

At a Glance

H.R. 1856, Ending Homelessness Act of 2019

As ordered reported by the House Committee on Financial Services on March 28, 2019

By Fiscal Year, Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	7,831	12,820
Revenues	0	0	0
Deficit Effect	0	7,831	12,820
Spending Subject to Appropriation (Outlays)	0	12,549	n.e.
Pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	< \$5 billion	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

n.e. = not estimated.

The bill would

- Appropriate \$13.3 billion over the 2019-2029 period to provide housing and services for homeless people
- Authorize the appropriation of such sums as may be necessary to renew tenant-based and project-based assistance for homeless households
- Permanently authorize the appropriation of such sums as may be necessary for Homeless Assistance Grants

Estimated budgetary effects would primarily stem from

- Appropriations for assistance programs for homeless people
- New and increased authorizations of appropriations for assistance to homeless people

Areas of significant uncertainty include

- The type of assistance that grantees would provide
- The pace at which housing providers build capacity to serve additional homeless households

Detailed estimate begins on the next page.



Bill Summary

H.R. 1856 would appropriate funds for programs that provide housing, rental assistance, and services for homeless households and would authorize the appropriation of additional funds for those purposes.

Estimated Federal Cost

The estimated budgetary effect of H.R. 1856 is shown in Table 1. The costs of the legislation fall within budget function 600 (income security).

Table 1.
Estimated Budgetary Effects of H.R. 1856

	By Fiscal Year, Millions of Dollars											2019-2024	2019-2029
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029		
Increases in Direct Spending													
Budget Authority	0	2,670	2,650	2,650	2,650	2,650	0	0	0	0	0	13,270	13,270
Estimated Outlays	0	495	908	1,858	2,200	2,370	1,989	1,680	730	380	210	7,831	12,820
Increases in Spending Subject to Appropriation													
Estimated Authorization	0	2,689	3,213	3,839	4,480	5,136	n.e.	n.e.	n.e.	n.e.	n.e.	19,357	n.e.
Estimated Outlays	0	0	827	3,079	3,973	4,670	n.e.	n.e.	n.e.	n.e.	n.e.	12,549	n.e.

n.e. = not estimated.

Basis of Estimate

For this estimate, CBO assumes that the legislation will be enacted late in 2019 and that estimated amounts will be appropriated each year beginning in 2020. Estimated outlays are based on historical spending patterns for those programs or for similar programs.

Direct Spending

H.R. 1856 would appropriate a total of \$13.3 billion over the 2020-2024 period for a variety of programs that would provide housing for homeless households. CBO estimates that enacting H.R. 1856 would increase direct spending by \$12.8 billion over the 2019-2029 period (see Table 2).

Housing for Homeless Households. The bill would appropriate \$1 billion annually over the 2020-2024 period to provide grants for housing and services for homeless households. Providers would have to use at least 75 percent of the funding for permanent supportive housing—housing that includes services for homeless households with one or more disabled members. CBO estimates that enacting this provision would increase direct spending by \$4.6 billion over the 2019-2029 period.



Table 2.
Estimated Increases in Direct Spending Under H.R. 1856

	By Fiscal Year, Millions of Dollars											2019-2024	2019-2029
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029		
Increases in Direct Spending													
Housing for Homeless Households													
Budget Authority	0	1,000	1,000	1,000	1,000	1,000	0	0	0	0	0	5,000	5,000
Estimated Outlays	0	0	160	790	890	910	920	770	140	40	20	2,750	4,640
Housing Trust Fund													
Budget Authority	0	1,000	1,000	1,000	1,000	1,000	0	0	0	0	0	5,000	5,000
Estimated Outlays	0	10	130	410	660	810	900	870	590	340	190	2,020	4,910
Tenant-Based Rental Assistance													
Budget Authority	0	500	500	500	500	500	0	0	0	0	0	2,500	2,500
Estimated Outlays	0	433	500	500	500	500	67	0	0	0	0	2,433	2,500
Outreach and Services													
Budget Authority	0	100	100	100	100	100	0	0	0	0	0	500	500
Estimated Outlays	0	20	60	100	100	100	80	40	0	0	0	380	500
Project-Based Assistance													
Budget Authority	0	50	50	50	50	50	0	0	0	0	0	250	250
Estimated Outlays	0	28	50	50	50	50	22	0	0	0	0	228	250
Technical Assistance													
Budget Authority	0	20	0	0	0	0	0	0	0	0	0	20	20
Estimated Outlays	0	4	8	8	0	0	0	0	0	0	0	20	20
Total Changes													
Budget Authority	0	2,670	2,650	2,650	2,650	2,650	0	0	0	0	0	13,270	13,270
Estimated Outlays	0	495	908	1,858	2,200	2,370	1,989	1,680	730	380	210	7,831	12,820

Housing Trust Fund. The bill would appropriate \$1 billion annually over the 2020-2024 period to the Housing Trust Fund (HTF). Funds from the HTF are used to construct or repair housing that is affordable for low-income households. The bill would require that homeless households have priority for occupancy in housing units funded by that appropriation. CBO estimates that enacting this provision would increase direct spending by \$4.9 billion over the 2019-2029 period.

Tenant-Based Rental Assistance. Households that receive “tenant-based” vouchers pay a portion of their income—usually about 30 percent of their adjusted household income—for rent on units they find in the private housing market. H.R. 1856 would appropriate \$500 million annually over the 2020-2024 period for such vouchers for homeless households. CBO estimates that enacting this provision would increase direct spending by \$2.5 billion over the 2019-2029 period.



Based on current agency practice, CBO assumes that those appropriations would provide the first year of voucher assistance for homeless households and that the Department of Housing and Urban Development (HUD) would use its annual appropriations to renew the vouchers in subsequent years. CBO's estimate of the budgetary effects of those renewals is discussed under the heading "Spending Subject to Appropriation."

Outreach and Services. H.R. 1856 would appropriate \$100 million annually over the 2020-2024 period to provide outreach and services for homeless households. CBO estimates that enacting this provision would increase direct spending by \$500 million over the 2019-2029 period.

Project-Based Assistance. The bill would appropriate \$50 million annually over the 2020-2024 period for project-based assistance for housing units that also receive payments from the HTF. HUD provides project-based assistance to property owners who agree to make those units available to low-income households for a specified period. The assisted households usually pay 30 percent of their adjusted household income toward rent, and, up to a limit, the federal government pays the balance. CBO estimates that enacting this provision would increase direct spending by \$250 million over the 2019-2029 period.

Based on HUD's current practice, CBO assumes that those appropriations would provide the first year of assistance for housing units and that HUD would use annual appropriations to fund assistance in subsequent years. CBO's estimate of the budgetary effects of renewing that assistance is discussed under the heading "Spending Subject to Appropriation."

Technical Assistance. H.R. 1856 also would appropriate \$20 million for HUD to assist state and local governments with coordinating housing and health services for homeless populations. CBO estimates that enacting this provision would increase direct spending by \$20 million over the 2019-2029 period.

Spending Subject to Appropriation

CBO estimates that H.R. 1856 would authorize appropriations totaling \$19.4 billion over the 2020-2024 period. Assuming appropriation of those amounts, CBO estimates that the bill would cost \$12.5 billion over the 2019-2029 period (see Table 3).

Permanent Authorization of Homeless Assistance Grants. H.R. 1856 would permanently authorize the Homeless Assistance Grants program. Those grantees provide housing and services to homeless individuals and families. Although the Congress appropriated \$2.6 billion for that program in 2019, under current law, the program is not authorized after 2019. Assuming appropriation of similar amounts and accounting for anticipated inflation, CBO estimates that permanently authorizing the program would cost about \$7.6 billion over the 2019-2024 period. Based on historical spending patterns for the program, CBO expects that outlays for the grants would not begin until 2021.



Tenant-Based Rental Assistance. As described in the Direct Spending section, H.R. 1856 would appropriate funds for tenant-based vouchers for homeless households. CBO assumes that those appropriations would provide one year of voucher assistance and that HUD would use annual appropriations to renew those vouchers in subsequent years. CBO estimates that implementing this provision would increase spending subject to appropriation by \$4.7 billion over the 2019-2024 period.

Project-Based Assistance. As described above in the Direct Spending section, the bill would appropriate funds for project-based assistance for units also subsidized under the HTF. CBO assumes that those appropriations would provide one year of assistance and that HUD would use annual appropriations to renew that assistance in subsequent years. CBO estimates that implementing this provision would increase spending subject to appropriation by \$342 million over the 2019-2024 period.

**Table 3.
Estimated Increases in Spending Subject to Appropriation Under H.R. 1856**

	By Fiscal Year, Millions of Dollars						2019-2024
	2019	2020	2021	2022	2023	2024	
Homeless Assistance Grants							
Estimated Authorization	0	2,689	2,744	2,799	2,857	2,918	14,007
Estimated Outlays	0	0	430	2,133	2,445	2,549	7,557
Tenant-Based Rental Assistance							
Estimated Authorization	0	0	441	960	1,491	2,032	4,924
Estimated Outlays	0	0	382	890	1,419	1,959	4,650
Project-Based Assistance							
Estimated Authorization	0	0	28	80	132	186	426
Estimated Outlays	0	0	15	56	109	162	342
Total Changes							
Estimated Authorization	0	2,689	3,213	3,839	4,480	5,136	19,357
Estimated Outlays	0	0	827	3,079	3,973	4,670	12,549

Uncertainty

CBO’s estimate of spending for this bill is based on costs and historical spending patterns for similar programs or types of assistance. However, CBO cannot precisely predict the pace of program implementation. Spending under H.R. 1856 could be faster or slower than CBO’s estimate for two reasons:

- Grantees could provide different types of assistance than they have historically. For example, if a larger share of grantees provide housing by leasing existing housing or



providing tenant-based assistance than they have in the past, they will probably spend funds faster.

- Grantees might take longer than expected to build their capacity to serve additional homeless households. CBO’s estimate reflects the expectation that grantees can expand their programs to serve additional households at a pace that is consistent with historical spending patterns. However, if grantees hire staff or develop new programs more slowly than CBO expects, total spending could be slower.

Pay-As-You-Go Considerations

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. All sections of H.R. 1856 are designated as emergency requirements under section 4(g) of that act; therefore, enacting the bill would not have any pay-as-you-go effects. The net changes in outlays that are subject to those procedures are shown in Table 4.

Table 4.
CBO’s Estimate of Pay-As-You-Go Effects of H.R. 1856

	By Fiscal Year, Millions of Dollars											2019-2024	2019-2029
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029		
	Increase in the Deficit												
Total Changes	0	495	908	1,858	2,200	2,370	1,989	1,680	730	380	210	7,831	12,820
Less:													
Amounts Designated as Emergency Requirements ^a	0	495	908	1,858	2,200	2,370	1,989	1,680	730	380	210	7,831	12,820
Statutory Pay-As-You-Go Effect	0	0	0	0	0	0	0	0	0	0	0	0	0

a. The bill would designate all sections of the bill as emergency requirements under section 4(g) of the Statutory Pay-As-You-Go Act of 2010.

Increase in Long-Term Deficits:

CBO estimates that enacting H.R. 1856 would not increase on-budget deficits by more than \$5 billion in any of the four consecutive 10-year periods beginning in 2030.

Mandates: None.



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