

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LEAD HAZARD CONTROL AND HEALTHY HOMES
LEAD HAZARD REDUCTION
2020 Summary of Resources

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Outlays
2018 Appropriation	230,000	16,582	-	246,582	28,509	94,630
2019 Annualized CR	230,000	217,946	-	447,946	447,946	145,114
2020 Request	290,000	-	-	290,000	290,000	178,626
Change from 2019	60,000	(217,946)	-	(157,946)	(157,946)	33,512

1. Program Purpose and Budget Overview

The 2020 President Budget’s request for the Office of Lead Hazard Control and Healthy Homes (OLHCHH) program is \$290 million, which is \$60 million more than the 2019 Annualized Continuing Resolution (CR) level. The program protects low-income families, particularly those with children, from exposures to lead from house paint and the lead-contaminated dust and soil it creates, while concurrently addressing multiple health hazards in these homes that contribute to such conditions as asthma, cancer, and/or unintentional injuries. The Office of Lead Hazard Control and Healthy Homes (OLHCHH) also funds grants that develop cost-effective ways to reduce lead-based paint hazards, enforces lead-based paint regulations, provides outreach and technical assistance, and conducts technical studies to develop and evaluate methods to protect children and their families from health and safety hazards in the home.

2. Request

At the 2020 Budget level, the OLHCHH will make funds available to achieve results under the following programs:

- Lead Based Paint Hazard Reduction Grants and Demonstration:
 - \$145 million in Lead Hazard Control grants to make 12,100 unassisted low-income older homes free of lead-based paint hazards.

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- \$95 million in Lead Hazard Reduction Demonstration grants to make 8,181 unassisted low-income older homes free of lead-based paint hazards.
- Healthy Homes Grants and Support:
 - \$40 million in Healthy Homes Supplements to the Lead Hazard Control grant programs, above, to mitigate 13,000 homes having lead-based paint hazards being controlled of multiple health hazards to address conditions that contribute to asthma, cancer, and unintentional injuries.
 - \$5 million in grants and contracts to further the understanding of housing conditions and their connections to resident health, identify effective interventions and preventive practices, demonstrate health and economic benefits of interventions, and provide technical support and training, grant management and evaluation tools.
- Lead Technical Studies and Support: \$5 million to develop detection, evaluation, and control technologies regarding lead and other residential hazards, and provide the basis for the building, housing, scientific, and public health communities to address the hazards more efficiently and broadly. The technical studies and assistance activities are conducted through grants, cooperative agreements, and contracts, and include technical support and training, grant management and evaluation tools, and interagency collaboration projects.

3. Justification

OLHCHH's mission is to provide safe and healthy homes for at-risk families and children by promoting and funding the identification and repairs in at-risk housing to address conditions that threaten the health of residents. The OLHCHH coordinates disparate health and housing agendas, supports key research, targets enforcement efforts, and provides tools to build sustainable local programs that mitigate housing-related health hazards. The OLHCHH assists states and local governments in remedying unsafe housing conditions and addressing the acute shortage of decent and safe dwellings for low-income families. The OLHCHH collaborates with nonfederal partners, especially philanthropies, to create local, regional, and national partnerships in both the childhood lead safety and healthy homes arenas, and has strong collaborations with other federal agencies, e.g., HHS, EPA, and USDA, such as through its chairing the Healthy Homes Working Group and its participating in, e.g., the Children's Environmental Health Task Force, Asthma Disparities Working Group, and Federal Bedbug Working Group.

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Lead Hazard Reduction and Control

Lead paint in housing presents one of the largest threats to the health, safety, and future productivity of America's children, with over 23 million homes (52 percent of the homes built before 1978) having significant lead-based paint hazards.¹ The OLHCHH's Lead Hazard Control program currently includes the Lead Based Paint Hazard Control (LBPHC) and Lead Hazard Reduction Demonstration (LHRD) grant programs. The two programs' overall lead-safe low-income housing goal is the same, with the LHRD grant program (begun in 2003), focusing on work in cities, counties/parishes, or other units of local government with the most pre-1940 rental housing and highest rates of childhood lead poisoning cases, and the original, LBPHC, program (begun in 1993), open to a broader range of states, Native American Tribes, and communities. Funding is projected to make the pre-1978 housing units enrolled in the grants lead-safe at an average of \$12,000 per unit.

HUD has rigorously evaluated the effectiveness of the programs, determining them effective in both the pure outcome measure (i.e., reducing children's blood lead levels),² and the long-term effectiveness of the hazard controls.³ The programs offer high returns for children's reduced healthcare costs and later increased work productivity, i.e., \$17–\$221 per dollar controlling lead paint hazards.⁴

Healthy Homes

The Healthy Homes program extends beyond just addressing lead-based paint hazards and covers other serious threats to residents' health and safety. While grantees can use Lead Hazard Control funds to remove or repair the lead paint in a residence, those grants cannot address mold clean up, smoke detector installation, lead-containing water supply component replacement, or other unsafe or unhealthy conditions present in those same houses. The major portion of the Healthy Homes funding is for Healthy Homes Supplements to the Lead Hazard Control grants, which allow grantees to address residential hazards other than the lead-based paint hazards for which the grants can use their Lead funds authorized by Title X, in the unassisted low-income older homes in which the grantees are controlling lead-based paint hazards. The Healthy Homes Supplement approach is efficient in that the outreach, recruitment, enrollment, and monitoring processes for getting work done in the home have already been developed and implemented for the lead hazard control work, so that smaller, incremental efforts are needed, primarily in assessing homes for the presence of

¹ As determined by the OLHCHH's American Healthy Homes Survey I (Dewalt FG et al. Prevalence of Lead Hazards and Soil Arsenic in U.S. Housing. *J. Env. Health.* 78(5):22-29 (2015)).

² Clark S, et al. Effects of HUD-supported lead hazard control interventions in housing on children's blood lead. *Env. Research.* 111(2):301–311 (2011).

³ Dixon SL, et al. Window replacement and residential lead paint hazard control 12 years later. *Env. Research.* 113(1):14-20 (2012).

⁴ Gould E., Childhood Lead Poisoning: Conservative Estimates of the Social and Economic Benefits of Lead Hazard Control. *Env. Health Perspectives.* 117(7):1162-7 (2009).

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hazards other than lead-based paint and mitigating those the hazard. Funding for Healthy Homes Supplements is projected to make homes healthy at an average of \$3,000 per unit. Note that, with heightened national interest in lead in residential water, Healthy Homes Supplement funds may be used increasingly for lead service line and interior lead plumbing replacement (about \$2,000 - \$5,000 per housing unit); this may increase the average per-unit Supplement costs and decrease the number of housing units to which the Supplements are applied by those grantees using the funds in this way accordingly.

Healthy Homes programs yield high returns on investment, e.g., reducing household allergens, which contribute to asthma and allergies, yields \$5.30 - \$16.50 per dollar invested,⁵ and installing battery-operated smoke alarms, \$18.⁶

Healthy homes program funds also support contracts for national surveys, training, and public education programs that help state, local, and nongovernmental agencies, housing industry stakeholders, and the public to understand the issues; and the Healthy Homes Technical Studies Grant Program (discussed below), which develops and evaluates effective interventions and preventive practices to reduce or eliminate health and safety hazards in homes.

Technical Studies and Support

The funding will continue HUD's significant progress furthering the national understanding of housing conditions and their connections to resident health, which includes identifying effective interventions and preventive practices, and demonstrating health benefits of targeting interventions to reduce or eliminate health and safety hazards in homes.

The technical studies have helped develop detection, evaluation, and control technologies regarding lead and other residential hazards, and provided the basis for the building, housing, scientific, and public health communities to address the hazards more efficiently and broadly. The technical studies and assistance activities are conducted through grants, cooperative agreements, and contracts, and include technical support and training, grant management and evaluation tools, and interagency collaboration projects.

⁵ Nurmagambetov TA et al., 2011. Economic Value of Home-Based, Multi-Trigger, Multicomponent Interventions with an Environmental Focus for Reducing Asthma Morbidity: A Community Guide Systematic Review. *American Journal of Preventive Medicine*. 41(2S1): S33–S47. (2011).

⁶ Children's Safety Network/Pacific Institute for Research and Evaluation. *Injury Prevention: What Works? A Summary of Cost-Outcome Analysis for Injury Prevention Programs* (2014 Update).

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Account Language Changes

Use a 3-year funds availability period for the OLHCHH's funds (versus the current 2-year period in account language). The Department requests to change the period of availability in the appropriations language for this account from 2 to 3 years. This change would allow more time to apply grant administrative procedures (e.g., the sequence of providing technical assistance, issuing low-performance scores, issuing pre-high-risk letter, issuing high-risk letter with spending and operational constraints, issuing suspension letter) to induce poorly-performing lead hazard control grantees to perform satisfactorily, and, if any of them do not improve sufficiently, terminate their grants for cause and transfer the funds to be awarded to the next-highest-rated eligible applicant from the original NOFA, rather than terminate for cause and send the funds to Treasury, as is required at present because of the short funds availability period.

Other Legislative Proposals and Programmatic Improvements

The 2020 Budget supports the following legislative changes that will result in programmatic improvements. HUD will seek the changes through the authorization process rather than the appropriations process.

An increased threshold for lead abatement under the Lead Safe Housing statute (42 U.S.C. 4822(a)(1)) to reflect inflation since the enactment of that statute. The lead abatement threshold is met when federal rehabilitation assistance is greater than the fixed amount of \$25,000 per unit (42 U.S.C. 4822(a)(1), enacted under Section 1012 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 ("Title X")). Inflation since the 1992 enactment of Title X (when the dollar threshold was established) means that a rehabilitation project of \$13,900 at the time of enactment would now cost over \$25,000. As a result, the abatement of units is required for projects with much less real-dollar rehabilitation assistance than Congress intended. This can induce local funding agencies to not rehabilitate many of the units they would have in previous years, leaving them to continue to expose young children to avoidable health risk. To restore the real-world meaning of the abatement threshold, adjusting the threshold for inflation is necessary. The proposed statutory amendment would authorize the Secretary to, annually, use a publicly available inflation index to determine the abatement threshold.

Subpoena authority for enforcement of the Lead Disclosure Statute (42 U.S.C. 4852d). Under current law, HUD and the Environmental Protection Agency (EPA) have joint authority for enforcing compliance with the Lead-Based Paint Disclosure Statute ("Disclosure Statute") in (almost all) pre-1978 housing being sold or leased (42 U.S.C. 4852d, enacted under Section 1018 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 ("Title X")). However, while EPA has the authority to issue subpoenas for enforcing under a separate statute (15 U.S.C. § 2610(c), enacted under the Toxic Substances Control Act (TSCA)), HUD does not

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have Disclosure Statute subpoena authority under Section 1018 nor elsewhere in or outside of Title X. Currently, in cases where HUD is the primary or sole investigator, HUD must rely solely on EPA's availability and agreement to issue a subpoena. However, EPA lacks the staffing resources to accommodate HUD's requests for adding to its enforcement workload. This section will provide HUD with the subpoena authority. HUD will continue to request initially that a residential property owner and/or manager provide documents or permit entry to HUD staff in order to view and copy the documents, on a voluntary basis. HUD will use the subpoena authority provided by this section only when the owner and/or manager does not provide the documents. Nor will this section will affect the EPA's ability to exercise its existing authorities under TSCA or Section 1018.

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LEAD HAZARD CONTROL AND HEALTHY HOMES
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Summary of Resources by Program

(Dollars in Thousands)

Budget Activity	2018 Budget Authority	2017 Carryover Into 2018	2018 Total Resources	2018 Obligations	2019 Annualized CR	2018 Carryover Into 2019	2019 Total Resources	2020 Request
Lead Based Paint Hazard Reduction Grants and Demonstration	180,000	2,612	182,612	5,200	180,000	177,412	357,412	240,000
Lead Technical Studies and Support	5,000	1,010	6,010	4,025	5,000	1,984	6,984	5,000
Healthy Homes Grants and Support	45,000	12,960	57,960	19,284	45,000	38,550	83,550	45,000
Total	230,000	16,582	246,582	28,509	230,000	217,946	447,946	290,000

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LEAD HAZARD CONTROL AND HEALTHY HOMES LEAD HAZARD REDUCTION Appropriations Language

The 2020 President's Budget includes the appropriation language listed below:

For the Lead Hazard Reduction Program, as authorized by section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, \$290,000,000, to remain available until September 30, 2022, of which up to \$45,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related diseases and hazards: Provided, 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 the law that further the purposes of such Act, a grant under the Healthy Homes Initiative, or the Lead Technical Studies program under this heading or under prior appropriations Acts for such purposes under this heading, 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 of the total amount made available under this heading, an amount to be determined by the Secretary shall be made available on a competitive basis for areas with the highest lead paint abatement needs: Provided further, That each recipient of funds provided under the previous proviso shall contribute an amount not less than 25 percent of the total: Provided further, That each applicant shall certify adequate capacity that is acceptable to the Secretary to carry out the proposed use of funds pursuant to a notice of funding availability: Provided further, That amounts made available under this heading in this or prior appropriations Acts, and that still remain 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.

Note.—A full-year 2019 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2019 (Division C of P.L. 115–245, as amended). The amounts included for 2019 reflect the annualized level provided by the continuing resolution.