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October 9, 2009

The Honorable Patty Murray, Chair
The Honorable Christopher Bond, Ranking Member
Subcommittee on Transportation, Housing and Urban Development, and Related Agencies
Committee on Appropriations
United States Senate
Washington, D.C. 20515

The Honorable John Olver, Chair
The Honorable Tom Latham, Ranking Member
Subcommittee on Transportation, Housing and Urban Development, and Related Agencies
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Chair Murray, Ranking Member Bond, Chair Olver and Ranking Member Latham,

As the House and Senate begin conference negotiations on the FY10 Transportation, Housing and Urban Development and Related Agencies Appropriations bill, the National Low Income Housing Coalition urges you to provide sufficient funding to protect HUD programs serving the lowest income people in our country.

We are very pleased that both the House and Senate THUD bills would increase overall HUD funding compared to FY09. We appreciate your recognition of the importance of these programs at a time when more and more people are unemployed, living below the federal poverty line, paying more than half of their incomes for housing, and at risk of becoming homeless.

We would like to highlight some differences between the two bills and our recommendations for conference.

While the House version of H.R. 3288 provides an increase over the FY09, President's request, and Senate's proposal for HUD, this is still insufficient funding for robust HUD programs. We urge the conference to provide funding at the House level of \$47.1 billion, recognizing that even this amount will not fully fund critical programs such as the housing choice voucher program and public housing.

Public housing capital and operating funds have historically been under resourced. We appreciate that both bills would provide increases above FY09 levels for public housing operating and capital funds. We urge the conference to provide the House funding level of \$4.8 billion for critical public housing operating resources. The public housing operating fund has been below 90% of full funding for each of the last five years. We urge you to meet HUD's request that this account be fully funded.

We also urge you not to include funding for HUD's requested Choice Neighborhoods Initiative in the FY10 THUD bill. We believe this proposal should be fully vetted by the House and Senate authorizing committees. Authorizing the program prior to funding will ensure that the initiative builds upon the



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strengths of the HOPE VI program while providing an opportunity to correct its negative impacts. The HOPE VI program's negative impacts are such that NLIHC would rather see these resources directed to the public housing capital fund until the HOPE VI program is reauthorized to better protect residents' rights and prevent the further loss of public housing units from the affordable housing inventory.

Additionally, we strongly support the House bill's provision that would prohibit funds to implement the community service requirement for public housing residents. It is long past time for this offensive and administratively burdensome requirement to end.

NLIHC is also concerned that funding for vouchers in both the House and Senate bills may be insufficient for FY10. We understand that you are working diligently to incorporate the best data into the bill's assumptions so that the renewal of all tenant-based assistance can be fully funded in FY10. In addition to this full funding, we continue to request sufficient funding for at least 200,000 new vouchers for FY10 and for \$50 million of the FY11 advance appropriation for project-based vouchers affiliated with units built under the National Housing Trust Fund program.

We support the inclusion of the Senate's language to allow HUD access to \$200 million in advance funds to prevent terminations of current voucher holders. We also believe that further eligible uses of this \$200 million are necessary to mitigate other harm, beyond terminations, caused by the shortfall. We ask the conference committee to expand the eligible use of the \$200 million so that funds can also be used to: prevent or reverse reductions in payment standards that have caused significant increases in rent burdens for low income families using vouchers; to prevent or reverse reductions in the number of low income families served through attrition; and to permit increased leasing by agencies that have utilized a high proportion of amounts allocated to them but which are experiencing leasing rates significantly below their authorized numbers of units.

NLIHC also supports the full funding of 12-month contracts for the renewal of all project-based rental assistance. Similar to your commitment to the renewal of tenant-based assistance, we greatly appreciate your expressed goal to ensure that these contracts are fully funded in FY10 so that these homes can remain affordable.

We would also like to highlight our support for the House bill's funding levels for the Housing Opportunities for Persons with AIDS program, Native American Housing Block Grants, Section 202 supportive housing for the elderly, Section 811 housing for persons with disabilities, and HOME. We also believe that the Senate's higher funding levels for the important Homeless Assistance Grants should remain in the final bill. We also support both bills' increased funding for fair housing, policy development and research, healthy homes and lead hazard control, and CDBG.

Thank you for your dedication to these programs and for taking our views into consideration.

Sincerely,

A handwritten signature in black ink that reads "Sheila Crowley". The signature is written in a cursive style and is enclosed in a thin black rectangular border.

Sheila Crowley, Ph.D.
President and CEO