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DATE: October 25, 2000

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APPROPRIATIONS UPDATE

Congress Passes FY 2001 VA-HUD Appropriations Bill; CDBG and HOME Increased

The President signed a 4th Continuing Resolution (CR) (H J Res 114) on Friday, October 20, to keep the federal government operating until all of the appropriations measures have been completed. The current CR ends today and the President has said that he will not sign any more Continuing Resolutions longer than 24 hours in length, in order to force Congress to remain in town to complete the remaining spending measures. A fifth CR (H J Res 115) is expected to be cleared today to keep the government operating for another day. Congress has passed all but four of the appropriations bills. These include the Commerce-Justice-State, District of Columbia, Foreign Operations, and Labor-HHS-Education, the largest and most contentious of the remaining bills.

Congress plans to insert a provision in the Foreign Operations Appropriations Bill to raise the FY 2001 budget caps to \$637 billion for discretionary spending.

The House and Senate did manage to pass H.R. 4635 – the FY 2001 VA, HUD, Independent Agencies Appropriations Bill last Thursday, October 19. The President is expected to sign the measure this week. The measure funds HUD at \$30.6 billion in FY 2001. We are happy to report that CDBG and HOME received increased funding levels this year. NCDA and other national interest groups advocated for a funding level of \$5.0 billion for CDBG and \$2.0 billion for HOME. CDBG received an allocation of \$5.057 billion, an increase of \$257 million from last year. HOME received an allocation of \$1.8 billion, an increase of \$200 million from last year. The set-asides within CDBG total \$648.55 million in FY 2001, including \$292 million in EDI special projects. The formula allocation for CDBG increased from \$4.254 billion from last year to \$4.408 billion this year. The set-asides within HOME total \$37 million, including \$20 million for housing counseling and \$17 million for HUD's Working Capital Fund to fund HUD's information systems (IDIS and DGMS). The formula allocation for HOME also increased, from \$1.578 billion last year to \$1.763 billion this year.

Conferees decided to remove the proposed housing production program from the bill. The Senate Appropriations Committee had included the program at the request of Senator Bond (R-MO). The rental housing production program was targeted to households at or below 30% of area median income. The program would have allocated 90% of the funds directly to state housing finance agencies. NCDA and other national interest groups objected to the majority

of funds being provided directly to states, with no direct eligibility for local governments. Senator Gramm (R-TX), Chairman of the Senate Banking Committee, and all members of the Senate Banking Committee opposed the program because it had never been authorized by the Senate Banking Committee. NCDA and other national interest groups have asked the House and Senate to hold hearings next year on increasing funding for the HOME program for housing production purposes instead of creating an entirely separate program.

Even though the production program was dropped, Congress did include \$452.9 million to fund 79,000 new Section 8 vouchers in FY 2001. The VA-HUD bill also includes \$12.9 billion to renew all expiring Section 8 tenant-based and project-based contracts in FY 2001.

HUD's homeless assistance programs received an allocation of \$1.025 billion, an increase of \$5 million from last year. The bill includes authorizing language that requires HUD to allocate 30% of this funding for permanent housing for the homeless. The measure also requires a 25% match on supportive services. Both of these measures were included in last year's VA-HUD bill as well. The FY 2001 VA-HUD spending measure requires grantees to integrate HUD's homeless assistance programs with other mainstream programs, such as Medicaid and TANF. The measure set-asides 1.5% of the allocation to be used for HUD's Working Capital Fund and for the development of an automated, client-level Annual Performance Report System. The measure provides \$500,000 of the allocation to the federal Interagency Council on the Homeless. Other authorizing provisions attached to the bill allow grantees to use Supportive Housing Program funding to develop

management information systems to collect unduplicated counts of the homeless and analyze patterns of usage of homeless programs and services. The measure also requires grantees to coordinate their discharge policies to ensure that persons leaving health care facilities or institutions do not become homeless.

This bill creates a new, separate Shelter Plus Care Renewal account in FY 2001. The account is funded at \$100 million to renew, on an annual basis, contracts expiring in the Shelter Plus Care Program in FY 2001 and 2002.

The bill provides \$258 million to the Housing Opportunities for Persons with AIDS (HOPWA) Program, an increase of \$26 million from last year. HUD's Office of Rural Housing and Economic Development is funded at \$25 million in FY 2001, the same level as last year. HUD's Housing for Special Populations account is funded at \$996 million in FY 2001. Of this amount, \$779 million is provided to the Section 202 Elderly Housing Program and \$217 million is provided to the Section 811 Disabled Housing Program.

The measure provides \$100 million for HUD's Office of Lead Hazard Control, an increase of \$20 million from last year. NCEA will urge Congress to increase this line item next year in order to provide additional funds for CDBG and HOME grantees in implementing HUD's Lead-Based Paint regulation.

The measure also provides \$90 million to fund HUD's second round of Empowerment Zones/Enterprise Communities. Of this amount, \$75 million will be made available for HUD's urban Empowerment Zones/Enterprise Communities. The remaining \$15 million will be made available to USDA to fund rural Empowerment Zones/Enterprise Communities.

Another \$110 million is provided for HUD's Empowerment Zones/Enterprise Communities through the New Markets Initiative legislation, which has not been enacted yet, but is expected to be part of a larger tax package to be enacted before Congress adjourns. The measure provides \$25 million for Brownfields, the same level as last year.

The bill provides \$3 billion for HUD's Public Housing Capital Fund, an increase of \$131 million. Of this amount, \$43 million will be transferred to HUD's Working Capital Fund. HUD's Public Housing Operating Fund is funded at \$3.242 billion, an increase of \$104 million from last year. The bill funds HUD's Drug Elimination Grant Program at \$310 million, the same level as last year. The bill provides \$575 million for the HOPE VI program, the same level as last year. Of this amount, \$10 million will be allocated for technical assistance for HOPE VI grantees.

Congress and the Administration are continuing their discussions on a year-end tax package.

The estimated amount of tax relief changes from day to day, but most recently congressional members and the President have discussed a \$250 billion tax cut plan. The plan would provide targeted tax cuts to encourage retirement savings, promote small business tax cuts, encourage investment in low-income communities (i.e., New Markets Initiative), exempt foreign-earned income from taxation, and provide an increase to the minimum wage.

The following chart provides you with the funding approved for HUD's programs in FY 2001.

FY 2001 HUD Program Funding

Program	FY 2000 Enacted	FY 2001 President's Request	FY 2001 Enacted
CDBG	\$4.8 billion	\$4.9 billion	\$5.0575 billion
Set-asides:			
Indian Block Grant	\$67 million	\$69 million	\$71 million
Housing Asst. Council	\$3 million	\$3 million	\$3 million
Nat. Am. Indian Council	\$2 million	\$2 million	\$2.6 million
Tribal Colleges/Univ.	0	\$5 million	0
Nat. Housing Dev. Corp.	0	0	\$10 million
Section 107 Grants	\$42 million	\$69 million	\$45.5 million
Working Capital Fund	0	0	\$15 million
Self-Help Housing	\$20 million	\$18 million	\$20 million
Capacity Building (NCDI)	\$24 million	\$24 million	\$28.45 million
Resident Opport. (ROSS)	\$55 million	0	\$55 million
Neighborhood Init.	\$30 million	0	\$44 million
Demo.	\$43 million	\$75 million	\$60 million
Youthbuild	0	0	\$2 million
2000 Winter Olympics	\$4 million	\$8 million	included in NCDI set-
Habit for Humanity	0	\$22 million	aside
Mississippi Delta Init.	0	\$20 million	0
Faith-Based Program	\$25 million	\$100 million	0
CEF	\$231 million	0	0
EDI			\$292 million
	\$546 million	\$415 million	
Total Set-asides			\$648.55 million
	<i>\$4.254 billion</i>	<i>\$4.485 billion</i>	
<i>Net Formula Allocation</i>			<i>\$4.408 billion</i>
Section 108 Loan Guarantees	\$30 million	\$30 million	\$29 million
HOME	\$1.6 billion	\$1.650 billion	\$1.8 billion
Set-asides:			
Housing Counseling	\$15 million	\$24 million	\$20 million
Information Systems	\$7 million	\$5 million	\$17 million
Total Set-asides	\$22 million	\$29 million	\$37 million
<i>Net Formula Allocation</i>	<i>\$1.578 billion</i>	<i>\$1.621 billion</i>	<i>\$1.763 billion</i>
Homeless assistance grants	\$1.02 billion	\$1.2 billion	\$1.025 billion
Shelter Plus Care Renewals	included in homeless grants	included in homeless grants	\$100 million

Housing Certificate Fund	\$11.376 billion	\$14.127 billion	\$13.9 billion*
Lead-Based Paint	\$80 million	\$120 million	\$100 million
Brownfields	\$25 million	\$50 million	\$25 million
EZs/ECs	\$55 million	\$20 million	\$90 million**
HOPWA	\$232 million	\$260 million	\$258 million
Rural Housing and Economic Dev.	\$25 million	\$27 million	\$25 million
Public Housing Capital Fund	\$2.869 billion	\$2.955 billion	\$3.0 billion
Public Housing Operating Fund	\$3.138 billion	\$3.192 billion	\$3.242 billion
HOPE VI	\$575 million	\$625 million	\$575 million
Drug Elimination Grants	\$310 million	\$345 million	\$310 million
Elderly Housing (Section 202)	\$710 million	\$779 million	\$779 million
Disabled Housing (Section 811)	\$201 million	\$210 million	\$217 million
Fair Housing	\$44 million	\$50 million	\$46 million

**This includes \$12.9 billion for expiring Section 8 contracts and \$452.9 million for 79,000 new Section 8 vouchers*

***\$75 million administered through HUD for urban EZs/ECs, and \$15 million administered through USDA for rural EZs/ECs*

Special News Alert!!!!

It has come to our attention that HUD will be releasing the FY 2001 CDP allocation accounts before the upcoming election. As we understand it, HUD staff is working on the release letters as this newsletter is being written. As always NCDA will get the allocation to our members as soon as we get them. We will put them on our website immediately and send them out via e-mail and "snail mail" shortly thereafter. We anticipate getting the allocations to you by next week. ***Its amazing what can happen in an election year!!!!***

**LEGISLATIVE UPDATE: HOUSE
PASSED LAZIO'S HOMEOWNERSHIP
BILL: H.R. 1776 AND S. 1452**

On October 24 the House passed S.1452 with an amendment. The amendment will include certain housing and banking provisions. Due to procedural problems in the Senate, the Committee on Banking has decided to go forward by calling up the Senate version of HR 1776, S.1452, the Manufactured Housing Improvement Act and replace it with a committee amendment which we have carefully discussed with the Senate.

As we reported in previous issues of the *Washington Report*, on April 6, 2000, H.R. 1776 passed the House by a vote of 417 to 8, and is an updated version of similar legislation that passed the House in the 105th Congress (HR 3899). There are also provisions included from HR. 202, Preserving Affordable Housing for Seniors and Vulnerable Families into the 21st Century, another bipartisan bill designed to help the elderly and disabled with their housing needs, which passed the House on September 27, 1999 by a strong vote of 405-5. You may recall that several provisions of this bill were enacted in Title V of last year's FY 2000 VA/HUD Appropriation Bill.

THE HOUSING PROVISIONS

Title I- Removal of Barriers to Housing Affordability: Authorizes such sums as may be necessary for FY 2001 through FY 2005 for grants to States, local governments, and eligible consortia for regulatory barrier removal strategies and establishes a regulatory barriers clearinghouse.

Title II- Homeownership for Working Families: Provides reduced downpayment

requirements for loans to teachers and uniformed municipal employees; a pilot program designed to assist law enforcement officers, including correctional officers, to purchase homes in locally designated high crime areas; and allows for the refinancing of home equity conversion mortgages (HECMs).

Title III -Section 8 Homeownership: Public Housing Authorities (PHAs) are authorized to provide downpayment assistance in the form of a single grant, in lieu of monthly assistance; adds a pilot program to demonstrate the use of tenant-based section 8 assistance (section 8 vouchers) for the purchase of a home that will be owned and occupied by 1 or more members of the disabled family; and authorizes a \$2 million grant program to supplement demonstration programs approved under the Section 8 homeownership demonstration program.

Title IV - PMI Cancellation and Termination Technical Changes: Clarifies private mortgage insurance (PMI) termination/cancellation rights for adjustable rate mortgages (ARMs); if a borrower is not current on payments as of the termination date, but later becomes current, termination shall not take place until the first day of the following month; clarifies that PMI cancellation or termination does not eliminate requirement to make PMI payments legitimately accrued prior to any cancellation or termination of PMI; clarifies cancellation and termination issues related to terms ambiguous in law, including "good payment history," "automatic termination," and "accrued obligation for premium payments."

Title V - Native American Homeownership Creates an Indian Lands Title Report Commission: Permanently authorizes the Section 184 Loan Guarantee Program for Indian housing; makes amendments to the Native

American Housing and Self-Determination Act of 1996 (NAHASDA) and establishes a program within NAHASDA for Native Hawaiians.

Title VI - Manufactured Housing

Improvement Act: Establishes a consensus committee that would submit recommendations to the Secretary of HUD for developing, amending and revising both the Federal Manufactured Home Construction and Safety Standards and the enforcement regulations; allows the Secretary to use industry label fees for the administration of the consensus committee; gives the states five years to adopt an installation program and a dispute resolution program for the timely resolution of disputes between manufacturers, retailers, and installers regarding the responsibility for the correction or repair of defects in manufactured homes.

Title VII - Rural Housing Homeownership:

Promissory note requirement under housing repair loan program; limited partnership eligibility for farm labor housing loans, project accounting records and practices; sets forth accounting and record keeping requirements, including maintaining accounting records in accordance with generally accepted accounting principles for all projects that receive funds under this program; and allows Native Americans to become eligible borrowers under the multifamily loan guarantee program. Also authorizes refinancing for guaranteed rural housing loans.

Title VIII-- Housing for the Elderly and Disabled Families: Includes provisions from HR 202/S. 2733 pertaining to the Section 202 and 811 programs.

Title IX- Other Related Housing Provisions

Sec. 901. Extension of loan term for manufactured home lots.

Sec. 902. Use of section 8 vouchers for opt-outs.

Sec. 903. Maximum payment standard for enhanced vouchers.

Sec. 904. Use of section 8 assistance by "grand-families" to rent dwelling units in assisted projects.

This amendment is strongly supported by Homebuilders (Barriers to Affordable Housing/Municipal Employee provisions), Manufactured Industry, MBA/Consumers Mtg. Coalition/Mortgage Lenders (PMI Technical Changes), Native Americans, and Native Hawaiians. The amendment also includes the following Banking provisions:

REGULATORY RELIEF

This contains regulatory relief provisions, most of which were passed by the Senate Banking Committee this Congress and by the House in the 105th Congress.

BANKING AND HOUSING AGENCY REPORTS

This title is similar to H.R. 3046, the Banking and Housing Agency Accountability Preservation Act, which passed the House under suspension by voice vote on October 19, 1999. The bill preserves a number of federal agency reporting requirements which were sunsetted by the Federal Reports and Elimination and Sunset Act of 1995, such as the semi-annual reports from the Federal Reserve on Monetary Policy. In discussions with the Senate, agreement has been reached to change the House version by dropping five reports and adding one, consolidating a number of others in the agencies' annual reports, and modifying the Federal Reserve's semi-annual reporting requirement.

COIN PROVISIONS

This title contains House-passed coins bills HR 3679, the "2002 Winter Olympic Commemorative Coin Act" and HR 5273, the "United States Mint Numismatic Coin Clarification Act of 2000."

PLANNING FOR THE NEXT ADMINISTRATION

The upcoming year will usher in a new fiscal year, a new Administration, and a potentially new leadership within the House of Representatives. Given all these changes, public interest groups, advocates, and lobbyist of all nature are in the process of putting together their program and policy priorities for the new regime. The same is true for the United States Conference of Mayors and the National League of Cities. We reported on the U.S. Conference of Mayors' priorities in the August 4th issue of the *Washington Report* and will now highlight the priorities of the National League of Cities here.

In March, at its legislative meeting, the National League of Cities began the process of defining its priorities for the new administration based on recommendations to its Board of Directors from its seven standing committees and a dialogue that it initiated with representatives from several of its partner interest groups, including NCDA. The premise of assembling this group was to establish a coalition that would include hundreds of entities and perhaps thousands of individuals that would "sign off" on a list of overarching goals and priorities for the new administration and Congress. In theory, the coalition could use the final document produced by this conversation as the foundation for each entity's advocacy efforts. The coalition will meet to further refine the goals and priorities, which will

result in a draft document that will undergo one final review before it becomes the coalition's definitive position that it intends to submit to the new Congress and administration.

Currently titled, *Investing in Communities: A Shared Vision and a Call to Action*, the document provides an overview, a value statement, and a plan of action for the new Congress and administration on how, and in what specific policy and program areas, federal resources should be distributed in America's cities. NCDA will keep members updated on the progress of this document. We will also make copies of the final document available as soon as we receive it. Here are some highlights from the existing draft.

Investing in Communities: A Shared Vision and a Call to Action

OVERVIEW

The inauguration of a new President and the convening of the 107th Congress in January 2001 will take place while American communities are undergoing historic transitions that offer both opportunities and challenges.

- The economy and the skills needed to compete in it are changing dramatically.
- Changing racial and ethnic diversity, together with aging and other changes in the characteristics of the U.S. population, are transforming our neighborhoods, our workplaces, and our communities.
- People and businesses are increasingly mobile, creating new patterns of development and growth.

- The roles of governments are changing as power and responsibilities move closer to the people and as governments at all levels adopt new ideas and new strategies for addressing people's needs.
- The shift from federal budget deficits to budget surpluses has opened new possibilities. It is up to all of us - including the federal government - to invest in America's future. Now is the time for new partnerships that build a vital and prosperous future for all of America's communities.

WHAT WE BELIEVE

We are a broad-based coalition of national organizations whose local members have a stake in the successful futures of the nation's cities and towns. We have come together at the invitation of the National League of Cities (NLC) to create a plan of action for investing in American communities. Our goal is to lay out a comprehensive set of priorities for America's cities and towns - priorities that reflect our shared investments and common vision. And we intend to engage the federal government as a partner and a principal force in making American communities stronger. Investing in communities is about strategic, high-leverage investments that produce positive outcomes. It is about systemic change. And it is about policies and programs that contribute to better lives for the people who live in our communities.

By joining together to create a plan and a call-to-action, we have identified a core set of values and interests that form the basis of achieving our vision for the future.

1. **New Civic Alliance.** The broad-based nature of the issues affecting America's communities demands a broad-based approach. It is time to break out of our

traditional ways.

2. **Governmental Leadership.** Federal, state, and local governments must commit to new ways of engagement and a leadership role in ensuring that our cities and towns are successful.
3. **Fairness.** The coalition is united in support of promoting equal opportunities for all Americans, undoing racism and all aspects of discrimination, addressing income and wealth disparities, and promoting equitable fiscal policies.
4. **Regional Action.** Cities, suburbs, and entire regions must work together in order to foster growth and opportunity for all.
5. **Embracing Technology.** Technological advances, especially in the Information Technology field, can be a force for positive change and new investment in American communities. Our challenge is to guide technology in ways that make communities stronger.
6. **Wise Investments.** We need to focus on sustainable outcomes, ensuring sufficient funding for programs that work, exploring creative financing and investment options, and making strategic choices about how to best reach our goals.
7. **High Standards.** American communities require clear and ambitious goals. We will aim high, and we will hold ourselves and others accountable for the results.

We believe these principles are the foundation of a new agenda for investing in America's communities. We call upon the new President and the 107th Congress to help us implement our shared agenda. We call upon all sectors of

society to join our partnership. The goals we share are within our reach - but only if we work together to envision and build a successful future.

A PLAN OF ACTION

Our investing in Communities plan calls for concerted action by all sectors of American society. The plan cannot and will not succeed without the federal government providing new investment incentives and new resources to American communities so they can achieve their true potential.

Our priorities for federal action are:

1. Reduce poverty by substantially improving public education, job training, and public transportation while promoting and sustaining regional economic growth.

1. Eliminate the digital divide. All Americans must have the opportunity to learn and have access to the advantages of high technology.
2. Reduce barriers to employment through job training, child care, transportation, and programs to reduce the impact of disabilities as well as substance abuse and mental health difficulties.
3. Assist cities and regions to promote sustainable and equitable economic growth.

2. Support the availability of affordable low- and moderate-income housing and invest in the revitalization of existing communities so they are centers of hope and opportunity.

- Aggressively enforce fair housing laws.

- Expand homeownership opportunities for first-time home buyers.
- Increase federal investment and funding for development, production and rehabilitation of low- and moderate-income housing.
- Use federal procurement practices and the siting of federal buildings and federal offices as a way to encourage reinvestment in areas in need of redevelopment in cities.
- Promote greater private sector lending in disadvantaged areas by modernizing the Community Reinvestment Act and strengthening its implementation.
- Create safe and secure environments by continuing support for community policing and community-wide crime prevention programs, including gun safety laws.
- Incorporate historic preservation efforts into community revitalization strategies to create a sense of place and community pride.
- Expand funding for the redevelopment of brownfields and for environmental cleanup, and create safe, achievable standards for cleanup, including resolution of liability issues for cities.
- Fund programs that engage youth in community-building and crime prevention activities.
- Provide incentives and support for comprehensive community initiatives at neighborhood and regional levels to encourage renewal of disadvantaged areas.

3. Provide the necessary financing, investment incentives, and support for communities to build and maintain the infrastructure best suited to their needs for the 21st century.

- Give priority to infrastructure investments that respect the environment, support settlement patterns that strengthen our communities, encourage local cooperation for regional solutions, and build value for communities and families.
- Invest in transportation infrastructure, including air, land and water.
- Invest in environmental infrastructure that cleans the air, land and water.

4. Invest in youth and provide support for families and children to promote their full and healthy development.

- Support programs that are recognized for their success in the development of children.
- Strengthen public education, a cornerstone of a democratic society, by providing strategic financial investment.
- Ensure adequate resources to meet the basic needs of families and children, including health care.

5. Support municipalities by recognizing their responsibilities and related revenue requirements and by providing resources, investments, and incentives for municipalities and communities to meet new challenges.

- Support local governments' ability to fulfill their obligations to citizens by preserving

their long-established taxing powers, including use taxes on remote sales.

- Provide support and reasonable incentives for local initiatives and partnerships, private sector investing, and regional approaches to meet shared needs.
- Use the capacity of the federal treasury to fully fund nationally mandated priorities.
- Support local government authority to make local decisions.

THE OPPORTUNITY AND THE CHALLENGE

Now is the time to move this agenda forward. The new leadership in Washington has an unprecedented opportunity and no more important task in the months and years ahead than investing in American communities.

The nation must bring new resources and new attention to bear on the challenge of making our communities stronger and people's lives better. We look forward to creating new partnerships with the federal government and others to ensure that all of America's communities are prepared to make the most of this historic moment in our nation's history.

HUD NOTES

HUD Asks for Preferences on Options for Reimbursement of Clearance Tests

HUD has asked NCDA and other national interest groups their preference for HUD reimbursement of lead-based paint clearance tests for CDBG and HOME grantees. HUD has developed the three methods for reimbursement, which are discussed below. NCDA has been soliciting comments from members all week on which reimbursement

option they prefer. So far, Option 1 and Option 2 are running neck and neck. We will have a better sense of the preferred option as the final responses are tabulated. NCDA will continue to seek responses on a preferred option through the end of next week, November 3. If you have not weighed in on which option you prefer yet, please contact Vicki Watson by e-mail at vicki@ncdaonline.org or at 202-887-5532. NCDA and the other national interest groups are meeting with HUD on Thursday, October 26, to discuss the options and the process for reimbursement. NCDA will have more to report after this date.

Option 1

- Instruct grantees to use CDBG and HOME funds to initially pay for required lead-based paint clearance tests conducted in FY 2001.
- Grantees will obtain reimbursement from HUD's Office of Healthy Homes and Lead Hazard Control funds through a contractor up to \$150 per clearance test.
- Grantees must deposit the funds in the CDBG or HOME account, account for the funds as an "applicable credit" and adjust existing IDIS projects to reflect changes in funding.

Option 2

1. Instruct grantees to use their own funding (funds other than CDBG or HOME) to pay for required lead-based paint clearance tests conducted in FY 2001, or, at their option, submit an invoice to HUD's contractor for payment.
2. Grantees will obtain reimbursement or payment from HUD's Office of Healthy Homes and Lead Hazard Control funds through a contractor up to \$150 per clearance test.

Option 3

- HUD's Office of Healthy Homes and Lead Hazard Control will make individual, one-time incentive grants to CDBG and HOME grantees in FY 2002.
- The grants will be based on the number of required lead-based paint clearance tests conducted by the grantee in FY 2001.

Option 1 applies if grantees plan to use their CDBG or HOME funds to pay for the clearance tests. Option 2 applies if grantees plan to use funds other than CDBG or HOME to pay for the clearance tests. Option 3 applies no matter what funding is used. HUD will only pay for one clearance test per unit. Members may want to consider having the contractor pay for clearance tests that fail, since it is their responsibility to make sure the unit is clean enough to pass the clearance tests. HUD will reimburse grantees *up to* \$150 per test. So, if the test costs \$100, you will be reimbursed \$100. If the test costs \$200, you will be reimbursed \$150.

Funding to reimburse CDBG and HOME grantees for clearance tests is only available this year. Any tests conducted between October 1, 2000 and September 30, 2001 will be reimbursed. NCDA will advocate to Congress for continued funding to reimburse grantees for clearance tests in the coming years, since this is an ongoing expense. If you have any questions, please contact Vicki Watson at NCDA.

NCDA NOTES

NCDA 2001 Winter Meeting

Attached to this newsletter is a draft agenda and order form for the upcoming **Winter Meeting**, being held on January 17-20, 2001. It is imperative that members make their hotel reservations as soon as possible. This year is an

inaugural year and our meeting comes right during that time. Hotel space will become increasing scarce. **Do not miss out on this important meeting!!! Make your reservations soon!!!!**

The Congressional Recess and the Washington Report

Once the Appropriations process is completed, and Congress goes into recess, NCDA's staff will work less on legislation and will target our activities to working with HUD on any regulations, HUD's Best Practices Symposium for 2001, the annual membership drive, finalizing the agenda for the 2001 NCDA Winter Meeting, getting the FY 2001 CDBG/HOME/ESG/HOPWA allocations upon our website before HUD does, and gearing up for CD Week 2001. As this is an election year, and the anticipation of a completely new Administration, there will be a slight slow-down in activity in our nation's capitol. Given this scenario, *The Washington Report* will be printed on a monthly basis or when there is information that is pertinent to the membership during the Congressional Recess, which ends in January.

NCDA Calendar of Events

In the future, we hope to provide you with an events calendar as soon as we have the dates for meetings for national meetings and those held in the regions. Below, are the months of the meetings that we are aware of.

NCDA National and Regional Events

REGION 1 ANNUAL MEETING

November 8 -10, 2000

Portland Regency Hotel

20 Milk Street

Portland, ME 04101

1-800-727-3436

Cut Off Date: September 30, 2000

NCDA Winter Meeting-January 17-20, 2000

Washington Marriott Hotel

1224 22nd Street, NW

Washington, DC 20037

202-872-1500

Cut Off Date: December 26, 2000

NCDA Annual Conference-May 23-26, 2001

Omni Bayfront Hotel

900 North Shoreline Blvd.

Corpus Christi, TX

361-887-1600

Cut Off Date: May 1, 2001

REGION IV ANNUAL CONFERENCE

March 10-13, 2001

Sheraton Birmingham Hotel

2101 Richard Arrington, Jr., Drive North

Birmingham, AL 35203

205-324-5000

FEDERAL REGISTER NOTICES

October 24, 2000. Public Housing

Assessment System (PHAs); Notice of PHAs

Transition Assistance. This document notifies public housing agencies (PHAs) with fiscal years ending September 30, 2000, December 31, 2000, March 31, 2001, and June 30, 2001, that they may conduct annual physical inspections of their units in accordance with HUD's Housing Quality Standards.

October 24, 2000. Prohibition on Use of Community Development Block Grant

Assistance for Job-Pirating Activities. This proposed rule would implement section 588 of the Quality Housing and Work Responsibility Act of 1998 by revising HUD's regulations for the Community Development Block Grant (CDBG) program. Section 588 prohibits State and local governments from using CDBG funds for "job pirating" activities that are likely to result in significant job loss. Job-pirating, in this

context, refers to the use of CDBG funds to lure or attract a business and its jobs from one community to another community.

October 10, 2000. Disposition of HUD-Acquired Single Family Property; Officer Next Door Sales Program. This final rule on the Officer Next Door Sales Program (OND Sales Program) follows publication of an interim rule published on July 2, 1999. The OND Sales Program makes HUD-acquired single family homes available, with certain restrictions, to law enforcement officers for purchase at a discount from list prices. This final rule expands eligibility for the OND Sales Program to include campus police officers employed by private colleges and universities.

OTHER NEWS

Rep. Bruce Vento Succumbs to Cancer

NCDA is sad to report the passing of Congressman Bruce F. Vento (D-MN), who died on October 10 of lung cancer associated with exposure to asbestos fibers. Congressman Vento was 60. Congressman Vento was perhaps the most ardent supporter of HUD's homeless assistance programs on the Hill. He introduced the legislation that created the

Emergency Shelter Grants Program, a program that provides direct grants to States and local jurisdictions to assist with emergency shelter needs. He was also one of the original authors of the Stewart B. McKinney Homeless Assistance Act, which created the Supportive Housing Program, Shelter Plus Care Program, and Section 8 Moderate Rehab for SROs, and numerous other federal homeless assistance programs. He is survived by his wife, his parents, and three sons. In honor of Rep. Vento, Congress voted this last week to rename the Stewart B. McKinney Homeless Assistance Act, the McKinney-Vento Homeless Assistance Act, a fitting tribute to such a dedicated public servant.

JOB OPPORTUNITIES AND ATTACHMENTS:

To access the documents below, please go to NCDAonline at <http://ncdaonline.org>

- Winter Meeting Draft Agenda and Registration Form
- EDI Special Projects List
- Audrey Nelson Awards Application
- Job Opportunities