccounts, comparing FY2023 enacted to FY2024.

(dollars in millions)							
Accounts	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	FY2024 Enacted		
Appropriations							
Salaries and Expenses (Management and Administration)	1,732	I,867	1,745	1,832			
Tenant-Based Rental Assistance (Sec. 8 Housing Choice Vouchers)ª	27,600	32,703	31,132	26,449			
Tenant-Based Rental Assistance (inc. emergency)	30,254⁵	32,703	31,132	31,738c			
Voucher Renewals (non-add, inc. emergency)	26,403	27,840	27,375	27,766			
Administrative Fees (non-add)	2,778	3,202	2,734	2,781			
VASH	50	0	0	30			
FUP	30	0	0	30			
Other Incremental Vouchers	50	565	0	0			
Mobility services	_	25	0	0			
Public Housing Fund	8,514	8,893	8,363	8,875			
Operating Grants (non-add)	5,109	5,133	5,103	5,530			
Capital Grants (non-add)	3,200	3,225	3,180	3,200			
Climate Resiliency/Utility Consumption Reduction Grants (non-add)	—	300	0	0			
Operational Performance Evaluation and Risk Assessments <sup>d</sup>	_	61	51	50			
Choice Neighborhoods	350	185	0	150			

# Table 6. Department of Housing and Urban Development,FY2023-FY2024 Detailed Appropriations

Accounts	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	FY2024 Enacted
Self Sufficiency Programs	175	175	175	198	
Native American Programs	1,020	1,053	1,344	1,082	
Native American Block Grants (Formula) (non-add)	787	820	1,110	849	
Native American Block Grants (Competitive) (non- add)	150	150	150	150	
Indian Community Development Block Grants (non-add)	75	75	75	75	
Indian housing loan guarantee	6	I	2	I	
Native Hawaiian block grant	22	22	22	22	
Housing, persons with AIDS (HOPWA)	499	505	505	505	
Community Development Fund	6,397	3,415	5,554	4,491	
CDBG Formula Grants	3,300	3,300	3,300	3,300	
SUPPORT for Patients and Communities	30	30	30	30	
Grants to Reduce Barriers to Affordable Housing	85	85	0	100	
Economic Development Initiatives	2,982	0	2,224	1,061	
HOME Investment Partnerships	1,500	1,800	500	١,500	
Preservation and Reinvestment Initiative for Community Enhancement	225	0	20	0	
Self-Help Homeownership	63	60	60	62	
Self-Help and Assisted Homeownership Opportunity Program	14	10	10	14	
Section 4 Capacity Building	42	41	42	42	
Rural Capacity Building	6	5	7	6	
Veterans Home Rehabilitation and Modification Pilot Program	I	4	I	0	
Homeless Assistance Grants	3,633	3,749	3,729	3,908	
Project-Based Rental Assistance (Sec. 8) <sup>a</sup>	13,938	15,904	15,820	10,709	
Project-Based Rental Assistance (inc. emergency)	14,907°	15,904	15,820	15,791f	
Contract Renewals (inc. emergency)	14,564	15,372	15,372	15,310	
Contract Administrators	343	448	448	448	
Service Coordinators for the Elderly	—	31	0	0	
Distressed Property Assistance	—	53	0	33	
Housing for the Elderly (Section 202)	1,075	1,023	913	1,075	
Housing for Persons with Disabilities (Section 811)	360	356	208	360	
Housing Counseling Assistance	58	66	58	58	
Manufactured Housing Fees Trust Funds	14	14	14	14	
Federal Housing Administration (FHA) Expenses <sup>g</sup>	150	165	150	150	

Accounts	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	FY2024 Enacted
Government National Mortgage Association (GNMA) Expenses <sup>g</sup>	41	60 <sup>h</sup>	51	55	
Research and technology	145	155	139	145	
Fair housing activities	86	90	85	86	
Fair Housing Assistance Program (non-add)	26	28	26	26	
Fair Housing Initiatives Program (non-add)	56	59	55	56	
Lead Hazard Reduction	410	410	345	350	
Information Technology Fund	375	415	371	375	
Inspector General	146	154	154	153	
Gross Appropriations Subtotal (non-emergency)	68,534	73,301	71,509	62,654	
Gross Appropriations Subtotal (inc. emergency)	72,157	73,301	71,509	73,025	
Offsetting Collections and Receipts					
Manufactured Housing Fees Trust Fund	-14	-14	-14	-14	
FHA	-8,236	-1,278	-1,278	-1,278	
GNMA	-2,106	-1,436	-1,436	-1,436	
Offsets Subtotal	-10,356	-2,728	-2,728	-2,728	
Rescissions					
Office of Lead Hazard and Healthy Homes	_	_	-564	-237	
Recissions Subtotal		_	(564)	(237)	
Total Net Discretionary Budget Authority (non-emergency)	58,178	70,573	68,217	59,689	
Emergency-Designated Funding:					
Disaster Relief	5,000 <sup>i</sup>	0	0	0	
Rental Assistance	<b>3,623</b> <sup>j</sup>	0	0	10,371k	
Total Net Discretionary Budget Authority (inc. emergency)	66,801	70,573	68,217	70,060	

**Sources:** FY2023 Enacted, FY2024 President's Request, and FY2024 House figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-154 beginning on p. 410, as well as congressional budget justifications. FY2024 Senate figures are taken from the Comparative Statement of New Budget Authority table, as published in S.Rept. 118-70, beginning on p. 219. Some figures have been adjusted for comparability.

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. Includes \$2.654 billion in additional funding provided by Division N and designated as an emergency requirement.
- c. Includes \$5.829 billion provided in the account and designated as an emergency requirement.
- d. This new account would fund HUD inspection of multifamily housing; this activity was previously funded using resources from the Public Housing fund, PBRA, Section 202 and other accounts. For a full breakdown, see https://www.hud.gov/sites/dfiles/CFO/documents/2024\_CJ\_Program\_Template\_-\_OPERA.pdf.

- e. Includes \$969 million in additional funding provided by Division N and designated as an emergency requirement.
- f. Includes \$5.081 billion in additional funding provided by Division N and designated as an emergency requirement.
- g. 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.
- h. Reflects an estimated \$1 million in savings from a proposal for GNMA securitization of certain housing finance agency loans contained in Sec. 230 of the general provisions in the President's budget request.
- Includes \$3 billion for CDBG-DR provided by Division N of P.L. 117-328 and \$2 billion provided by Section 155 of the FY2023 Continuing Appropriations and Ukraine Supplemental Appropriations Act (P.L. 117-180) for unmet needs arising from disasters declared in 2021 and 2022.
- j. Includes \$2.654 billion for Tenant Based Rental Assistance and \$969 million for Project Based Rental Assistance billion provided by Division N of P.L. 117-328.
- k. Includes \$5.829 billion provided to the TBRA account and \$5.081 billion provided to the PBRA account and designated as an emergency requirement.

#### Selected FY2024 HUD Appropriations Topics

#### **Declining Receipts**

From FY2023 to FY2024, the estimated amount of offsetting receipts from FHA and GNMA declined by \$7.6 billion dollars, or almost 74%. As noted earlier, these receipts generally serve to offset the cost of providing new appropriations for HUD's programs and activities for budget enforcement purposes. As a result, it would require an additional \$7.6 billion in new appropriations to provide the same amount of funding for HUD's programs and activities in FY2024 as was provided in FY2023 (not accounting for cost increases related to inflation). This may present a particular challenge for the appropriations process in light of lower overall discretionary spending levels in FY2024 under the terms of the FRA (as discussed earlier, see "Statutory Budget Enforcement in FY2024").

The amount of FHA and GNMA receipts available each year is estimated by CBO based on assumptions about the amount and performance of FHA-insured mortgages (and, in the case of GNMA, other government-insured or -guaranteed mortgages) issued that year, as well as the fees paid by borrowers. The decline in estimated receipts in FY2024 is largely driven by changes in economic projections, such as house prices and interest rates, which affect expected loan volume and credit subsidy rates. A HUD decision to reduce the fees charged to FHA borrowers<sup>14</sup> also contributed to the decline.

#### **Emergency-Designated Funding for Rental Assistance Renewals**

Among the largest expenses in HUD's budget are the annual costs of renewing rental assistance payments for the more than three million families who are served by the Section 8 Housing Choice Voucher and project-based rental assistance programs. The renewal costs of these two programs—funded by the Tenant-Based Rental Assistance (TBRA) and Project-Based Rental

<sup>&</sup>lt;sup>14</sup> HUD Public Affairs, "Biden-Harris Administration to Save FHA Homebuyers Average \$800 Annually on Mortgage Payments Through Premium Reduction; 30 Basis Point Reduction in FHA Annual Mortgage Insurance Premium Supports Biden-Harris Administration Goals to Make Homeownership More Affordable and Accessible for Working Families," press release, February 22, 2023, https://www.hud.gov/press/press\_releases\_media\_advisories/ hud\_no\_23\_041.

Assistance (PBRA) accounts, respectively—generally account for more than half of the total new funding for HUD's programs and activities each year.<sup>15</sup>

The final FY2023 appropriations law funded FY2023 renewal costs for these two programs using a combination of regular appropriations (provided in Division L) and supplemental emergencydesignated funding (provided in Division N). As shown in **Table 7**, nearly 9% of the total funding for rental assistance renewal costs in the TBRA and PBRA accounts in FY2023 was provided as emergency designated spending, and therefore not subject to regular discretionary spending limits, including the THUD subcommittee's 302(b) allocations.

For FY2024, S. 2437, as reported, has proposed to fund a larger share of voucher renewal expenses using emergency funding. As shown in **Table 7**, nearly a quarter of renewal funding would be provided as emergency designated spending under S. 2437. (Neither the President's budget nor H.R. 4820 proposed using emergency-designated funding for rental assistance renewal costs in FY2024.)

(dollars in billions)								
		FY2023	Enacted			FY2024 Ser	nate Comm	n
Renewal Funding	Regular \$	Emerg. \$	Total \$	Emerg.%	Regular \$	Emerg. \$	Total \$	Emerg. %
TBRA	23.75	2.65	26.40	10.1%	22.48	5.29	27.77	19.0%
PBRA	13.60	0.97	14.56	6.7%	10.23	5.08	15.31	33.2%
Total	37.34	3.62	40.97	8.8%	32.70	10.37	43.08	24.1%

#### Table 7. Emergency Funding Share of Rental Assistance Renewal Funding

**Sources:** FY2023 Enacted figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-154, beginning on p. 410. FY2024 Senate figures are taken from the Comparative Statement of New Budget Authority table, as published in S.Rept. 118-70, beginning on p. 219. Some figures have been adjusted from the source material for comparability.

#### **Program Eliminations and Reductions in H.R. 4820**

The total overall new funding for HUD programs and activities—or gross appropriations proposed by H.R. 4820 is lower than was provided in FY2023 (-1%). This may be, in part, because H.R. 4820 does not use emergency designations to offset some of the cost of new appropriations as was done in FY2023 and proposed by S. 2437 ("Emergency-Designated Funding for Rental Assistance Renewals"), particularly in light of the decline in offsetting receipts in FY2024 ("Declining Receipts") and the lower 302(b) allocation for FY2024 relative to FY2023 (see **Table 1**).

To achieve this reduction in gross appropriations, H.R. 4820 would provide funding increases to maintain current services in the primary rental assistance programs (+2.9% for the TBRA account and +6.1% for the PBRA account), but would reduce funding for other programs and activities. Slated for particularly large reductions are:

• The Choice Neighborhoods account, which would receive no funding in FY2024 (it received \$350 million in FY2023). This account provides competitive grants

<sup>&</sup>lt;sup>15</sup> In FY2023, renewal funding in the TBRA and PBRA accounts, excluding emergency funding, accounted for 54.5% of HUD's regular gross appropriations.

to fund the substantial rehabilitation of distressed public housing or other HUD-assisted multifamily properties.

- The HOME program, which would be cut from \$1.5 billion in FY2023 to \$500 million in FY2024 (-66.7%). This program provides formula grants to states and localities to be used for affordable housing purposes. H.Rept. 118-154 notes that the HOME program received \$5 billion from the American Rescue Plan Act of 2021 for specific rental housing activities,<sup>16</sup> and that only 1% of those funds had been spent.
- The Section 202 and Section 811 accounts, which would be cut by 15.1% and 42.2%, respectively. These programs fund the development of rental housing and provision of rental assistance for persons who are elderly or have disabilities. H.Rept. 118-154 notes that the amounts provided would be sufficient to maintain existing rental assistance contracts, but would not fund construction of new units. It further notes that both programs have large balances of new construction funding from prior years and directs the Secretary to expeditiously award those funds.

#### **General Provisions**

Each year the THUD appropriations act includes dozens of General Provisions (GPs) for HUD, which involve administrative guidance on how funding provided in the act should and should not be used and, in some cases, amendments to laws that govern the agency's programs and activities. Many of these GPs are carried over from year to year, but some new GPs are generally added each year.

For FY2024, the President's budget requested several new GPs, including (but not limited to)

- An extension of the funding availability of Choice Neighborhoods grants by one year (included in S. 2437, Sec. 232).
- Creation of a new nonrecurring expenses fund to transfer unobligated balances of expiring discretionary funding from 2024 and thereafter, to be available until expended for capital needs of the Department (included in H.R. 4820, Sec. 237 and S. 2437, Sec. 240).
- New funding flexibilities for tribes administering Continuum of Care grants (included in S. 2437, Sec. 244).
- A statutory amendment to allow GNMA to securitize Section 542(c) multifamily risk-sharing loans made by housing finance agencies and insured by FHA.
- A new statutory authorization for HUD to make direct loans to support distressed PBRA properties.
- New rent adjustment authorities for PBRA properties (to accompany a \$3 million request in the PBRA account).
- New programmatic changes to the Rental Assistance Demonstration (RAD), including making the program permanent (included in H.R. 4820, Sec. 232 and S. 2437, Sec. 239).

<sup>&</sup>lt;sup>16</sup> The HOME funding provided in the American Rescue Plan Act, known as HOME-ARP, has somewhat different requirements related to eligible activities and eligible populations than the broader HOME program. For more information on HOME-ARP, see https://www.hudexchange.info/programs/home-arp/.

- Authorization for HUD to use cooperative agreements when making performance-based contract administrator awards for the PBRA program (included in S. 2437, Sec. 251).
- A sunset of the existing Moderate Rehabilitation program to facilitate RAD conversion of the remaining properties.

H.R. 4820, as reported, proposed a number of new GPs (in addition to accepting versions of several of the GPs requested in the President's budget, as noted above), including

- several provisions related to Native American housing programs. (Sec. 238-240);<sup>17</sup>
- a prohibition on the use of funds in the act in contravention of existing law regarding noncitizen eligibility for or participation in federal housing programs. (Sec. 241);
- a prohibition on the use of funding provided by this bill, or any other, from taking action against a person "wholly or partially, on the basis that such person speaks, or acts, in accordance with a sincerely held religious belief, or moral conviction, that marriage is, or should be recognized as, a union of one man and one woman." (Sec. 431); and
- a prohibition on the provision of federal funding to local jurisdictions that refuse to comply with federal requests for advance notice of release of a particular alien in local custody and a similar provision in Title IV of the bill, prohibiting the use of funds in contravention of Section 642 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. (Sec. 432).

In addition to including some of those requested in the President's budget (noted above), S. 2437, as reported, also proposed several new GPs, including

- a provision to make previously appropriated funds available for direct support for certain small properties undergoing RAD conversion. (Sec. 241);
- guidance on the treatment of rent incentives in the Jobs-Plus public housing program. (Sec. 243);
- several provisions related to Native American housing programs, some of which were also included in H.R. 4820. (Secs. 245-247);<sup>18</sup>
- restrictions on residential Property Assessed Clean Energy (PACE) financing for properties with mortgages insured or guaranteed by HUD. (Sec. 249 and Sec. 250);<sup>19</sup>
- a provision to extend Moving to Work contracts for 15 years. (Sec. 252);

<sup>&</sup>lt;sup>17</sup> While these provisions were not included in the GPs requested in the President's budget request, HUD's congressional budget justifications indicated that the Department would seek changes in some of these policy areas via the authorization process. See, for example, p. 13-4 of HUD's FY2024 Congressional Budget Justifications.

<sup>&</sup>lt;sup>18</sup> While these provisions were not included in the GPs requested in the President's budget request, HUD's congressional budget justifications indicated that the Department would seek changes in some of these policy areas via the authorization process. See, for example, pp. 13-4 and 15-3 of HUD's FY2024 Congressional Budget Justifications.

<sup>&</sup>lt;sup>19</sup> While these provisions were not included in the GPs requested in the President's budget request, HUD's congressional budget justifications indicated that the Department would seek changes in these policy areas via the authorization process. See pp. 13-4, 15-3, and 28-5 of HUD's FY2024 Congressional Budget Justifications.

- authority for HUD to issue a two-year Notice of Funding Opportunity for the Continuum of Care program. (Sec. 253);<sup>20</sup> and
- expanded waiver authority for certain special purpose Housing Choice Vouchers. (Sec. 254).

# **THUD Related Agencies**

The annual THUD appropriations bills generally provide funding for seven independent agencies that undertake activities related to transportation and/or housing.

- The U.S. Access Board is an independent federal agency designed to coordinate other federal agencies to promote accessible design and the development of accessibility guidelines and standards to ensure access to federally funded public infrastructure for persons with disabilities.<sup>21</sup>
- The Federal Maritime Commission is an independent federal agency charged with regulating U.S. ocean commerce.<sup>22</sup>
- The Amtrak Inspector General is an independent organization charged with providing oversight of Amtrak's programs and operations.<sup>23</sup>
- The National Transportation Safety Board (NTSB) investigates accidents, crashes, and other events in transportation.<sup>24</sup>
- The Neighborhood Reinvestment Corporation (NeighborWorks America) is a congressionally chartered nonprofit that supports a network of community organizations that provide affordable housing, financial counseling, and resident engagement.<sup>25</sup>
- The Surface Transportation Board is an independent federal agency that is "the economic regulation of various modes of surface transportation, primarily freight rail."<sup>26</sup>
- The Interagency Council on Homelessness is an independent federal agency charged with coordinating the federal response to homelessness.<sup>27</sup>

(dollars in millions)					
Related Agency	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	FY2024 Enacted
Access Board	10	10	10	10	

#### Table 8.THUD Related Agencies, FY2023-FY2024 Detailed Appropriations

<sup>20</sup> While this provision was not included in the GPs requested in the President's budget request, HUD's congressional budget justifications indicated that the Department would seek changes in this policy area via the authorization process. See p. 21-8 of HUD's FY2024 Congressional Budget Justifications.

<sup>&</sup>lt;sup>21</sup> https://www.access-board.gov/about/.

<sup>&</sup>lt;sup>22</sup> https://www.fmc.gov/about-the-fmc/.

<sup>&</sup>lt;sup>23</sup> https://amtrakoig.gov/about-us.

<sup>&</sup>lt;sup>24</sup> https://www.ntsb.gov/about/Pages/default.aspx.

<sup>&</sup>lt;sup>25</sup> https://www.neighborworks.org/About-Us.

<sup>&</sup>lt;sup>26</sup> https://www.stb.gov/about-stb/.

<sup>&</sup>lt;sup>27</sup> https://www.usich.gov/about-usich/.

Related Agency	FY2023 Enacted	FY2024 Request	FY2024 House Comm.	FY2024 Senate Comm.	FY2024 Enacted
Federal Maritime Commission	38	44	44	44	
National Railroad Passenger Corporation (Amtrak) Office of Inspector General	28	30	30	29	
National Transportation Safety Board	129	145	145	134	
Neighborhood Reinvestment Corporation (NeighborWorks America)	170	172	172	170	
Surface Transportation Board	41	48	48	47	
Offsetting Collections	-1	-1	-1	-1	
U.S. Interagency Council on Homelessness	4	5	4	4	
Total	420	453	452	438	

**Sources:** FY2023 Enacted, FY2024 President's Request, and FY2024 House figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-154, beginning on p. 410, as well as congressional budget justifications. FY2024 Senate figures are taken from the Comparative Statement of New Budget Authority table, as published in S.Rept. 118-70, beginning on p. 219. Some figures have been adjusted for comparability.

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

As shown in **Table 8**, all of the related agencies funded in the THUD bill would receive level or increased funding relative to the prior year under the President's FY2024 budget request. The largest dollar increases were proposed for the National Transportation Safety Board (+\$16 million, +12.1%) and the Surface Transportation Board (+\$7 million, +16.3%).

With the exception of funding for the Interagency Council on Homelessness, H.R. 4820 would meet the President's request for the related agencies. S. 2437 proposes funding below the President's request for most of the related agencies, but would fund all at or above the FY2023 level.

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