



HOPWA

Modernization:

Formula Update

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HOPWA MODERNIZATION: FORMULA UPDATE

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Our Vision: *The National AIDS Housing Coalition envisions an international community where housing is a human right and HIV disease ends. It is clear that housing improves health outcomes of those living with HIV disease and reduces the number of new HIV infections. The end of HIV/AIDS critically depends on an end to poverty, stigma, housing instability, and homelessness.*

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS: A BRIEF HISTORY

Housing Opportunities for Persons With AIDS. AIDS Housing Opportunity Act of 1992 was adopted as part of Cranston-Gonzalez National Affordable Housing Act. P.L. 101-625 (11.28.1990)

- The AIDS Opportunity Act appears at 42 U.S.C. 12901.
- The original authorization for funding was \$150 million for FY1993
- The statutory authorization level has never been changed but through the annual appropriations process the funding level has grown to its current level of \$335 million for FY 16.

• THE ORIGINAL HOPWA FORMULA

- The formula from its inception counted cumulative AIDS.
- Eligibility was determined in part when the Centers for Disease Control certified 1,500 cumulative AIDS deaths in a jurisdiction (MSA or Metropolitan Statistical Area).

ADVOCACY EFFORTS



- The HIV/AIDS community has long contended that the formula needed legislative updating to reflect “living HIV/AIDS” as more representative of the current geography of the epidemic.
- Over the years, various attempts have been made to launch the needed Congressional action to update the HOPWA formula, but failed.

NAHC PRINCIPLES FOR HOPWA MODERNIZATION

OVERARCHING PRINCIPLE:

Any HOPWA formula revision should not cause currently assisted clients to lose housing.

NAHC will advocate for an annual appropriation that is adequate to achieve this result AND adjusts for new jurisdictions becoming eligible for formula funding over a five year period.

ESSENTIAL FORMULA COMPONENTS:

- Count **living HIV/AIDS**;
- Include a **housing cost factor** such as fair market rents;
- Include a **poverty factor**;
- Include a **5-year hold-harmless** provision that
 - Holds grantee **losses at 5%**;
 - holds grantee **gains at 10%**.

LEGISLATIVE EFFORTS FOR HOPWA MODERNIZATION

The formula was successfully updated in the 114th Congress second session via passage of H.R. 3700, the Housing Opportunity Through Modernization Act (HOTMA) of 2016.

H.R. 3700 was adopted unanimously by the House on February 2, 2016.

Rep. David Price (D-NC) and Rep. Robert Aderholt (R-AL) introduced a successful bi-partisan amendment to update HOPWA formula.

The bill was sent to the Senate Banking Committee, taken up in the full Senate and passed by unanimous consent on July 14, 2016.

Signed by President Obama on July 29, 2016.

HOPWA MODERNIZATION: FORMULA UPDATE

THE UPDATE WILL:

- Count the number of individuals **living** with HIV/AIDS;
- Factor in differences in housing costs based on fair market rents and differences in poverty rates;
- Continue eligibility for current grantees subject to appropriations and the local comprehensive housing affordability strategy, with eligibility to be re-determined at least every ten years following FY2016;
- Phase-in implementation over five (5) years to provide grantees time to adjust to changes; and
- Include a stop-loss provision capping grantees losses at 5% and gains at 10% of the prior year's allocation.

HOW WILL THE 5 YEAR FORMULA PHASE-IN WORK?

For FY17 each of the 139 HOPWA formula jurisdictions will be held:

- To a gain of not more than 10% of their prior year (FY16) formula allocation;
- or
- To a loss of not more than 5% of their prior year (FY16) formula allocation.

FOR EXAMPLE:

The NYC estimate for FY2016 per the *Congressional Justifications* is \$43.823 million with the jurisdiction slated to lose funding under the formula; the 2016 estimate for Los Angeles is \$13.7 million with the city slated to gain under the formula.

- In FY17, NYC would have a cap on losses of approximately \$2.2 mil
- In FY17, LA would have a cap on gains of approximately \$1.4 mil
- These caps represent the MAXIMUM, not the actual amounts anticipated. Actual amounts will not exceed these limits but will be dependent on CDC reports, number of new grantees (if any), and running the formula across all grantees.

To look up your jurisdiction: http://portal.hud.gov/hudportal/documents/huddoc?id=22-HSNG_Opp.Persons_wAIDS.pdf

5 YEAR FORMULA PHASE-IN

- The caps will be repeated each year for five years, based on the prior year allocation.
- Full implementation without the caps on gains and losses will kick in in year six (FY22).

LEGISLATIVE EFFORTS BEFORE HOTMA

The Senate Appropriations Subcommittee on Transportation, HUD and Related Agencies has included the HOPWA formula update in its THUD Appropriations Committee report for the last two years.

Representatives David Price (D-NC), Robert Alderholt (R-AL), Senators Susan Collins (R-ME), Jack Reed (D-RI), Mark Kirk (R-IL), Richard Durbin (D-IL), Brian Schatz (D-HI) and Jeff Sessions (R-AL) co-sponsored legislation in congress to move HOPWA Modernization forward.

MOVING FORWARD: FORMULA UPDATE IMPLEMENTATION

- Increased funding is needed for successful implementation – so our advocacy continues!
- While many jurisdictions will see increases with the updated formula, some jurisdictions will see decreases
 - Check for your jurisdiction [here](#)
- NAHC is advocating for increased funding to be distributed – outside the formula – to those HOPWA formula jurisdictions that would see decreases with the modernization to the HOPWA formula.

Questions?

Discussion

Contact US



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Thank you!

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