Legislative Bulletin June 27, 2012

Contents:

Amendments to H.R. 5972 Part II – Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2013

Amendments to H.R. 5972 Part II – Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2013 (Latham, R-IA)

Order of Business: H.R. 5972 is scheduled to be considered under an open rule (H.Res. 697) that provides for one hour of debate equally divided and controlled by the chair and ranking minority member of the Committee on Appropriations. The bill will be considered for amendment under the five-minute rule. The rule also waives Clause 2 of Rule 21, except for section 169C (regarding fuel for vehicle operations), which prevents appropriations bills from containing unauthorized appropriations or legislative provisions.

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AMENDMENTS BEING VOTED ON THIS VOTE SERIES

Rep. Broun (R-GA): The amendment reduces spending on Public and Indian Housing, Program Office Salaries and Expenses by \$6.5 million. This returns spending for this purpose to FY 2012 levels. The savings are transferred to the Spending Reduction Account.

Rep. Broun (R-GA): The amendment reduces spending on Community Planning and Development, program office and expenses by \$3.5 million. This returns spending for this purpose to FY 2012 levels. The savings are transferred to the Spending Reduction Account.

Rep. Broun (R-GA): The amendment reduces spending on Program Office Salaries and Expenses, housing by \$5 million. This returns spending for this purpose to FY 2012 levels. The savings are transferred to the Spending Reduction Account.

- **Rep. Broun (R-GA):** The amendment reduces spending on HUD, Policy Development and Research by \$115,000. This returns spending for this purpose to FY 2012 levels. The savings are transferred to the Spending Reduction Account.
- **Rep. Broun (R-GA):** The amendment reduces spending on HUD, Fair Housing and Equal Opportunity by \$304,000. This returns spending for this purpose to FY 2012 levels. The savings are transferred to the Spending Reduction Account.
- **Rep. Broun** (**R-GA**): The amendment reduces funding for the Public Housing Capital Fund Program by \$110,000,000 and transfers this amount to the Spending Reduction Account. Funding for this program is currently set at \$1,985,000,000.
- **Rep. Broun (R-GA):** The amendment reduces funding for the Public Housing Operating Fund by \$562,150,000 and transfers this amount to the Spending Reduction Account. Funding for this program is currently set at \$4,524,000,000.
- **Rep. Chaffetz** (**R-UT**): The underlying bill provides \$3.34 billion for the Community Development Block Grant (CDBG) program—\$396 million or 13.5% more than last year and the President's request. Many conservatives argue that this spending falls under the category of state, local, or non-governmental responsibilities. The <u>RSC Spending</u> <u>Reduction Act</u> proposed to eliminate the program. This amendment would return spending on this program back to last year's level, saving taxpayers \$396 million.
- **Rep. McClintock** (**R-CA**): This amendment would eliminate the Community Develop Fund (Community Development Block Grants), which funds local community development projects. Examples include decorative landscaping for sidewalks, banners and flags to hang on street lamps, community drum and step ensembles, and body imagine counseling for low-to-moderate-income individuals. This program has also been the target of conservative amendments in previous bills, but it is seeing a \$400 million (10%) increase over both FY12 and the President's request. Eliminating the program will save the taxpayers approximately \$3.44 billion.
- **Rep. McClintock (R-CA):** This amendment would eliminate the Community Development Loan Guarantees, which are designed to fill funding gaps where the CDBG grants above fail to fully-fund these local projects. These loans are subsidized loan guarantees for local communities. The President requested that the subsidy be eliminated and the program be shifted to a user-premium funded model (much like a private sector credit enhancement). While the President's model would have left the taxpayers on the hook for \$500 million, it would have at least collected actuarial sound premiums and eliminated the subsidy; instead the Appropriations Committee continues to fund the subsidy and exposes the taxpayer to another \$240 million in loans. This amendment will save \$6 million in subsidy costs this year and stop forcing the taxpayer to carry significant credit risk.
- **Rep. Flake (R-AZ):** This amendment would reduce funding for the Home Investment Partnership Program by \$200 million, bringing it to FY2012 levels, and apply the savings

to the deficit reduction account. In 2011, a nationwide investigation by the *Washington Post* described the program as "a dysfunctional system that delivers billions of dollars to local housing agencies with few rules, safeguards or even a reliable way to track projects." According to the *Post*, "These lapses have led to widespread misspending and delays in a two-decade-old program meant to deliver decent housing to the working poor. "Nearly 700 projects awarded \$400 million have been idling for years and the U.S. Department of Housing and Urban Development...has largely looked the other way: It does not track the pace of construction and often fails to spot defunct deals, instead trusting local agencies to police projects". In 2009 and 2010, HUD's Office of Inspector General came out with reports that questioned not only HUD's ability to monitor the HOME program funds, but also if the program was in compliance with its own rules.

Rep. Broun (R-GA): The amendment reduces spending on Federal Maritime Commission, Salaries and Expenses by \$900,000. This returns spending for this purpose to FY 2012 levels. The savings are transferred to the Spending Reduction Account.

Broun (**R-GA**): The amendment reduces funding for the Neighborhood Reinvestment Corporation by \$12,300,000 and transfers this amount to the Spending Reduction Account. Funding for this program is currently set at \$225,300,000, and the amendment reduces this funding level so that it is in line with the President's FY 2013 request.

OTHER AMENDMENTS THAT MAY BE CONSIDERED LATER

Rep. Turner (R-OH): This amendment would prohibit funding from this bill from being used to establish, issue, implement, administer, or enforce any prohibition or restriction on the establishment or effectiveness of any occupancy preference for veterans in supportive housing for the elderly that (1)is provided assistance by the Department of Housing and Urban Development, and (2)(A) is or would be located on property of the Department of Veterans Affairs, or (B) is subject to an enhanced use lease with the Department of Veterans Affairs. Currently, the VA requires a veteran's preference for housing built on VA property. However, HUD requires that HUD-assisted projects contain no preferences. These conflicting rules and regulations make it nearly impossible to help low-income senior veteran's access affordable housing on VA property with HUD assistance. This amendment prohibits HUD from using funds to enforce the restriction against a veterans preference for housing projects built on a VA campus or that use a VA-enhanced use lease.

Nadler (D-NY). The amendment increases funding for tenant-based rental assistance authorized under the United States Housing Act of 1931 (42 U.S.C. 1437) by \$460 million to be used for renewals of expiring section 8 tenant-based annual contribution contracts. The base text appropriates \$15.1 billion for this tenant-based rental assistance. For more information on tenant-based rental assistance, please click here.

Reps. Mica (**R-FL**) and *Rahall* (*R-WV*): This amendment would prohibit funding from this bill from being used in furtherance of the implementation of the European Union greenhouse gas emissions trading scheme for aviation activities established by European

Union Directive 2008/101/EC. Beginning on January 1, 2012, U.S. airlines with flights to Europe have been required to acquire emissions "allowances" to cover the emissions over the entirety of each flight departing from or arriving in an EU member state, including carbon dioxide (CO2) emitted over non-EU countries and international waters. On October 24, 2011, the House passed bipartisan legislation (H.R. 2594) under suspension of the rules that would require the Secretary of Transportation to prohibit U.S. airlines from participating in the EU ETS.

Rep. Quigley (D-IL): This amendment would prohibit funding from this bill from being used to administer any provision of law that requires that financial assistance for Federal-aid highway and highway safety construction projects be withheld from a State that has in effect a law or an order that limits the amount of money an individual, who is doing business with a State agency with respect to a Federal-aid highway project, may contribute to a political campaign.

Rep. Landry (R-LA): This amendment would prohibit funding from this bill from being used to implement, administer, or enforce regulations on texting while driving a passenger vehicle. Driving safety is a laudable governmental goal, any regulatory activity is <u>one designated for state and local officials</u> to determine—not the federal government. 39 states already have distracted driving laws on their books regarding texting.

Rep. Sam Graves (R-MO): This amendment would prohibit funding from this bill from being used to implement, administer, or enforce section 521 of division F of Public Law 108–199 (Congressionally-mandated airspace restrictions).