CLPHA
Strengthening Neighborhoods
Improving Lives.

NAHRO
building communities together

PHADA
Helping House America

Proposal to Address Budget Crisis

Immediate HUD Regulatory Relief

1. Suspend issuance/implementation of final PNA rule.
2. Suspend non-statutory PHAS and SEMAP compliance, make statutory provision scores advisory.
3. Allow blanket regulatory suspensions and waivers under 24 CFR Part 5.
4. Allow expedited implementation of lower payment standards.
5. Moratorium on new rules and data requests that increase administrative burden.
6. Allow flexibility in waiving asset management regulations affecting funding, such as cash transfers between properties, fee caps and AMP configurations.
7. Suspend PHA Plan requirements.
8. Freeze rental income for a three year period.
9. Clarify and simplify procedures for prorating HAP payments to landlords and terminating HAP contracts due to budget shortfalls.
10. Simplify the income verification process by allowing use of EIV inflated as acceptable verification (starting with elderly and disabled participants) and streamlining deductions and other adjustments to the income verification hierarchy.
11. Public clarification that HUD regulations and handbooks still permit the use of operating reserves for capital improvements by agencies with 250 or more units of public housing.

Longer Term HUD Regulatory Actions

1. Simplify portability.
2. Revise PEL, using neg-reg inflation factor and taking age of properties into account.

Actions that HUD Could Commit to Pursue Statutorily Immediately

1. Temporary Waiver proposal -- Sec. (__) TEMPORARY WAIVERS TO ADDRESS FUNDING SHORTFALLS.—If a public housing agency that is obligated to operate public housing units or administer housing choice vouchers in accordance with the requirements of this Act is unable, as a result of a reduction in appropriations, to fulfill its contractual obligations with respect to those public housing units or vouchers, such agency may deviate, under procedures and requirements developed by the Secretary, from otherwise applicable restrictions under the U.S. Housing Act of 1937, or regulations promulgated thereunder, with respect to a portion or all of such units or vouchers, to the extent necessary to preserve the viability of those units while maintaining their low-income character, or to maximize the number of voucher subsidies available, to the maximum extent practicable and for so long as such reduction in appropriations exists.
2. Expansion of MTW.
3. Full fungibility between Operating and Cap funds.
4. Permit HAP/NRA to be used for admin purposes when proration is below 90%.
5. Eliminate PHA Plan entirely.
6. Increase and simplify the cap on minimum rent and leave option to set it to PHA.
7. Biennial HQS inspections.
8. Triennial recertifications for fixed-income and biennial for variable income.
9. Freeze the rolling base.
10. Simplify rent setting by permitting use of gross income in setting rents.
11. Eliminate Section 3 requirements beyond what is required under Office of Housing programs.
12. Make the community service requirement at the discretion of the PHA.
13. Support small agency reform.

Longer Term Actions

1. Create a flexible subsidy model in which a household's subsidy can be used for housing and services.
2. Align funding streams and delivery systems to improve the integration of services in housing (e.g., enable Medicaid to pay for health-related wellness services in elderly housing).