

# TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS BILL, 2024

*Provisions Related to the Office of Lead Hazard Control and Healthy Homes (OLHCHH)*

*as of January 15, 2024*

## House Committee on Appropriations

*By a vote of 34-27 on July 18, 2023, the House Committee on Appropriations passed [H.R. 4820](#) (known as FY24 THUD). The bill proposed to reduce non-personnel funding for the Office of Lead Hazard Control and Healthy Homes from \$410 million in FY23 to \$345 million in FY24—down \$65 million. The relevant portions of the [House Committee report](#) are below.*

### H. Rept. 118-154

New financing mechanism pilot.—The Committee is aware of the need for new financing mechanisms to address lead and other residential environmental stressors in low-income communities with older housing stock. The Committee provides \$10,000,000 for the Department to establish a national financing pilot within the Healthy Homes Program, so that these communities can access a range of financial products and increase the pace of eliminating home-based hazards. HUD should collaborate with one or more financial institutions that serve low-income communities, and coordinate with the Department of the Treasury to leverage HUD’s lending capabilities. The Committee requests a report on the progress of this pilot within 180 days of enactment of this Act.

SEC. 242. Of the unobligated balances of amounts made available under the heading “Office of Lead Hazard Control and Healthy Homes” from prior Acts making appropriations for the Department of Housing and Urban Development, \$564,200,000 are hereby permanently rescinded.

Section 242 rescinds \$564,200,000 from unobligated balances available. *(NB. The next largest rescissions was \$25 million from PL 117-169 (in Section 420)).*

### H.R. 4820

For the Lead Hazard Reduction Program, as authorized by section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4852), the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z–1 and 1701z–2), and for related activities and assistance, \$345,000,000, to remain available until September 30, 2026:

*Provided*, That the amounts made available under this heading are provided as follows:

- (1) \$200,000,000 shall be for the award of grants pursuant to such section 1011, of which not less than \$80,000,000 shall be provided to areas with the highest lead-based paint abatement need.
- (2) \$140,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970, which shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related diseases and hazards, and mitigating housing-related health and safety hazards in housing of low-income families, of which \$10,000,000 shall be for the establishment and implementation of a national pilot program to facilitate new financing mechanisms to address lead and other residential environmental stressors in low-income communities.

- (3) \$3,000,000 shall be for the award of grants and contracts for research pursuant to sections 1051 and 1052 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4854, 4854a).
- (4) Up to \$2,000,000 in total of the amounts made available under paragraphs (2) and (3) may be transferred to the heading “Research and Technology” for the purposes of conducting research and studies and for use in accordance with the provisos under that heading for non-competitive agreements.
- (5) \$2,000,000 shall be for grants for a radon testing and mitigation safety demonstration program (the radon demonstration) in public housing: *Provided*, That the testing method, mitigation method, or action level used under the radon demonstration shall be as specified by applicable State or local law, if such law is more protective of human health or the environment than the method or level specified by the Secretary:

*Provided further*, That for purposes of environmental review, pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other provisions of law that further the purposes of such Act, a grant under the Healthy Homes Initiative, or the Lead Technical Studies program, or other demonstrations or programs under this heading or under prior appropriations Acts for such purposes under this heading, or under the heading “Housing for the Elderly” under prior Appropriations Acts, shall be considered to be funds for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994:

*Provided further*, That each applicant for a grant or cooperative agreement under this heading shall certify adequate capacity that is acceptable to the Secretary to carry out the proposed use of funds pursuant to a notice of funding opportunity:

*Provided further*, That the Secretary shall conduct a demonstration to harmonize income eligibility criteria for grants under this heading in this and prior Acts with the income eligibility criteria of certain other Federal programs:

*Provided further*, That for purposes of such demonstration, the Secretary may establish income eligibility criteria for such grants using income eligibility criteria of any program administered by the Secretary, the Department of Energy weatherization assistance program (42 U.S.C. 6851 et seq.), the Department of Health and Human Services low income home energy assistance program (42 U.S.C. 8621 et seq.), and the Department of Veterans Affairs supportive services for veteran families program (38 U.S.C. 2044):

*Provided further*, That amounts made available under this heading, in this or prior appropriations Acts, still remaining available, may be used for any purpose under this heading notwithstanding the purpose for which such amounts were appropriated if a program competition is undersubscribed and there are other program competitions under this heading that are oversubscribed.

#### **SEC. 242.**

Of the unobligated balances of amounts made available under the heading “Office of Lead Hazard Control and Healthy Homes” from prior Acts making appropriations for the Department of Housing and Urban Development, \$564,200,000 are hereby permanently rescinded.

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## Senate Committee on Appropriations

By a vote of 29-0 on July 20, 2023, the Senate Committee on Appropriations passed [S. 2437](#) (known as FY24 THUD). The bill proposed to reduce non-personnel funding for the Office of Lead Hazard Control and Healthy Homes from \$410 million in FY23 to \$350 million in FY24 – down \$60 million. The relevant portions of the [Senate Committee report](#) are below.

### S. Rept. 118-70

The Committee recommends an appropriation of \$350,000,000 for the lead hazard reduction account, \$60,000,000 less than the budget request and fiscal year 2023 enacted level. The following table summarizes the Committee’s recommendation in comparison to the budget estimate and the fiscal year 2023 enacted level:

		Fiscal year—		Committee recommendation
		2023 enacted	2024 estimate	
Lead Hazard Reduction Grants		\$290,000,000	\$265,000,000	\$245,000,000
	<i>Areas with the Highest Lead-based Paint Abatement Needs</i>	95,000,000	105,000,000	105,000,000
Healthy Homes Initiative		75,000,000	125,000,000	105,000,000
	<i>Weatherization Cooperation Demonstration</i>	5,000,000	5,000,000	5,000,000
	<i>Aging in Place Home Modification Grants</i>	30,000,000	30,000,000	30,000,000
Healthy Homes Technical Studies		5,000,000	5,000,000	.....
Lead-Risk Assessment Demonstration		25,000,000	.....	.....
Radon Testing and Mitigation Demonstration		5,000,000	5,000,000	.....
Lead Service Line Replacement Demonstration		.....	10,000,000	.....
	<b>Total</b>	<b>410,000,000</b>	<b>410,000,000</b>	<b>350,000,000</b>

The reallocations between grant programs account for recent application rates and the available carryover balances for each activity. During the pandemic, application rates for lead hazard reduction grants, particularly from public health agencies, dropped. However, the Committee is pleased to see that incoming applications are beginning to increase. The Committee remains committed to reducing exposures to lead-based paint and other residential health hazards, and directs the Department to provide the House and Senate Committees on Appropriations with updated reports on all unobligated balances for each program following each funding competition award announcement.

*Improving the Lead Grant Application Process.*—The Committee directs HUD to continue to conduct outreach and improve the NOFOs to encourage more grantees to apply, especially those that may not have access to professional grant writers, such as smaller and more rural communities. Additionally, HUD shall continue to clearly state in the NOFOs that an application may include nonprofit co-applicants, provided that an eligible city, county/parish, other unit of local government, or eligible State or Tribe are identified as the lead or co-applicant. Non-profit co-applicants may include community development financial institutions who may be positioned to accelerate the pace at which low-income homeowners and rental property owners can address lead paint hazards in high-risk communities.

*Lead Standards and Oversight.*—The Committee recognizes there are multiple open priority recommendations from GAO report 18–394 on lead-based paint hazards in assisted housing, HUD OIG report 2023–CH–0001 on oversight of lead-safe housing rule requirements, and HUD OIG report 2020–CH–0005 on lead in water in multifamily housing. The Committee acknowledges that the implementation of NSPIRE and accompanying process improvements aim to address these recommendations, and urges HUD to coordinate across the Department to ensure its new procedures and controls sufficiently address the identified gaps. The Committee also directs HUD to continue to coordinate with the EPA on: (1) visual inspection protocols, (2) inventories of lead service lines, and (3) identifying any cross-agency progress made by public water systems in eliminating lead service lines at HUD-assisted properties, which is a priority under the IJJA. The Committee directs HUD to brief the House and Senate Committees on Appropriations within 120 days of enactment of this act on its data sharing needs related to lead service lines.

*Lead Risk Assessment.*—The Committee directs OLHCHH and PIH to jointly engage with PHAs and other stakeholders to understand why so few applications were submitted for the lead risk assessment demonstration and brief the House and Senate Committees on Appropriations on the findings of this engagement no later than 270 days after the enactment of this act.

*Ageing-in-Place Home Modification Grants.*—The Committee recommendation includes \$30,000,000 within the healthy homes initiative for ageing-in-place home modification grants in order to enable low-income seniors [persons who are 62 years of age or older] to remain in their homes through low-cost, high-impact home modifications. The intended beneficiaries of these grants are low-income seniors living in homes that are not receiving project-based rental assistance, and HUD shall ensure the use of funds appropriated will reflect that intent. In designing the NOFO for this program, HUD is directed to continue to take into account successful models of low-barrier, participant-led, holistic approaches to ageing-in-place. The Committee continues to direct HUD to track the outcomes of seniors whose homes have been modified in order to better understand the effectiveness of this funding in reducing at-home falls, hospitalizations, and emergency response calls, as well as improving independence and tenure in home over time.

*Weatherization Assistance Program.*—The Committee continues to acknowledge the potential time and cost savings to be realized from the coordinated execution of the HUD lead-based paint hazard control grant program and the DOE’s weatherization assistance program. HUD is directed to continue collecting information on how many units benefit from this coordination and quantify how this coordination has reduced costs for hardware and labor. HUD is directed to provide this information to the House and Senate Committees on Appropriations after the end of each grant cycle.

### S. 2437

For the Lead Hazard Reduction Program, as authorized by section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4852), the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z–1 and 1701z–2), and for related activities and assistance, \$350,000,000, to remain available until September 30, 2026:

*Provided,* That the amounts made available under this heading are provided as follows—

- (1) \$245,000,000 shall be for the award of grants pursuant to such section 1011, of which not less than \$105,000,000 shall be provided to areas with the highest lead-based paint abatement needs;
- (2) \$105,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970, which shall include research, studies, testing, and

demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related diseases and hazards, and mitigating housing-related health and safety hazards in housing of low-income families, of which—

- (A) \$5,000,000 shall be for the implementation of projects in communities that are served by both the Healthy Homes Initiative and the Department of Energy weatherization programs to demonstrate whether the coordination of Healthy Homes remediation activities with weatherization activities achieves cost savings and better outcomes in improving the safety and quality of homes; and
  - (B) \$30,000,000 shall be for grants to experienced non-profit organizations, States, local governments, or public housing agencies for safety and functional home modification repairs and renovations to meet the needs of low-income seniors to enable them to remain in their primary residence: *Provided*, That of the total amount made available under this subparagraph no less than \$10,000,000 shall be available to meet such needs in communities with substantial rural populations; and
- (3) Up to \$2,000,000 in total of the amounts made available under paragraph (2) may be transferred to the heading “Research and Technology” for the purposes of conducting research and studies and for use in accordance with the provisos under that heading for non-competitive agreements:

*Provided further*, That for purposes of environmental review, pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other provisions of law that further the purposes of such Act, a grant under the Healthy Homes Initiative, or the Lead Technical Studies program, or other demonstrations or programs under this heading or under prior appropriations Acts for such purposes under this heading, or under the heading “Housing for the Elderly” under prior Appropriations Acts, shall be considered to be funds for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994:

*Provided further*, That each applicant for a grant or cooperative agreement under this heading shall certify adequate capacity that is acceptable to the Secretary to carry out the proposed use of funds pursuant to a notice of funding opportunity:

*Provided further*, That amounts made available under this heading, except for amounts in paragraph (2)(B) for home modification repairs and renovations, in this or prior appropriations Acts, still remaining available, may be used for any purpose under this heading notwithstanding the purpose for which such amounts were appropriated if a program competition is undersubscribed and there are other program competitions under this heading that are oversubscribed.

#### **SEC. 236.**

- (a) Funds previously made available in the Consolidated Appropriations Act, 2017 (Public Law 115–24) for “Lead Hazard Reduction” that were available for obligation through fiscal year 2018 are to remain available through fiscal year 2025 for the liquidation of valid obligations incurred in fiscal years 2017 through 2018.
- (b) Funds previously made available in the Consolidated Appropriations Act, 2018 (Public Law 115–141) for “Lead Hazard Reduction” that were available for obligation through fiscal year 2019 are to remain available through fiscal year 2026 for the liquidation of valid obligations incurred in fiscal years 2018 through 2019.

**SEC. 238.**

- (a) Of the unobligated balances remaining from amounts made available under the heading “Lead Hazard Reduction” in title II of division L of the Consolidated Appropriations Act, 2022 (Public Law 117–103), \$65,000,000 is hereby rescinded, which shall be applied to the funds remaining available for activities under paragraph (1) under such heading (excluding amounts for areas with the highest lead-based paint abatement needs).
- (b) Of the unobligated balances remaining from amounts made available under the heading “Lead Hazard Reduction” in title II of division L of the Consolidated Appropriations Act, 2022 (Public Law 117–103) and in title II of division L of the Consolidated Appropriations Act, 2023 (Public Law 117–328), \$49,400,000 is hereby rescinded, which shall be applied to the funds remaining available for activities under paragraph (5) under such headings.
- (c) Of the unobligated balances remaining from amounts made available under the heading “Public Housing Fund” in title II of division L of the Consolidated Appropriations Act, 2023 (Public Law 117–328), \$20,000,000 is hereby rescinded, which shall be applied to the funds remaining available for activities under paragraph (7) under such heading.
- (d) Any unobligated balances (including any unobligated balances of contract authority) as of the date of enactment of this Act included under Treasury Appropriation Fund Symbols 86 X 0129, 86 X 0148, 86 X 0197, 86 X 0314, 86 X 0315, 86 X 0324, 86 X 0402, 86 X 4058 and 86 X 8093 are hereby rescinded.