

Cost Estimates for Legislation That Would Affect Housing Assistance Programs

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Presentation to the Council of
Large Public Housing Authorities

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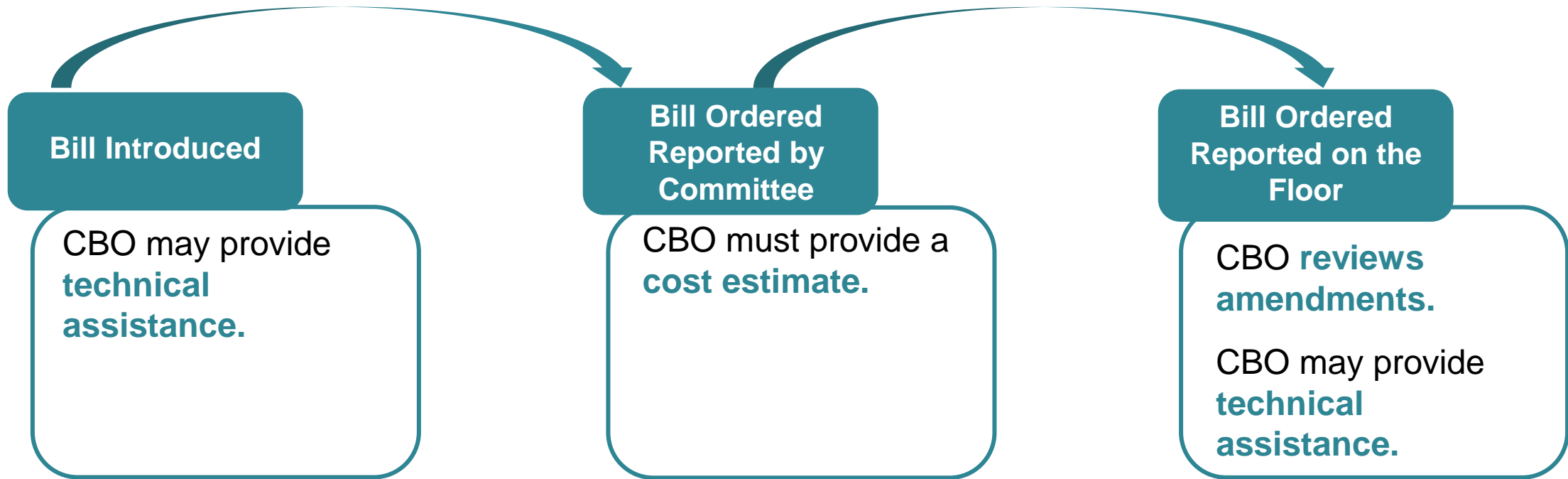
Analyst, Budget Analysis Division



CBO's Role in the Budget Process

CBO provides the Congress with objective, nonpartisan, and timely analyses of legislative proposals and of budgetary and economic issues to support the Congressional budget process.

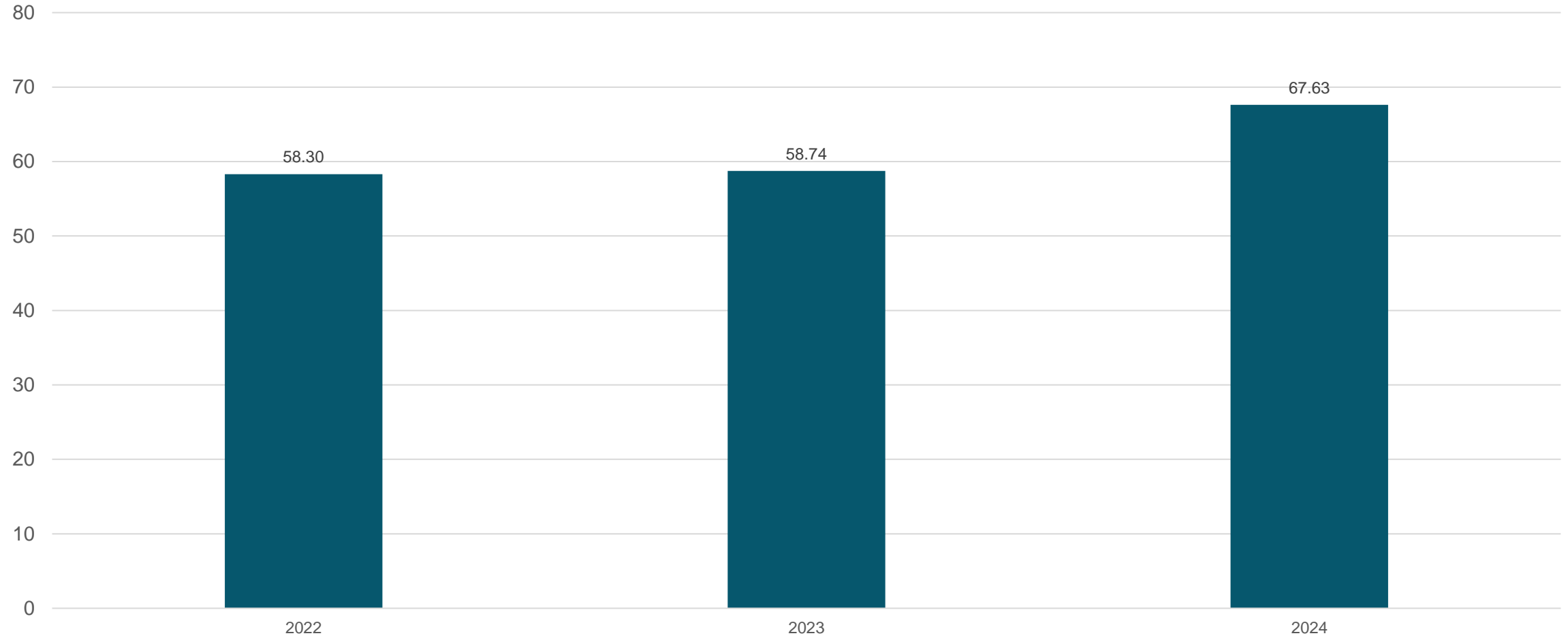
CBO's Role in the Legislative Process





Total Appropriations for Housing Assistance Programs, 2022-2024

Billions of dollars



Years are fiscal years.

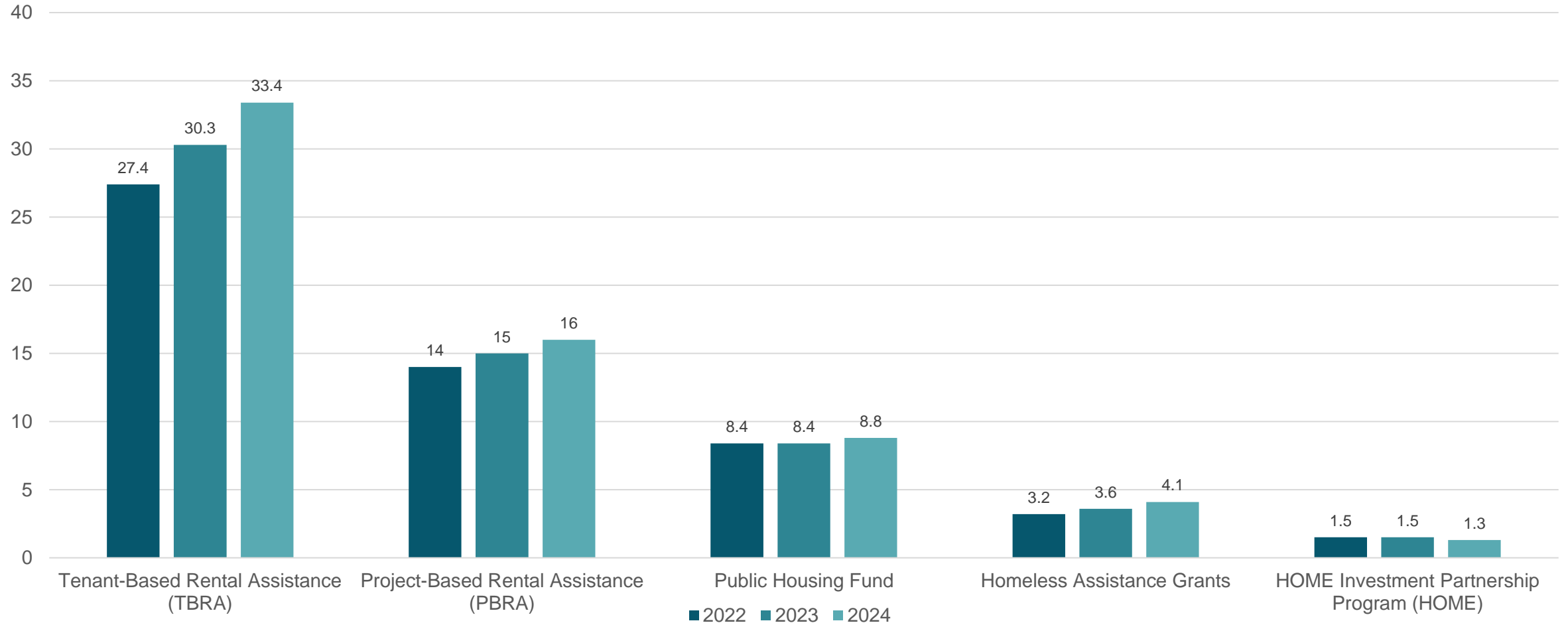
The amounts of this figure are of budget authority, which is the legal authority to enter into obligations that will result in cash disbursements of federal funds.

Some of the housing assistance programs included in this graph are rental assistance programs, which are detailed on the next slide.

Appropriations for Major Rental Housing Assistance Programs, 2022–2024



Billions of dollars



Years are fiscal years.

The amounts of this figure are of budget authority.

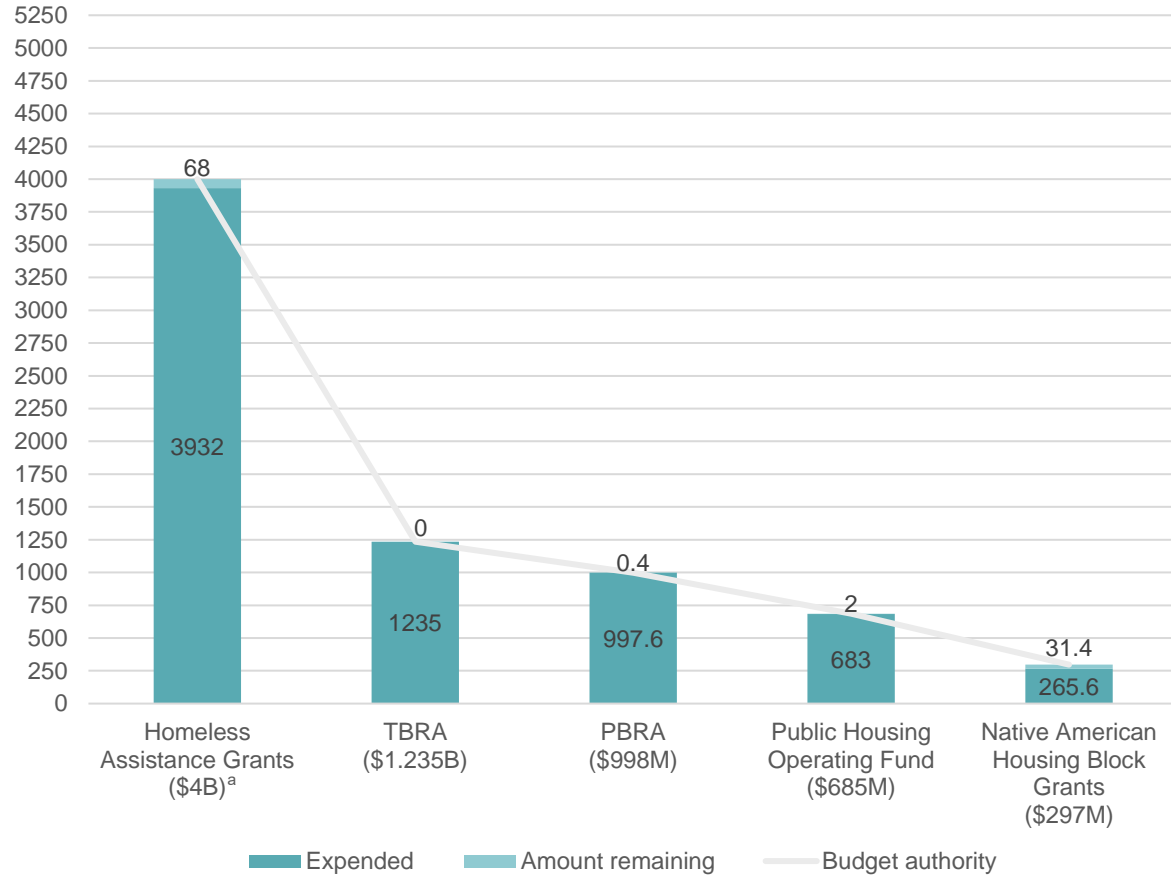
Homeless Assistance Grants are grants issued to states to provide housing vouchers to people experiencing homelessness.



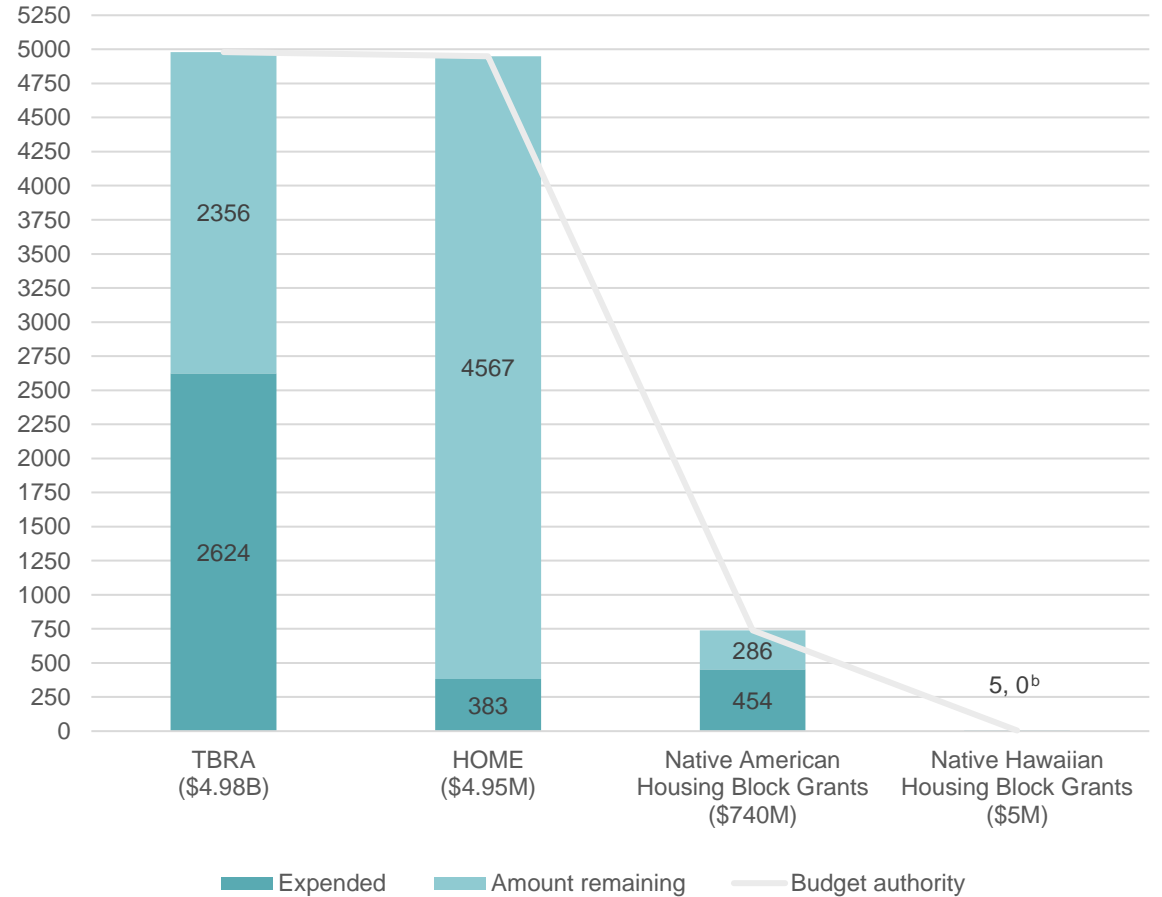
Status of Major Housing Assistance Funding Provided Under COVID-Era Legislation

Millions of dollars

CARES Act Housing Funding



ARPA Housing Funding



The data was issued by the Department of Housing and Urban Development on October 17, 2024.

a. Values in parentheses are budget authorities.

b. Expended = 5; amount remaining = 0.

ARPA = American Rescue Plan Act (March 2021); B = billions; CARES Act = Coronavirus Aid, Relief, and Economic Security Act (March 2020); M = millions.

Summary of Recent Legislation

Enacted:

- 2022 Reconciliation Act (Public Law 117-169)
 - Green and Resilient Retrofit Program
 - Funding for HUD-assisted multifamily housing to reduce carbon emissions, make utility efficiency improvements, and incorporate renewable energy sources
- Consolidated Appropriations Act, 2024

Proposed, but not enacted:

- Amend Low-Income Housing Tax Credit
- Reduce homeownership costs
- Reduce rental costs
- Increase the housing supply
- Increase affordable housing for veterans

Characteristics of CBO's Cost Estimates

CBO's cost estimates tell a **concise story** about legislation's budgetary effects.

They offer an **assessment of the effects** of legislation relative to what would happen under current law—specifically, an assessment of:

- Effects on the federal budget and
- Mandates imposed on the private sector and state, local, and tribal governments.

They are a **tool** that the Congress can use to enforce budget rules.

They give an **analysis** of annual changes in spending and revenues for up to 10 years.

Components of a Cost Estimate

Budget authority is the legal authority to enter into obligations that will result in cash disbursements of federal funds.

Discretionary authorizations are laws that establish or extend a federal program.

Direct spending arises from acts other than appropriation acts.

Discretionary spending is made possible by an appropriation act.

Outlays are cash disbursements.

Revenues are receipts that the federal government collects from the public using its sovereign power.

H.R. 7024, Tax Relief for American Families and Workers Act of 2024



Title V. More Affordable Housing

Section 501, State Housing Credit Ceiling Increase for Low-Income Housing Credit, would increase the amount of tax credits available to states under the Low-Income Housing Tax Credit program by 12.5 percent annually for tax years 2023 to 2025. CBO estimates that enacting section 501 would **reduce revenues** by **\$2.7 billion** over the 2024–2033 period.

Section 502, Tax-Exempt Bond Financing Requirement, would reduce the qualifying threshold for certain projects that are financed by tax-exempt bonds. CBO estimates that enacting section 502 would **reduce revenues** by **\$3.6 billion** over the 2024–2033 period.

Table 1.
Estimated Budgetary Effects of H.R. 7024

	By fiscal year, billions of dollars										2024–2028	2024–2033	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033			
	Increases or decreases (-) in revenues												
Title I. Tax Relief for Working Families Revenues	0	-1.4	-1.4	0	0	0	0	0	0	0	0	-2.9	-2.9
Title II. American Innovation and Growth Revenues	-124.8	-60.3	7.6	55.5	39.9	27	14.9	5.4	1.5	0.4		-82.1	-32.8
Title IV. Assistance for Disaster-Impacted Communities Revenues	-3.3	-1	-0.5	-0.2	0	0	0	0	0	0		-4.9	-4.9
Title V. More Affordable Housing Revenues	0	-0.2	-0.5	-0.7	-0.8	-0.8	-0.8	-0.8	-0.8	-0.8		-2.2	-6.3
Title VI. Tax Administration and Eliminating Fraud Revenues	14.1	26	16.2	3.2	0.7	-0.2	-0.2	-0.2	-0.2	-0.2		60.2	59.3
Total revenues	-113.9	-36.9	21.4	57.8	39.8	26.1	13.9	4.4	0.5	-0.6		-31.9	12.4
	Net increase or decrease (-) in the deficit from changes in direct spending and revenues												
Effect on the deficit	117.5	37.8	-13	-57.8	-39.8	-26.1	-13.9	-4.4	-0.5	0.6		44.7	0.4

S. 2285, Native American Housing Assistance and Self-Determination Reauthorization Act (NAHASDA) of 2023

NAHASDA was **last successfully reauthorized** in **2013**; Congress continues to fund NAHASDA programs every year.

CBO estimates that S. 2285 would **authorize appropriations** totaling **\$6.9 billion** over the 2024–2029 period and that **implementing** the bill would **cost \$4.2 billion** over the same period, assuming appropriations of the estimated amounts.

Table 1.
Estimated Increases in Spending Subject to Appropriation Under S. 2285

	By fiscal year, millions of dollars						2024–2029
	2024	2025	2026	2027	2028	2029	
Indian Housing Block Grants ^a							
Estimated authorization	0	1,288	1,315	1,342	1,369	1,396	6,710
Estimated outlays	0	335	651	858	1,030	1,180	4,054
Native Hawaiian Housing Block Grants							
Estimated authorization	0	22	23	23	24	24	116
Estimated outlays	0	2	6	11	16	21	56
Tribal HUD-VA Supportive Housing Program							
Estimated authorization	0	9	9	9	9	9	45
Estimated outlays	0	9	9	9	9	9	45
Drug Elimination Program							
Estimated authorization	5	5	5	5	5	5	30
Estimated outlays	5	5	5	5	5	5	30
Indian Home Loan Guarantee Program							
Estimated authorization	0	2	2	2	2	2	10
Estimated outlays	0	2	2	2	2	2	10
Housing Counseling Grants							
Estimated authorization	*	*	*	1	1	1	3
Estimated outlays	*	*	*	*	1	1	2
Total Changes							
Estimated authorization	5	1,326	1,354	1,382	1,410	1,437	6,914
Estimated outlays	5	353	673	885	1,063	1,218	4,197