Dear NAHMA Members,

It is with great disappointment, given the holiday season, that we must inform you that the federal government entered a shutdown of operations over the weekend. At this time, funding negotiations between the White House and Congress have stalled. Unfortunately, there is no imminent agreement to reopen the government. As a result, most HUD and USDA staff have been furloughed beginning today. Each agency's ability to make payments on contract renewals will hinge on existing and available budget authority. System-generated disbursements for previously obligated rental assistance funds should continue. However, a longer-term lapse in government operations will be more financially severe to O/As and tenants.

The **"HUD Contingency Plan for Possible Lapse in Appropriations" is attached and available online** <u>here</u>; members can find Q&As in **Appendix B: FAQs for External Stakeholders**, which addresses how the lapse of funding may impact HUD programs. **USDA's contingency plan is also attached and available** <u>here</u>.

This government shutdown will be the second shutdown of 2018, with the first one occurring in late January. Although preferable to a shutdown, the limited funding levels and disruptive nature of Continuing Resolutions are harmful to NAHMA members and communities. NAHMA is therefore urging Congress and the White House to come to a full-year funding agreement as soon as possible.

We will continue to monitor the situation and keep members updated.

Best, NAHMA Government Affairs Team

Larry Keys, Director of Government Affairs National Affordable Housing Management Association 400 N. Columbus St., Suite 203, Alexandria, VA 22314 Phone 703-683-8630, ext.111 Email <u>Ikeys@nahma.org</u>, Website www.nahma.org NAHMA is the leading voice for affordable housing management, advocating on behalf of multifamily property managers and owners whose mission is to provide quality affordable housing.