

Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations for FY2025

October 30, 2024

Congressional Research Service

<https://crsreports.congress.gov>

R48253



R48253

October 30, 2024

Maggie McCarty,
Coordinator

Specialist in Housing Policy

Jennifer J. Marshall

Analyst in Transportation
Policy

Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations for FY2025

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

The FY2025 appropriations process began with the release of the President's budget request to Congress on March 11, 2024. For the agencies that comprise the THUD budget, it proposed the following:

- For DOT, \$106.4 billion in total funding (the same as FY2024), including \$25.5 billion in discretionary funding (-5.6% relative to FY2024) and \$80.9 billion in mandatory funding (+2% relative to FY2024).
- For HUD, \$64.3 billion in discretionary funding (-8.3% relative to FY2024), which includes \$10.4 billion in emergency funding for regular program operations.
- For related agencies, \$462 million in discretionary funding (+8.1% relative to FY2024).

As of the cover date of this report, the House and Senate have not adopted a FY2025 budget resolution. In the absence of an adopted budget resolution, discretionary spending caps established by the Fiscal Responsibility Act of 2023 (P.L. 118-5) serve to structure the FY2025 process. The House and the Senate Appropriations Committees released their spending allocations (referred to as *302(b) allocations*) for FY2025, which are currently set at 1% above FY2024 in the House and 2% below FY2024 in the Senate. (These totals exclude the \$8 billion in emergency funding for regular program operations provided in FY2024.)

On July 10, the House Appropriations Committee marked up and ordered reported its FY2025 THUD appropriations bill (H.R. 9028; H.Rept. 118-584), following subcommittee markup on June 27. It included the following:

- For DOT, \$106.7 billion in total funding (nearly even with FY2024), including \$25.1 billion in discretionary funding (-6.9% relative to FY2024) and \$81.5 billion in mandatory funding (+2.7% relative to FY2024).
- For HUD, \$64.8 billion (-7.5% relative to FY2024 when including emergency funding for regular program operations provided in FY2024; +4.4% when excluding that emergency funding).
- For related agencies, \$442 million (+3.3% relative to FY2024).

Forgoing initial subcommittee markup, the Senate Appropriations Committee marked up and ordered reported its FY2025 THUD appropriations bill (S. 4796; S.Rept. 118-199) on July 25. It included the following:

- For DOT, \$110.1 billion in total funding (+3.5% relative to FY2024), including \$28.5 billion in discretionary funding (+5.6% relative to FY2024) and \$81.6 billion in mandatory funding (+2.8% relative to FY2024).
- For HUD, \$58.8 billion in regular appropriations and \$11 billion in emergency designated funding for regular program operations, for a combined total of \$69.8 billion (<1% decrease relative to FY2024).
- For related agencies, \$454 million (+6.1% relative to FY2024).

On September 26, the Continuing Appropriations and Extensions Act, 2025 was signed into law (H.R. 9747; P.L. 118-83). Division A is a continuing resolution that maintains funding for federal agencies, including those typically funded in the THUD appropriations legislation, at FY2024 levels through December 20, with some anomalies (including one affecting DOT's Essential Air Services program and one affecting HUD's Housing Choice Voucher program).

Contents

About the THUD Bill	1
Overview of the FY2025 Appropriations Process	2
President’s Budget.....	2
House Action.....	3
Senate Action	3
Department of Transportation.....	4
Selected FY2025 DOT Appropriations Topics.....	9
National Infrastructure Investments (Mega/RAISE Grants).....	9
Federal Rail Administration	9
Federal Transit Administration	10
Maritime Administration.....	10
Earmarks	11
Sources of FY2024 Enacted Budget Authority.....	12
Department of Housing and Urban Development	13
Overview	13
Selected FY2025 HUD Appropriations Topics	17
Emergency-Designated Funding for Rental Assistance Renewals	17
House-Proposed Cut to the HOME Investment Partnerships Program.....	18
General Provisions	18
THUD Related Agencies	20

Figures

Figure 1. Distribution of THUD Funding by Title	1
Figure 2. Rental Assistance Renewal Funding	17

Tables

Table 1. THUD Appropriations by Bill Title, FY2024-FY2025.....	3
Table 2. Department of Transportation, FY2024-FY2025 Detailed Appropriations	5
Table 3. Department of Transportation, FY2024-FY2025 Community Project Funding/Congressionally Directed Spending.....	11
Table 4. Department of Transportation Budget Authority by Source, FY2024	12
Table 5. Department of Housing and Urban Development, FY2024-FY2025 Detailed Appropriations.....	14
Table 6. THUD Related Agencies, FY2024-FY2025 Detailed Appropriations	21
Table A-1. FY2025 THUD 302(b) Suballocations, in Context	24

Appendixes

Appendix. Overview of the FY2025 Budget Process.....	23
--	----

Contacts

Author Information.....	25
-------------------------	----

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

This report describes action on FY2025 annual appropriations for THUD, including detailed tables for each major agency and a brief overview of selected issues.

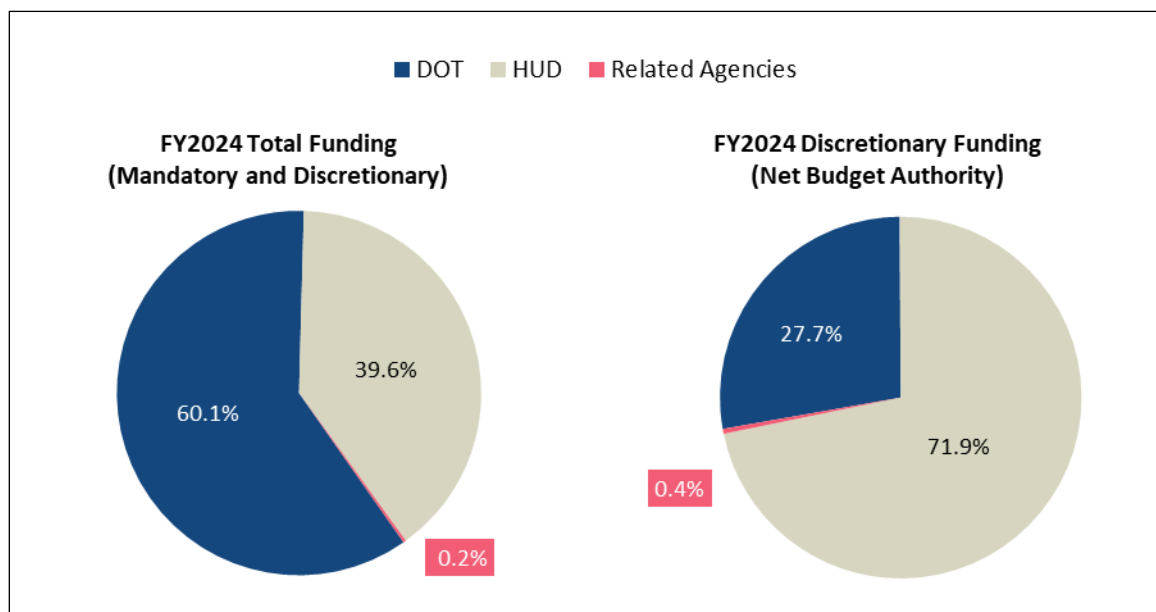
About the THUD Bill

The THUD bill funds two federal departments—DOT and HUD—and several smaller related agencies. Of the 12 regular appropriations bills, THUD is typically the fourth largest in terms of discretionary funding and it typically contains the largest number of Community Project Funding or Congressionally Directed Spending projects (*earmarks*).¹

As shown in **Table 1** and **Figure 1**, the distribution of funding within the THUD bill differs depending on the inclusion or exclusion of mandatory funding associated with the bill. Including both mandatory and discretionary funding, DOT's budget is nearly twice that of HUD's and the related agencies make up a small share of total funding. Conversely, when looking only at net discretionary budget authority—the funding that counts for congressional scorekeeping purposes, which accounts for savings from offsets and rescissions but excludes mandatory funding—HUD's share is larger than DOT's share.

Figure 1. Distribution of THUD Funding by Title

FY2024 Enacted



Source: Comparative Statement of New Budget (Obligational) Authority table, as published in H.Rept. 118-584, as well as congressional budget justifications.

Notes: Excludes emergency funding, such as emergency funding provided for regular program operations.

¹ For more information, see CRS Report RS22866, *Earmark Disclosure Rules in the House: Member and Committee Requirements*; and CRS Report RS22867, *Earmark Disclosure Rules in the Senate: Member and Committee Requirements*.

Overview of the FY2025 Appropriations Process

Continuing Resolution

Because full-year FY2025 appropriations were not enacted before the start of the fiscal year on October 1, Congress approved a continuing resolution to prevent a funding lapse on September 24 and the President signed it into law the next day. Division A of the Continuing Appropriations and Extensions Act, 2025 (H.R. 9747; P.L. 118-83) maintains funding for federal agencies, including those typically funded in the THUD appropriations act, at FY2024 levels through December 20, with some exceptions or anomalies. Two THUD-related anomalies were included:

- Section 150 allows for an apportionment rate necessary to maintain DOT's Essential Air Service program operations, funded by the Office of the Secretary's Payments to Air Carriers account. This anomaly was requested by the Administration, which contended that without it DOT may not have sufficient resources to continue contracted commercial air service to rural areas.²
- Section 151 allows HUD to use prior-year unobligated balances to supplement the tenant-based rental assistance account—which funds the Section 8 Housing Choice Voucher program—as necessary to prevent the termination of assistance to current program participants. This anomaly was also requested by the Administration, which contended that without it resources may be insufficient to sustain assistance for up to 120,000 families.³

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 the Senate Appropriations Committees generally begin action on each of the 12 appropriations bills based on their subcommittee allocations (referred to as *302(b) allocations*). (For more information, see the **Appendix**.)

While each bill reported out of the House and the Senate Appropriations Committees 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 following sections summarize FY2025 appropriations actions; **Table 1** tracks FY2025 THUD funding at the bill title level, compared to FY2024.

President's Budget

The President's budget request for FY2025 was released on March 11, 2024. For the agencies that comprise the THUD budget, it proposed the following:

- For DOT, \$106.4 billion in total funding for FY2025 (the same as FY2024), including \$25.5 billion in discretionary funding (-5.6% relative to FY2024) and \$80.9 billion in mandatory funding (+2% relative to FY2024).
- For HUD, \$64.3 billion in discretionary funding (-8.3% relative to FY2024) including \$10.4 billion in emergency funding for regular program operations.
 - In terms of gross appropriations—not accounting for savings from offsets and rescissions—the President's budget requested a decrease of 3.9%, or just

² See "FY2025 Continuing Resolution (CR) Appropriations Issues," *Congressional Quarterly*, <https://plus.cq.com/pdf/8076861.pdf?11>.

³ Ibid.

under \$3 billion. Much of this decrease is attributable to the President's budget including no new funding for Economic Development Initiatives; they received nearly \$3.3 billion in FY2024, all of which was for earmarks.

- For related agencies, \$462 million (+8.1% relative to FY2024).

House Action

On July 10, the House Appropriations Committee marked up and ordered reported its FY2025 THUD appropriations bill (H.R. 9028; H.Rept. 118-584), following subcommittee markup on June 27. It included the following:

- For DOT, \$106.7 billion in total funding for FY2025 (nearly the same as FY2024), including \$25.1 billion in discretionary funding (-6.9% relative to FY2024) and \$81.5 billion in mandatory funding (+2.7% relative to FY2024).
- For HUD, \$64.8 billion (-7.5% relative to FY2024 when including emergency funding for regular program operations provided in FY2024; +4.4% when excluding that emergency funding).
- For related agencies, \$442 million (+3.3% relative to FY2024).

Senate Action

Forgoing subcommittee consideration, the Senate Appropriations Committee marked up and ordered reported its FY2025 THUD appropriations bill (S. 4796; S.Rept. 118-199) on July 25. It included the following:

- For DOT, \$110.1 billion in total funding for FY2025 (+3.5% relative to FY2024), including \$28.5 billion in discretionary funding (+5.6% relative to FY2024) and \$81.6 billion in mandatory funding (+2.7% relative to FY2024).
- For HUD, \$58.8 billion in regular appropriations and \$11 billion in emergency designated funding for regular program operations, for a combined total of \$69.8 billion (<1% decrease relative to FY2024).
- For related agencies, \$454 million (+6.1% relative to FY2024).

Table I. THUD Appropriations by Bill Title, FY2024-FY2025

(dollars in millions)

	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Enacted
Title I: DOT	106,365	106,413	106,671	110,080	—
<i>Discretionary</i>	26,987	25,468	25,132	28,485	—
<i>Mandatory</i>	79,378	80,945	81,539	81,595	—
Title II: HUD	62,069 ^a	53,887 ^b	64,827	58,768	—
Title III: Related Agencies	428	462	442	454	—
Total	168,862	160,763	171,939	169,302	—
Total Discretionary	89,484	79,818	90,400	87,707	—
Total Mandatory	79,378	80,945	81,539	81,595	—

	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Enacted
<i>Emergency Appropriations for Regular Program Operations</i>	8,000	10,371	0	11,030	—
<i>Emergency Disaster Funding</i>	0	— ^c	0	0	—

Source: FY2024 Enacted, FY2025 President’s Request, and FY2025 House figures are taken from the Comparative Statement of New Budget (Obligational) Authority table, as published in H.Rept. 118-584, as well as congressional budget justifications. FY2025 Senate figures are taken from the Comparative Statement of New (Obligational) Budget Authority table, as published in S.Rept. 118-199. Some figures have been adjusted for comparability.

Notes: Values may not sum to totals or exactly match source materials because of rounding. Amounts noted as “emergency” are excluded when calculating total funds countable toward 302(b) allocations.

- Excludes \$8 billion in appropriations for rental assistance programs designated as emergency spending in the bill, shown under “Emergency Appropriations” later in this table.
- Excludes \$10.4 billion in appropriations for rental assistance programs the President’s budget requested be designated as emergency spending, shown under “Emergency Appropriations” later in this table.
- On June 28, 2024, the President submitted a supplemental request to Congress including \$700 million for HUD to provide assistance for communities affected by disasters in 2023 and \$3.1 billion for DOT to address emergencies including the Francis Scott Key Bridge collapse.

Department of Transportation

Among its many responsibilities, 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 (HTF) and the Aviation and Airways Trust Fund (AATF), respectively. HTF revenues come largely from fuel taxes and increasingly from transfers from the general fund of the Treasury. AATF revenues come largely from taxes on passenger tickets and aviation fuel and some general fund money.

Most of the funding drawn from the HTF, and a portion of the funding drawn from the AATF, is in the form of contract authority, a type of budget authority that is considered mandatory (rather than discretionary). The THUD bill includes obligation limitations on this mandatory budget authority; it does not count against the THUD bill’s 302(b) discretionary suballocation or the statutory discretionary spending limits under the Fiscal Responsibility Act of 2023 (FRA; P.L. 118-5). DOT’s discretionary appropriation for FY2024 was \$27 billion, and the agency also received \$79 billion in new mandatory funding from its trust funds, for a total of \$106 billion in new budget authority (roughly equal to FY2023). DOT also received an additional \$37 billion in advance appropriations for FY2024 from the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58), for a grand total of \$143 billion in newly available funding for FY2024 (about the same as FY2023).

Table 2 provides detailed appropriations information for DOT accounts and selected subaccounts, comparing FY2024 enacted to FY2025 requested, proposed, and enacted.

Components of DOT Funding

DOT's budget is made up of a combination of *mandatory funding* largely provided outside the annual appropriations acts via authorizing statutes and *discretionary budget authority* largely provided in the annual THUD appropriations acts.

DOT's mandatory funding includes *contract authority*, which is a special type of budget authority linked to trust funds that is authorized for obligation via an authorization act (such as surface transportation acts) that does not require further congressional action for DOT to incur obligations. This type of budget authority is considered to be mandatory spending. Congress typically sets a limitation on obligations of this mandatory budget authority during the annual appropriations process.

DOT uses two main trust funds: the Highway Trust Fund (HTF) and the Airport and Airways Trust Fund (AATF). The majority of programs that are administered by the Federal Highway Administration, Federal Transit Administration, Federal Motor Carrier Safety Administration, and National Highway Traffic Safety Administration are funded via the HTF. Some programs administered by the Federal Aviation Administration are funded by the AATF. Some of the funding from the AATF is disbursed as contract authority (mandatory), but the majority relies on an appropriation (discretionary).

Additionally, DOT received multi-year, supplemental, emergency-designated advance appropriations under Division J of the IIJA.

The cost of the new discretionary budget authority provided via annual appropriations acts—as determined by the Congressional Budget Office's (CBO's) scorekeeping process—may be offset, to some degree, by *savings* derived from collections from *user fees* and *rescissions* of prior-year appropriations. Deducting the savings from fees and rescissions from the *gross discretionary budget authority* provided to DOT results in *net discretionary budget authority*. Generally, gross discretionary budget authority, along with mandatory funding available in a fiscal year, is the most useful measure of the new resources being provided for DOT's programs and activities, whereas net discretionary budget authority is used for budget enforcement purposes and measuring against 302(b) allocations.

Any funding designated as an *emergency* requirement provided in the regular annual appropriations acts or in supplemental spending bills is generally excluded from totals for purposes of budget enforcement.

Table 2. Department of Transportation, FY2024-FY2025 Detailed Appropriations
(dollars in millions)

Administrations and Accounts	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Enacted
Appropriations					
Office of the Secretary (OST)	1,067	870	807	1,426	—
Salaries and Expenses	191	210	199	210	—
Research and Technology	49	62	50	57	—
National Infrastructure Investments	345	0	0	550	—
<i>Transportation Infrastructure Finance and Innovation Act Repurposing (non-add)</i>	—	-800	0	0	—
<i>National Infrastructure Investments Transfer (non-add)</i>	—	800	0	0	—
Thriving Communities Initiative	—	25	0	0	—
National Surface Transportation and Innovation Finance Bureau	10	11	11	11	—
Rural and Tribal Infrastructure Advancement	25	0	0	25	—

Administrations and Accounts	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Enacted
Railroad Rehabilitation and Improvement Program (negative subsidy)	(3)	—	—	—	—
Financial Management Capital	5	5	5	5	—
Cyber Security Initiatives	49	75	75	75	—
Office of Civil Rights	18	22	18	18	—
Transportation Planning, Research, and Development	24	25	21	46	—
<i>Community Project Funding/Congressionally Directed Spending (non-add)</i>	3	0	0	11	—
Working Capital Fund (non-add)	522	496	496	496	—
Small and Disadvantaged Business Utilization and Outreach	5	7	6	7	—
Payments to Air Carriers (Essential Air Service)	349	423	423	423	—
<i>Essential Air Service (Overflight Fees) (non-add)</i>	154	164	164	164	—
Electric Vehicle Fleet	—	5	0	0	—
Federal Aviation Administration (FAA)	16,733	17,453	17,657	18,015	—
Operations	12,730	13,603	13,588	13,603	—
Facilities & Equipment	3,191	3,600	3,549	3,600	—
<i>Community Project Funding/Congressionally Directed Spending (non-add)</i>	15	0	0	0	—
Research, Engineering, and Development (Airport and Airways Trust Fund)	280	250	260	290	—
Airport Discretionary Grants	532	0	261	521	—
<i>Community Project Funding/Congressionally Directed Spending (non-add)</i>	482	0	258	221	—
Federal Highway Administration (FHWA)	2,225	0	1,490	1,117	—
Highway Infrastructure Programs	2,225	0	1,490	1,117	—
<i>Community Project Funding/Congressionally Directed Spending (non-add)</i>	1,884	0	1,085	568	—
National Highway Traffic Safety Administration (NHTSA)	223	248	235	248	—
Operations and Research	223	248	235	248	—

Administrations and Accounts	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Enacted
Federal Railroad Administration (FRA)	3,024	3,200	2,758	3,461	—
Safety and Operations	268	294	288	293	—
Railroad Research and Development	54	52	46	55	—
Federal-State Partnership for Intercity Passenger Rail	75	100	0	100	—
Consolidated Rail Infrastructure and Safety Improvements	199	250	299	376	—
<i>Community Project Funding/Congressionally Directed Spending (non-add)</i>	99	0	39	76	—
Amtrak Grants	2,428	2,504	2,125	2,638	—
Northeast Corridor	1,141	1,200	1,002	1,021	—
National Network	1,286	1,304	1,123	1,617	—
Federal Transit Administration (FTA)	2,615	2,524	1,028	2,766	—
Transit Infrastructure Grants	252	0	116	346	—
<i>Community Project Funding/Congressionally Directed Spending (non-add)</i>	207	0	116	66	—
Technical Assistance and Training	8	8	8	8	—
Capital Investment Grants	2,205	2,366	755	2,262	—
Grants to Washington Metropolitan Area Transit Authority	150	150	150	150	—
Great Lakes Saint Lawrence Seaway Development Corporation (GLSLSDC)	40	41	41	41	—
Operations and Maintenance	40	41	41	41	—
Maritime Administration (MARAD)	982	860	919	1,143	—
Maritime Security Program	318	318	318	318	—
Cable Security Fleet	10	0	10	10	—
Tanker Security Program	60	60	120	120	—
Operations and Training	268	285	262	285	—
State Maritime Academy Operations	126	87	118	178	—
Assistance to Small Shipyards	9	20	9	20	—
Ship Disposal	6	6	6	6	—
Maritime Guaranteed Loan Program	54	4	4	5	—
Port Infrastructure Development Program	120	80	72	200	—

Administrations and Accounts	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Enacted
<i>Community Project Funding/Congressionally Directed Spending (non-add)</i>	70	0	22	0	—
National Defense Reserve Fleet	12	—	—	—	—
Pipeline and Hazardous Materials Safety Administration (PHMSA)	324	354	338	354	—
Operational Expenses	32	33	32	33	—
Hazardous Material Safety	75	87	81	87	—
Pipeline Safety	218	235	224	235	—
Oil Spill Liability Fund	30	31	31	31	—
Pipeline Safety Fund	181	196	186	196	—
Liquefied Natural Gas Siting Account	*	*	*	*	—
Underground Natural Gas Storage Facility Safety Account	7	7	7	7	—
Office of Inspector General	116	122	122	119	—
Salaries and Expenses	116	122	122	119	—
Total Appropriations	27,162	25,672	25,395	28,689	—
Rescissions	-175	—	-70	—	—
OST—RRIF Cohort 3 Modification Cost (§108)	-9	—	—	—	—
FAA—Unobligated Balances	-2	—	—	—	—
FHWA—General Fund (§125)	-68	—	—	—	—
FRA	-53	—	—	—	—
FTA—Unobligated Balances (§165)	-1	—	—	—	—
MARAD	-42	—	-70	—	—
<i>Maritime Security Program</i>	-17	—	—	—	—
<i>Cable Security Fleet</i>	—	—	-10	—	—
<i>Tanker Security Program</i>	-21	—	-60	—	—
<i>Ship Disposal</i>	-4	—	—	—	—
User Fees	-188	-204	-193	-204	—
PHMSA	-188	-204	-193	-204	—
<i>Pipeline Safety Fund</i>	-181	-196	-186	-196	—
<i>Underground Natural Gas Storage Facility Safety Account</i>	-7	-7	-7	-7	—
<i>Liquefied Natural Gas Siting</i>	*	*	*	*	—
Net Discretionary Budget Authority	26,987	25,468	25,132	28,485	—
Limitations on Obligations (Mandatory Funding)	79,378	80,945	81,539	81,595	—

Administrations and Accounts	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Enacted
FAA—Airport and Airways Trust Fund	3,350	3,350	4,000	4,000	—
FHWA—Highway Trust Fund ^a	60,096	61,314	61,314	61,314	—
Federal Motor Carrier Safety Administration (FMCSA)—Highway Trust Fund	927	965	909	965	—
NHTSA—Highway Trust Fund	1,015	1,037	1,037	1,037	—
FTA—Highway Trust Fund	13,990	14,279	14,279	14,279	—
PHMSA—Emergency Preparedness Fund (non-add)	46,825	46,825	46,825	46,825	—
Total Budgetary Resources (Mandatory + Discretionary)^b	106,365	106,412	106,671	110,080	—

Source: FY2024 Enacted, FY2025 Request, and FY2025 House Comm. figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-584, as well as congressional budget justifications. FY2025 Senate Comm. figures are taken from the Comparative Statement of New Budget Authority table, as published in S.Rept. 118-199.

Notes: * denotes that the amount rounds to zero. Consistent with source materials, line items labeled as “non-add” are not included in account-level summary totals.

- a. For FHWA, there is an additional \$739 million of mandatory budget authority that is exempt from the limitation on obligations.
- b. Advance appropriations from Division J of P.L. 117-58 are not included in these totals, but are presented in **Table 4**.

Selected FY2025 DOT Appropriations Topics

National Infrastructure Investments (Mega/RAISE Grants)

The Office of the Secretary’s (OST’s) National Infrastructure Investments account supports the National Infrastructure Project Assistance discretionary grant program (49 U.S.C. §6701), also known as Mega. Mega grants support large-scale projects and are authorized by Section 21201 of P.L. 117-58. The National Infrastructure Investments account also supports the Local and Regional Project Assistance discretionary grants program (49 U.S.C. §6702), also known as Rebuilding American Infrastructure with Sustainability and Equity (RAISE). RAISE grants support multimodal projects for state, local, and tribal governments and are authorized by Section 21202 of P.L. 117-58. For FY2025, the Senate committee bill included \$550 million in new appropriations, which is 65% more than the \$334 million enacted in FY2024. The account is to receive \$2.5 billion in supplemental advance appropriations in FY2025 from P.L. 117-58, which includes \$1 billion for Mega and \$1.5 billion for RAISE.⁴

Federal Rail Administration

The Federal Rail Administration’s (FRA’s) Federal-State Partnership for Inner City Passenger Rail account supports state of good repair and service improvement efforts of the Northeast

⁴ Division J, Title VIII.

Corridor (NEC).⁵ The account also supports other national efforts to improve intercity passenger rail corridors and provide new corridor services. For FY2025, the Senate committee bill matched the President's request of \$100 million for the account. The House committee bill included no new funding for FY2025. The account is also to receive \$7.2 billion in supplemental advance appropriations from P.L. 117-58 for FY2025.

The FRA's account for the National Railroad Passenger Corporation, also known as Amtrak, supports grants for the Northeast Corridor and for the National Network. The House committee bill included \$2.125 billion and the Senate committee bill included \$2.638 billion for the Amtrak account. The House committee bill would provide 15% less than the President requested and 24% less than the Senate committee bill would provide for the account for FY2025. The Senate committee bill included \$1.617 billion for the National Network grant program while the House committee bill included 31% less funding for FY2025 (\$1.123 billion). The Amtrak account is also to receive \$4.4 billion in supplemental appropriations from P.L. 117-58, which would provide \$1.2 billion to support the Northeast Corridor grants and \$3.2 billion to support National Network grants.

Federal Transit Administration

The Federal Transit Administration's (FTA's) Transit Infrastructure Grants account supports grants for ferry boat service, research and development, buses, bus facilities, earmarks, and more. For FY2025, the Senate committee bill included \$346 million in new appropriations, 200% more than the House committee bill (\$116 million). Of the Senate committee's amount, 19% would be for earmarks as identified in the Senate Appropriations Committee report. The House committee bill proposed funding level for the account was entirely composed of community project funding.

The FTA's account for Capital Investment Grants supports state, local, and private investment in capital projects for new and expanded transit service. For FY2025, the President's request of \$2.366 billion and the Senate committee proposed funding level (\$2.262 billion) are similar to the FY2024 enacted amount of \$2.205 billion. The House committee recommended \$755 million in discretionary funding, 68% below the request. The account is to receive \$1.6 billion in supplemental appropriations in FY2025 from P.L. 117-58. The House Appropriations Committee report recommended adjusting supplemental appropriations provided via P.L. 117-58 to ensure that the FY2025 enacted amounts; unallocated amounts from the Consolidated Appropriations Act, 2024 (P.L. 118-42); and the supplemental appropriations do not exceed \$2.864 billion.⁶

Maritime Administration

The Maritime Administration (MARAD) supports programs for U.S. shipyards, ports, waterways, ships and shipping, vessel operations, ship disposal, and maritime education. The Senate committee bill included a total of \$1.143 billion for MARAD for FY2025, 24% more than included in the House committee bill (\$919 million). The percentage differences in the proposed funding levels of the House committee and the Senate committee are highest in the State Maritime Academy Operations account and the Assistance to Small Shipyards account. The State Maritime Academy Operations account supports six academies that train mariners. The Senate committee bill included \$178 million, 51% more than the House committee bill (\$118 million) and 105% more than the President's request (\$87 million) for this account for FY2025. For

⁵ 49 U.S.C. §24911.

⁶ U.S. Congress, House Appropriations Committee, *Departments of Transportation, and Housing and Urban Development, and Related Agencies Appropriations Bill, 2025*, Report of the Committee on Appropriations, House of Representatives, 118th Cong., 2nd sess., July 12, 2024, p. 56.

MARAD's Assistance to Small Shipyards account, the House committee bill proposal matches the FY2024 enacted amount of \$9 million and the Senate committee bill matches the FY2025 President's request of \$20 million. MARAD's Tanker Security Program account supports 10 U.S. flag product tankers to support deployed Armed Forces. The House and the Senate committees' bills included \$120 million for the Tanker Security Program, which would be double the FY2024 enacted amount and the FY2025 President's request (\$60 million).

Earmarks

For Community Project Funding/Congressionally Directed Spending projects in FY2025, the House committee bill proposed \$1.520 billion in new appropriations while the Senate committee bill proposed \$942 million (**Table 3**). Under FHWA's Highway Infrastructure Programs account, the FY2025 combined earmarks included by the appropriations committees (House: \$1.085 billion; Senate: \$568 million) total 88% of the FY2024 enacted amount (\$1.884 billion). Neither committee earmarked funding under the FAA's Facilities and Equipment account for FY2025, compared with \$15 million in FY2024. For FTA, the House committee proposed \$116 million for earmarks, while the Senate committee proposed \$66 million. For MARAD, the House committee requested \$22 million for earmarks through the Port Infrastructure Development Program account, which is less than one-third of the earmarked funding enacted in FY2024 (\$70 million), while the Senate committee included no earmarks in this account. Under OST's Transportation Planning, Research, and Development account, the Senate committee included nearly four times as much earmarked funding (\$11 million) as was enacted in FY2024 (\$3 million).

In some accounts, earmarks would nearly meet or exceed prior-year appropriation levels if funding from both chambers were incorporated. Under the Airport Discretionary Grants account, the combined earmark recommendations of the two committees (House: \$258 million; Senate: \$221 million) nearly equals the FY2024 enacted level (\$482 million). For FRA's Consolidated Rail Infrastructure and Safety Improvements (CRISI) account, the two committees together included 16% more funding for earmarks in FY2025 (\$115 million) than was enacted in FY2024 (\$99 million).

Table 3. Department of Transportation, FY2024-FY2025 Community Project Funding/Congressionally Directed Spending
(dollars in millions)

Admins.	Accounts	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Enacted
OST	Transportation Planning, Research, and Development	3	—	—	11	—
FAA	Facilities and Equipment	15	—	—	—	—
	Airport Discretionary Grants	482	—	258	221	—
FHWA	Highway Infrastructure Programs	1,884	—	1,085	568	—
FRA	Consolidated Rail Infrastructure and Safety Improvements	99	—	39	76	—

Admins.	Accounts	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Enacted
FTA	Transit Infrastructure Grants	207	—	116	66	—
MARAD	Port Infrastructure Development Program	70	—	22	—	—
Total		2,761	—	1,520	942	—

Source: FY2024 Enacted, FY2025 Request, and FY2025 House Comm. figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-584, as well as congressional budget justifications. FY2025 Senate Comm. figures are taken from the Comparative Statement of New Budget Authority table, as published in S.Rept. 118-199. Earmark funding levels are proposed in H.R. 9028 and S. 4796. Project descriptions can be found in H.Rept. 118-584 and S.Rept. 118-199.

Sources of FY2024 Enacted Budget Authority

Annually, DOT typically receives funding through three types of budget authority (**Table 4**). Mandatory budget authority was 55.4% (\$79.378 billion) of DOT's budget authority for FY2024. P.L. 117-58 provided supplemental advance appropriations to DOT for FY2022-FY2026. In FY2024, advance appropriations from P.L. 117-58 accounted for 25.7% of DOT's total budget authority. For FY2024, Congress provided DOT with \$26.99 billion (18.8%) in discretionary budget authority. For FY2025, the proportional budget authority will likely remain the same, with mandatory budget authority as the highest share and discretionary budget authority as the lowest share.

OST, FRA, and PHMSA received the majority of its FY2024 funding via advance appropriations enacted in the FY2023 THUD appropriations act. FAA and MARAD received the majority of funding as discretionary budget authority. FTA and the FHWA received the most funding through mandatory budget authority in FY2024.

While **Table 4** illustrates the sources of FY2024 funding, note that the same amount and distribution of funding from P.L. 117-58 is slated to be available in FY2025.

Table 4. Department of Transportation Budget Authority by Source, FY2024

(dollars in millions)

Administrations	P.L. 117-58 Emergency Supplemental Funding	Annual Discretionary Funding	Mandatory Funding	Total Funding
OST	3,800	1,058	—	4,858
FAA	5,000	16,732	3,350	25,082
FHWA	9,454	2,156	60,096	71,706
FMCSA	135	—	927	1,062
NHTSA	322	223	1,015	1,560
FRA	13,200	2,970	—	16,170
FTA	4,250	2,614	13,990	20,854
GLSLSDC	—	40	—	40

Administrations	P.L. 117-58 Emergency Supplemental Funding	Annual Discretionary Funding	Mandatory Funding	Total Funding
MARAD	450	941	—	1,391
PHMSA	200	136	—	336
OIG	—	116	—	116
Total Appropriations by Type	36,811	26,987	79,378	143,176

Source: P.L. 117-58 Emergency Supplemental Funding totals are taken from S.Rept. 118-70 accompanying S. 2437, “Other Appropriations,” pp. 224-227. Annual Discretionary Funding and Mandatory Funding figures are taken from the Comparative Statement of New Budget Authority tables published in the Explanatory Statement accompanying H.R. 4366 as passed the House and Senate, as well as the text of the Explanatory Statement and bill, all available in the March 5, 2024, *Congressional Record* for Division F.

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.⁷ 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 and community development grants through the Native American Housing Block Grant and Indian Community Development Block Grant programs.

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), or Ginnie Mae, is also a part of HUD and it guarantees securities made up of federally insured or guaranteed mortgages.

⁷ 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.

Table 5 provides detailed appropriations information for HUD accounts and selected subaccounts, comparing FY2024 enacted to FY2025.

Components of HUD Funding

Nearly all of HUD's funding is provided via *discretionary appropriations*, generally contained in the annual THUD appropriations act. (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 *net budget authority*. Generally, gross budget authority is the most useful measure of the new resources being provided for HUD's programs and activities, whereas net budget authority is used for budget enforcement purposes and measuring against 302(b) allocations. Any funding designated as an *emergency* requirement provided in the regular annual appropriations acts or in supplemental spending bills is generally exempt for purposes of budget enforcement.

HUD also generally receives a relatively small amount of *mandatory funding* outside of the annual appropriations process, such as contributions from the Government Sponsored Enterprises (Fannie Mae and Freddie Mac) to fund the Housing Trust Fund. These mandatory funds are generally not reflected in this report.

**Table 5. Department of Housing and Urban Development,
FY2024-FY2025 Detailed Appropriations**

(dollars in millions)

Accounts	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Final
Appropriations					
Salaries and Expenses (Management and Administration)	1,803	1,909	1,803	1,902 ^a	—
Tenant-Based Rental Assistance (Section 8 Housing Choice Vouchers)	26,387	27,467	32,272	27,230	—
Tenant-Based Rental Assistance—Emergency Designated (non-add)	6,000	5,289	0	8,030	—
Total Tenant-Based Rental Assistance (incl. emergency funding) (non-add)	32,387	32,756	28,500	35,260	—
Voucher Renewals (incl. emergency, non-add)	28,491	28,550	28,500	32,035	—
Administrative Fees (non-add)	2,771	2,964	2,771	2,880	—
VASH (non-add)	15	0	0	15	—
FUP (non-add)	30	0	0	30	—
Other Incremental Vouchers (non-add)	—	241	0	0	—
Public Housing Fund	8,811	8,540	8,214	8,783	—
Operating Grants (non-add)	5,476	5,050	5,097	5,366	—
Capital Grants (non-add)	3,200	3,200	3,047	3,200	—
Operational Performance Evaluation and Risk Assessments	50	50	50	50	—

Accounts	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Final
Choice Neighborhoods	75	140	0	100	—
Self Sufficiency Programs	196	175	175	201	—
Native American Programs	1,344	1,053	1,455	1,455	—
<i>Native American Block Grants (Formula) (non-add)</i>	<i>1,111</i>	<i>820</i>	<i>1,222</i>	<i>1,217</i>	—
<i>Native American Block Grants (Competitive) (non-add)</i>	<i>150</i>	<i>150</i>	<i>150</i>	<i>150</i>	—
<i>Indian Community Development Block Grants (non-add)</i>	<i>75</i>	<i>75</i>	<i>75</i>	<i>80</i>	—
Indian Housing Loan Guarantee	2	2	2	2	—
Native Hawaiian Block Grant	22	22	0	22	—
Housing, Persons with AIDS (HOPWA)	505	505	505	524	—
Community Development Fund	6,720	2,930	5,506	4,617	—
<i>CDBG Formula Grants</i>	<i>3,300</i>	<i>2,800</i>	<i>3,300</i>	<i>3,300</i>	—
<i>SUPPORT for Patients and Communities</i>	<i>30</i>	<i>30</i>	<i>30</i>	<i>30</i>	—
<i>Grants to Reduce Barriers to Affordable Housing</i>	<i>100</i>	<i>100</i>	<i>0</i>	<i>100</i>	—
<i>Economic Development Initiatives</i>	<i>3,290</i>	<i>0</i>	<i>2,176</i>	<i>1,187</i>	—
HOME Investment Partnerships	1,250	1,250	500	1,425	—
Preservation and Reinvestment Initiative for Community Enhancement	10	0	10	10	—
Self-Help Homeownership	60	55	56	70	—
<i>Self-Help and Assisted Homeownership Opportunity Program</i>	<i>12</i>	<i>9</i>	<i>9</i>	<i>13</i>	—
<i>Section 4 Capacity Building</i>	<i>42</i>	<i>41</i>	<i>42</i>	<i>47</i>	—
<i>Rural Capacity Building</i>	<i>6</i>	<i>5</i>	<i>5</i>	<i>10</i>	—
Homeless Assistance Grants	4,051	4,060	4,060	4,319	—
Project-Based Rental Assistance (Section 8)	14,010	11,604	16,595	13,654	—
<i>Project-Based Rental Assistance—Emergency Designated (non-add)</i>	<i>2,000</i>	<i>5,082</i>	<i>0</i>	<i>3,000</i>	—
<i>Total Project-Based Rental Assistance (incl. emergency)</i>	<i>16,010</i>	<i>16,686</i>	<i>16,595</i>	<i>16,654</i>	—
<i>Contract Renewals (incl. emergency)</i>	<i>15,542</i>	<i>16,189</i>	<i>16,127</i>	<i>16,127</i>	—
<i>Contract Administrators</i>	<i>468</i>	<i>492</i>	<i>468</i>	<i>492</i>	—
<i>Mark to Market</i>	—	<i>5</i>	<i>0</i>	<i>10</i>	—
<i>Loan Program for Distressed Properties</i>	—	—	—	<i>25</i>	—
Housing for the Elderly (Section 202)	913	931	931	1,046	—
Housing for Persons with Disabilities (Section 811)	208	257	257	257	—
Housing Counseling Assistance	58	58	58	58	—
Manufactured Housing Fees Trust Fund ^b	14	14	14	14	—

Accounts	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Final
Federal Housing Administration (FHA) Expenses ^b	150	155	150	155	—
Government National Mortgage Association (GNMA) Expenses ^b	55	67	55	68	—
Research and Technology	139	156	119	150	—
Fair Housing Activities	86	86	85	86	—
<i>Fair Housing Assistance Program (non-add)</i>	26	26	26	26	—
<i>Fair Housing Initiatives Program (non-add)</i>	56	56	55	56	—
Lead Hazard Reduction	296	350	335	345	—
Information Technology Fund	383	419	385	436	—
Inspector General	153	160	160	160	—
<i>Gross Appropriations Subtotal (non-emergency)</i>	67,749	62,414	73,751	67,139	—
<i>Gross Appropriations Subtotal (incl. emergency)</i>	75,749	72,785	73,751	78,169	—
Offsetting Collections and Receipts					
Manufactured Housing Fees Trust Fund	-14	-14	-14	-14	—
FHA	-4,038	-6,794	-6,794	-6,794	—
GNMA	-1,436	-1,563	-1,563	-1,563	—
<i>Offsets Subtotal</i>	-5,488	-8,371	-8,371	-8,371	—
Rescissions					
Rescissions from Unobligated Balances	-192	-156	-554	0	—
<i>Rescissions Subtotal</i>	-192	-156	-554	0	—
Net Discretionary Budget Authority (non-emergency)	62,069	53,887	64,827	58,768	
Disaster Relief Emergency Funding	—	^c	0	0	—
Emergency Appropriations for Regular Program Operations	8,000	10,371	0	11,030	—
Total (incl. all Emergency Spending)	70,069	64,258	64,827	69,798	—

Source: FY2024 Enacted, FY2025 Request, and FY2025 House Comm. figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-584, as well as congressional budget justifications. FY2025 Senate Comm. figures are taken from the Comparative Statement of New Budget Authority table, as published in S.Rept. 118-199.

Notes: Figures may not add due to rounding. Some numbers have been adjusted for comparability.

- The Senate committee bill includes funding for the Working Capital Fund in the Management and Administration total. Those funds are not included in this total and are shown separately in this table, consistent with the House committee and President's budget presentations.
- 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.
- On June 28, 2024, the President submitted a supplemental request to Congress including \$700 million for Community Development Block Grant Disaster Recovery (CDBG-DR) assistance for communities affected by disasters in 2023.

Selected FY2025 HUD Appropriations Topics

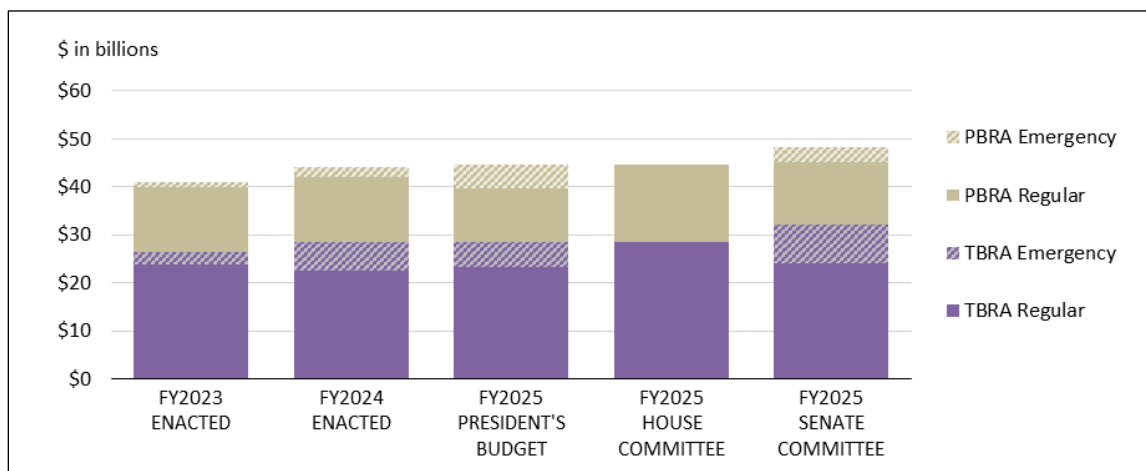
Emergency-Designated Funding for Rental Assistance Renewals

Among the largest expenses in HUD's budget are the annual costs of renewing rental assistance payments for the 3.5 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 Assistance (PBRA) accounts, respectively—account for nearly 60% of the total new funding for HUD's programs and activities each year.⁸

As illustrated in **Figure 2**, the FY2023 and FY2024 appropriations laws funded rental assistance renewal costs for these two programs using a combination of regular appropriations and emergency-designated funding. Nearly 9% of renewal funding in the TBRA and PBRA accounts in FY2023 and 18% in FY2024 was provided as emergency-designated spending, and therefore not subject to the applicable discretionary spending limits, including the THUD subcommittee's 302(b) allocations.

For FY2025, the President's budget proposed again using emergency-designated funding for rental assistance renewal costs, requesting that 23% of total TBRA and PBRA renewal funding come from emergency-designated funds. The House committee bill proposed no emergency-designated funding for renewal costs. The Senate committee bill proposed more overall renewal funding than requested by the President, and that the share be emergency-designated as requested by the President (23%).

Figure 2. Rental Assistance Renewal Funding



Source: FY2023 Enacted figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-154, beginning on page 410. FY2024 Enacted, FY2025 President's Budget, and FY2025 House Committee figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-584, as well as congressional budget justifications. FY2025 Senate Committee figures are taken from the Comparative Statement of New Budget Authority table, as published in S.Rept. 118-199.

⁸ In FY2024, funding for TBRA and PBRA renewals accounted for 58% of HUD's gross appropriations.

House-Proposed Cut to the HOME Investment Partnerships Program

The House committee bill proposed \$500 million in new appropriations for the HOME Investment Partnerships account in FY2025, representing a 60% cut relative to FY2024 appropriations (\$1.25 billion), which is among the largest proposed cuts to any HUD account this fiscal year.⁹ The House committee report noted that the American Rescue Plan Act (P.L. 117-2) provided \$5 billion to HOME in 2021 for eligible rental housing activities in response to the COVID-19 pandemic (HOME-ARP), only 5% of which had been expended.¹⁰

The HOME Investment Partnerships Program (HOME) provides formula funding to states, local governments, and insular areas. Funds can be used for new construction, rehabilitation, and acquisition of affordable housing for low-income renters, homebuyers, and homeowners, as well as tenant-based rental assistance.

The President's budget request for FY2025 designated that up to \$50 million of the FY2025 HOME funds be set aside specifically for homebuyer assistance under a proposed FirstHOME Downpayment Assistance Initiative (FirstHOME). While homebuyer assistance is an eligible use of HOME funds, and Congress funded a homebuyer assistance set-aside from FY2003 to FY2008 through the American Dream Downpayment Initiative (ADDI), HUD appropriations have not previously funded FirstHOME, which was originally proposed in the President's FY2022 budget. Neither the House bill nor the Senate bill include FirstHOME set-asides for FY2025. However, H.Rept. 118-543 requested that HUD encourage participating jurisdictions to prioritize homeownership activities with their regular HOME grants, as those activities are not an eligible use of HOME-ARP funds.¹¹

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 department's programs and activities. Many of these GPs are carried over from year to year, but some new GPs are generally added each year. Some of the new GPs under consideration for the FY2025 appropriations cycle are discussed below.

Contract Administrators

HUD has been unsuccessfully attempting to rebid the performance-based contract administrator (PBCA) contracts it uses to help manage the PBRA program for more than a decade. In the FY2025 budget request, as in previous requests, the Administration sought a provision that would authorize the department to use cooperative agreements in lieu of procurement contracts when making performance-based contract administrator awards for the PBRA program. The Senate Committee bill (§234) contains a provision similar to that requested by the President's budget.

⁹ The House-proposed cut to Economic Development Initiatives (\$1.1 billion) was larger in dollar terms.

¹⁰ H.Rept. 118-584, p. 87.

¹¹ HOME-ARP funds have restrictions and eligible uses that are not equivalent to traditional HOME funds. HOME-ARP funds can be used for rental housing acquisition, rehabilitation, and construction; TBRA; supportive services; and acquisition and development of non-congregate shelter. 70% of HOME-ARP rental units must be occupied by qualifying populations who are homeless or at risk of homelessness, and 100% of HOME-ARP funds used for TBRA, supportive services, and shelter units must benefit such qualifying populations. See HUD Notice CPD-21-10 at <https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-10cpdn.pdf>.

The House Committee bill (§239) would amend an existing statute to establish a new competitive process for awarding PBCA contracts every seven years.

Notice to Vacate

In response to the COVID-19 pandemic, the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) contained a temporary moratorium on the filing of evictions, as well as other protections for tenants in certain rental properties with federal assistance or federally related financing. One of those provisions, Section 4024(c), requires landlords of covered properties to provide tenants at least 30 days' notice before they must vacate a property following an eviction. That provision was not covered by the same sunset date as the other tenant-related provisions of the act, thus the 30-day notice to vacate requirement is still in effect. A number of housing industry groups—including the National Apartment Association (NAA) and the National Multifamily Housing Council (NMHC)¹²—have advocated for the repeal of the provision, and repeal legislation (H.R. 802) was ordered reported by the House Financial Services committee in 118th Congress. These repeal efforts have been opposed by low-income housing and tenant advocates such as the Low-Income Housing Coalition.¹³ The House committee bill contains a repeal in its GPs (§243); the Senate committee bill contains no such provision.

Native American Housing

The House committee bill and the Senate committee bill each include multiple GPs related to Native American housing programs or tribes' participation in housing programs. Some of these provisions are included in both bills.

The House and the Senate committee bills both include a provision (§236 in the House bill, §242 in the Senate bill) to amend the Section 184 Indian Home Loan Guarantee Program, which guarantees home loans made to eligible tribal members, to expand the geographic area where it can be used. The President's budget included a similar proposal.¹⁴ The provision in the Senate committee bill would also amend the Section 184A Native Hawaiian Home Loan Guarantee program, which guarantees home loans for Native Hawaiians, to expand the geographic areas where it can be used beyond the Hawaiian Home Lands; the provision in the House committee bill does not address the Section 184A program. Both the House and the Senate committee bills also include a GP (§237 in the House bill, §244 in the Senate bill) that would amend the Indian Community Development Block Grant (ICDBG) program to allow tribes to carry out certain types of activities directly, rather than only through certain types of nonprofits or other eligible organizations.

The House committee bill includes a GP related to how certain housing units that are being used in the Tribal HUD Veteran Affairs Supportive Housing (HUD-VASH) program are treated for the purposes of the Native American Housing Block Grant (NAHBG) allocation formula. Part of the NAHBG formula involves the number of housing units that received HUD assistance prior to the NAHBG's establishment that the tribe continues to own or operate, known as *formula current assisted stock*. Currently, HUD requires that any such units that are leased using a Tribal HUD-

¹² NAA, "NAA, NMHC Applaud Bill to Restore Routine Housing Operations, Remove Federal Intrusion," press release, <https://www.naahq.org/naa-nmhc-applaud-bill-restore-routine-housing-operations-remove-federal-intrusion>.

¹³ National Low-Income Housing Coalition, "House Financial Services Committee Republicans Pass Bill to Eliminate 'CARES Act' 30-Day Eviction Notice Requirement," April 22, 2024, <https://nlihc.org/resource/house-financial-services-committee-republicans-pass-bill-eliminate-cares-act-30-day>.

¹⁴ HUD FY2025 Budget Justifications, p. 14-3, https://www.hud.gov/sites/dfiles/CFO/documents/2025_CJ_Program_-_Indian_Housing_Loan_Guarantee_Fund.pdf.

VASH voucher must be removed from the NAHBG formula calculation; they can be added back when they are no longer being used in Tribal HUD-VASH.¹⁵ The House committee bill (§235) would provide that *formula current assisted stock* units that are utilizing Tribal HUD-VASH vouchers must continue to be included in the NAHBG formula for the purposes of the FY2025 funding. The Senate committee bill does not include such a provision.

The Senate committee bill includes GPs that address certain aspects of tribes' use of funds under HUD's Continuum of Care program (§241) and that would amend the Section 184 and Section 184A programs to allow loan terms of up to 40 years in the case of a loan modification (§243). These provisions are not included in the House committee bill. The President's budget included legislative proposals for additional flexibilities for tribes in the Continuum of Care program¹⁶ and for 40-year loan modification terms in the Section 184¹⁷ and Section 184A¹⁸ programs.

Energy Efficiency Standards

Section 109 of the Cranston-Gonzalez National Affordable Housing Act, as amended most recently by the Energy Independence and Security Act of 2007, addresses minimum energy efficiency standards for newly constructed housing that is assisted or financed through certain HUD or U.S. Department of Agriculture (USDA) programs.¹⁹ The standards are based on the International Energy Conservation Code (IECC) for single-family homes and low-rise multifamily buildings, and on the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1 for high-rise multifamily buildings. The law includes procedures for HUD and USDA to apply periodic revisions to the IECC Code and ASHRAE 90.1 standard to new construction under the covered housing programs, subject to certain determinations. In April 2024, HUD and USDA published a notice in the *Federal Register* adopting more recent IECC and ASHRAE 90.1 editions—the 2021 IECC and ASHRAE 90.1-2019—for newly constructed housing under covered housing programs.²⁰ The compliance date varies by program. The House committee bill contains a GP (§242) that would prohibit HUD from using any funds made available in the act to update minimum energy efficiency standards for new housing funded by the department as part of carrying out the April 2024 *Federal Register* notice or otherwise. The Senate committee bill contains no such provision.

THUD Related Agencies

The annual THUD appropriations bill generally provides 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

¹⁵ HUD Office of Native American Programs Program Guidance 2018-01, <https://www.hud.gov/sites/dfiles/PIH/documents/2018-01ihbtribalguidance.PDF>.

¹⁶ HUD FY2025 Budget Justifications, p. 22-9, https://www.hud.gov/sites/dfiles/CFO/documents/2025_CJ_Program_-_HAG.pdf.

¹⁷ *Ibid.*, p. 14-3.

¹⁸ *Ibid.*, p. 16-3.

¹⁹ 42 U.S.C. §12709

²⁰ HUD and USDA, "Final Determination: Adoption of Energy Efficiency Standards for New Construction of HUD- and USDA-Financed Housing," 89 *Federal Register* 33112-33182, April 26, 2024, <https://www.federalregister.gov/documents/2024/04/26/2024-08793/final-determination-adoption-of-energy-efficiency-standards-for-new-construction-of-hud-and-usda>.

accessibility guidelines and standards to ensure access to federally funded public infrastructure for persons with disabilities.²¹

- The Federal Maritime Commission is an independent federal agency charged with regulating U.S. ocean commerce.²²
- The Amtrak Inspector General is an independent organization charged with providing oversight of Amtrak’s programs and operations.²³
- The National Transportation Safety Board (NTSB) investigates accidents, crashes, and other events in transportation.²⁴
- 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.²⁵
- The Surface Transportation Board is an independent federal agency that is “the economic regulation of various modes of surface transportation, primarily freight rail.”²⁶
- The Interagency Council on Homelessness is an independent federal agency charged with coordinating the federal response to homelessness.²⁷

Table 6. THUD Related Agencies, FY2024-FY2025 Detailed Appropriations

(dollars in millions)

Related Agency	FY2024 Enacted	FY2025 Request	FY2025 House Comm.	FY2025 Senate Comm.	FY2025 Enacted
Access Board	10	10	10	10	—
Federal Maritime Commission	40	48	43	45	—
National Railroad Passenger Corporation (Amtrak) Office of Inspector General	29	32	32	32	—
National Transportation Safety Board	140	150	145	145	—
Neighborhood Reinvestment Corporation (NeighborWorks)	158	168	158	168	—
Surface Transportation Board	47	51	51	51	—
Offsetting Collections	-1	-1	-1	-1	—
U.S. Interagency Council on Homelessness	4	4	4	4	—
Total	428	462	442	454	—

²¹ See <https://www.access-board.gov/about/>.

²² See <https://www.fmc.gov/about-the-fmc/>.

²³ See <https://amtrakoig.gov/about-us>.

²⁴ See <https://www.nts.gov/about/Pages/default.aspx>.

²⁵ See <https://www.neighborworks.org/About-Us>.

²⁶ See <https://www.stb.gov/about-stb/>.

²⁷ See <https://www.usich.gov/about-usich/>.

Source: FY2024 Enacted, FY2025 Request, and FY2025 House Comm. figures are taken from the Comparative Statement of New Budget Authority table, as published in H.Rept. 118-584, as well as congressional budget justifications. FY2025 Senate Comm. figures are taken from the Comparative Statement of New Budget Authority table, as published in S.Rept. 118-199.

Notes: Totals may not add due to rounding.

Appendix. Overview of the FY2025 Budget Process

The consideration of the FY2025 THUD appropriations proposals takes place in the context of the broader annual federal budget process, which begins with the release of the President's budget, generally followed by the adoption of a congressional budget resolution setting overall spending limits, and development and consideration of the 12 annual appropriations acts (including THUD).

The *President's budget request* for the upcoming fiscal year is due to be submitted to Congress by the first Monday in February, although it is not uncommon for the submission to happen after this date. The President's budget request for FY2025 was submitted on March 11, 2024, about five weeks after it was due. Its release occurred in the same month as enactment of FY2024 full-year annual appropriations (P.L. 118-42 and P.L. 118-47), which was about six months into the fiscal year. The relationship between enactment of final FY2024 appropriations and the budget submission means that funding amounts in the President's FY2025 budget materials generally do not reflect final FY2024 enacted funding levels and instead present estimates based on the continuing resolutions in place at the time the budget documents were prepared.

For FY2025, 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 a largely across-the-board reduction made to the category of spending that is in excess of the limit (defense or nondefense) to eliminate the excess spending.²⁸ The statutory limits on discretionary spending that are in effect for the FY2025 funding cycle were enacted as part of the FRA on June 3, 2023.²⁹ 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 FY2025.³⁰ Nearly all of the funding in the THUD bill is subject to the nondefense limit.³¹

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. The budget resolution 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*).³²

As of the cover date of this report, the House and Senate have not adopted a FY2025 budget resolution. The House Budget Committee has ordered reported a FY2025 budget resolution (H.Con.Res. 117; H.Rept. 118-568), although it had not been considered by the full House; no Senate action has occurred. For the purposes of providing 302(a) allocations and budgetary

²⁸ The FRA 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*.

²⁹ Ibid.

³⁰ For further information, see CRS Insight IN12183, *The FRA's Discretionary Spending Caps Under a CR: FAQs*, by Drew C. Aherne and Megan S. Lynch.

³¹ A relatively small amount of DOT funding is considered subject to the defense spending cap (\$362 million in FY2024).

³² For further information, see CRS Report 98-815, *Budget Resolution Enforcement*.

aggregates for the consideration of FY2025 appropriations, as well as other matters that would have traditionally been associated with the budget resolution, the FRA allows the chair of the Senate Budget Committee to enter those amounts into the *Congressional Record* not later than May 15;³³ these were published May 14.³⁴

Generally, the next step in the appropriations process is for each of the appropriations committees to adopt suballocations from the total amount available from the 302(a) allocation. These 302(b) suballocations provide a limit on current-year (i.e., FY2025) appropriations within each subcommittee's jurisdiction and incorporate any applicable scorekeeping adjustments made by CBO.³⁵ On May 23, the House Appropriations Committee voted to approve draft (*interim*) suballocations for all 12 bills, including THUD,³⁶ based on the overall spending limit included in the FRA. The interim suballocations have since been revised.³⁷ (These draft suballocations, and subsequent revised suballocations, have not been reported to the House.) The Senate Appropriations Committee reported to the Senate its full set of 302(b) suballocations on July 11;³⁸ they have been revised twice since then, although the THUD allocation has not been changed.³⁹

Table A-1 shows the suballocation to the THUD subcommittees, compared to the applicable FY2023 and FY2024 enacted levels and the President's FY2025 budget request.

Table A-1. FY2025 THUD 302(b) Suballocations, in Context

(dollars in billions)

	FY2023 Enacted	FY2024 Enacted	FY2025 Request	House FY2025 Draft 302(b)	Senate FY2025 302(b)	FY2025 Enacted
THUD Regular Discretionary Net Budget Authority	87.332	89.484	79.818	90.400	87.707	

Sources: The FY2023 Enacted amount comes from the FY2023 enacted total found in the current services budget authority table, located in the explanatory statement accompanying the Consolidated Appropriations Act, 2024, as shown in H. Comm. 55-007, p. 1577. The FY2024 Enacted and FY2025 Request amounts come from the respective columns in the current services budget authority table located in H.Rept. 118-543, page 376. House FY2025 Draft 302(b) amounts are taken from <https://appropriations.house.gov/events/markups/full-committee-markup-fiscal-year-2025-labor-health-and-human-services-and-education>. Senate FY2025 302(b) amounts are taken from S.Rept. 118-190.

³³ For more information, see CRS Insight IN12353, *Discretionary Spending: Setting a Topline Amount for FY2025 Appropriations*.

³⁴ "Budget Enforcement Levels," *Congressional Record*, daily edition, vol. 170, no. 83 (May 14, 2024), pp. S3679-S3670.

³⁵ Such suballocations are commonly revised throughout the appropriations process to reflect changing budgetary priorities.

³⁶ House Appropriations Committee, "Committee Approves FY25 Subcommittee Allocations, Prioritizing Defense, Homeland Security, and Veterans Affairs," press release, May 23, 2024, <https://appropriations.house.gov/news/press-releases/committee-approves-fy25-subcommittee-allocations-prioritizing-defense-homeland>.

³⁷ The House Appropriations Committee draft suballocations were revised on July 10, 2024, as published at <https://appropriations.house.gov/events/markups/full-committee-markup-fiscal-year-2025-labor-health-and-human-services-and-education>.

³⁸ S.Rept. 118-190.

³⁹ S.Rept. 118-197; S.Rept. 118-203.

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.

Author Information

Maggie McCarty, Coordinator
Specialist in Housing Policy

Jennifer J. Marshall
Analyst in Transportation Policy

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.