FOIA Number: 2014-0224-F

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Housing Vouchers - FY 2001 [1]

Stack:	Row:	Section:	Shelf:	Position:
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FY2001 HUD Q + As

13. Q: Your budget proposes an additional 32,000 WTW vouchers. What is the status of the 50,000 we provided for FY 1999, and the 60,000 fair share appropriated for 2000?

A:

- The 50,000 WTW vouchers from 1999 approps are fully obligated, and under Annual Contributions Contracts (ACCs) with the PHAs; most of the ACCs were effective on November 1, 1999.

- The Department conducted a 2-day technical assistance conference for WTW HAs.

- For the FY 2000 appropriations, the NOFA for the 60,000 fair share vouchers was published on March 10^{th}.

Background

Following 4 years without appropriations for new vouchers, the units provided in 1999 and 2000 represent a significant achievement for the Department and the Congress. Those units are expected to assist some of the neediest families to move from welfare to work, and will begin again to address the over five million families with worst case housing needs.

Award of the WTW funding was slowed by:

- The need to develop new policies for the WTW program that reflected the appropriations bill requirements; required consultation with the Department of HHS and DOL in developing the program; the need to give HAs sufficient time to develop applications in connection with the local TANF agency and other partners such as any DOL WTW grantees; and the overwhelming response to the NOFA. HUD received nearly four times the number of applications that could be funded.

- HUD will monitor leasing progress of the WTW vouchers through the Multifamily Tenant Characteristics System (MTCS).

- Annual Contributions Contracts (ACCs) providing the funding to HAs have been executed for all 50,000 WTW vouchers. Most ACCs were effective on November 1, 1999. The balance of the ACCs were effective on either December 1, 1999 or January 1, 2000.

14. Q: What's the status of fair sharing the 60,000 units of incremental rental assistance? Why does it take so long to distribute units that are formula distributed?

A:

- The NOFA for the 60,000 fair share vouchers was published on March 10th. PHAs have 45 days to respond.

- Fair Share is a statutory and regulatory process which provides for the distribution of scarce assisted housing resources throughout the Country. Fair share factors are based on six indices of need for every city, county and state throughout the Nation. The factors, largely based on the latest decennial census statistics (as updated), include data on both local housing conditions and poverty. The Department will fair share the available funds for the 60,000 units to the HUD State FOs, and subsequently make competitive awards to local HAs.

- The NOFA enables the Department to establish application guidance, as well as the policies that will be adhered to in making awards. Under the HUD Reform Act, fair share funds must be committed by a competitive NOFA process.

HUD will continue to evaluate this process to determine if it can be streamlined further without loss of program integrity.

17. Q: How will the $50 million for the Voucher Success Fund be distributed?

A.

- HUD will make these special funds available in response to market barriers (e.g problems of supply, high cost and discrimination) that impede a family's success in leasing a unit with assistance under the voucher program.
- HUD will publish criteria for funding distribution, such as leaseup rates, number of vouchers to be leased, market factors, service to special needs populations and steps the PHA is already taking to successfully use the vouchers. (This will not be a competitive NOFA.)

Background:

- The following are some of the possible uses of the special funding:
  - Technical assistance to PHAs or communities
  - counseling (including mobility counseling) and security deposit assistance for program participants

* Further outreach and assistance programs to encourage landlord participation.

* The Voucher Success Fund should help with leaseups in difficult markets and thus reduce recaptures.

* The Voucher Success Fund is for communities running sound programs and still having problems, and the funds represent a small percentage of Section 8 administrative fees.

PH Operating Fund

20. Q: The 2001 Budget indicates that the request was based on developments to date on the negotiated rulemaking formula. Have they reached any agreement on key issues, and if so, are they reflected in the administration's Budget? Are you able to forecast how the new formula will materially differ from the current PFS?

A:

- Final consensus was reached on March 8^{th}.
- Interim rule published in March 2000 pending the outcome of a Harvard University study conducted per the Conference Report for the FY 2000 appropriations. The study should shed light on what it is costing to run a well-run PHA. The Department will finalize the rule upon completion of the study.
- Based on consensus of the committee to date, the interim rule will include the five proposals noted in the background below.

Background

The consensus proposals would:

1. Increase funding to PHAs under 500 units that are currently funded below 85% of the national average operating costs for multifamily FHA insured housing projects, adjusted for unit size and location;
2. implement statutory changes permitting PHAs to retain all income from non-dwelling sources and a percentage of income from dwelling sources as an incentive to raise the income of residents in occupancy without offset;
3. enable PHAs to submit adjustments for utility cost losses and savings in the year following their impact. To encourage energy conservation, PHAs may keep up to 75% of consumption savings and HUD will pay a maximum of 25% for consumption-related losses, as opposed to the current formula's 50/50% split of changes in utility costs from consumption;
4. provide each PHA with $25 per occupied unit per year toward the expenses of resident participation not now provided in its operating subsidy calculation; and
5. include flood insurance costs as a one-time adjustment in the computation of Allowable Expense Level (AEL).

22. Q: The conference report for the 2001 approps earmarks $3 million of the PH Cap Fund TA to be provided to the Harvard University School of Design "to conduct a study of the costs incurred in operating well run public housing." The conference report indicates that the Study must be completed by October 1, 2000. Has the contract been awarded to Harvard and what is the status of the Study?

A.

- The Department is in the process of finalizing a Cooperative Agreement with Harvard in accordance with the guidance provided by Congress. A draft Agreement is being reviewed and could be finalized within the next few days.

- Harvard has indicated (and HUD agrees) that it is unrealistic to expect a thorough cost study to be completed by October 1, 2000 (less than a year) - Harvard has submitted a projected schedule that would result in the study being completed by the end of 2001.

Q: How does HOPE VI avoid replacement of vertical slums with horizontal slums? How does HOPE VI monitor the mobility of residents? How can HOPE VI be sure that residents will find suitable housing in non-impacted areas with Section 8 certificates? Are these certificates funded through the HOPE VI appropriation?

A: You raised this issue last year, and HUD is addressing it:

- The Department, with extensive input, developed draft relocation guidance for the HOPE VI program, and made it available to 1,500 participants at the Atlanta conference last month. It's beginning to be used. The idea is to be sure that those who leave HOPE VI sites have the counseling and support necessary to enter mainstream America.

  Housing authorities are funded to provide intensive case management and mobility counseling, to ensure that residents using vouchers know the choices they have and will make a successful transition to a new community. These residents also remain part of the enhanced community and supportive services network put in place under the HOPE VI grant. The guidance covers planning, timetables and best practices.

- This year's HOPE VI NOFA reflects additional emphasis on a PHA's relocation efforts.

  The NOFA rates applications on, among other things, the quality of applicants' mobility programs, on their proposal to deconcentrate poverty, and on their commitment to affirmatively furthering fair housing.

  The NOFA requires PHAs, in their community and supportive service plans, to pay much more attention to counseling and support of families in the relocation process.

The NOFA's maximum grant for "demolition only" has been increased by $1500 per unit to allow for additional counseling and supportive services provided to relocating families.

- The Urban Institute study included in the fiscal year 2000 Act is under way, and will focus first on relocatees from early HOPE VI sites.
- During the year, HUD has revised its data systems so that it now can track the location of voucher holders.
- For FY 2001, HUD is proposing $50 M for a Voucher Success Fund that can help in these situations.
- In addition, SEMAP provides bonus points for deconcentration. SEMAP goes into effect with PHA fiscal years ending June 30, 2000.
- **The next step is a proposed regulation that would limit use of vouchers in impacted areas. Impacted areas would have to be defined differently for vouchers than for new construction. The regulation could be aimed at situations where a large number of vouchers are being added to the program. HUD will draft a proposed rule.**
- The vouchers are funded through the Housing Certificate Fund.

Senator Mikulski - Section 8 Report (1)

Q. Mr. Secretary, in several recent meetings with you I have raised my concerns that HUD's Section 8 program may be leading to undue concentration of voucher holders in areas of high poverty. What have you done to address these concerns?

A.

- We will promulgate a new rule that prohibits use of Section 8 vouchers in high impacted areas.
- Other measures include:
  - The Budget includes $50 million for the Voucher Success Fund. These funds will help to expand choice and housing opportunities for voucher holders. The funds will be used to assist families with mobility counseling (including second-move and post-move counseling), to create local revolving funds to help pay security deposits, provide technical assistance to PHAs and to improve efforts at landlord outreach, training and education.
  - SEMAP - The Section 8 Management Assessment Program, being implemented now, will strongly incentivize deconcentration efforts. PHAs will be specifically greaded on their policies and practices for encouraging greater participation of private owners of rental housing in order to improve choices for voucher holders on where to live.

- We have acted swiftly to issue the implementing regulations for the Public Housing Reforms from the FY 1999 VA-HUD Act. These reforms included a merger of the certificate and voucher programs with a single set of rules and regulations and also repealed barriers such as the "take-one take all," "endless lease" and 90 day notice for lease termination requirements. This will help to increase landlord participation.
- We are implementing concrete guidelines and training efforts in the HOPE VI program to ensure effective local implementation of relocation strategies, including mobility counseling for residents. Our HOPE VI program is also implementing a major new monitoring effort to track where residents are relocating to.
- PD&R and PIH are working together to improve data reporting, collection and analysis techniques to monitor and improve the effectiveness of the program. We are working to develop our ability to transfer this data to our mapping software to track where voucher holders live, based on census tracts.

Senator Mikulski - Section 8 Report (2)

Q. Several months ago, I asked your Department to take a closer look at the issue of undue concentration in the Section 8 program. I understand HUD has issued a report in response to my inquiry. What conclusions can you draw from your research in this area?

In response to our conversations about your concerns about the Section 8 tenant-based program, I have had my staff look at it and just last week we delivered a paper to you called, *Section 8 Tenant-Based Housing Assistance: A Look Back After 30 Years.* The paper shows that:

- *Section 8 vouchers have not led to concentrations of poverty.* Data from HUD's Multifamily Tenant Characteristics System show that only 9 percent of recipients of tenant-based assistance live in census tracts where 40 percent or more of the households are poor. Almost three times as many, or 24 percent, live in neighborhoods where less than 10 percent of households are poor.

- *Success rates in using tenant-based assistance are almost equally high no matter the racial or ethnic group, the age or disability status, or the primary source of income.* While the success rate for non-minority families in a 1994 study was 89 percent, it was 87 percent for black families, 92 percent for Hispanics, and 89 percent for others. Similarly, the national success rate for single parents with children was 90 percent; it was 86 percent for the elderly and 89 percent for single persons with disabilities.

- *Section 8 is successfully serving a large variety of types of families.* Of the 1.4 million families currently being served, 64 percent are families with children, 15 percent are elderly families or individuals, and 13 percent are persons with disabilities.

- *Section 8 is an important housing resource for meeting many specific and important public purposes*: relocating residents of foreclosed properties, for the Family Unification program, and to assist non-elderly persons with disabilities who are affected by the designation of a public housing development for occupancy only by elderly persons.

PD&R

Mikulski Question - Section 8 Report (3)

Q. What did your research show specifically in regard to the existence of concentrations of "horizontal poverty?"

A. I don't believe that the Section 8 voucher program is leading to "horizontal poverty." HUD is working diligently to assure that relocation counseling is provided to families who are moving from public housing to assure that they have maximum knowledge about what their choices are and support in making those choices.

Section 8 Tenant-Based Housing Assistance: A Look Back After 30 Years looked at the issued and concluded that Section 8 tenant-based assistance recipients compare well with all rental households on several measures related to concentration:

- Fewer voucher holders live in census tracts with median household incomes below $10,000 than all rental households (2.3 percent for voucher holders versus 2.9 percent for all renter households);

- They are only slightly less likely to live in tracts with less than 30 percent poverty (85.3 percent of voucher holders versus 87.5 percent for all renter households); and

- They are only slightly more likely to live in neighborhoods with minority concentration: slightly fewer live in tracts with less than 10 percent minority households (44 percent for voucher holders versus 47.6 percent for all rental households).

Our paper included maps of Baltimore and Philadelphia that demonstrated:

- Section 8 recipients are concentrated in areas with large numbers of affordable housing units, but are widely scattered in the metropolitan area.

- Section 8 recipients are far more dispersed than residents of public housing.

- Section 8 units are far more likely than public housing to be located in areas with low concentrations of poverty.

- Section 8 units are more likely to be in areas of low minority concentration than public housing.

PD&R

Mikulski Question - Section 8 Report (4)

Q. I am concerned about property values and neighborhood conditions as well. Don't concentrations of Section 8 families lead to neighborhood deterioration?

A.. Such concerns have been expressed in many cities, but we have found that often Section 8 was not really an issue but rather a scapegoat. In St. Louis, there were few Section 8 families in the neighborhood about which people complained. Similarly, in Boston, the Mayor's Committee on Subsidized Housing concluded that while there were neighborhood problems, they were not caused by Section 8 households.

The Patterson Park neighborhood of Baltimore is one location that did experience dislocation as a result of a combination of factors, including an unexpected influx of vouchers. Speculators were buying properties and renting them exclusively to Section 8 households because the PHA was not doing a good job of determining rent reasonableness. Thus, an owner could charge a higher rent to a Section 8 family than he might otherwise receive in the market. In this case, HUD responded aggressively to the problem by sending a response team to assess the situation and implement corrective actions. After determining the nature of the problem, HUD worked closely with the PHA to implement effective rent reasonableness tests to fix the problem.

Another criticism of the Section 8 program is that the presence of Section 8 families in a neighborhood has an adverse impact on measures of neighborhood quality, including real estate values. A look at single family home sales in Baltimore from 1991 to 1995 found that in neighborhoods with a small number of Section 8 sites, prices within 500 feet of a Section 8 property were actually higher than prices before the families moved into the neighborhood. When they found negative impacts, they tended to be in vulnerable neighborhoods with low-to moderate-value homes that had already declined in real value.

I want to assure you that while I believe there is not evidence of a problem, I am committed to seeing that one does not develop. Therefore, we will continue to monitor the Section 8 program and will continue to support good mobility counseling and enforcement of rules governing the behaviors of both voucher holders and landlords to assure that the Section 8 program is offering an opportunity for a better life and to assure communities that Section 8 recipients are good neighbors.

Eugenia Chough 06/08/2000 09:20:18 AM

Record Type: Record

To: Andrea Kane/OPD/EOP@EOP

cc:

Subject: Re: DPC question on State of the Cities Appendix/Budget #'s Section for Review by 2PM TODAY

I didn't realize until now that you weren't on this email...learn something new about HUD everyday

---------------------- Forwarded by Eugenia Chough/OPD/EOP on 06/08/2000 09:19 AM ---------------------------

Francis S. Redburn 06/07/2000 03:01:03 PM

Record Type: Record

To: Andrea E. Jacobson/OMB/EOP@EOP

cc: alexandra gianinno/omb/eop@eop, Eugenia Chough/OPD/EOP@EOP, James F. Jordan/OMB/EOP@EOP

Subject: Re: DPC question on State of the Cities Appendix/Budget #'s Section for Review by 2PM TODAY

I'm pretty sure that the incremental housing vouchers funded in fy 2000 have no special income targeting requirements and are therefore targeted like other housing vouchers as specified in the 1998 QHWRA, i.e., 75 percent must be awarded to households with incomes at or below 30 percent of area median family income (for a household of their size, as defined by HUD). HUD defines families in this income range as "extremely low-income."

Francis S. Redburn 05/25/2000 09:16:26 AM

Record Type: Record

To: Andrea Kane/OPD/EOP@EOP
cc: See the distribution list at the bottom of this message
bcc:
Subject: Re: vouchers

Yes, we have begun to draft a letter, which should be circulating by the middle of next week. We can make a strong statement about the failure to provide our full request for incremental vouchers.

As Dave explains, the Committee has given HUD explicit authority for over 20,000 incremental vouchers and broad license to use additional recaptures for incremental vouchers and other purposes. The Committee's mark assumes that $1 billion in recaptures will occur this year from tenant-based Section 8 amounts allocated to PHAs but not fully used; this would be consistent with recent years' experience. I don't share Dave's alarm that the program could "collapse."

Andrea Kane

Andrea Kane 05/25/2000 [illegible] AM

Record Type: Record

To: Michael Deich/OMB/EOP@EOP, Alan B. Rhinesmith/OMB/EOP@EOP, Francis S. Redburn/OMB/EOP@EOP
cc: Margy Waller/OPD/EOP@EOP
Subject: Re: vouchers

this is HUD's answer to my question about what was actually in the House subcomm mark vs what was said in Walsh's press releasere: Section 8. I haven't seen a Lew letter circulating on the House HUD/VA approps bill - did I miss it or is it in the works? I assume we'll make a strong statement re: our disappointment in their not funding our request for 120,000 vouchers for hard-pressed working families etc.

---------------------- Forwarded by Andrea Kane/OPD/EOP on 05/25/2000 08:57 AM ---------------------------

"David S. Kass" <David_S._Kass@HUD.GOV>
05/25/2000 08:47:05 AM

Record Type: Record

To: Andrea Kane/OPD/EOP
cc: Margy Waller/OPD/EOP, "Hal C. DeCell" <Hal_C._DeCell@HUD.GOV>, "David M. Gibbons" <David_M._Gibbons@HUD.GOV>
Subject: Re: vouchers

Here is the response from Dave Gibbons, HUD's Budget Director:

Your request has been passed on to me for response, which follows:

The Committee has premised the Section 8 mark on the theory that HUD will next year, as it has done each year since 1997, recapture billions of dollars from PHAs in funds that were not used for vouchers or from project-based project owners, whose long term contracts expire with funds left on the contract. Ignore the second source since I know exactly how much that is and have already included that anticipated recapture in the 2001 budget proposal. What the committee states then is that based on past experience HUD can use the additional or excess (above what we already know will occur) recaptured funds to fund many of the section 8 activities for which it has requested new BA. So the committee provided only enough new BA to be sure that existing vouchers are fully funded and renewed. The extra recaptures can be used for the rest of the program---- including two of the four incremental voucher requests in the Pres. Budget. However, HUD must allocate any of these extra recaptures in the order prescribed in the bill. The 10,000 "housing production vouchers" ($66 M) (out of the total of 120,000 incremental vouchers which were requested in the Pres. Budget) were in the middle of the priority list and up to another 10,000 "fair share incremental vouchers" ($50M) **[This is actually $60M. SR]** (out of the 120,000 incremental voucher
request) were also included but put at the end of the priority list. The remaining two types of incremental vouchers were homeless and welfare to work, neither of which were included anywhere on the priority list. Hence the Committee's press release says that they have provided for incremental vouchers and other activities but in fact no new funds were actually put in the bill to cover the costs.

HUD's premise is that unless specifically funded (and scored by CBO as such) then it isn't funded. Its got to at least look like a duck before you can call it a duck. The notion that HUD would know now or could anticipate how much in excess recaptures we will get a year from this coming August is extremely presumptuous and places the entire program in seriosus jeaopardy of collaspse. In fact, if the changes that HUD has, and is still putting in place to increase the utilization rate work as intended we should have no or only minor recaptures at the end of 2001. If that occurs then most of the other program activities, including the inspection of the facilities would disappear completely. It is a bit hypocritical to first chastise HUD for not getting the funds spent and then turn around and depend on under utilization of funds to pay for the normal program costs.

In addition the Committee overlooks another critical fact which is that even if excess recaptures do materialize they will do so in August of 2001...which is way too late in the fiscal year to be applied to any of the unfunded activities. Thetheory/ methodlogy they employ simply dosn't work in practice.

Hence , we reject both the premise and the presumed timing included in the Committee mark that so much excess recaptures will be available 15 months from now that all the administration's priorities will get funded.

A last point, if you please. Much is said ---including in your own query-- about HUD not getting the money out and therefore having lots of recaptures. NOTHING could be further from the truth. HUD gets the funds out and obligated to PHAs in a timely manner. Recaptures are, by definition funds that PHAs have had for over a year but which have not been used for a wide variety of reasons. The issue of recaptures has nothing to do with HUD's ability to implement its responsibilities. Apologies for the gratuitous statement but I wanted to correct any misimpression that might have developed.

If you need more please ask..

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NEWS

House Appropriations Committee
Chairman C.W. Bill Young (R-FL)

Website address: www.house.gov/appropriations

FOR IMMEDIATE RELEASE:
May 23, 2000

Contact: Elizabeth
(202) 226

ADDRESSING VETERANS, HOUSING, AND ENVIRONMENTAL NEEDS

Subcommittee Approves FY01 VA-HUD Spending Bill

FY01Chairman's Mark (Discretionary): $76.492 billion (Includes $300 million in FEMA Emergency Funds)

FY01 Grand Total (Discretionary + Mandatory): $101.1 billion

FY01 President's Request: $84.8 billion

CBO Freeze: $76.9 billion

Major Amendments Adopted in Subcommittee:

(Meek): Strikes bill language that prohibits the rehiring of former employees of the Department of Housing and Urban Development's (HUD) Community Builders for other positions in the Department.

(Delay): Adds report language recognizing the merits of NASA's new Alternative Access proposals and states that the Committee may provide funding for these programs prior to final enactment of the bill.

(Northrup): Adds report language that encourages the Consumer Product Safety Commission to conduct a study of the safety of small appliances if funds are available.

(Price): Adds report language encouraging the Environmental Protection Agency to work cooperatively with academic research labs in the management of hazardous waste.

(Goode): Adds report language recognizing the merits of the Small Aircraft Transport System and states that the Committee will look favorably on the program if further funding becomes available.

Taking Care of Veterans:

- Fully funds Veterans Medical Health Care, providing a $1.3 billion increase over last year, the same as the president's request. Total FY01 funding is $20.3 billion.
- Level funds Veterans Medical and Prosthetic Research at $321 million, the same as the President's request.
- Provides an extra $73 million over FY00 for the Veterans Benefits Administration to expedite claims processing. Total FY01 funding is $782 million.
- Provides a $10 million increase over last year for the National Cemetery Administration, bringing FY01 funding to $107 million fully funding current and new cemetery operations.
- Veterans State Extended Care Facilities are funded at the President's request of $60 million.

Addressing Critical Housing Needs:

- Increases the Department of Housing and Urban Development (HUD) $4 billion over FY00, bringing FY01 funding to $30 billion, $2.5 billion below the President's request.
- Level funds HUD's Office of the Inspector General at $83 million.
- Housing for the nation's elderly (Section 202) is level funded at $710 million.
- Disabled Housing (Section 811) is level funded at $201 million.
- The Housing Certificate Fund, which fully funds Section 8 renewals and tenant protections, is increased $1.9 billion over FY00, bringing FY01 funding to $13.3 billion.
- Modernization for public housing is funded $2.8 billion.
- Severely distressed public housing is funded at $565 million.
- Public House Operating Subsidies are level funded at $3.138 billion.
- Homeless Assistance Grants are level funded at $1.02 billion.
- Housing Opportunities for Persons with AIDS (HOPWA) is level funded at $232 million.
- The Native American Block Grant is level funded at $620 million.
- Drug Elimination Grants are funded at $300 million.
- The Community Development Block Grant (CDBG) is funded at $4.5 billion, $295 million below last year, but grants to states are preserved at $4.2 billion.
- Community Development Financial Institutions (CDFI) is increased $10 million over FY00, bringing FY01 funding to $105 million, $20 million below the President's request.
- Neighborhood Reinvestment Corporation is fully funded at the President's requested level of $90 million, $15 million more than last year.

Protecting the Environment:

- The Environmental Protection Agency is funded with an emphasis on the states, particularly in the areas of clean water and safe drinking water. Most operating programs are preserved at FY00 levels.

- Provides $7.2 billion for the EPA. While it may appear that the EPA is $125 million below the President's request, the difference is due to the redesignation of two Health and Human Services programs which were originally funded under the Superfund account and now receive their own appropriation. These programs are the National Institute of Environmental Health Sciences funded at $60 million and the Agency for Toxic Substance and Disease Registry funded at $70 million.
- Superfund is fully funded at the President's requested level of $1.2 billion (when NIEHS and the Agency for Toxic Substance and Disease Registry are backed out of the President's request).
- Provides level funding of $1.9 billion for Environmental Programs and Management.
- EPA Research is increased $5 million over FY00, bringing FY01 funding to $650 million, $24 million below the President's request.
- Level funds the Climate Change Technology Initiative at $103 million.
- Global Climate Change Research is funded at $20.6 million, the same as 2000.
- The Leaking Underground Storage Tank Program receives a $9 million increase over last year at $79 million, $7 million above the President's request.
- Safe Drinking Water State Revolving Funds are funded at $825 million, the same as the President's request and $5 million more than last year.
- Clean Water State Revolving Funds are increased $400 million over the President's request, bringing FY01 funding to $1.2 billion.
- Funds State Air Grants at $214.7 million, $11 million over the President's request and $16 million over last year.
- Includes language prohibiting the use of funds for proposing or issuing rules, regulations, decrees, or orders for the purpose of implementing or preparing for implementation of the Kyoto Protocol.
- Includes language temporarily delaying issuance of the Total Maximum Daily Load (TMDL) Rule, which is supposed to take effect this summer. This will allow the EPA and the states time to work out problems with the new Rule. In the meantime, the bill provides a $130 million increase over last year for Section 106 Pollution Control Grants to the states ($85 million more than the President's request) to give states the flexibility to do effective clean water programs. Total FY01 funding is $245 million.

Investing in Science and Technology Research:

- The National Science Foundation (NSF) is increased $167 million over FY00, bringing FY01 funding to $4.1 billion. Funding includes: $3.1 billion for research; $77 million for research equipment; and $694 million for education and human resources.

Funding For Space Programs:

- NASA is increased $112 million over FY00, bringing FY01 funding to $13.7 billion, $321 million below the President's request.
- Fully funds Shuttle Operations and Salaries and Expenses at the President's requested levels.
- The International Space Station is funded at $2.115 billion, $215 below FY00.
- Mission to Mars is fully funded at the President's requested level of $327 million.

Major Cuts and Reforms:

- Eliminates funding for the Corporation for National and Community Service (Americorps). Americorps was funded at $353 million last year and the President requested $534 million.
- Contains no funds for earmarks or Member's projects.

Other Items of Interest:

- The Selected Service System is funded at $23 million, $1 million less than FY00 and $1.5 million below the President's request.
- The Chemical Safety and Hazard Investigation Board is funded at $8 million, the same as the President's request and last year's level.
- The Federal Emergency Management Agency (FEMA) is funded at $877 million for Disaster Relief (includes $300 million in emergency funds). The President requested $971.3 million (including $300 million in emergency funds). The bill does not address an additional $2.6 billion in emergency FEMA funding requested by the President.

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Return to House Committee on Appropriations Home Page

NEWS

House Appropriations Committee
Chairman C.W. Bill Young (R-FL)

Website address: www.house.gov/appropriations

FOR IMMEDIATE RELEASE:
May 23, 2000

Contact: Elizabeth
(202) 226

WALSH ANNOUNCES FULL FUNDING FOR SECTION 8 HOUSING ASSISTANCE

Washington, DC -- Veterans-HUD Subcommittee Chairman Jim Walsh (R-NY) today announced that his panel will fully fund Section 8 Housing Renewals at 100% of the utilization rate.

"The $13.3 billion that we are providing for Section 8 will ensure that more than one million families currently receiving renewals and relocation assistance will continue to benefit from the programs," said Chairman Walsh. "No one will be harmed by this funding level."

It is estimated that HUD will receive more than $1 billion in recaptures, or unspent funds, in August 2001. Walsh says his panel will give HUD authority to spend a portion of this money on programs such as Incremental Vouchers (Welfare to Work) and Tax Credit Vouchers.

Walsh's bill will also provide $60 million to pay for 10,000 new certificates and vouchers, 110,000 vouchers short of the President's request. Walsh says he cannot fully fund the request because the Public Housing Authorities (PHAs) failed to spend $1.4 billion in appropriated funds last year. If HUD had spent the money, 237,000 more families would have received assistance under Section 8.

"It's like throwing money down a hole," said Walsh. "Until HUD makes changes, I cannot justify appropriating more than a half billion dollars to pay for 120,000 new vouchers when HUD has not, and will not, and cannot spend the money it has for existing vouchers. Increased funding would not only be imprudent and wasteful, but pointless."

In order to help HUD address the problem, Walsh's bill will include language designed to increase utilization rates by increasing the value of a voucher over the fair market value and providing services to families.

The Veterans-HUD Subcommittee on Appropriations will mark up its FY01 spending bill this afternoon.

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GOP ca ls Cuomo poor HUD leader

Federally run 'slums' cited as proof

By George Archibald
THE WASHINGTON TIMES

Housing Secretary Andrew M. Cuomo ran into a buzz saw of criticism on Capitol Hill yesterday as Republicans complained of federally run "slums" and his department's handling of low-income programs.

Mr. Cuomo sidestepped confrontation at a Senate Appropriations subcommittee hearing by announcing a new Housing and Urban Development Department program, focused on Baltimore, to attack mortgage fraud and "predatory lending" practices that he said were currently outside federal regulation.

But Sen. Christopher S. Bond, chairman of the appropriations panel considering HUD's latest $32.1 billion budget request, called Mr. Cuomo's management "abysmal."

"On your watch, we have seen the affordable housing inventory decline by over 125,000 units," the Missouri Republican said. "That is, simply put, a record of failure that is felt nationwide."

The chairman showed television network news stories and committee pictures of slum conditions and rundown apartments in federal public-housing projects that cost HUD $1 million a day to maintain.

A General Accounting Office official told NBC News, "HUD is not doing the job" to ensure proper maintenance or management of federally subsidized and foreclosed properties nationwide.

Mr. Bond noted that HUD remains the only federal agency listed by the GAO as "high risk" for waste, fraud and abuse in all its programs.

Mr. Cuomo said the NBC report "overly sensationalized" and "was two years old."

He said the network had later acknowledged on the air that some dilapidated properties pictured in the story were not actually subsidized by HUD.

"There's no doubt this is a political year.... There is political posturing going on all over the place," he said. "GAO says we have made progress. If we can use GAO to criticize, we should use the GAO to confirm."

Generally, the secretary said HUD was slowly eliminating "a 30-year problem" with independent physical inspections and private management of low-income properties.

"We're not going to continue to subsidize a slum. HUD should not be in that business," he told ~~the~~ subcommittee.

Mr. Bond and Sen. Ted Stevens, Alaska Republican and chairman of the full Senate Appropriations Committee, strongly criticized HUD's failure to issue housing vouchers to waiting public-housing applicants, people moving from welfare to work, and the homeless.

Congress has funded 110,000 family vouchers over the past two years, but only 3,300 have actually been given a voucher — that's only 3 percent," Mr. Bond said. "What is going on at HUD that these vouchers are still sitting around? How could HUD fail this badly the very people it is supposed to serve?"

Mr. Stevens said Alaska's voucher allocation was "lumped with Washington state."

"The state of Alaska has received not one single voucher. Wyoming had 81 vouchers, and it's considerably smaller than Alaska. We did not want to be lumped in as a county of Washington. We don't deserve to be left out."

Mr. Cuomo promised a further ~~report to the panel and said his new budget included $690 million~~ for 120,000 more vouchers — "the largest increase since 1981," including "the first Section 8 housing production vouchers in 17 years."

Sen. Barbara A. Mikulski, Maryland Democrat, singled out and praised the work of HUD's inspector general, Susan M. Gaffney, who has been attacked by Mr. Cuomo and his senior advisers for her reports noting mismanagement and waste at the department.

Andrew M. Cuomo

Miss Mikulski said HUD's large inventory of single-family homes in Baltimore had contributed to "the destabilization of neighborhoods ... another form of old-fashioned block busting" at the hands of property "flippers" — investors who buy and quickly resell real estate for huge profits by steering prospective buyers to high-rate lenders through aggressive solicitations.

"FHA is contributing to this problem by its inability to timely dispose of foreclosed properties," Miss Mikulski said. "Property flipping is directly related to the problem of predatory lending and real-estate scams that are destroying people's lives and ruining entire communities."

Mr. Cuomo said he would form a national task force, with Miss Mikulski's help, in the next two weeks to study the problem.

Mr. Cuomo said he would use Baltimore "as an operational laboratory to examine and address predatory lending practices."

The housing secretary said the 12-member task force would include an official of the Mortgage Bankers Association, for whom his former HUD deputy general counsel, Howard Glaser, now works.

"Evidence indicates that the vast majority of mortgage fraud and predatory lending activities — including excessive fees, provision of credit life insurance and prepayment penalties — occurs in the conventional sub-prime lending market," the secretary said. "Subprime lenders generally do not make government-backed loans and often operate outside the current federal regulatory structure."

The Washington Times
FRIDAY, MARCH 31, 2000

cc: Mary
Send at w/
next weekly note
(+ Mary's info)

"Patricia S. Arnaudo" <Patricia_S._Arnaudo@HUD.GOV>
04/28/2000 03:56:24 PM

Record Type: Record

To: Andrea Kane/OPD/EOP, Eugenia Chough/OPD/EOP

cc: "Stephen J. Yank" <Stephen_J._Yank@HUD.GOV>, "Paula O. Blunt" <Paula_O._Blunt@HUD.GOV>, "Kathryn L. Greenspan" <Kathryn_L._Greenspan@HUD.GOV>

Subject: Follow-up Items from hUD --last week's weekly welfare call

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1. Welfare to Work Voucher Web Site
   www.HUD.gov/pih/programs/ph/wtw/index.html

2. Public Housing Agencies (PHAs) visited in the Urban Institute assessment of the Start-Up of the Welfare to Work Voucher Program:

Aiken, SC
Albany, NY
Austin, TX
Chattanoog, TN
Everett / Snohomish Co, WA
San Bernardino, CA
San Joaquin, CA
Tampa, FL
Texoma Council of Governments, TX
Virginia--Prince William Co & Loudoun Co
Walker Co, Alabama

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LETTERS TO THE EDITOR

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All Together Now for Affordable Housing

The Metropolitan Washington Council of Governments (COG) applauds D.C. Mayor Anthony Williams and Prince George's County Executive Wayne Curry for calling for a regional approach to the issue of affordable housing [Metro, March 29].

The U.S. Department of Housing and Urban Development (HUD) recently released a study documenting the area's growing affordable-housing crisis. HUD estimates that more than 54,000 households here have "worst-case" needs for rental housing. The agency defines "worst case" as households with incomes below 50 percent of the area median income who pay more than half their income for rent or who live in severely inadequate housing and are not assisted by federal, state or local housing programs. Sixty percent of the worst-case households are minorities, and 86 percent have adequate, uncrowded housing yet struggle with excessive rent burdens.

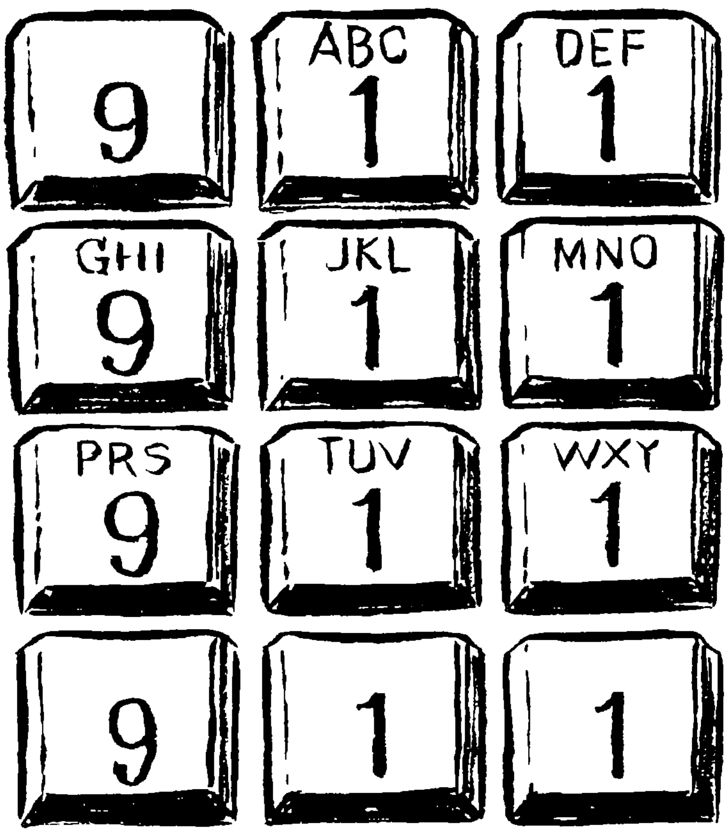
COG and the Urban Institute collaborated last year on a study examining Section 8 (rental housing assistance) mobility. The study, funded by the Fannie Mae Foundation, found that while Section 8 housing assistance enables many recipients to move to neighborhoods with less poverty, few recipients move far from their original locations. COG and the Urban Institute concluded that housing agencies need to do a better job of informing Section 8 recipients about their options and of assisting them in searching for housing.

In addition, the study found many landlords unwilling to participate in the Section 8 program, especially during the strong regional economy that has caused rents to rise and limited the supply of low-cost housing.

COG and its affiliated Washington Area Housing Partnership propose to build on principles embraced by area local governments—including the interrelated nature of our housing market, the equitable distribution of affordable housing resources and availability in all jurisdictions, and the need for workers to be able to live near their jobs. The challenge is to turn these principles into public policy.

MICHAEL C. ROGERS
Executive Director
Metropolitan Washington Council of Governments

Washington



BY DEAN ROHRER

Back to Basics for D.C. Paramedics

In the District, you can call Domino's, order a pizza and have it delivered to your house more quickly than an ambulance would arrive had you called 911.

After reading in "D.C. Interim Chief Revamps EMS: Firefighters Al- to Be Paramedics" [Metro, April that only 2 percent of District attack victims survive, I feel e blessed that my husband

reappear. Stunned, I realized they were lost. Twelve minutes later, they came barreling down our street.

Once my husband was stabilized and placed in the ambulance (I rode in the front), the driver didn't know the way to the hospital. To add insult to injury, a month later we received a $462 bill from the District for medical emergency services.

AWACS to China: Israel's Costly Mistake

Re "Rough Undercurrents for Jiang; Visiting Chinese

F: FY2001 vouchers

Waffling on China

PRESIDENT CLINTON talked quite a bit about China at his press conference on Wednesday—in his opening statement, he declared that "there is no more important long-term international economic or national security issue facing us today" than the pending proposal to give China permanent normal trade status, and in lengthy responses to three questions he once again asserted that China's accession to the World Trade Organization, coupled with the "telecommunications revolution," will more or less automatically make China "a more open society." Yet Mr. Clinton had nothing to say about his own administration's proposed resolution before the United Nations Human Rights Commission in Geneva, which chides the Communist government for "violations of human rights and fundamental freedoms."

Yes, Mr. Clinton did note that he has been "deeply disappointed" by a couple of instances of Chinese repression lately and believes "the U.N. Declaration of Human Rights is a universal document and I believe it should be observed. And that's why we voice our disagreements with China every year." But this was in response to a question about whether, in view of China's awful human rights record, he stands by his 1998 remark that Chinese President Jiang Zemin represents "the right leadership at the right time"—a question to which Mr. Clinton's basic answer was that, considering the possible alternatives in the Communist Party, Mr. Jiang's crowd was still the "best team" to run China. On Taiwan, Mr. Clinton credited Beijing for being "willing to be patient"—as if it were entitled to gobble the island. This, only days after Beijing's threat to take Taiwan by force if Beijing decides Taiwan is too dilatory about accepting rule by China.

In Geneva, the American-drafted resolution faces an uphill battle due to intense lobbying by China and the equivocation of key European states. The resolution may not even make it to a vote unless the president of the United States is personally and convincingly committed to it. Mr. Clinton missed an opportunity to show that he is.

The Housing Gap

MORE AND MORE Americans are having trouble stretching their paychecks far enough to cover decent housing. The Department of Housing and Urban Development says a record 5.4 million lower-income renters now pay more than half their income in rent or live in "severely distressed" housing. Between 1991 and 1997, according to the study, while the economy was roaring along, the number of rental units affordable to the poorest families shrank by 5 percent—more than 370,000 units.

The national squeeze is apparent locally, even in the affluent suburbs. A recent study by Fairfax County's Homeless Oversight Committee found that the homeless population in the county has climbed to more than 2,000, including nearly 750 adults who have full-time jobs but can't find housing they can afford. Officials in Loudoun and Arlington also report increased numbers of homeless people seeking shelter, including working single parents who don't earn enough to pay the rent. Montgomery County reported that a shortage of rental housing is keeping people in shelters longer. "We're seeing people with Section 8 [federal housing subsidy] certificates struggling to find a vacant unit and a landlord willing to rent to them," said a senior county official.

HUD Secretary Andrew Cuomo cited his department's survey as a reason why Congress should fund the housing initiatives in President Clinton's budget request, including 120,000 new rental vouchers next fiscal year. The federal government should indeed take steps to help increase the supply of affordable housing. But this is not an issue for the feds alone. Fairfax Board of Supervisors Chairman Katherine Hanley was on the right track in saying the board needs to pay particular attention to issues of affordable housing. As the region's strong economy drives debates about growth and sprawl, local officials ought to make sure that their planning decisions work to preserve and expand the supply of decent housing for those whose wages aren't keeping up with the boom.

The Washington Post

Friday, March 31, 2000

[illegible]

Cynthia A. Rice 03/03/2000 02:52:07 PM

Record Type: Record

To: Andrea Kane/OPD/EOP@EOP

cc:
Subject: Briefing on Rental Vouchers

fyi

--------------------- Forwarded by Cynthia A. Rice/OPD/EOP on 03/03/2000 02:52 PM ---------------------------

Patrick Lester <pwlester@chn.org>
03/03/2000 02:24:50 PM

Please respond to Patrick Lester <pwlester@chn.org>

Record Type: Record

To: "Hill/Admin List" <"hill/admin-1"@lyris.ombwatch.org>

cc:
Subject: Briefing on Rental Vouchers

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March 9 Briefing on Rental Vouchers
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The following briefing, to be held on March 9, is open to Hill staff and advocacy groups.

- Patrick Lester, CHN

March 3, 1999

Dear Colleague:

I'd like to invite you to an important briefing on affordable housing and how to make Section 8 rental vouchers more effective. The briefing will be March 9, 2000 at 2:00 PM in Cannon 122.

Rental vouchers allow households to rent in the private housing market by subsidizing the difference between what the family can afford and the cost of rent. Rental vouchers are viewed as an alternative to ghettoized public housing and theoretically gives families access to neighborhoods with better schools and better jobs. However, rental vouchers have been beset by their own problems such as low vacancy, landlord hostility and even neighborhood over-saturation.

The briefing will be by Dr. Paul Fischer of Lake Forest College who authored the Woods Fund study, "Section 8 and the Public Housing Revolution." Based on his experience in Chicago, Dr. Fischer will explain the promise...as well as the problems...of rental vouchers and his ideas on how we can make the important program more effective.

We hope that you and your staff can attend. If you have any questions, please contact Bernard Fulton at 6-6902.

Sincerely,

Jan Schakowsky
Member of Congress

Patrick William Lester
Director of Public Policy
and Program Management
Coalition on Human Needs

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Testimony of the Honorable Andrew Cuomo
Secretary of Housing and Urban Development
before the
Subcommittee on VA, HUD and Independent Agencies
Committee on Appropriations
United States House of Representatives

March 8, 2000

Chairman Walsh, Ranking Member Mollohan, members of the Subcommittee, thank you for inviting me here today. It's a pleasure to appear before this Committee to discuss HUD's FY 2001 Budget – HUD's strongest budget in twenty years.

Mr. Chairman, last year we were able to accomplish great things together. Under your leadership, we were able to reach bipartisan agreement on many fronts – public housing, economic development, homeownership, and rental housing. Our ability to work together will be the key to making HUD's mission of empowering communities a reality. I look forward to another year of cooperation and results.

HUD's FY 2001 budget continues our efforts to restore the public's trust in this Department, and to open new doors of opportunity for people who are not yet benefiting from the current wave of national prosperity. This year, HUD's budget request is $32 billion -- a $6 billion increase over last year. It offers opportunity and security for millions of Americans. It builds on the strong foundation that we have built at the Department over the past three years, both on the budget side and the management side.

In many ways, this budget is a landmark budget. It's the first budget of the new millennium. It represents a renewed vote of confidence by the President that HUD is on the right track, and that HUD is better positioned than ever to help communities take on the new challenges of the 21st century.

This budget is a direct outcome of the management reforms we have put in place over the past two years. We have not yet achieved management nirvana, but I am convinced that we now have the tools, the resources, and the capacity to wisely and responsibly spend the funds we have requested.

Our management reforms have succeeded in transforming HUD into an agency that puts communities first. Fighting fraud, waste, and abuse, our Public Trust Officers are cracking down on those who misuse taxpayer dollars. Renewing our commitment to first-class customer service, our Community Builders are connecting people to the full range of HUD resources. As a result, HUD today is back in business—back in the housing business, in the economic development business, and in the community empowerment business.

Mary - OK

given implementation issues w/ housing @ Pine Ridge, do you really want to highlight?

HUD's role?

The past year especially was a banner year for HUD. President Clinton kicked off his New Markets Initiative with historic visits to the Pine Ridge Indian Reservation, East St. Louis, Los Angeles, the Mississippi Delta, Central Appalachia, and other inner-city and rural communities. The message? These are the emerging markets of the new century. They are the places that will provide the consumer and labor markets needed to fuel economic growth in the future.

low-income

We have also broken the gridlock on affordable housing. After a four-year break, Congress approved new housing vouchers in each of the past 2 years. This year's budget builds on this progress, with important advances for affordable and special needs housing, including 120,000 new Section 8 vouchers to help meet the ~~"worst case"~~ housing needs of ~~struggling~~ hard-pressed working families. We are also seeking increased funding to continue the transformation of public housing. And increased funding for Fair Housing will help ensure that all Americans have access to decent and affordable housing.

or - go into detail on p.3

The budget also proposes to expand the successful Continuum of Care program for homeless assistance and prevention—a winner this year of the prestigious Innovations in Government Award from Harvard University and the Ford Foundation. The recent census of homelessness in America showed that we are on the right track with the Continuum—but with 600,000 Americans still homeless each night, there is still much more to do.

In the past year we launched a major commitment to address one of the key challenges facing us in the new millennium—the graying of America. Our budget requests increased funding for HUD's new Housing Security Plan for Older Americans—helping seniors stay in their own homes as long as possible, increasing funding for the successful Section 202 elderly housing, converting existing elderly housing to assisted living facilities, and more.

We have seen historic, across-the-board gains on the homeownership front—more American families own their homes today than at any time in our history. With higher loan limits and through internal reforms, a revitalized FHA is now on the leading edge of the homeownership boom, serving minorities, first-time home buyers, and cities in unprecedented numbers. This year's budget request positions the FHA to do even more. And we are investing more than ever in our Native American programs to boost homeownership in Indian Country.

This year we are also proposing to tap the capacity—and the commitment to social justice—of the faith-based community. Through our Center for Nonprofit and Interfaith Partnerships, a new \$20-million initiative that will expand access of faith-based organizations to HUD programs and help build new public-private partnerships at the local level.

Finally, we are more committed than ever to building safe, secure communities. The dramatic reduction in violent crime has been one of the great success stories of this past decade. Our budget contains several initiatives to further reduce the scourge of gun and other types of violence, both in public housing and elsewhere. Without safety there can be no prosperity.

Overall, this new budget affirms our progress. HUD, clearly, is back in business. These initiatives will allow America's communities to make the most of this unique moment in our nation's history. Together, they will put this record prosperity to work for everyone, everywhere.

HUD's FY 2001 budget addresses four major challenges: (1) increasing affordable housing (2) economic revitalization of our nation's communities by investing in new markets; (3) ending discrimination in housing through enforcement of our Fair Housing laws; and (4) creating safe and livable communities. Let me now highlight the main components of our FY 2001 budget request.

ADDRESSING THE AFFORDABLE HOUSING CRISIS

At the core of HUD's mission is the charge to provide housing that is decent, safe and, affordable to all. Despite the longest peacetime economic expansion in the nation's history, it is actually becoming more and more difficult for low-income American families to afford a decent place to live. Rents have soared in many regions with strong economies. In fact, worst case housing needs remain at an all-time high of 5.3 million households, growing especially fast among working families.

HUD's FY 2001 initiatives build on recent efforts to reform and restore public trust in the HUD's housing programs. We have cracked down on program abuses. Three years ago, historic legislation created the Mark-to-Market program, which preserves project-based Section 8 housing while bringing costs in line with the private market. Legislation in 1999 cut the loss of Section 8 housing by 75 percent by avoiding opt-outs, which occur when long-term Section 8 contracts expire and private owners choose to leave the program.

As a result of these reforms, HUD is back in the housing business. We've seen historic gains on the homeownership front, with more American families owning their homes today than at any time in our history. A revitalized FHA is now on the leading edge of this homeownership boom, serving minorities, first-time home buyers, and cities in unprecedented numbers.

Section 8 renewals and incremental vouchers. HUD is requesting $xx billion in new budget authority to renew existing Section 8 contracts -- covering 2.4 million rental units. In addition, we are requesting $690 million for 120,000 new vouchers, the largest increase since 1981. focused on families moving from welfare to work [unless that will cause adverse reaction from committee] Two years ago, HUD got back into the housing business with 50,000 new vouchers. We topped that last year with 60,000. With this year's request, we are taking the next step. These new vouchers will be targeted to the greatest needs: one half (60,000) will be "Fair Share" vouchers, to be used by public housing authorities to reduce their waiting lists. 32,000 will be targeted for ~~those~~ families moving from welfare to work, and 18,000 for homeless persons.

New housing production vouchers. Our proposal for new vouchers also includes the first housing production vouchers in 17 years. We are proposing 10,000 housing production vouchers that, with the Low Income Housing Tax Credit and FHA insurance, will leverage 40,000 units. For decades, national housing policy has shifted back and forth between production-oriented programs that focus on expanding the supply of affordable housing, and income-based initiatives that provide cash assistance that enables lower-income families to afford decent rental housing. As we enter the 21st century, it is clear that both approaches are needed if America is to realize the goal of decent housing for all.

Transforming Public Housing. Two years ago, Congress enacted landmark, bipartisan public housing legislation, that brought working families into public housing, but without sacrificing our historic commitment to low income and very low income persons. Through PHAS, our new physical inspections system, we have now literally inspected every property in public housing – and the results are in: 84% of all public housing properties are in sound or excellent condition, and customer satisfaction surveys show that 75% of all public housing residents are satisfied.

We must continue our efforts to transform public housing. Accordingly, our budget requests a significant increase in public housing operating funds, $3.2 billion, or 100% of PFS, and an increase of $54 million over last year's enacted level. We also are proposing $2.955 billion for the Capital Fund to help PHAs modernize, rehabilitate, or build public housing units that are in need of significant repairs or replacement, an increase of $86 million over last year's request.

Finally, we are requesting $625 million for HOPE VI, which is revolutionizing public housing, by replacing obsolete high rise buildings with new, mixed-income, mixed-use livable communities and housing vouchers. Through 2000, the program is expected to approve the replacement of 100,000 units. By 2003, the goal of the program is to approve 145,000 units for replacement with hard units or with vouchers.

Homeownership Investment Partnerships Program (HOME). Since it was created ten years ago, the HOME program has become a proven housing rehabilitation and production tool in both urban and rural America. We are requesting $1.65 billion, a $50 million increase over last year's level. This will provide more than 85,000 units of affordable housing for both owners and renters through a combination of new construction, rehabilitation, acquisition and tenant based-assistance.

Homeownership. Over the past three years we've done more than ever to bring homeownership to underserved markets. I'm proud of the record homeownership rate of 67%: but the real success is what we've done to close gap for minorities, first time buyers, younger couples, cities. We have increased affordable housing goals of the GSEs to 50%. With higher FHA loan limits enacted by Congress, last year we boosted FHA loans to a record 1.3 million last year – 40% of whom were minority buyers. Automated underwriting has reduced underwriting times for applicants. Disposition of foreclosed properties has been improved.

Our FY 2001 budget proposals build on this record of success. In FY 2001, FHA is proposing to develop a new hybrid ARM (adjustable-rate mortgage) product to be added to the single-family mortgage products offered through the Mutual Mortgage Insurance fund. In the conventional market, hybrid ARMs have proven very popular because they offer the security of a fixed-interest rate for between 3 and 10 years, while they are more affordable than 30-year fixedrate mortgages because they carry lower interest rates. Adding this product to FHA's lineup should help 55,000 additional families become homeowners in FY2001, resulting in an additional $114-million income for the Federal Government.

Native American assistance. Native American housing needs will be served through the Indian Housing Block Grant Program, and the Indian Housing Loan Program. Overall, HUD's request for Native American programs is the largest ever -- $732 million, an increase of $37 million, including an increase of $30 million, to $650 million, for Native American block grants.

Homelessness and Special Needs. Over the past seven years, we have made significant progress on homelessness in America. When I first came to HUD, the federal government was spending about the same as the entire state of New York on homeless assistance. Since then, we've more than doubled that amount. But this is more than just the dollars and cents. It is about the comprehensive approach, the Continuum of Care, that we've put in place – a holistic approach aimed at moving people into permanent housing and self-sufficiency. According to Columbia University, we are now serving 14 times more people, and last year the Continuum won the prestigious Innovations in Government Award from Harvard.

By all measures, the Continuum of Care is working. Accordingly, for FY 2001, we are proposing $1.2 billion for homeless assistance, an increase of $50 million. We also propose to shift the Shelter Plus Care funding to the Housing Certificate Fund, creating additional savings for localities and homeless service providers. This increase, plus 18,000 new rental vouchers to create permanent housing solutions, will address the housing needs of the most vulnerable Americans -- those making a transition from the streets back into homes and community life.

We are also proposing an increase of $2[illegible] million in the Housing Opportunities for People with Aids program (HOPWA), to $260 million. The Centers for Disease Control estimates that between 650,000 and 900,000 Americans are living with the HIV infection. The additional funding in 2001 will provide for an additional 5,100 units, bringing the total to nearly 50,000 units nationally.

Elderly and the disabled. Our special needs programs also serve the elderly and disabled. We are proposing $xxx million for the Section 811 program serving persons with disabilities, matching last year's enacted level.

We are also proposing a total of $779 million to fund programs that serve the nation's rapidly expanding elderly population, an increase of $69 million. Recent decades have seen a monumental shift in America's population, with our elderly citizens leading longer, healthier, and more active lives—a shift that will only accelerate in coming decades. The challenge now is to meet the housing needs of this rapidly expanding population of elders. Just as we work to save Social Security, we must also work to provide housing security for our seniors.

Last year, Congress enacted major elements of HUD's Housing Security Plan for Older Americans as part of our FY2000 budget. This year we propose to increase funding for Section

202 housing by $19 million, to $629 million; $100 million to convert existing Section 202 housing to assisted living; $50 million for service coordinators. We are also proposing to fund a small number of "Intergenerational Learning Centers" – child daycare centers housed in Section 202 housing, that will bring together children and seniors.

ECONOMIC REVITALIZATION AND INVESTING IN NEW MARKETS

As we enter the 108th month of sustained economic expansion—the longest our nation has ever known—we have much to celebrate: the lowest peacetime unemployment and inflation rates in decades; the fastest and longest real wage growth in 20 years; and an all-time high homeownership rate, which reflects both economic strength and consumer confidence.

But there is another side to this success. Statistics show that the members of our society with the lowest incomes have actually grown poorer over the same time period. Though most cities are doing well, one in six still has unacceptably high levels of unemployment; in older suburbs, crime, poverty, and homelessness have become more prevalent; and in some parts of rural America, areas persist that are virtually untouched by the economic boom.

In his State of the Union message earlier this year, the President addressed these people and places when he said: 'To keep our historic expansion going, we need a 21st century revolution to open new markets, start new business and hire new workers right here in America – our inner cities, poor rural areas, and on Indian reservations."

With this budget, HUD is on the front lines of this 21st century revolution, building on HUD's successful track record of promoting business investment and job creation in underserved communities. Over the past seven years, we have retooled our job creation and business investment programs, creating hundreds of thousands of jobs in both urban and rural communities across the United States.

HUD's economic development initiatives will not only help spur the economic revitalization of distressed communities, they will contribute to the continued economic growth of the nation as a whole. The goal of these initiatives is straightforward: extend the national prosperity to people and places left behind.

CDBG. Last year we celebrated the 25th anniversary of the Community Development Block Program. A pioneer of devolution, CDBG has developed a proven record as the most flexible federal aid to both cities and smaller rural communities. This year's request builds on 25 years of success, with a request for $4.9 billion, up $119 million over last year, and $195million over the past 3 years. However, the real increase for this program is even larger than these totals imply. By reducing set-asides, we will increase the effective amount of formula funds funding that that go directly to communities, states and urban counties for uses they themselves designate by $250 million.

Community Empowerment Fund and EDI. The Community Empowerment Fund combines and streamlines two existing HUD programs: our Economic Development Initiative

(EDI) grants and Section 108 guaranteed loans. Overall, our budget seeks $1.3 billion in loan guarantee authority under Section 108 of the Housing and Community Development Act.This year, HUD is requesting $100 million in EDI grant funds.

These grants are expected to leverage an estimated $500 million in Section 108 guaranteed loan funds, as well as additional private sector commitments. They will be used to create revolving loan funds for small businesses, inner-city shopping centers, preserving industrial facilities, expanding and modernizing businesses, and for other job creation/welfare-to-work initiatives. The $100 million in grant funds is expected to leverage $500 million in Section 108 guaranteed loan funds.

American Private Investment Companies (APIC). Last year, Congress appropriated $20 million in initial funding for the cornerstone of the President's New Markets Initiative -- for-profit venture capital funds known as America's Private Investment Companies (APIC). APIC will make sorely-needed private capital available to larger businesses that are expanding, relocating, or joint venturing in inner cities and rural areas.

This year, HUD is requesting $37 million for APIC. These funds will subsidize and secure $1 billion in privately issued, federally-guaranteed loans, along with $500 million in private equity commitments, for a total of $1.5 billion in new private sector funds that will create an estimated 200,000 jobs. This initiative must be authorized by June 30, 2000.

Empowerment Zones. Over the past 5 years, HUD has helped create Empowerment Zones and Enterprise Communities (EZ/ECs) in more than 75 urban communities. In almost all of these places, the EZ/ECs have achieved success in leveraging private dollars and expanding job creation. We estimate that more than 40,000 people have been placed in jobs as a result of EZ/EC programs, some $10 billion in public and private sector investments have been committed to these places, and more than 30,000 businesses have received assistance.

In short, EZs and ECs have successfully combined tax credits with federal grants and loans, along with local resources to attract billions in private sector investments. Accordingly our FY 2000 budget requests $150 million this year for the 15 recently-selected Round II Empowerment Zones. We are also proposing ten new Empowerment Zones. And the President has proposed significant extensions of the wage tax credits and other tax incentives that were such an important part of the original concept.

Other Economic Development Initiatives. HUD will participate in the fourth phase of the NCDI, to be funded at $24 million. This highly successful public/private partnership will help build the capacity of CDCs and other community-based organizations, allowing them to continue their impressive track record as engines of economic growth in low-income areas.

In 1998, the Rural Housing and Economic Development Program was created to fund innovative strategies for rural housing and economic growth. The FY 2001 Budget requests $27 million for this program, an increase of $2 million over last year. We will continue to work closely with other Federal Departments including Agriculture, Commerce, and the Appalachian Regional Commission, to design more effective responses to the needs of our nation's rural communities.

In addition, new authorizing legislation will be submitted in support of the President's Mississippi Delta Economic Development initiative, with proposed HUD funding at $22 million. The Delta Initiative is a government-wide effort to jump start the economy of a significant region of the country that has been left behind by the economic boom of the past decade. HUD will work in partnership with other Federal agencies to capitalize on our special expertise in housing and economic development to help revitalize the region's economy

We are also requesting an increase in the highly successful Youthbuild program from $43 million to $75 million. Youthbuild provides helps young people with training in the building trades, as well as assistance in securing high school diplomas. We estimate that the program will help over 5,000 disadvantaged youth rebuild their communities as the same time as they learn vital job skills.

JUSTICE FOR ALL – ENFORCING FAIR HOUSING

The Fair Housing Act prohibits discrimination in the sale, rental, and financing of dwellings, and discrimination in other housing-related transactions, based on race, color, religion, sex, national origin, disability, or family status. Yet, even at the dawn of the 21st century, housing discrimination, in both blatant and subtle forms, continues to plague our country. Today's discrimination is often more subtle than it was in the past, but it is no less real and no less damaging to our social contract as a nation that values equality of opportunity for all.

Two years ago, President Clinton announced his commitment to doubling the number of fair housing enforcement actions by the year 2000. To help complete this effort, we propose to increase the Fair Housing Enforcement budget by 12 percent -- to a total of $50 million.

Our budget request provides for increased funding of both the Fair Housing Assistance Program (FHAP) and the Fair Housing Initiatives Program (FHIP). In 2001, the focus of FHIP will be on requirements for accessibility for people with disabilities, with an emphasis on education and outreach programs to housing providers.

In 2000, Fair Housing Partnerships are being created to form a formal links between private fair housing groups and State agencies. These partnerships will be used in 2001 to provide training and technical assistance to builders, developers, architects, building code officials, and others on accessibility requirements through a new nationwide Project for Accessibility Training and Technical Assistance.

CREATING SAFE AND LIVABLE COMMUNITIES

Our communities face a number of threats to sustainable development, from uncontrolled growth to crime and drug abuse, from environmental hazards and a lack of energy efficiency in housing to blight and under-investment in vital community infrastructure. Many of these challenges call for cooperative regional solutions that span jurisdictional lines.

Promoting Livable Communities. Congestion, hours-long commutes, a decrease in the amount of open space, pollution, and other environmental issues all have a detrimental effect on the "livability" of American communities. HUD recently convened a 2-day conference, called Bridging the Divide, to focus on how cities, suburbs, and the federal government can work together to achieve more livable, sustainable communities. More than 200 state and local government officials and civic, community, and business leaders participated. A key theme that emerged from the conference was the importance of revitalizing the "core," or central city areas, in order to decrease the negative effects of suburban sprawl. Initiatives that will address this issue include:

We are proposing a $25 million Regional Connections initiative as a key part of the Administration's livability initiative. These funds may be used by states, partnerships of local governments, businesses and civic groups to develop and pursue smarter growth strategies across traditional municipal lines.

We propose to double the funding for the Brownfields Initiative to $50 million in FY 2001. This will accelerate the Administration's previous commitment to a four-year, $100 million program.

Because of an increased effort on the part of the Federal Government to address this serious hazard, we are requesting a 50 percent increase in funding for HUD's Lead-Based Paint Hazard Control grant program over the 2000 level, to $120 million in FY2001. Over the past decade, HUD has worked hard with local governments and agencies to build the capacity to run lead hazard control programs. HUD expects to have to control hazards in approximately 2.3 million units of housing in the next 10 years.

Promoting Safe Communities. Despite the extraordinary success we have achieved in reducing crime rates, in public housing and elsewhere, gun-related violence poses a major threat to HUD's obligation to help ensure "a decent home and a suitable living environment for every American family."

Funds from a variety of HUD programs—including the Community Development Block Grant—have long been available to help make the areas in and around communities HUD serves safer. This year, however, HUD plans a particular focus on improving the safety of America's neighborhoods.

The 2001 budget proposes $345 million in Public Housing Drug Elimination Grant funds in support of efforts to reduce drug use and activity and other crime in and around public housing projects, to restore safety, and to build better communities. Of the total, HUD has requested $30 million for a Community Gun Safety and Violence Reduction Initiative, which will help address the critical issue of gun violence in and around the communities HUD serves.

Strengthening community partnerships. We have learned that a key component of strong communities is the strength and capacity of their organizations. Because of the trust they build and the strong connections they forge, community and faith-based institutions can be uniquely placed to help bring about community change. We are proposing to support the work of our Center for Interfaith and Community Partnerships with a new $20-million initiative to help community and faith-based organizations in their efforts to supply affordable housing, create economic opportunity, promote the goal of fair housing, and increase the effectiveness of HUD programs like Section 8 vouchers.

We are also proposing $69 million for colleges and universities to carry out community and economic development activities in their local communities. This will include grant funds for several successful initiatives: Historically Black Colleges and Universities, Hispanic Serving Institutions, Alaskan and Hawaiian Serving Institutions, Community Development Work Study, and Community Outreach Partnerships (COPC).

CONCLUSION

HUD's FY2001 budget reflects the progress that HUD has made over the past three years. It does more than add funds to programs: it's a budget that contains innovative, smart, and creative proposals for addressing the new challenges of the 21st century.

This budget gives those people and places left behind a unique opportunity to share in this Nation's overall success. Not with bigger government, but with smarter government. Not just with additional resources, but by more effective use of the resources we have. Not by top-down mandates, but through menus of opportunity. And not by displacing private markets, but by clearing the way for them to invest.

HUD today is leaner, smarter, more effective than ever. The Nation is prospering economically and at peace in the world. Our cities and rural areas, once lagging behind, are doing better than they have in a decade. This budget says one thing: let's build on this extraordinary success. Let's not stop here. Let's bring this prosperity to every corner of America. I look forward to working with Congress—just as we did last year—to make this vision a reality, not just for HUD, but for all Americans.

THE NATIONAL ALLIANCE TO END HOMELESSNESS

ALLIANCE APPLAUDS PRESIDENT'S BUDGET PROPOSALS on HOMELESSNESS and HOUSING

For Immediate Release
February 7, 1999

For further information contact:
Nan Roman 202.638.1526 X 102

The National Alliance to End Homelessness (the Alliance) today applauded President Clinton for requesting more funds to help people who are homeless. "It is only fitting that in this period of unprecedented economic prosperity, the Administration significantly step up its efforts to help those most in need," commented Nan Roman, President of the Alliance. She also expressed support for the President's overall budget request for the U.S. Department of Housing and Urban Development (HUD), which the Alliance believes would help cities and communities throughout the country to prevent new homelessness by providing more housing and jobs. The President has asked for $1.2 billion to assist homeless people, up from $1.02 billion last year. The request includes funding for 18,000 housing vouchers to provide permanent housing for homeless people. Overall, the President requested $32.1 billion for HUD programs; $5.9 billion more than was appropriated last year.

"Hidden in the budget," reveals Roman, "is a somewhat technical but tremendously significant provision that will provide secure, permanent housing for homeless people who have chronic illnesses." At present, at least 30% of the homeless funds are used to provide permanent housing for homeless people with disabilities, in part under a program called Shelter Plus Care. But long term funding for such programs is expensive, limiting the number of units created using homeless grant funds. The Administration's budget proposal provides that after the first few years, the people housed by these programs should no longer be considered homeless, and funding for their housing should come from other permanent housing funds, not homeless funds. The result will be that every year much more housing can be provided to these most needy people. "We are deeply grateful to Secretary Cuomo for addressing this issue of tenant-based Shelter Plus Care renewals. His support, coupled with the interest of US House of Representatives Housing Subcommittee Chairman Rick Lazio (R-NY) and Ranking Member Rep. Barney Frank (D-MA) who included full Shelter Plus Care renewal in an authorizing bill last year, give us great hope of passing this provision this year," according to Roman.

MORE

The impact of HUD's Homeless Assistance Grant Program (Continuum of Care) budget request should not be underestimated. HUD's homeless programs have been the key to success in addressing homelessness in cities and states around the country. Indeed, many homeless assistance programs would not exist if HUD funding were not available.

Other provisions of the President's HUD budget request will help to prevent more people from becoming homeless. In particular, the request for an additional 120,000 new housing vouchers and the efforts to increase and improve HUD's community development efforts will help to ensure that more people are able to secure stable housing, either through subsidy or through increased incomes.

The National Alliance to End Homelessness is a national capacity-building and advocacy organization whose thousands of member agencies provide housing and services to homeless people in cities and communities throughout the nation.

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grams consistent with the Government Performance and Results Act of 1994. Also, an increase is included for the Partnerships for Advancing Technology in Housing (PATH) initiative, which is designed to develop and disseminate technologies that will result in housing that is more affordable, durable, disaster resistant, safer and energy/resource efficient.

PUBLIC AND INDIAN HOUSING

Federal Funds

General and special funds:

HOUSING CERTIFICATE FUND

[(INCLUDING TRANSFERS OF FUNDS)]

For activities and assistance to prevent the involuntary displacement of low-income families, the elderly and the disabled because of the loss of affordable housing stock, expiration of subsidy contracts (other than contracts for which amounts are provided under another heading in this Act) or expiration of use restrictions, or other changes in housing assistance arrangements, and for other purposes, [$11,376,695,000] *$14,127,824,459* and amounts that are recaptured in this account, [and recaptured under the appropriation for "Annual contributions for assisted housing",] to remain available until expended: *Provided*, That of the total amount provided under this heading, [$10,990,135,000] *$13,484,388,459*, of which [$6,790,135,000] *$9,284,388,459* shall be available on October 1, [1999] *2000* and $4,200,000,000 shall be available on October 1, [2000] *2001*, shall be for assistance under the United States Housing Act of 1937 ("the Act" herein) (42 U.S.C. 1437) for use in connection with expiring or terminating section 8 subsidy contracts, for amendments to section 8 subsidy contracts, for enhanced vouchers (including amendments and renewals) under any provision of law authorizing such assistance under section 8(t) of the [United States Housing] Act [of 1937] (47 U.S.C. 1437f(t)), [as added by section 538 of title V of this Act,] and contracts entered into pursuant to section 441 *and, for terms of one year, section 473* of the Stewart B. McKinney Homeless Assistance Act: *Provided further*, That amounts available under the first proviso under this heading may be available for section 8 rental assistance under the [United States Housing] Act [of 1937: (1) to relocate residents of properties: (A) that are owned by the Secretary and being disposed of; or (B) that are discontinuing section 8 project-based assistance; (2) for relocation and replacement housing for units that are demolished or disposed of: (A) from the public housing inventory (in addition to amounts that may be available for such purposes under this and other headings); or (B)]*:(1)* pursuant to section 24 of the [United States Housing] Act [of 1937] or to other authority for the revitalization of severely distressed public housing, as set forth in the Appropriations Acts for the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies for fiscal years 1993, 1994, 1995, and 1997, and in the Omnibus Consolidated Rescissions and Appropriations Act of 1996; [(3)] *(2)* for the conversion of section 23 projects to assistance under section 8; [(4)] *(3)* for funds to carry out the family unification program; [(5)] *(4)* for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency; and [(6)] *(5) tenant protection assistance, including replacement and relocation assistance; (6)* for the [1-year] renewal of section 8 contracts for units in a project that is subject to an approved plan of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990: *Provided further, That of the amounts provided under this heading, $50,000,000 shall be available for a Voucher Success Fund to improve the operation of the section 8 voucher program, to be administered by HUD and to remain available until expended: Provided further, That HUD shall use funding for communities experiencing problems in utilizing section 8 vouchers, identified by criteria such as difficult market conditions, low rates of success for families attempting to use voucher assistance, concentrations of assisted families in high poverty neighborhoods, and other evidence of program difficulty determined by the Secretary: Provided further, That activities allowed under the Voucher Success Fund may include: (1) technical assistance to the local public housing authority or community to improve the success of the voucher program, (2) assistance for families in using vouchers, including mobility counseling, assistance with security deposits, transportation, and other activities intended to increase the likelihood that families will succeed in leasing units or leasing them outside areas of concentrated poverty, and (3) further outreach to landlords and community groups to encourage participation in the voucher program: Provided further, That the Secretary may use up to one percent of the amount available under this paragraph to establish monitoring systems for the Voucher Success Fund and to conduct detailed evaluations of the effect of providing assistance under such Fund: Provided further,* That of the total amount provided under this heading, [$40,000,000] *up to $25,000,000* shall be made available to nonelderly disabled families affected by the designation of a public housing development under section 7 of such Act, the establishment of preferences in accordance with section 651 of the Housing and Community Development Act of 1992 (42 U.S.C. 13611), or the restriction of occupancy to elderly families in accordance with section 658 of such Act, and to the extent the Secretary determines that such amount is not needed to fund applications for such affected families, to other nonelderly disabled families: *Provided further*, That amounts available under this heading may be made available for administrative fees and other expenses to cover the cost of administering rental assistance programs under section 8 of the [United States Housing] Act [of 1937: *Provided further*, That the fee otherwise authorized under section 8(q) of such Act shall be determined in accordance with section 8(q), as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998: *Provided further*, That all balances for the section 8 rental assistance, section 8 counseling, section 8 new construction, section 8 substantial rehabilitation, relocation/replacement/demolition, section 23 conversions, rental and disaster vouchers, loan management set-aside, section 514 technical assistance, and other programs previously funded within the "Annual Contributions" account shall be transferred to this account, to be available for the purposes for which they were originally appropriated: *Provided further*, That all balances in the "Section 8 Reserve Preservation" account shall be transferred to this account, to be available for the purposes for which they were originally appropriated: *Provided further*, That the unexpended amounts previously appropriated for special purpose grants within the "Annual Contributions for Assisted Housing" account shall be recaptured and transferred to this account, to be available for assistance under the Act for use in connection with expiring or terminating section 8 subsidy contracts: *Provided further*, That of the amounts previously appropriated for property disposition within the "Annual Contributions for Assisted Housing" account, up to $79,000,000 shall be transferred to this account, to be available for assistance under the Act for use in connection with expiring or terminating section 8 subsidy contracts: *Provided further*, That of the unexpended amounts previously appropriated for carrying out the Low-Income Housing Preservation and Resident Homeownership Act of 1990 and the Emergency Low Income Housing Preservation Act of 1987, other than amounts made available for rental assistance, within the "Annual Contributions for Assisted Housing" and "Preserving Existing Housing Investments" accounts, shall be recaptured and transferred to this account, to be available for assistance under the Act for use in connection with expiring or terminating section 8 subsidy contracts]: *Provided further*, That of the total amount provided under this heading, [$346,560,000] *$343,980,000* shall be made available for incremental vouchers under section 8 of the [United States Housing] Act [of 1937 on a fair share basis and administered by public housing agencies]; *and $66,000,000 shall be available for the Housing Production Program as authorized under this Act*[: *Provided further*, That of the balances remaining from funds appropriated under this heading or the heading "Annual Contributions for Assisted Housing" during fiscal year 2000 and prior years, $2,243,000,000 is rescinded: *Provided further*, That of the amount rescinded under the previous proviso, $1,300,000,000 shall be from amounts recaptured and the Secretary shall have discretion to specify the amounts to be rescinded from each of the foregoing accounts, $505,000,000 shall be from unobligated balances, and $438,000,000 shall be from amounts that were appropriated in fiscal year 1999 and prior years for section 8 assistance including assistance to relocate residents of properties that are owned by the Secretary and being disposed of or that are discontinuing section 8 project-based assistance, for relocation and replacement housing for units that are demolished or disposed of from the public housing inventory, and for enhanced vouchers as provided under the "Preserving Existing Housing Investment" account in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (Public Law 104–204)].

For tenant-based assistance under the Act to help eligible families make the transition from welfare to work, $183,456,000 from the total amount provided under this heading, to be administered by public housing agencies (including Indian tribes and their tribally designated housing entities, as defined by the Secretary of HUD), to remain available until expended: Provided, That families initially selected to receive assistance under this paragraph: (1) shall be eligible to receive, shall be currently receiving, or shall have received within the preceding two years, assistance or services funded under the Temporary Assistance for Needy Families (TANF) program under part A of title IV of the Social Security Act or as part of a State's qualified State expenditure under section 409(a)(7)(B)(i) of such Act; (2) shall be determined by the agency to be families for which tenant-based housing assistance is critical to successfully obtaining or retaining employment; and (3) shall not already be receiving tenant-based assistance under the Act: Provided further, That each application shall: (1) describe the proposed program, which shall be developed by the public housing agency and the State, local or Tribal entity administering the TANF program and the entity, if any, administering the Welfare-to-Work grants allocated by the United States Department of Labor pursuant to section 403(a)(5)(A) of the Social Security Act, and which shall take into account the particular circumstances of the community; (2) demonstrate that tenant-based housing assistance is critical to the success of assisting eligible families to obtain or retain employment; (3) specify the criteria for selecting among eligible families to receive housing assistance under this paragraph; (4) describe the proposed strategy for tenant counseling and housing search assistance and landlord outreach; (5) include any requests for waivers of any administrative requirements or any provisions of the Act, with a demonstration of how approval of the waivers would substantially further the objective of this paragraph; (6) include certifications from the State, local, or Tribal entity administering assistance under the TANF program and from the entity, if any, administering the Welfare-to-Work grants allocated by the United States Department of Labor, that the entity has participated in developing the proposed program and will cooperate with the public housing agency that administers the housing assistance to assure that such assistance is coordinated with other welfare reform and welfare to work initiatives; and (7) include such other information as the Secretary may require and meet such other requirements as the Secretary may establish: Provided further, That the Secretary, after consultation with the Secretary of Health and Human Services and the Secretary of Labor, shall select public housing agencies to receive assistance under this paragraph on the basis of a national competition, taking into account the need for and quality of the proposed program (including innovative approaches), the extent to which the assistance will be coordinated with welfare reform and welfare to work initiatives, the extent to which the application demonstrates that tenant-based assistance is critical to the success of assisting eligible families to obtain or retain employment; and other appropriate criteria established by the Secretary: Provided further, That seven Public Housing Agencies (PHAs) selected by the Secretary for the Jobs Plus Initiative of the Moving to Work (MTW) Demonstration (P.L. 104–134, sec. 204) may use up to $7,000,000 of their Section 8 project reserves, or funds which otherwise would be transferred to such reserves after year-end settlement, as reimbursement for the cost of providing rent incentives to families participating in MTW: Provided further, That any obligated balances of contract authority that have been terminated shall be canceled. (Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 86–0319–0–1–604		1999 actual	2000 est.	2001 est.
	Obligations by program activity:			
00.01	Contract renewals	10,830	9,889	14,513
00.02	Section 8 amendments	454		
00.03	Relocation & other	193	237	266
00.04	Preservation Amendments	11	25	
00.05	Section 514 Technical Assistance		4	
00.06	Non-Elderly Disabled	74	80	25
00.07	Welfare to Work	1	282	183
00.08	Regional Opportunity Counseling		10	
00.09	Voucher Success Fund			50
00.10	Preservation Prepayments	33	8	
00.11	Housing Production Program Premium			8
00.12	Incremental vouchers		352	377
00.13	Section 8 Counseling		11	
00.14	Section 8 Conversions		2	
00.15	Property Disposition		131	
10.00	Total new obligations (object class 41.0)	11,596	11,031	15,422
	Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year	3,477	3,185	103
22.00	New budget authority (gross)	9,411	4,963	14,128
22.10	Resources available from recoveries of prior year obligations	1,894	2,345	1,295
22.22	Unobligated balance transferred from other accounts		641	
23.90	Total budgetary resources available for obligation	14,782	11,134	15,526
23.95	Total new obligations	−11,596	−11,031	−15,422
24.40	Unobligated balance available, end of year	3,185	103	103
	New budget authority (gross), detail:			
	Discretionary:			
40.00	Appropriation	10,327	7,177	9,928
40.05	Appropriation (indefinite)			1,000
40.36	Unobligated balance rescinded	−916	−2,246	
40.49	Portion applied to liquidate contract authority			−1,000
40.76	Reduction pursuant to P.L. 106–113		−72	
42.00	Transferred from other accounts		104	
43.00	Appropriation (total discretionary)	9,411	4,963	9,928
55.00	Advance appropriation			4,200
70.00	Total new budget authority (gross)	9,411	4,963	14,128
	Change in unpaid obligations:			
	Unpaid obligations, start of year:			
72.40	Obligated balance, start of year	10,330	12,174	5,615
72.49	Obligated balance, start of year: Contract authority			43,430
72.99	Total unpaid obligations, start of year	10,330	12,174	49,045
73.10	Total new obligations	11,596	11,031	15,422
73.20	Total outlays (gross)	−7,858	−16,090	−16,579
73.32	Obligated balance transferred from other accounts		44,275	
73.45	Adjustments in unexpired accounts	−1,894	−2,345	−1,295
	Unpaid obligations, end of year:			
74.40	Obligated balance, end of year	12,174	5,615	4,163
74.49	Obligated balance, end of year: Contract authority		43,430	42,430
74.99	Total unpaid obligations, end of year	12,174	49,045	46,593
	Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	2,953	2,107	6,889
86.93	Outlays from discretionary balances	4,905	13,983	9,690
87.00	Total outlays (gross)	7,858	16,090	16,579
	Net budget authority and outlays:			
89.00	Budget authority	9,411	4,963	14,128
90.00	Outlays	7,858	16,090	16,579

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1999 actual	2000 est.	2001 est.
Budget Authority	9,411	4,963	14,128
Outlays	7,858	16,090	16,579
Rescission proposal:			
Budget Authority		−103	
Outlays			
Total:			
Budget Authority	9,411	4,860	14,128
Outlays	7,858	16,090	16,579

The funds requested will support the following activities for 2001, as shown in the below table.

HOUSING CERTIFICATE FUND

[Budget Authority Request for FY 2001, $ in Millions]

	Units	Per Unit Cost	Contract Term	BA
FY 2001:				
Incremental Rental Assistance	60,000	5,733	1 year	343,980,000
Non-Elderly Disabled	[5,000]	5,043	1 year	[25,215,000]
Family Unification	[2,000]	5,733	1 year	[11,466,000]
Tenant Protections—Housing	30,300	NA	1 year	198,671,611
Tenant Protections—PIH	10,000	6,733	1 year	67,330,000
Contract Administrators	NA	NA	NA	209,000,000
Welfare-to-Work	32,000	5,733	1 year	183,456,000
Voucher Success Fund	NA	NA	NA	50,000,000
Housing Production Program	10,000		1 year	58,000,000

"Jacquie M. Lawing" <Jacquie_M._Lawing@HUD.GOV>
01/30/2000 03:27:00 PM

Record Type: Record

To: Andrea Kane/OPD/EOP

cc:
Subject: Re: Please Read -- Re: WTW housing vouchers

---

thanks...at least he said housing. I know you are the big push over there behind vouchers, please know that its greatly appreciated.

Katherine L. Meredith
01/28/2000 12:39:00 PM

Record Type: Record

To: Andrea Kane/OPD/EOP@EOP
cc: See the distribution list at the bottom of this message
bcc:
Subject: Re: draft of Native American initiative paper --Edits by COB today

It means we would continue to fund the 50,000 vouchers from 1999, and award 32,000 new W2W vouchers. Section 8 contracts are for one year, so we need to get renewal BA funding every year.

Thanks,

KM

Andrea Kane

Andrea Kane

Record Type: Record

To: Andrea E. Jacobson/OMB/EOP@EOP

cc: See the distribution list at the bottom of this message
Subject: Re: draft of Native American initiative paper --Edits by COB today

Andrea, just so I'm clear, if the budget includes funding for 82,000 wtw vouchers (50,000 old plus 32,000 proposed), is the funding for the 50,000 to continue the vouchers awarded in FY 99, which means (assuming Congress approves our request) that we'd award 32,000 more, or does this mean that we'd be able to award another 82,000?

Message Copied To:

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Cynthia A. Rice 01/20/2000 01:14:08 PM

Record Type: Record

To: Jonathan M. Young/WHO/EOP@EOP
cc: j. eric gould/opd/eop@eop, Andrea Kane/OPD/EOP@EOP
bcc:
Subject: RE: President Clinton: New Opportunities for Higher Education

Andrea and I work on housing vouchers, though not all housing issues.

People with disabilities would be eligible for the new housing vouchers, so long as they met the income criteria. Is she upset because there's no set-aside for people with disabilities as a group?

Specifically, the budget proposes 120,000 new housing vouchers. Of these, 32,000 will be targeted to families moving from welfare to work, 18,000 vouchers will help homeless individuals and families who would otherwise have the most difficult time securing permanent housing, and 10,000 vouchers will be used to help low-income families move to new housing constructed through the Low Income Housing Tax Credit. The remaining 60,000 vouchers will be allocated to local areas to help address the large unmet need for affordable housing.

Of course people with disabilities could qualify under any or all of these categories.

Here's the paper that went out between Christmas and New Year's.

hou1229 vouchers statement hou1229 vouchers press paper put on w

Jonathan M. Young

Jonathan M. Young
01/20/2000 12:34:18 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP@EOP, J. Eric Gould/OPD/EOP@EOP
cc:
Subject: RE: President Clinton: New Opportunities for Higher Education

Do you guys handle housing issues? What do you think about this issue? (If you don't, can you let me know who handles housing in DPC?). Thanks.

--------------------- Forwarded by Jonathan M. Young/WHO/EOP on 01/20/2000 12:33 PM ---------------------------

Kathy McGinley <McGinley@thearc.org>
01/20/2000 10:38:32 AM

Record Type: Record

To: Jonathan M. Young/WHO/EOP

cc: 'Andrew Sperling' <Andrew@nami.org>, 'suellen galbraith' <suellenancor@radix.net>, 'Ann O'Hara' <aohara@tacinc.org>

Subject: RE: President Clinton: New Opportunities for Higher Education

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It is nice to hear all the good things that the Administration is proposing. However, it continues to be extremely disturbing that in the housing arena when the Admin. announces its plans for new rental assistance vouchers, it includes all types of groups with needs -- except people with disabilities. It is not like we have not provided data that demonstrate that people with disabilities are among the poorest of the poor and that those who live on SSI cannot afford to rent a modest apartment ANYWHERE in the U.S. and still stay inside the HUD guidelines of 30% of your income for rent. It is not like HUD has not seen all the public housing that has been designated elderly only in the past several years and, therefore, lost to non-elderly people with disabilities. Unfortunately, HUD has no record of all the assisted housing also designated as elderly-only and lost to people with disabilities -- although it has been directed by Congress to do an inventory. In many places, this lost assisted housing is the only accessible housing around....It would appear that HUD should think of itself as part of the solution when it comes to the Olmstead issue -- if people with disabilities are going to have more access to the community, where and how are they supposed to live?

Kathy McGinley, The Arc GA Office -- http://TheArc.org/ga/governmental_affairs.html
CCD Housing Task Force -- http://www.c-c-d.org/tf-housing.htm
"Opening Doors" -- http://www.c-c-d.org/doors.html
CCD Health Task Force -- http://www.c-c-d.org/tf-health.htm

Blessed are those who can laugh at themselves for they will never cease to be amused..........

-----Original Message-----
From: Jonathan_M._Young@who.eop.gov [SMTP:Jonathan_M._Young@who.eop.gov]
Sent: Thursday, January 20, 2000 10:29 AM
Subject: President Clinton: New Opportunities for Higher Education

I figured everyone could probably use a little break from my email stream -- it was a successful, but extremely Fall. With President Clinton's final State of the Union Address approaching on January 27, however, just one week from today, it's time to get back into high gear. Throughout this month, President Clinton is making announcements about some of the initiatives he is including in his FY2001 budget, which will be released in early February. Today's education announcement and yesterday's long term care announcement are examples. You'll be hearing from me often over the next two weeks about budget initiatives, including items from the last couple of weeks.

Below please find two fact sheets about President Clinton's announcement about increasing tax incentives and other investments to improve access to higher education.

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A New Opportunity Agenda for Higher Education:
Making Critical Investments in Education and Training
January 20, 2000

Today, the President will announce that his FY2001 budget will include new critical investments in higher education, training, and youth opportunities as part of his New Opportunity Agenda. These initiatives include:

I. A $30 Billion College Opportunity Tax Cut to provide Tax Relief for Millions of Families Struggling to Make College More Affordable.

II. Nearly $1 Billion for College Completion Challenge Grants, Pell Grants, and Other Initiatives to Help Students Afford and Be Able to Stay in School.

III. Over $400 Million in Increases in Initiatives to Keep Young People on the Track to Success.

I. COLLEGE OPPORTUNITY TAX CUT TO MAKE COLLEGE MORE AFFORDABLE FOR MORE AMERICANS

+ The President will propose a College Opportunity Tax Cut costing $30 billion over 10 years to provide tax relief for millions of families struggling to make college more affordable. When fully phased in, the President's proposal would give families the option to claim a tax deduction or a tax credit on up to $10,000 of tuition and fees for any post-secondary education including college, graduate study, or training courses. In general, the proposal would provide up to $2,800 annually in tax relief per family. In order to expand this tax cut to more families, the College Opportunity Tax Cut would phase out for married filers with incomes between $100,000 and $120,000. The College Opportunity Tax Cut builds on the Lifetime Learning tax credit that the President signed into law in 1997. In addition, the President's FY2001 budget contains other education tax incentives that were originally proposed in the FY2000 budget, including $1 billion over 10 years to provide tax-free treatment for employer-provided graduate education and increased deductibility of student loan interest.

II. NEARLY $1 BILLION IN INCREASES TO PELL GRANTS, SEOG, WORK STUDY, AND THE NEW COLLEGE COMPLETION AND DUAL DEGREE INITIATIVES:

+ College Completion Challenge Grants. The FY2001 budget creates a new initiative within the TRIO program called College Completion Challenge Grants (CCCG). Although college enrollment rates have risen, 37 percent of students that go on to post-secondary school drop out before they get a certificate or a degree [Source: U.S. Department of Education, The Condition of Education: 1999]. The problem is especially acute for minorities: 29 percent of African Americans and 31 percent of Hispanics drop out of college after less than one year, compared to 18 percent of whites. The CCCG program is designed to address this problem with a comprehensive approach including pre-freshman summer programs, support services and increased grant aid to students. This $35 million initiative will improve the chances of success for nearly 18,000 students.

+ Dual Degree Programs for Minority-Serving Institutions. The FY 2001 budget proposes a new program to increase opportunities for students at minority-serving institutions that offer four-year degrees. Students would receive two degrees within five years: one from a minority-serving institution, and one from a partner institution in a field in which minorities are underrepresented. This new $40 million program will serve an estimated 3,000 students.

+ Pell Grants. The Pell Grant program provides grants to economically disadvantaged young people to help pay the cost of a postsecondary education. The maximum Pell Grant in FY2000 is $3,300. The President's FY2001 budget increases the maximum to $3,500, more than 50 percent larger than the maximum grant in 1993, to make a college education more affordable for the nearly 4 million Pell Grant recipients. Funding for the Pell Grant program is increased by over $716 million, bringing the total Pell Grant appropriation to $8.356 billion.

+ SEOG. SEOG, the Federal Supplemental Educational Opportunity Grant program, provides campus-based grant assistance to needy undergraduate students. Generally, this program supplements the aid students receive from other sources, and leverages institutional aid by at least one dollar for every three federal dollars. The FY2001 budget provides $691 million for SEOG, a $60 million increase, the largest increase in 10 years. An estimated 1.2 million students (over 60,000 more than in 2000) will receive awards in 2001.

+ Work Study. Work Study provides students the opportunity to work their way through college. The FY 2000 budget achieved the goal of giving one million students the opportunity to participate in Work Study. The FY2001 budget includes $1.011 billion for Work Study, an increase of $77 million to continue this commitment to serve one million students.

III. OVER $400 MILLION IN INCREASES TO KEEP YOUNG PEOPLE ON THE TRACK TO SUCCESS

+ GEAR UP. GEAR UP is a nationwide initiative to encourage more disadvantaged young people to have high expectations, stay in school, study hard, and take the right courses to go to and succeed in college. GEAR UP is funded at $200 million in FY 2000, enough to provide services to over 750,000 students. The FY 2001 budget provides a 62.5% increase to $325 million, enough to provide services to 1.4 million students.

+ TRIO. The TRIO programs seek to motivate and prepare students to go to and stay in college. The FY 2001 budget provides $725 million for TRIO, an increase of $80 million to help provide assistance to over 760,000 students, 37,000 more than in 2000.

+ Youth Opportunity Grants and Youth Training Formula Grants. Youth Opportunity Grants are an initiative to provide comprehensive employment and training assistance to all out-of-school young people in high poverty areas. The program was passed as part of the bipartisan Workforce Investment Act and is a critical component of the New Markets Initiative. Funded at $250 million in FY 2000, this program would serve up to 50,000 of the most disadvantaged young people in central cities and rural communities across America. The President's FY2001 budget provides a 50 percent increase in funding to $375 million, enough to serve an additional 25,000 youth in high poverty areas. In addition, the FY2001 budget provides a $25 million increase (from $1.001 billion to $1.022), to the Youth Training Formula Grants, enough to provide job training and summer job opportunities to nearly 600,000 disadvantaged young people.

+ Youthbuild. The Youthbuild program, is targeted to 16-24 year old high school dropouts, and provides disadvantaged young adults with education and employment skills through rehabilitating and building housing for low-income and homeless people. The program also helps to expand the supply of housing in these categories. Funded at $42.5 million, the Youthbuild programs will provides opportunities for approximately 2,000 trainees in 2000. The FY2001 increases funding by 76% to $75 million, enough to serve approximately 3,330 trainees.

+ Job Corps. Job Corps is the nation's largest and most comprehensive residential education and job training program targeted at impoverished young people. The FY2001 budget increases Job Corps funding by $33 million, bringing the total Job Corps budget to $1.392 billion.

COLLEGE OPPORTUNITY TAX CUT: PROVIDING TAX INCENTIVES TO MAKE HIGHER EDUCATION MORE AFFORDABLE

January 20, 2000

Investing $30 Billion in a College Opportunity Tax Cut. Since 1993 the President has taken numerous steps to make college more affordable and accessible, including direct student loans, Pell Grant increases, and the Hope Scholarship and the Lifetime Learning tax credits producing the biggest expansion in college support since the GI bill. But tuition costs continue to rise and many students and their families are still struggling to make ends meet. That is why today the President will propose the College Opportunity Tax Cut that will, when fully phased in, provide up to $2,800 in tax relief for students or their families. The President's proposal would cost $30 billion over 10 years.

How the College Opportunity Tax Cut Works. The President's proposal would help make college, graduate school, and job training more affordable for millions of families -- including expanding the tax cut and making it available to more families. In general, the proposal would provide up to

$2,800 annually in tax relief per family.

+ Providing a Deduction or 28 Percent Tax Credit for Higher Education. The President's proposal would give families the option of taking a tax deduction or claiming a 28 percent credit for tuition and fees to pay for college and other higher education. The proposal would cover up to $5,000 of educational expenses in 2001 and 2002 and rise to $10,000 of educational expenses from 2003 forward. When fully phased in, this proposal would provide up to $2,800 in tax relief annually to help American families pay for college.

+ The College Opportunity Tax Cut Would Cover College, Graduate Work, or Job Training. Students or families could use the College Opportunity Tax Cut to help pay for college, graduate work, or courses taken to enhance job skills. There is no limit to the number of years that a taxpayer could take this credit, although when fully phased in it is limited to $10,000 in educational expenses per family per year. A family could choose between the Hope Scholarship or the College Opportunity Tax Cut, but could not take both for the same student.

+ Expanding the Tax Cut to More Families. The College Opportunity Tax Cut would phase out for individuals with incomes between $50,000 and $60,000 and married filers with incomes between $100,000 and $120,000. This are higher than the income thresholds for any of the education tax cuts currently available.

What the College Opportunity Tax Cut Would Mean for Typical Families

+ A Family Sends a Child to College. A family sends a child to a four-year college. The tuition costs the family $11,000 after financial aid. The College Opportunity Tax Cut would generally provide a tax break of $2,800 annually to offset the cost of tuition. (This example is based on the fully phased in proposal.)

+ An Automobile Mechanic Takes Night Classes in Computers at a Local Technical College. She will pay tuition of $1,200. The College Opportunity Tax Cut would generally provide a tax break of $336 to offset the cost of tuition.

+ A Homemaker Joins a Graduate Teacher Training Program. After being out of college for 20 years, a homemaker enters a graduate teacher training program with tuition of $4,000. The College Opportunity Tax Cut would generally provide a tax break of $1,120 to offset the cost of tuition.

+ A Family Plans for Its Education. The combination of the existing Hope Scholarship and the proposed College Opportunity Tax Cut provides a powerful way for a family to plan for its education. Each member of a family of four is pursuing higher education. The father is working on a masters degree part-time; the mother, a computer technician, is attending a two-year program at a local community college; the daughter is a senior in high school who eventually hopes to go on to medical school; and the son is a freshman at a small private college and plans to earn a master's degree to become a teacher. Based on typical tuition expenses incurred for these programs, a combination of Hope Scholarships and the new College

Opportunity Tax Cut would generally reduce this family's Federal income taxes by $28,000 over the nine years its members attend school, or an average of over $3,000 per year.

The President's New Proposal Builds on His Previous Steps to Make College More Affordable. Since 1993, President Clinton has been dedicated to expanding access to education and training beyond high school. New and expanded programs provide over $50 billion in student aid annually -- compared to $22 billion when he took office.

+ Hope Scholarship and Lifetime Learning Tax Credit. In 1997, the President signed the Hope Scholarship and Lifetime Learning Tax Credit into law. In 1999, these two measures provided an estimated $3.5 billion in tax relief for 4.8 million families.

+ Hope Scholarship. The Hope Scholarship is part of the President's goal to make the first two years of college as universal as high school. It provides a tax credit worth up to $1,500 per student against educational expenses for the first 2 years of college. (The credit provides a tax break of 100 percent of the first $1,000 of tuition and 50 percent of the next $1,000.) Both the Hope Scholarship and the Lifetime Learning tax credit phase out for individuals with incomes between $40,000 and $50,000 and married filers with incomes between $80,000 and $10,000.

+ Lifetime Learning Tax Credit. The President's proposed College Opportunity Tax Cut builds on the Lifetime Learning tax credit. Under current law, the Lifetime Learning tax credit provides a 20 percent credit on educational expenses for college, graduate study, or job training. The credit covers up to $5,000 of expenses per family through 2002 and then up to $10,000 thereafter.

+ More Affordable Student Loans. The President's Direct Lending Program and improvements to the student loan program have saved students an estimated $8.7 billion on their loans over the last five years while taxpayers have saved over $5 billion through student loan reform.

+ $8.7 Billion in Savings for Students. Students who borrowed student loans since 1993 will save $100 annually for each $10,000 in outstanding loans -- and a total of $5 billion -- due to the lower interest rate formula. Also, in 1993, the Administration reduced loan origination fees, saving students nearly $3.7 billion to date. In 1999, in recognition of widespread discounts available on guaranteed student loans, the Administration reduced direct loan fees even further.

+ More Repayment Options. Since 1993, borrowers have more flexibility in managing their student loan debt. The income-contingent repayment plan allows direct loan borrowers to repay their loans based upon their income; after 25 years, any remaining loan balance is discharged.

+ Creating the Direct Loan Program. Under the Direct Loan program, students receive loans directly from the Education Department rather than through government-guaranteed lenders. Because the Direct Loan program is substantially less expensive for taxpayers than the guaranteed loan program, taxpayers have saved over $4 billion over the past five years.

The program has pioneered the use of new technology, streamlined loan processing and disbursement, and improved customer service in both programs through competition.

+ Strengthening the Guaranteed Loan Program. Federal subsidies for banks and guaranty agencies have been pared down, saving taxpayers $1.6 billion over the past five years.

+ Reducing Loan Defaults. The national cohort default rate has been reduced from 22.4 percent seven years ago to a record-low 8.8 percent. At the same time, collections on defaulted loans have more than doubled, from $1 billion in FY1993 to $2.2 billion in FY1998.

+ Expanded Student Aid Opportunities.

+ Larger Pell Grant Awards For Needy Students. When President Clinton took office in 1993, the Pell Grant maximum award was $2,300, the same as it was in 1989. The maximum award has since increased by 43 percent to $3,300 in 2001. The FY 2001 budget proposes increase in the maximum to $3,500, a 52 percent increase over the 1993 level.

+ Early Intervention to Help Low-income Students Prepare for College. Based on an Administration proposal, the new GEAR UP program funds partnerships between colleges and high-poverty middle schools. It was funded at $200 million in FY2000. The President's FY2001 budget proposes to increase GEAR UP funding by 62.5 percent, bringing the total to $325 million to fund mentoring, tutoring, and college scholarships for an estimated 1.4 million low-income students.

+ College Outreach and Support for Disadvantaged Students. The Department's TRIO programs helps low-income, first-generation students succeed in college. Since 1993, funding for the program has increased from $388 million to $645 million; it now serves 730,000 students. The President's FY2001 budget proposes to expand TRIO by $80 million, to serve an additional 37,000 students.

+ More Work-study Opportunities. Spending for Federal Work-Study increased by 41 percent from 1993 to 2000. The President has requested a $77 million increase in FY2001 to continue to allow one million students to work their way through college.

+ AmeriCorps education awards. Since 1994, over 150,000 AmeriCorps volunteers have earned up to $4,725 for college while serving local communities.

+ Enrollment Rates Have Risen Under President Clinton. The percentage of students who completed high school and went directly to college rose from 61.9 percent in 1992 to 67.0 percent in 1997 -- an 8 percent increase in the enrollment rate.Proportionately, enrollment rates increased even more for African Americans and Hispanics over this period. For African Americans, enrollment rates increased from 48.2 percent to 58.5 percent -- a 21 percent increase. Over this period Hispanics enrollment rates increased from 55.0 percent to 65.6 percent -- a 19 percent increase. [Source: U.S. Department of Education, The Condition of Education 1999]

Campaign 2000

THEY JOINED hands to call for campaign finance reform, but Bill Bradley and John McCain understand exactly how to prosper under the current system. The latest disclosures from the candidates show that Mr. Bradley raised $8 million in the past three months, twice the amount raised by Al Gore, his rival for the Democratic nomination. On the Republican side, Mr. McCain raised $6.1 million, nearly as much as was collected by the front-runner, George Bush.

There is nothing dishonorable about these achievements: Messrs. Bradley and McCain are right to favor campaign reform and right to compete wholeheartedly under the existing rules until those rules are changed. Still, it is worth reflecting on the lesson of their money raising. By raising large sums, even in a tainted system, they have been able to compete.

Six months ago, the presidential primaries looked as though they might be colorless. The front-runners seemed sure to enjoy a money-raising advantage large enough to crush competition; secure atop their bulldozers, they would utter poll-tested platitudes and avoid genuine debate. But Mr. Bradley's recent cash intake has erased Mr. Gore's money advantage, and Mr. McCain is rich enough to compete credibly, at least in the early states.

Moreover, this unexpected competition is producing an abundance of debating. Republicans and Democrats have each met three times already and are set for more face-offs before the New Hampshire primary on Feb. 1. Some of the debates have, admittedly, been disappointing. The candidates pretend that the illusory budget surplus can pay for their vote-winning programs; they duck hard issues such as entitlement reform. But the policy discussion has been enriched in at least one respect: Extension of health coverage to the 45 million uninsured Americans is back on the agenda for the first time in half a decade.

In sum, politics remains unpredictable and interesting. And yet, lurking around the corner is the possibility that unregulated flows of campaign money will reduce Campaign 2000 to a charade. Three months from now, when the primaries are finished, it is likely that the Democratic nominee—whether it is Mr. Gore or Mr. Bradley—will be left with a nearly empty coffer. If the Republicans nominate Mr. Bush, however, he probably will have lots of cash left over: He has raised about $65 million, a total that dwarfs the war chest of any other candidate. Once the retail campaigning of the primaries is over, this money difference may prove decisive. It will take a lot more welcome unpredictability before voters can bury the suspicion that democracy has been bought.

Good News From HUD

THE GOOD HOUSING news last week was not just that the administration intends to seek a significant increase in the number of subsidized units for the poor this year, but that the White House itself made the announcement. This is a White House that puts its arm around such proposals only when convinced that they will be popular. The president has a Cartesian philosophy, though with a twist: "I poll, therefore I am." That an increase in the housing programs for the poor would be regarded as a political plus is a major change.

Only five years ago, this same White House contemplated abandoning the Department of Housing and Urban Development (HUD) and its programs. The Republicans had just jolted the Democrats—surprised even themselves—by winning control of both houses of Congress. They believed they had a mandate to shrink the government and were looking for whole departments to eliminate. Why not give them dysfunctional HUD, some White House aides mused aloud. To save the department, then-Secretary Henry Cisneros and a small group of aides produced in days a plan to redesign it. They were helped by the Democrats' loss, in that they were able to toss aside programs and regulations that had survived only because some senior congressional Democrat thought they were good ideas.

The redesigners, to serve their own policy purposes, went further in disestablishing some of HUD's traditional programs than even the Republicans were prepared to go. They called the Republicans' bluff by proposing to "voucherize" public housing—put the public projects at the mercy of the marketplace by giving the tenants vouchers they could use to live in the projects or elsewhere, as they chose. The prospect of such a dispersal frightened suburbanites as much as it did big-city housing authorities, and the idea went nowhere. But it did succeed in giving some Republicans pause.

In the end, all their bravado to the contrary, they could think of no real alternative to the inherited programs, the largest of which—a system of vouchers or rent stamps—had been their own party's invention in the 1970s. They became, if not more supportive of the HUD programs, at least more acquiescent, even as Mr. Cisneros and his successor, Andrew Cuomo, supported changes aimed at reducing some of the programs' perverse side effects and improving their reputation.

Did the practice of housing the very poorest first cause too great a concentration of families with serious social problems in large housing projects? They'd ease the policy. Did the well-intentioned rule that tenants should be required to pay "only" 30 percent of their income in rent drive out the upwardly mobile, because 30 percent of every extra dollar earned went automatically to the housing authority? The secretaries would ease that constraint as well. An authorization bill was finally passed in the last Congress that sensibly altered inherited policy around the margins without abandoning the basic mission of housing the poor.

After four years of drought, the number of subsidized units again has been modestly increased in each of the past two years. The president proposes a larger, third increase in a row. The programs still would be growing slower than the need, as measured by the number of families poor enough to be eligible. And plainly the issue of segregation remains—the problem of dispersal on which both Clinton-era secretaries have worked obliquely, mostly in vain. But housing is an area in which some useful compromises have occurred and genuine if modest progress has been made in an era of sharply divided government. Perhaps that's why, at budget time, it's no longer anathema.

The Washington Post
Monday, January 3, 2000

The New York Times

MONDAY, JANUARY 3, 2000

Off-Broadway Blues

To the Editor:

You report on a dearth of new dramas on Broadway (Arts pages, Dec. 28). Now that new plays rarely get to Broadway, playwrights have been forced to scale down their dreams to Off Broadway.

But since most Off Broadway theaters now house the works of recognized names, what happens if you're a fledgling playwright? Not a lot. You have readings. You do your day job. And you depend on the generosity of actors and directors who take part in "the development process." For most playwrights, Off Broadway feels off limits. Somehow, after six years and 36 drafts, my first fully realized drama, "Tabletop," has been selected for production in the spring of 2000.

I am thrilled. But guess what? We're having a tough time finding an available performance space.

ROBERT WESTON ACKERMAN
New York, Dec. 28, 1999

Ideal Preschools

To the Editor:

Re "Another Model for Schools" (column, Dec. 28), by Anthony Lewis:

I have an additional explanation as to why military children are so much more successful than their peers in public schools. Military bases have high-quality early childhood programs available for children of their personnel.

A few years ago I consulted with staffs at the early childhood programs at Air Force bases in Anchorage and Fairbanks, Alaska. They were highly trained, and the programs on both bases conformed to the accreditation standards established by the National Association for the Education of Young Children, the highest standards for civilian child care and education.

These centers should serve as models for early intervention programs for civilian children who are disadvantaged or at risk for school failure. Our civilian society would do well to look at this part of the military model.

MARY ELLEN HOY
Pittsburgh, Dec. 28, 1999

Giuliani and Welfare

To the Editor:

Re "Giuliani Proclaims Success on Pledge to Curb Welfare" (front page, Dec. 29):

With his welfare-numbers juggling act, Mayor Rudolph W. Giuliani is trying desperately to make points as the likely Republican candidate for the Senate. But the mayor's spurious claim of welfare success should not prevent perceptive New Yorkers from seeing his welfare policy as a defiant, compassionless attack on the city's needy, accompanied by attempts to throw poor families out of shelters and separate children from their parents.

LEE BERGMAN
Tuckahoe, N.Y., Dec. 29, 1999

Beef and Cancer

To the Editor:

Re "World Bank's Aim: Beef for China" (Op-Ed, Dec. 28):

From a doctor's standpoint, the World Bank's initial $93.5 million loan to bankroll a beef industry in China is much worse than a huge waste of money. Epidemiological studies clearly demonstrate that a meat-based diet roughly doubles the cancer risk compared with an entirely plant-based diet.

Any step encouraging more animal product consumption moves us in the wrong direction.

MURRY J. COHEN, M.D.
Annandale, Va., Dec. 28, 1999

NYT

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Medical Errors

To the Editor:

Re the Department of Veterans Affairs report of about 3,000 medical errors at veterans' hospitals resulting in about 700 deaths from June 1997 to December 1998 (editorial, Dec. 28): The American Legion will advocate giving the Veterans Administration the resources it needs to improve its health care system.

The Institute of Medicine reports that medical errors in all American hospitals result in as many as 98,000 patient deaths each year; thus, a randomly selected group of private-sector hospitals would likely have a record for fatal errors far worse than that of the Veterans Administration.

THOMAS CADMUS
Chmn., National Veterans Affairs and Rehabilitation Commission
American Legion
Washington, Dec. 28, 1999

Diversity on the Ballot

To the Editor:

Your Dec. 28 front-page article about the diversity of recent immigrants to New York City and their slow but significant entry into politics reminds us that fair representation is the best way to integrate new residents into community life. Community school board elections are a chance for this because they use proportional representation. Under winner-take-all elections, many minority candidates find it nearly impossible to win.

In the 1930's, when Italian-Americans and Jews won City Council seats, it was proportional representation that made it possible. Mayor Fiorello H. La Guardia was an enthusiastic backer of such elections then, and would be today on behalf of immigrants from Asia, Latin America and the West Indies.

KATHLEEN L. BARBER
Cleveland, Dec. 29, 1999

The writer is professor emeritus of political science at John Carroll University.

A Housing Shortage

To the Editor:

President Clinton's inclusion of 120,000 new housing vouchers in the next budget (news article, Dec. 29) is a positive but all-too-modest step toward addressing the country's affordable-housing crisis.

Recent studies in Missouri, Minnesota and elsewhere confirm that an increasing number of recipients cannot use vouchers because of the declining supply of rental units available to the working poor. Building new affordable housing must become the centerpiece of federal housing policy.

RANDY SHAW
Director, Housing America
San Francisco, Dec. 29, 1999

Clinton Seeks Funds to Expand Housing Vouchers

By JEANNE CUMMINGS
Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON – In order to move workers closer to where jobs are being created, President Clinton will request $690 million in his 2001 budget proposal to pay for 120,000 new low-income housing vouchers.

The request for the vouchers, which will be announced today, will be the third installment in an administration push to revitalize the voucher program. After four years in which no new low-income housing vouchers were approved, Mr. Clinton and Congress created 50,000 in the 1999 budget and 60,000 in the 2000 budget.

Noting that 5.3 million families need affordable housing, Housing Secretary Andrew Cuomo said in an interview that the proposal is a "major step" compared with previous years but only a "modest" one compared with the need. "It's a cruel irony to this economy, but this economy is drying up affordable housing," he said.

Not only has the booming economy led to a sharp rise in rents, but about two-thirds of today's new jobs are located in the suburbs, which is creating a geographic gulf between jobs and the generally urban-based pool of unemployed or low-income workers, Mr. Cuomo said.

Because a housing voucher isn't attached to any particular property, people who qualify for the program can move to the communities where jobs are available. That element of flexibility also means a job seeker's family is likely to obtain better or more stable housing and avoid a lengthy commute to work.

Under the program, one-third of a low-income worker's salary is applied to rent and the government voucher is used to pay the balance, as much as the maximum cost of a modest apartment in the local market chosen. Of the 120,000 vouchers Mr. Clinton will seek, 32,000 would be set aside for welfare-to-work participants, 18,000 would be designated for the currently homeless and 10,000 for large families. The remaining vouchers would be allocated to local areas based upon need.

The administration's decision to concentrate on the use of vouchers puts it at odds with some antipoverty experts who advocate construction of permanent low-income-housing units.

However, Tom Kingsley, of the Urban Institute, said the "advantage of vouchers is [they let] families adapt to the locations that work best for them."

Mr. Kingsley applauded the administration's proposal as a "generally sensible step" toward increasing affordable housing at a time when local markets are tightening. But he cautioned that it isn't always easy for low-income families to take vouchers and move to the suburbs.

THE WALL STREET JOURNAL
WEDNESDAY, DECEMBER 29, 1999

Cynthia A. Rice 12/29/99 11:10:36 AM

Record Type: Record

To: Francis S. Redburn/OMB/EOP@EOP, Katherine L. Meredith/OMB/EOP@EOP

cc: Andrea Kane/OPD/EOP@EOP
Subject: So what are "sticky" vouchers?

See the quote from the Bond staff at the end of this AP story.

FYI this is the only negative reaction I've seen so far (none in the WP, WSJ, USAT, or NYT -- in fact Lazio told the NYT he strongly supports new vouchers, providing the President can find an acceptable way to pay for them.

AP Online

December 29, 1999; Wednesday 01:53 Eastern Time

SECTION: Washington - general news

LENGTH: 698 words

HEADLINE: Clinton Plans Housing Voucher Funds

BYLINE: ANNE GEARAN
DATELINE: WASHINGTON

BODY:

A Clinton administration proposal for $690 million in new federal housing money would help the working poor take better advantage of the booming economy, Housing Secretary Andrew Cuomo said.

The proposal, to be announced by the White House today, would give vouchers to 120,000 poor households to help meet the rent. The program is aimed at families earning more money that those who traditionally qualify for federal housing grants, as well as the very poor.

The White House says that some poor families sometimes must move to find work since about two-thirds of new jobs are in the generally more affluent suburbs. The vouchers which can be used wherever a landlord will accept them are meant to help them find housing in their new neighborhoods.

''The need for affordable housing is higher than ever 5.3 million American families need affordable housing'' but cannot find it, Cuomo said. ''It's actually a cruel irony of the strong economy,'' which often drives the price of formerly affordable housing beyond the reach of the working poor, Cuomo said in an interview Tuesday.

Cuomo said the proposal will be part of Clinton's budget proposal for fiscal 2001. That budget plan is due on Capitol Hill early next year.

The vouchers would expand an existing $9.5 billion program that now serves up to 1.7 million poor households.

The vouchers work like this: Poor families can apply for extra money to help make rent payments. Most of these families earn at or near the federal poverty line, about $17,000 for a family of four.

Families must contribute 30 percent of their income, with the balance paid by the voucher. The amount of the vouchers varies by family, depending on housing needs and expense, and is capped at what officials define as the local fair market rate.

Vouchers are distributed by local housing authorities, under the administration of the federal Department of Housing and Urban Development. The local authorities typically have long waiting lists for subsidized housing.

Clinton proposes setting aside 18,000 of the new vouchers for homeless families and 32,000 for families moving from welfare to work, said a White House aide who spoke on condition of anonymity.

Cuomo acknowledges that the White House proposal will probably be whittled by the Republican-led Congress.

''With HUD, the president's request is always more than the budget we get out of Congress,'' he said.

Congress approved no new housing vouchers in the four years after Republicans assumed control of both houses in 1994. Congress did approve 50,000 new vouchers for 1999 and an additional 60,000 new ones for the fiscal 2000 budget fewer than Clinton requested but still, Cuomo said, ''a tremendous win.''

More vouchers are not necessarily the answer, some say.

''Vouchers are a short-term solution,'' that may add new families to the ranks of subsidized renters but do little to ensure they remain in stable housing situations in the future, said Julie Dammann, chief of staff to Sen. Christopher Bond, R-Mo.

Tens of thousands of tenants across the country have lost their subsidized HUD housing or risk losing it as landlords drop out of the federal program known as ''Section 8'' to seek higher rents on the open market.

''HUD has been maybe a little too focused on new vouchers, because it looks like you're helping more people a big welcome mat at the front door while you're losing others out the back door,'' Ms. Dammann said Tuesday.

Bond, who chairs the Senate Appropriations subcommittee on HUD, was among bipartisan lawmakers who took $100,000 away from Clinton's 2000 voucher request and put it into so-called ''sticky vouchers.''

These are subsidies that a tenant may keep even if their landlord opts out of Section 8.

Bond wrote to Cuomo this month to urge him to ''get on the stick'' to begin making use of the sticky voucher program, Ms. Dammann said.

Over a period of 21/2 years, ending in December 1998, nearly 100,000 units of HUD housing have been lost, according to the nonprofit National Housing Trust. Most of that stock is administered under the Section 8 program for low-income elderly, disabled and families.

LANGUAGE: ENGLISH

LOAD-DATE: December 29, 1999

December 29, 1999, Wednesday 12:21 AM Eastern Time

SECTION: GENERAL NEWS

LENGTH: 86 words

HEADLINE: Clinton to seek housing funds boost

BODY:

WASHINGTON, Dec. 29 (UPI) -- The Clinton administration, having gained a sharp boost in housing subsidy funds over the past two years, plans next year to ask Congress to double the current figure. The administration plans to seek $690 million in the fiscal 2001 federal budget to provide 120,000 new housing vouchers. After refusing for several years to provide any money for the program, Congress approved $283 million in fiscal 1999 for 50,000 vouchers and $347 million this year for 60,000 vouchers. -- --

LANGUAGE: ENGLISH

Clinton seeks $690M for housing

By Laurence McQuillan
USA TODAY

A1

WASHINGTON — President Clinton will ask Congress for $690 million to provide 120,000 new housing vouchers for poor families to help pay rental costs, administration officials said Tuesday.

The request, which will be part of the president's budget proposal to be submitted in February, would double the number of vouchers lawmakers approved this year. Currently, 1.7 million low-income families receive housing vouchers.

Clinton's budget plan faces an uncertain future in an election year as the Republican-controlled Congress fights with Democrats over spending priorities. White House officials say the additional funding is needed to reduce the wait for low-income families, which they say averages 28 months between the time a qualified family applies and funding is available. No new money was approved by Congress from 1994 to 1998.

"We have the greatest need for affordable housing in the history of the country," said Housing and Urban Development Secretary Andrew Cuomo. "It is a cruel irony, but the strong economy actually drives up the ... (price) of the rent."

The Clinton plan will be part of HUD's 2001 budget request.

Under the plan, 32,000 of the vouchers would go to families who are leaving the welfare rolls. An additional 18,000 vouchers would be earmarked for homeless families. The remaining 70,000 vouchers would have no restrictions.

Sun Belt to gain House clout

By Haya El Nasser
USA TODAY

A1

Population growth in the West and South is certain to bolster the political clout of Sun Belt states in the next decade, according to an analysis of 1999 Census Bureau population estimates out today.

Just one year before the official 2000 Census population count, which is used to apportion the House of Representatives, 1999 estimates show that eight Western and Southern states are poised to pick up 10 seats. The eight are Arizona, California, Colorado, Florida, Georgia, Montana, Nevada and Texas.

Montana's gain of a seat it lost in 1990 is iffy, according to Election Data Services, a Washington, D.C., consulting firm that analyzed the data. If Montana's population slips by just 934 next year, it will not gain a seat.

"It better not be a cold winter in Montana," says Ross Baker, a political science professor at Rutgers University.

Eight states, mostly in the Northeast and Midwest, stand to lose 10 seats. Connecticut, Illinois, Mississippi, Ohio, Oklahoma and Wisconsin each will lose one; New York and Pennsylvania lose two if the 2000 numbers are similar.

"The main thing we're seeing is the greater acceleration of political power in the Mountain states and in the South," says Kimball Brace, president of Election Data Services.

The big winners are Arizona and Texas, GOP strongholds that will gain two seats each.

"On the face of it, it benefits Republicans," Baker says. "The South and Sun Belt are prime Republican real estate."

Democrats' hopes that California, the nation's most populous state and a political powerhouse with 53 seats in Congress, would gain two seats in 2000 are being dashed by the new estimates.

California, with a predominantly Democratic delegation, will gain only one seat and is about 250,000 people from gaining a second.

That's a big reversal from 1990, when California added seven seats. But it's an improvement over the first part of the decade, when a struggling economy pushed people out of the state.

▶ Effect on states, 4A

Clinton Will Request Expansion of Rental Subsidies

By JOHN F. HARRIS
Washington Post Staff Writer

President Clinton plans to press Congress for $690 million in new housing funds next year to help low-income families defray the cost of rent, White House officials said yesterday.

The request that Clinton will make in his fiscal 2001 budget, which aides are now drafting for public release in a month, would make housing vouchers available to 120,000 families—on top of the 1.7 million families who now receive rent subsidies under the federal government's $9.5 billion voucher program.

People making less than 50 percent of the median income in the metropolitan area where they live are eligible for vouchers, which are distributed by local housing authorities. But three-quarters of the vouchers go to an even needier population—those making only 30 percent of the median income.

The vouchers typically pay 70 percent of the cost of rent in the private housing market, with recipients paying the balance.

If their request is approved, Clinton administration officials said they hope to target a quarter of the new vouchers to particular populations—32,000 families where the breadwinner is moving from welfare to work, and 18,000 to people who are now homeless.

The advantage of vouchers, according to proponents, is that they allow mobility for the poor in a way that public housing complexes do not.

"It's not a building, it's a voucher; the voucher can move you to where the job is," said Housing and Urban Development Secretary Andrew M. Cuomo. "People moving off welfare tend to be in urban areas; the jobs they need tend to be in suburban areas."

Federal housing assistance was among the programs that attracted the most hostility from Republicans when they won control of Congress in 1994. But after several years on the defensive—including four years when the number of vouchers did not grow at all—the Clinton administration has enjoyed considerable success in recent years expanding the Section 8 program under which vouchers are distributed.

In budget showdowns with Congress, the White House in 1998 won funding for 50,000 new vouchers, and, earlier this fall, for an additional 60,000.

From the White House's vantage point, vouchers have gained enough political appeal that the program is one of those Clinton has chosen to highlight in his budget proposal early next year. In what has become an annual ritual, the White House is using the period around the holidays to selectively release parts of its annual budget request—with the idea that these items can draw news coverage during an otherwise quiet stretch.

Cuomo said the political consensus for vouchers as a preferred way of giving help to the poor is strengthening. "You have a president—and a secretary, with all due modesty—who have made it a priority," Cuomo boasted.

The Washington Post
WEDNESDAY, DECEMBER 29, 1999

Clinton Plans New Vouchers For Working-Class Housing

By MARC LACEY

WASHINGTON, Dec. 28 — President Clinton will propose 120,000 new housing vouchers for working-class families in the federal budget that he will send to Congress in February, administration officials said today. It would amount to the largest expansion of the housing program in a decade.

The vouchers allow low-income families to find their own housing, and to use government subsidies to help pay the costs. Congressional Republicans have been reluctant to finance the program at the levels requested by the president in recent years, resulting in a large backlog in applicants. After Mr. Clinton proposed money for 100,000 vouchers this year, Congress eventually approved 60,000.

Currently, 1.4 million families receive such housing vouchers. But a report prepared by the Department of Housing and Urban Development in March 1999 found that the number of families waiting for such assistance had increased to 600,000. The wait for vouchers has stretched to 10 years in Newark and Los Angeles, 7 years in Houston and 5 years in Chicago and Memphis, the report found.

Aides said the president's proposed expansion, which will cost $690 million, is designed to address a paradox of the current economic expansion. At the same time that the strong national economy is making many Americans rich, it is hurting millions of the nation's poorest people by making affordable housing more difficult to find.

"We have the greatest need for affordable housing in history," Housing Secretary Andrew M. Cuomo said today in an interview. "The strong economy is driving up rents. This is the most aggressive housing budget of his administration. It is the largest request of the decade."

White House aides said Mr. Clinton would include in his budget a package of vouchers intended for individuals who are moving from welfare to work, homeless people, those with large families and working-class families designated by local housing authorities. All recipients would have to meet strict income requirements, about $27,900 per family nationally.

"We see this as an important part of the overall strategy of supporting working families," an aide to Mr. Clinton said.

The president will deliver the broad outlines of his budget on Jan. 27 at his final State of the Union address. On Feb. 7, he will send the document to the Congress.

Housing experts say the voucher program grew steadily from 1978 until 1995, when Republicans in Congress stopped further expansions because of concerns about the management of the money. Since then, there have been only two moderate increases.

Representative Rick A. Lazio, the Long Island Republican who heads the House housing subcommittee, said the main question was how Mr. Clinton intended to finance the new vouchers.

"I strongly support additional vouchers, provided that the president can find an acceptable way to pay for them," Mr. Lazio said.

The vouchers continue to be sought-after commodities that can take years to obtain. The average subsidy, aides said, is about $400 a month. The tenant adds $223 a month, to cover an average rent of $623.

"Many low-income families don't live near where their jobs are and this program allows them to move closer," a White House official said. "Housing is expensive and it's hard to find. This program allows them to fill in the gap."

The New York Times
WEDNESDAY, DECEMBER 29, 1999

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release December 29, 1999

STATEMENT BY THE PRESIDENT

I am pleased to announce that my budget for FY 2001 will include $690 million for 120,000 new housing vouchers to help America's hard-pressed working families. These housing vouchers subsidize the rents of low-income Americans, helping them to move closer to job opportunities. Housing vouchers are a critical part of my Administration's efforts to reform welfare, reward work, support working families, and provide affordable housing for low-income families.

In today's booming economy, about two-thirds of new jobs are being created in the suburbs -- far from where many low-income families live. These new housing vouchers will enable families to move closer to a new job, reduce a long commute, or secure more stable housing that will help them get or keep a job. We should use 32,000 of the 120,000 new housing vouchers to help families moving from welfare to work, and use 18,000 vouchers to help homeless individuals and families secure permanent housing.

Last year, we worked with Congress to secure 50,000 housing vouchers, the first in four years. This November, we fought hard to provide 60,000 additional vouchers for hard-pressed working families in the final FY 2000 budget agreement -- after having been eliminated by both the House and Senate bills. As we work on the next budget, I urge Congress to join me in a bipartisan effort to fund new housing vouchers that will make housing more affordable for more working Americans.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release December 29, 1999

PRESIDENT CLINTON'S NEXT BUDGET WILL INCLUDE 120,000
NEW HOUSING VOUCHERS FOR AMERICA'S WORKING FAMILIES
December 29, 1999

Today, President Clinton will announce that his FY 2001 budget will include $690 million for 120,000 new housing vouchers to help America's hard-pressed working families. These housing vouchers subsidize the rents of low-income Americans, enabling them to move closer to job opportunities. Last year, the President secured 50,000 housing vouchers, the first in four years. This November, thanks to the President's leadership, 60,000 additional vouchers were included in the final FY 2000 budget agreement -- after having been eliminated in both the House and Senate bills. Now, as the President prepares to unveil his budget for the next fiscal year, he will urge Congress to fund this initiative and help make housing more affordable for more working Americans.

NEW VOUCHERS WILL HELP FAMILIES MOVE CLOSER TO JOBS. In today's booming economy, about two-thirds of new jobs are being created in the suburbs -- far from where many low-income families live. The new housing vouchers that are part of the President's new budget will help families move closer to a new job, reduce a long commute, or secure more stable housing that will help them get or keep a job. Families with housing vouchers pay about a third of their income in rent, with the vouchers paying the remainder of the cost (up to a maximum rent for a modest apartment in that locality.)

Of the 120,000 new housing vouchers proposed by the President, 32,000 will be targeted to families moving from welfare to work, 18,000 vouchers will help homeless individuals and families who would otherwise have the most difficult time securing permanent housing, and 10,000 vouchers will be used to help low-income families move to new housing constructed through the Low Income Housing Tax Credit. The remaining 60,000 vouchers will be allocated to local areas to help address the large unmet need for affordable housing.

HOUSING VOUCHER PROPOSAL BUILDS ON RECORD OF HELPING HARD-PRESSED WORKING FAMILIES. Housing vouchers are an integral part of the Administration's efforts to reform welfare, reward work, support working families, and provide affordable housing for low-income families.

110,000 Housing Vouchers Over Past Two Years. In FY 1999, the President proposed and Congress approved $283 million for 50,000 new welfare to work housing vouchers, which are now available to help 50,000 current or former welfare recipients in 35 states and two tribes to get or keep a job. Thanks to the President's leadership, the final FY 2000 budget included $347 million for an additional 60,000 housing vouchers for hard-pressed working families, as well as $10.8 billion for the renewal of all Section 8 rent subsidy contracts.

EITC Puts Money Back in Working Families' Pockets. In President Clinton's 1993 Economic Plan, EITC was expanded to make work pay for 15 million working families, and in 1998, the EITC lifted 4.3 million Americans out of poverty.

Health Care for Low-Income Working Families. The President has successfully fought to increase low-income families' access to health care. The President, with bipartisan support from the Congress, created the Children's Health Insurance Program (CHIP). The Balanced Budget Act of 1997 allocated $24 billion dollars over the next five years to extend health care coverage to uninsured children through State-designed programs. States will cover up to 5 million children through a combination of Medicaid and CHIP outreach.

Job Access Transportation Grants to help those on Welfare get to Work. The Transportation Equity Act for the 21st Century (TEA-21) authorized $750 million over five years for the President?s Job Access initiative and reverse commute grants. The Job Access competitive grants assist states and localities to develop flexible transportation alternatives, such as van services, for welfare recipients and other low-income workers. This program was funded at $75 million in FY 1999 and FY 2000. Last May, Vice President Gore awarded $71 million in FY 1999 funds to 179 communities in 42 states around the country.

Millions Moving from Welfare to Work. In 1992, President Clinton promised to end welfare as we know it, and three years after the enactment of the welfare reform law, welfare reform is working. We've seen revolutionary changes to promote work and responsibility: welfare rolls are down by half to their lowest level in 30 years, nearly four times more of those on welfare are working, and the employment rate of people receiving welfare in the previous year has increased by 70 percent. All fifty states are meeting the law's overall work requirement, and numerous independent studies confirm that people are moving in record numbers from welfare to work.

Child Care for Working Families. Under the Clinton-Gore Administration, federal funding for child care has increased by 80 percent, helping parents pay for the care of about 1.25 million children. Last year, the President proposed an historic child care initiative, but Congress failed to include these critical investments in the final FY 2000 budget.

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[With same edits as fact sheet posted on White House web page]

PRESIDENT CLINTON'S NEXT BUDGET WILL INCLUDE 120,000 NEW HOUSING VOUCHERS FOR AMERICA'S WORKING FAMILIES

12/29/99

Today, President Clinton will announce that his FY 2001 budget will include $690 million for 120,000 new housing vouchers to help America's hard-pressed working families. These housing vouchers subsidize the rents of low-income Americans, enabling them to move closer to job opportunities. Last year, the President secured 50,000 housing vouchers, the first in four years. This November, thanks to the President's leadership, 60,000 additional vouchers were included in the final FY 2000 budget agreement -- after having been eliminated in both the House and Senate bills. Now, as the President prepares to unveil his budget for the next fiscal year, he will urge Congress to fund this initiative and help make housing more affordable for more working Americans.

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Child Care for Working Families. Under the Clinton-Gore Administration, federal funding for child care has increased by 80 percent, helping parents pay for the care of about 1.25 million children. Last year, the President proposed an historic child care initiative to make child care better, safer and more affordable for America's working families, but Congress failed to include these critical investments in the final FY 2000 budget.

Francis S. Redburn 12/29/99 11:39:49 AM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP@EOP

cc: See the distribution list at the bottom of this message

Subject: Re: So what are "sticky" vouchers?

In addition to providing 60,000 incremental housing vouchers in 2000, Congress provided additional funds ($156 million) for "tenant protection," adding to amounts available from previous appropriations. These funds are used to create rental subsidies, as needed to protect tenants of project-based assisted housing and public housing who might otherwise face loss of subsidy.

Uses include providing *regular* vouchers to tenants moving from a failed project that is being foreclosed on or (in the case of public housing) demolished with HOPE VI or other fund and providing *enhanced or "sticky"* vouchers to tenants of a project whose owner decides to "opt out" of the Section 8 program at the end of his contract with HUD and convert the property to market rental. These are vouchers, in the sense that they are portable, but can be used to pay the full market rent of the tenant's unit after conversion to market, even if this is above the usual voucher payment standard; when the tenant eventually moves or turns in the voucher, it becomes part of the regular voucher program. Like other Section 8 subsidies, these are renewed every year as part of HUD's appropriation.

Tenant protection funds also are used to "mark up to market" project-based Section 8 subsidies (capped at 150 percent of the Fair Market Rent); this new approach, which OMB and HUD agreed on last Spring, allows HUD to negotiate with the owner to prevent his "opting out" by offering to subsidize the full market rent. thus giving the owner the same additional cash flow as converting to a market rental but with less risk since HUD is continuing to subsidize.

HUD uses one of these methods to protect tenants from adverse impacts and to ensure that they continue to be assisted as long as they remain eligible. As far as I know, there is no issue with the implementation of "sticky" vouchers, other than an issue of cost; our 2001 proposals will include a cap on maximum rent for these that matches the 150 percent cap on Mark Up to Market project-based subsidies.

The number of enhanced vouchers used is much less than projections, because the number of opt-outs is smaller. One reason there have been fewer opt-outs than HUD or others expected is that, under the Mark Up to Market initiative, HUD now can offer the owner an alternative to keep the project in the program. In my experience, projections of opt-outs have always been far higher than the actual numbers. Note also that there is no loss of housing assistance as suggested by Bond's person because assistance continues by one means or another. Contrary to the assertion in the article, incremental vouchers are not replacing housing that is lost "out the back door" because this is replaced with tenant protection vouchers.

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The Washington Times
THURSDAY, DECEMBER 30, 1999

Senator says Cuomo is playing politics with homeless

By Dave Boyer
THE WASHINGTON TIMES

A Republican senator has accused Housing and Urban Development Secretary Andrew M. Cuomo of turning New York City's homeless into political pawns in New York's Senate race after his federal takeover of a $60 million city fund.

Sen. Christopher S. Bond of Missouri, chairman of the Senate subcommittee that oversees HUD appropriations, demanded that Mr. Cuomo explain to him personally by Monday why he barred the city from administering the money for food and shelter.

"I am also troubled by the appearance that the homeless in New York have become pawns in some larger political strategy and will suffer at a time of year when the need for food and shelter is at the most critical and lives are at stake," Mr. Bond wrote to Mr. Cuomo on Tuesday.

When Mr. Cuomo announced the takeover last week, New York City Mayor Rudolph W. Giuliani said it was designed to make him look bad and called the move "Clinton politics come to New York." Mr. Giuliani, the likely Republican nominee for a U.S. Senate seat, is expected to face first lady Hillary Rodham Clinton in the New York campaign next year.

Mr. Cuomo, a New York native and an outspoken supporter of Mrs. Clinton, said Mr. Giuliani couldn't be trusted to administer the homeless fund fairly.

HUD spokesman David Egner said yesterday the department "will be responding to the senator."

"We have full legal authority to take appropriate action to ensure that federal funds are properly spent," he said.

Mr. Egner again denied that politics played any role in the takeover, saying the department responded to a federal judge's November ruling that Mr. Giuliani's administration had withheld money from an agency that was critical of him.

The Giuliani administration says its decision to bar funding for New York's Housing Works was based not on the group's criticism of City Hall, but because Housing Works cannot account for $500,000 missing from an earlier federal grant dispensed by the city. The city is appealing the judge's decision.

In his letter, Mr. Bond told Mr. Cuomo that he was disappointed to learn about "radical changes in housing policy" from newspaper articles, rather than being notified by Mr. Cuomo directly.

"This lack of notice only heightens my concern about the actual legal authority for this action ... and the overall ability of the Department to administer" the funds, Mr. Bond said.

The senator asked Mr. Cuomo to explain, among other questions, what criteria HUD used in taking its action and why the agency failed to detect problems with the city fund in its review process.

Meanwhile, Mr. Cuomo yesterday announced an administration proposal for $690 million in new federal housing money to give vouchers to 120,000 poor households to help meet the rent. The program is aimed at families earning more money than those who traditionally qualify for federal housing grants, as well as the very poor.

The vouchers would expand an existing $9.5 billion program that now serves up to 1.7 million poor households.

President Clinton proposes setting aside 18,000 of the new vouchers for homeless families and 32,000 for families moving from welfare to work. Tens of thousands of tenants across the country have lost their subsidized HUD housing — or risk losing it — as landlords drop out of the federal program known as "Section 8" to seek higher rents on the open market.

Julie Damann, chief of staff to Mr. Bond, said vouchers are "a short-term solution" that may add new families to the ranks of subsidized renters but do little to ensure they remain in stable housing situations in the future.

"HUD has been maybe a little too focused on new vouchers because it looks like you're helping more people — a big welcome mat at the front door — while you're losing others out the back door," she said.

• *This article is based in part on wire service reports.*

Scripps Howard News Service

December 29, 1999, Wednesday 11:48 AM Eastern Time

SECTION: COMMENTARY

LENGTH: 200 words

HEADLINE: PROGRAMS NOW, PAY LATER

BYLINE: An editorial / Dale McFeatters

BODY:

As the Clinton administration is wont to do, the White House has been taking advantage of a slack news period and Congress' absence to announce proposed new programs.

The announcements convey an impression of vigor and activity, and, with the GOP members of Congress scattered back to their districts, the Republicans are unable to reply effectively.

So far this week President Clinton announced two: a planned $10 million program to combat fraudulent online pharmacies and $890 million to double the number of low-income housing vouchers. Both programs will be in the fiscal 2001 budget he sends to Congress early next year. If the president follows past practice, more new programs are to come.

Unspecified in the announcements are the gloomy details of precisely how the government is to pay for these new programs. Under the budget rules - frequently flouted but still, technically, the law - the programs must be paid for by raising taxes or cutting spending elsewhere or some combination of both.

Perhaps the president did not want to spoil the holiday mood with talk of taxes and budget cuts. In any case, we may be waiting a long time for that particular announcement.

LANGUAGE: ENGLISH

LOAD-DATE: December 29, 1999

Cynthia A. Rice 12/29/99 10:36:18 AM

Record Type: Record

To: Andrea Kane/OPD/EOP@EOP

cc:

Subject: FYI -- a few housing Qs answered by Katherine yesterday

--------------------- Forwarded by Cynthia A. Rice/OPD/EOP on 12/29/99 10:35 AM ---------------------------

Katherine L. Meredith
12/28/99 05:00:44 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP@EOP, carice@erols.com @ Inet

cc: See the distribution list at the bottom of this message

Subject: HUD Tenant-based assistance

Here are some answers to your questions:

1) Tenant-based assistance is part of Section 8 of the 1937 U.S. Housing Act, which was amended in 1974 with a major restructuring of federal rental assistance for low income families. The 1974 act was a compromise between the Nixon Administration and the Democratic Congress, resulting in new construction and substantial rehabilitation, which received project-based assistance, and tenant-based (certificates) assistance. The 1974 act authorized tenant-based Certificates, the Voucher program, very similar to certificates, was authorized in 1983.

2) The Budget Authority allocation for new tenant-based assistance is based on various factors and covered in 24 CFR 792.402. First, the following factors are used to determine the relative need for assistance for each county and independent city in the field office jurisdictions (weight of each factor is given).

1. Population--weighted at 20 percent. Renter population.

2. Poverty--weighted at 20 percent. The number of renter households with annual incomes at or below the poverty level (defined by the Census).

3. Housing overcrowding--weighted at 10 percent. Number of renter-occupied housing units with an occupancy ratio of 1.01 or more persons per room.

4. Housing vacancies--weighted at 10 percent. Number of renter housing units that would be required to maintain vacancies at levels typical of balanced market conditions.

5. Substandard housing--weighted at 20 percent. Number of housing units built before 1940 and occupied by renter households with annual incomes at or below the poverty level, as defined by the Census.

6. Other objectively measurable conditions--weighted at 20 percent. Data indicating potential need for rental housing assistance, such as the number of renter households with incomes below specified levels and paying a gross rent of more than 30 percent of household income.

Second, the field office then does its own allocation plan to provide for the equitable distribution of budget authority, and the budget authority is awarded per a competition.

3) Finding the split of vouchers/certificates by city is harder information to find. HUD's web site has a listing of all PHA's and the number of low-income (public housing) and section 8 units they provide, but some cities like New York have several different authorities administering vouchers and each one is listed separately. FYI, the address is:
http://www-domino.hud.gov/pih/halist.nsf/By+State+with+Addresses?openview

Thanks,

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Q&A on FY 2001 Housing Vouchers
12/23/99 DRAFT

Q: What did the White House announce today?

A: Today, President Clinton announced that he will include $690 million for 120,000 additional housing vouchers to subsidize the rents of America's hard-pressed working families and enable them to move closer to economic opportunities. This November, because of the President's leadership, 60,000 new housing vouchers were added to the final budget after having been left out of both the House and Senate bills, and last year the President secured 50,000 vouchers, the first in four years. This year, the President will urge Congress to join him in providing affordable housing to more hard-pressed working families playing by the rules.

Q: Which families will be eligible for the housing vouchers?

A: Of the 120,000 total rental assistance vouchers, the Administration proposes to designate 32,000 for families moving from welfare to work, 18,000 for homeless individuals and families, and 10,000 for families moving to new housing constructed with the Low Income Housing Tax Credit, with the remaining 60,000 allocated to public housing agencies on a 'fair share' formula to help them address the long waiting lists for assisted housing.

To receive a housing voucher, a family would need to have income below 50 percent of the area median income. Public housing authorities are free to set their own priorities among eligible families, but must target at least 75 percent of vouchers to those with income below 30 percent of the area median income. (National median income for a family of four was $55,886 in 1998, so 30 percent equals $16,766 or close to the federal poverty line of $16,700, and 50 percent equals $27,943.)

Q: How will each type of voucher work?

A: All these housing vouchers will be used to rent housing in the private market. Tenants will pay the landlord 30 percent of their adjusted income for rent, and the federal funds will be used to pay the landlord the difference between the "fair market rent" and the tenant's rental payment up to a reasonable rental rate for a modest apartment. The average fair market rent, which varies widely around the country, is $623 a month, the average tenant contribution is roughly $223, and the average HUD subsidy is $400.

- Welfare to work vouchers: 32,000 vouchers would be available to families eligible for or currently receiving welfare, or who received welfare within the past year, and who need the voucher to get or keep a job. The vouchers would be awarded on a competitive basis to local housing agencies, including Indian Housing authorities, who submit applications developed in partnership with the state, local or tribal agency administering Temporary Assistance for Needy Families (TANF) and the local entity (generally the Private Industry Council) receiving Welfare-to-Work funds allocated on a formula basis by the U.S. Department of Labor. HUD, working with HHS and DOL, will review local applications and select the most promising ones based on established criteria.

- Homeless vouchers: 18,000 vouchers would be available to help homeless individuals and families who would otherwise have the most difficult time in securing permanent housing resources.

- Low-Income Housing Tax credit vouchers: 10,000 vouchers would be available to help low-income families move to new housing constructed through the Low Income Housing Tax Credit. These vouchers will be used along with payments to developers of 40,000 LIHTC units as an incentive to increase the supply of larger units (which are often hard for large families to find) in low-poverty areas.

- Fair-Share formula vouchers: 60,000 vouchers would be allocated to local housing authorities on a formula basis.

Q: What's the difference between regular housing vouchers and welfare to work housing vouchers?

A: The welfare to work vouchers provide a targeted strategy to help current and former welfare recipients for whom housing assistance is critical to getting or keeping a job. By using a competitive approach, it targets resources to those communities who demonstrate the greatest need and strongest plan for coordinating with their local welfare and employment agencies.

Q: Aren't you just replacing one form of welfare with another?

A: No. Families will be eligible for the welfare to work vouchers only if they are working. This is not a free ride -- while these vouchers will make housing more affordable, most families will still have to spend about 30 percent of their income for rent.

Q: Given the shortage of affordable housing nationwide, why give welfare recipients special preference for 32,000 of these new vouchers? Will this create an incentive for people to get on welfare in order to get housing?

A: We think it makes sense to assist families who are working hard to leave welfare and make a better life. These vouchers will only be available to those who are working and for whom the voucher is critical to that family getting or keeping a job. Families on welfare are already eligible for housing assistance, although there are long waiting lists in most communities. Besides, with the tough work requirements and time limits on welfare, we don't think people will sign up for welfare just to get a housing voucher.

In addition to the 32,000 vouchers targeted for welfare to work, the budget also includes 88,000 vouchers for other low-income families.

Q: Is there any evidence that people need this help? How do you know housing vouchers will make a difference?

A: Overall, there are over 5 million households with 'worst case housing needs', who earn less than 50 percent of the area median income and pay more than half their incomes in rent, live in severely substandard housing, or both. A recent HUD report found that the average time people spent on waiting lists to get a Section 8 rental assistance voucher rose from 26 months in 1996 to 28 months in 1998, with waits ranging from 5 to 10 years in Chicago, Memphis, Houston, New York, Los Angeles and Newark.

In addition to making an important step to increase access to affordable rental housing, the new vouchers will help address the problem that in many regions, jobs are being created far from where many welfare recipients and other low income families live. Currently, about two-thirds of new jobs are being created in the suburbs, but three of four welfare recipients live in rural areas or central cities.

There is great demand for welfare to work housing vouchers -- in FY 99, applications for these vouchers far exceeded the 50,000 vouchers available.

Q: Why are you only proposing 120,000 vouchers? Isn't that a drop in the bucket?

A: Overall, there are about 1 million very low-income working families with children who pay over 50 percent of their income for rent or live in substandard housing, and are not currently getting HUD assistance. These 120,000 new vouchers can meet 12 percent of this need.

Also, the 120,000 new vouchers will increase the overall supply of portable housing vouchers by about 7 percent -- a meaningful investment. With the 110,000 vouchers enacted over the last two years, about 1.7 million households will receive portable rental assistance, of which about 65% are families with children.

Q: What else is the Administration doing on housing?

A: New housing vouchers are just one part of our broader housing strategy, which includes attracting more working people to public housing, helping more housing residents get jobs, and getting rid of the worst public housing. This proposal would add 120,000 new vouchers to the 1.7 million portable Section 8 tenant-based housing vouchers. In addition, HUD currently subsidizes 1.4 million units of project-based Section 8 housing, and 1.3 million units of public housing.

- Section 8 <u>project-based</u> housing subsidies are not portable. They consist of rental units in buildings owned and operated by private owners (for profit and nonprofit).
- <u>Public housing</u> consists of rental units owned and operated by public housing authorities. Federal subsidies help cover operating costs and are distributed to housing authorities on a formula basis.

Office of Policy Development and Research

Characteristics of HUD-Assisted Renters and Their Units in 1996

Female-Headed Households

Female-headed Households	Public Housing	Certificate/ Voucher	Private Project-Based	Total Income-Eligible Renters
One person	30%	20%	35%	25%
Two or more persons	42%	53%	34%	33%
One-person elderly	22%	11%	29%	15%
Total elderly	26%	13%	29%	17%

Thus, the composition of the relatively high proportion of female-headed households varies by program, with two or more person, female-headed households more common in the certificate/voucher program than in the other two programs, and one person, female-headed households more prevalent in private, project-based, subsidized units and public housing than in certificate/voucher units. Elderly, female-headed households (most of whom are one-person households) also reside primarily in the two project-based programs. The lower participation of elderly, single females in the certificate/voucher program may reflect the availability of units in many localities that were targeted and designed specifically for the elderly in the public housing stock and in the programs included in the private, project-based category (e.g. Section 202 elderly housing or Section 236 projects constructed for elderly use only). Also, many PHAs may have made a conscious decision to allocate more certificates and vouchers to families with children during the time - until quite recently - that they could allocate units to separate waiting lists by bedroom size.

Elderly-headed households, regardless of size of household or sex of head, comprised 39 percent (42 percent in 1991) of private, project-based, subsidized tenants and 36 percent (40 percent in 1991) of public housing occupants, compared to 18 percent (22 percent in 1991) of certificate/voucher households, 22 percent (26 percent in 1991) of total, income-eligible households and 14 percent (also 14 percent in 1991) of all renters. These changes from 1991 are not statisticallly significant at the 95 percent confidence level.

B. Number of Children under 18 Years

Only 39 percent of certificate/voucher tenants had no children under 18, compared to a range of 55 to 62 percent of all the other groups analyzed, reflecting the much younger ages of

60% of certif/voucher holders
have children

certificate/voucher tenants and the higher proportions of families.

About 66 percent of total assisted households with children had only one adult, higher than the 50 percent of total income-eligible renters or the 34 percent of total renters. Single-parent households in all three subsidy types were reported at higher proportions than in 1991, when the proportions were 56, 60, and 59 percents for public, certificate, and private types, respectively, and also higher than in 1989 (55, 64, and 46 percents.) The certificate/voucher changes are not statistically significant, but there is no readily apparent reason for the increases in public housing or the private programs. As stated on page 6, the change in weighting from 1989 to 1991, and the small sample sizes for public housing and private, projecr-based housing may account for these apparent changes in single-parent families.

Households with Children

Composition	Public Housing	Certificate/ Voucher	Private Project-Based	Total Income-Eligible Renters
1 or 2 children	29%	41%	31%	31%
3 or more children	16%	19%	10%	13%
Single parent/ guardian	67% 45	67% 60	65%	50%

C. Number of Persons and Persons per Room

Tenants in certificate/voucher units have substantially larger households as measured by median household size than total income-eligible renters, while private, project-based, subsidized households, and to a lesser extent, public housing households, are smaller. This tendency toward larger houselds is also relected to a lesser extent among worst case need renters (65 percent). Smaller medians in public housing and private, project-based, subsidized units reflect the high proportion of one-person households discussed earlier. Crowding (more than one person per room) is less prevalent in private, project-based units than in the other groups.

Household Size

	Public Housing	Certificate/ Voucher	Private Project-Based	Total Income-Eligible Renters
One person	46%	27%	50%	40%
2 - 4 persons	43%	61%	42%	47%
5 or more persons	11%	12%	7%	11%
Median persons	1.8	2.4	1.5	2.0
Overcrowded	4%	5%	2%	6%

D. Presence of Other Persons

About 18 percent of public housing tenants had relatives other than their spouse or children residing with them, compared with 22 percent in 1991. About 17 percent of certificate/voucher tenants (unchanged from 1991), 10 percent of private, project-based, subsidized tenants (down from 14 percent in 1991), and 16 percent of total, income-eligible renters (compared with 15 percent in 1991), had such relatives living in their units.

Few households in any of the assisted programs had non-relatives residing with them.

E. Household Income

Median household income was lowest among public housing tenants at $7,267. In contrast, the median incomes for the other groups were $8,119 for certificate/voucher tenants, $8,385 for private, project-based, subsidized tenants, $9,157 for income-eligible, unassisted renters, and $19,606 for total renters. It was $7,740 for worst case needs renters.

Only 29 percent of public housing tenants reported income received from wages and salaries, compared to 46 percent of certificate/voucher households and 38 percent of private, project-based, subsidized tenants. The proportions in all three program types were little changed from 1991 and were lower than the 54 percent of income-eligible, unassisted tenants and the 74 percent of total renter households who receive wage and salary income. The lower proportions of assisted tenants receiving income from employment is partially attributable to the high proportions of elderly households.

About 45 percent of both public housing and private, project-based, subsidized tenants received income from Social Security or pensions, reflecting the high concentration of elderly households in these programs. Only 25, 31, and 19 percent of certificate/voucher, income-eligible, unassisted and total renter households, respectively, received Social Security or pension income.

Much higher proportions of public housing and certificate/voucher households reported receiving welfare and Food Stamps than private, project-based households and unassisted, income-eligible households. The proportion of subsidized households in the three programs receiving welfare was statistically unchanged from the two earlier years, but the proportion of unassisted, income-eligible households receiving welfare declined, especially from 1991. The proportion of subsidized households receiving Food Stamps increased from one or both of the earlier years (public housing, from 49 percent in 1989 to 56 percent in 1993; certificates/vouchers, from 49 percent in 1991 to 57 percent in 1993; private, project-based, from 25 percent in 1989 and 28 percent in 1991 to 39 percent in 1993), while the proportion of eligible, unassisted households receiving Food Stamps declined (from 30 percent in 1989 and 34 percent in 1991 to 23 percent in 1993).

A cautionary note is needed when comparing interest and dividend income (not shown below but shown in Summary Table 2 and in the detailed tables in Appendix III) received by subsidized renters and by all renters in 1993 with such income received in 1991 or earlier years. The question was changed substantially in 1993, eliciting much higher responses than did the older, more restrictive forms of the question; the data are not comparable between 1993 and earlier years.

Primary Income Sources and Median Income

Income Source	Public Housing	Certificate/ Voucher	Private Project-Based	Unassisted Income-Eligible Renters
Wages/salaries	29%	46%	38%	54%
Social Security/ Pensions	45%	25%	45%	28%
Welfare/SSI	44%	47%	28%	23%
Food Stamps	56%	57%	39%	31%
Median Income	$7,267	$8,119	$8,385	$9,157

MYS uam, it's in thousands

TABLE 1

1993 HOUSEHOLDER CHARACTERISTICS
(numbers in thousands)

	Total Assisted Renters		Public Housing Tenants		Certificate or Voucher Tenants		Private Project-based Tenants		Eligible Unassisted Renters		Total Worst-Case Renters		Total Income-Eligible Renters		Total Renter Households	
	Number		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Households	4054	100	1138	100	1200	100	1716	100	11741	100	4849	100	15795	100	33472	100
Race and Origin																
White	2183	54	476	42	674	56	1034	60	8279	71	3354	69	10462	66	25151	75
Non-Hispanic	1869	46	378	33	564	47	927	54	6726	57	2644	55	8594	54	22001	66
Hispanic	314	8	97	9	110	9	107	6	1565	13	710	15	1869	12	3151	9
Black	1625	40	610	54	413	34	601	35	2656	23	1104	23	4281	27	6340	19
Other	246	6	53	5	113	9	80	5	806	7	391	8	1052	7	1981	6
Total Hispanic	416	10	142	12	147	12	129	8	1852	16	871	18	2270	14	3826	11
Age																
Under 25 years	417	10	114	10	122	10	181	11	1771	15	841	17	2189	14	4164	13
25 to 29	454	11	115	10	169	14	170	10	1597	14	640	13	2051	13	5351	16
30 to 34	520	13	83	7	221	18	216	13	1475	13	600	12	1995	13	5326	16
35 to 44	691	17	186	16	243	20	262	15	2303	20	926	19	2993	19	7673	23
45 to 54	385	10	97	9	-145	12	144	8	1174	10	484	10	1561	10	4008	12
55 to 64	291	7	128	11	87	7	76	4	946	8	385	8	1239	8	2369	7
65 to 74	621	13	193	17	90	8	238	14	1120	10	442	9	1641	10	2193	7
75 and over	774	19	222	20	122	10	431	25	1352	12	530	11	2126	13	2478	7
Median	44		62		39		47		39		39	1	41		37	
Education																
No years completed	33	1	16	1	17	1	0	0	126	1	60	1	159	1	188	1
Elementary:																
less than 8 years	459	11	212	19	111	9	136	8	1057	9	457	9	1516	10	1812	5
8 years	256	6	87	8	64	5	105	6	711	6	288	5	967	6	1194	4
High School																
1 to 3 years	1000	25	314	28	262	22	424	25	2250	19	944	19	3249	21	4348	13
4 years	1562	39	348	31	474	40	740	43	4223	36	1718	35	5785	37	11923	36
College																
1 to 3 years	542	13	118	10	194	16	230	13	2072	18	887	18	2614	17	6935	21
4 years or more	202	5	43	4	78	7	81	5	1303	11	518	11	1506	10	7072	21
Median	12.2		11.6		12.3		12.3		12.4		12.4		12.3		12.8	
Year Moved In																
1990 to 1994	2183	54	538	47	760	63	884	52	7807	66	3434	71	9990	63	23079	69
1985 to 1989	1036	26	326	29	279	23	432	26	1902	16	687	14	2938	19	5767	17
1980 to 1984	479	12	117	10	66	6	296	17	749	6	272	6	1227	8	2013	6
1975 to 1979	190	5	68	6	40	3	82	5	480	4	179	4	670	4	1059	3
1970 to 1974	98	2	51	4	25	2	22	1	265	2	104	2	363	2	595	2
1960 to 1969	47	1	22	2	25	2	0	0	294	3	116	2	342	2	583	2
1950 to 1959	17	0	17	1	0	0	0	0	129	1	30	1	146	1	209	1
1940 to 1949	2	0	0	0	2	0	0	0	65	1	15	0	67	0	104	0
1939 or earlier	2	0	0	0	2	0	0	0	49	0	12	0	62	0	63	0

1993 data, #'s in thousands

TABLE 2

199 HOUSEHOLD CHARACTERISTICS
(numbers in thousands)

	Total Assisted Renters		Public Housing Tenants		Certificate or Voucher Tenants		Private Project-based Tenants		Eligible Unassisted Renters		Total Worst-Case Renters		Total Income-Eligible Renters		Total Renter Households	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Households	4054	100	1138	100	1200	100	1716	100	11741	100	4849	100	15795	100	33472	100
Household Composition																
2 or more persons	2348	58	620	54	876	73	852	50	7179	61	3085	64	9526	60	21836	65
Married couples	524	13	118	10	192	16	217	13	2652	23	798	16	3176	20	9952	30
Elderly (65+)	103	3	26	2	24	2	53	3	330	3	105	2	433	3	824	2
Other male	125	3	23	2	51	4	52	3	995	8	513	11	1120	7	3910	12
Elderly (65+)	13	0	0	0	7	1	5	0	71	1	30	1	83	1	171	1
Other female	1698	42	482	42	633	53	583	34	3532	30	1773	37	5230	33	7974	24
Elderly (65+)	80	2	44	4	22	2	14	1	205	2	86	2	284	2	402	1
1 person	1706	42	518	46	324	27	864	50	4562	39	1765	36	6268	40	11636	35
Male	522	13	174	15	88	7	260	15	1792	15	667	14	2313	15	5548	17
Elderly (65+)	228	6	90	8	31	3	106	6	373	3	135	3	601	4	761	2
Female	1185	29	343	30	237	20	605	35	2770	24	1098	23	3955	25	6089	18
Elderly (65+)	872	22	265	22	128	11	490	29	1493	13	617	13	2365	15	2523	8
Total female	2883	71	825	72	870	73	1188	69	6302	54	2871	59	9185	58	14063	42
Total elderly	1296	32	415	36	212	18	668	39	2472	21	973	20	3768	24	4671	14
Total eld. female	952	23	299	26	150	13	504	29	1698	14	703	14	2650	17	2926	9
Persons in Household																
1 person	1706	42	518	46	324	27	864	50	4562	39	1765	36	6268	40	11636	35
2 persons	767	19	176	15	292	24	289	17	2605	22	1203	25	3362	21	9351	28
3 persons	726	18	202	18	264	22	259	15	1881	16	801	17	2607	17	5656	17
4 persons	473	12	115	10	176	15	180	10	1348	11	535	11	1821	12	3813	11
5 persons	239	6	81	7	87	7	71	4	755	6	280	6	994	6	1840	6
6 persons	95	2	27	2	32	3	38	2	317	3	143	3	412	3	895	2
7 persons or more	59	1	20	2	22	2	17	1	272	2	122	3	331	2	482	1
Median	1.9		1.8		2.4		1.5		2.0		2.0		2.0		2.0	
Persons per Room																
0.50 or less	2319	57	641	56	619	52	1060	62	6650	57	2661	55	8969	57	20316	61
0.51 to 1.00	1604	40	454	40	524	44	626	36	4247	36	1807	37	5851	37	11654	35
1.01 to 1.50	115	3	39	3	53	4	23	1	600	5	249	5	715	5	1154	3
1.51 or more	16	0	4	0	5	0	7	0	243	2	143	3	259	2	349	1
Number of Children under 18																
None	2103	52	626	55	472	39	1005	59	6695	57	2761	57	8798	56	20848	62
1	647	16	144	13	257	21	246	14	1927	16	803	17	2574	16	5423	16
2	718	18	187	16	239	20	293	17	1679	14	666	14	2397	15	4291	13
3	354	9	115	10	149	12	90	5	854	7	371	8	1208	8	1885	6
4	158	4	38	3	57	5	64	4	378	3	160	3	536	3	703	2
5	43	1	12	1	20	2	11	1	138	1	58	1	181	1	225	1
6 or more	30	1	16	1	7	1	7	0	71	1	34	1	101	1	118	0
Median	0.5		0.5		1.0		0.5		0.5		.5		0.5		0.6	
Hshlds w/children	1851	46	512	45	728	61	711	41	5048	43	2098	43	6997	44	12625	38
Children in hshlds w/1 adult	1291	32	342	30	490	41	460	27	2200	19	1072	22	3491	22	4242	13
As % of all hshlds w/children	66		67		67		65		44		51		50		34	

1993 data

TABLE 2

199 HOUSEHOLD CHARACTERISTICS
(numbers in thousands)

	Total Assisted Renters		Public Housing Tenants		Certificate or Voucher Tenants		Private Project-based Tenants		Eligible Unassisted Renters		Total Worst-Case Renters		Total Income-Eligible Renters		Total Renter Households	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Persons not Spouse or Children																
Relatives	585	14	207	18	202	17	176	10	1951	17	773	16	2536	16	5339	16
Non-relatives	108	3	13	1	58	5	37	2	1141	10	736	15	1260	8	4503	13
Median Income	$7,948		$7,287		$8,119		$8,385		$9,157		$7,740		$8,792		$10,606	
Median Rent	$211		$188		$282		$227		$419		$478		$375		$482	
Rent/Income Ratio																
Less than 20%	827	15	200	18	137	11	289	17	479	4	28	1	1108	7	7706	23
20 to 24%	468	12	124	11	118	10	226	13	482	4	38	1	950	6	3991	12
25 to 29%	684	17	229	20	158	13	297	17	790	7	44	1	1474	9	3549	11
30 to 34%	661	14	209	18	138	12	213	12	958	8	52	1	1618	10	2909	9
35 to 39%	293	7	71	6	102	9	120	7	862	7	53	1	1155	7	2013	6
40% or more	914	23	193	17	372	31	360	20	6262	53	4533	93	7176	45	9090	27
No cash rent or negative income	340	8	78	7	119	10	144	8	1445	12	79	2	1784	11	2843	8
Not reported	168	4	38	3	55	5	77	4	464	4	22	0	633	4	1311	4
Median (excl. 2 previous lines & 100% or more)	29		29		32		28		43		65		38		28	
Income Source																
Wages and salaries	1532	38	327	29	549	46	656	38	6378	54	2284	47	7911	60	24749	74
Business	40	1	4	0	16	1	20	1	850	3	146	3	390	2	1921	6
Soc. sec./pensions	1568	39	507	45	298	25	764	45	3254	28	1355	28	4823	31	6484	19
Interest/dividends	634	16	178	16	114	10	342	20	2234	19	980	20	2868	18	10537	31
Rental income	98	2	7	1	49	4	43	3	818	7	555	11	916	6	3879	12
Welfare or SSI	1536	38	503	44	558	47	475	28	2644	23	1399	29	4179	26	4434	13
Alimony/child supp	324	8	56	5	156	13	112	7	739	6	344	7	1063	7	1951	6
Other	488	12	129	11	154	13	204	12	1695	14	732	16	2183	14	4886	15
Food Stamps	1985	49	636	56	686	57	661	39	3692	31	1846	38	5677	36	5714	17

LETTERS TO THE EDITOR

Silence of the CPI

Sen. Daniel Patrick Moynihan's letter [Dec. 19] about the consumer price index (CPI) says the CPI is overestimated. But the CPI seriously undervalues the true cost of living.

The CPI is silent about the prodigious costs involved in divorces, remarriages and other modern lifestyles, including the care of the elderly, that are unfortunately the norm. It does not take adequate account of the huge credit costs typical of modern families, not just the Shylock-style interest charges but the copious and increasingly frequent bank charges of all sorts. And it is careless of the scandalously rapacious health costs, including the sadly widespread costs of ministering to mental health at all ages and the generally ignored and unreal dental costs.

Taxes, especially payroll taxes, typically account for a larger share of payroll each year. Other costs are in need of more serious debate than they have received.

ALAN BIRD
Alexandria

Open the Avenue

Bruce Laingen's letter on the "Pennsylvania Avenue parking lot" [letters, Dec. 19] must remind thousands of frustrated motorists how stupid was the closing of this main east-west artery in the nation's capital.

Let us hope the next occupant of the White House will have the intestinal fortitude to consent to the re-opening of this big-wig "parking lot" for L'Enfant's original plan.

Surely, our deep thinkers can find a way to lessen the risk of explosions on the White House grounds. For example, truck traffic and those stupid SUVs could be prohibited. Or perhaps the avenue could be depressed gradually between 15th and 17th streets to reach several feet opposite the White House. Could a protective transparent wall be constructed behind the present iron fence?

Surely some method can be devised whereby this main New York-Pennsylvania Avenue crosstown corridor could be re-opened to motor traffic.

JOSEPH LEE HUDSON
Arlington

On $1,000 a Month

While not playing down the results of Alexandria's welfare reform, a look at an average family's finances is hardly reassuring ["Study Finds Post-Welfare Improvements," Virginia Weekly, Dec. 16]. According to the paper, the average family income for those coming off welfare is just $1,058 per month. This is not enough to pay for housing, unless it is subsidized, or child care, unless it is subsidized. Rents in Northern Virginia are soaring, taking advantage of a tight housing market. In many cases, landlords will not accept any tenants who earn less than $30,000 per year.

With less expensive two-bedroom apartments renting for $700—plus utilities—the family budget is not going to be enough to cover housing expenses plus food, transportation, child care, medicine and other essentials. In addition, even when families have health insurance they may not have health benefits such as sick leave. So a sick child or adult may not "cost" in a doctor's visit, but it will cost in lost wages.

We cannot consider social-service reform a success unless we provide access to affordable, decent housing and child care. If welfare reform is to be successful, below-market rentals are essential. Becoming homeless does not help families achieve success.

SHIRLEY M. MARSHALL
Executive Director
Good Shepherd Housing
And Family Services Inc.
Alexandria

V. Walker
atreat

Post 12/29/99

Francis S. Redburn 12/29/99 01:14:30 PM

Record Type: Record

To: Andrea Kane/OPD/EOP@EOP

cc: Katherine L. Meredith/OMB/EOP@EOP, James F. Jordan/OMB/EOP@EOP, Andrea E. Jacobson/OMB/EOP@EOP, Xavier_Briggs@HUD.GOV @ INET

Subject: Portland (and other) Regional Housing efforts - how Fed Govtcould be more supportive

I think you'll find the attached interesting, especially the "regional placeholder" document, which includes references to Welfare to Work housing vouchers administered by a regional alliance and other linkages to jobs/welfare reform.

---------------------- Forwarded by Francis S. Redburn/OMB/EOP on 12/29/99 01:08 PM ---------------------------

Xavier Briggs <Xavier_Briggs@HUD.GOV>
12/28/99 06:31:12 PM

Record Type: Record

To: "Briggs, Cathey" <cbriggs@ci.portland.or.us>

cc: See the distribution list at the bottom of this message

Subject: Portland (and other) Regional Housing efforts - how Fed Govtcould be more supportive

---

hi cathey --

i won't drop off the screen on regionalism or other issues at HUD, just switch roles in a few weeks. but i'm copying a few more of the folks at HUD and OMB that can engage with your work around inter-jurisdictional housing investments and look for ways for HUD to be more supportive of these and other local efforts. susan wachter, assnt secretary for policy devt and research (and the "bridging the divide" organizer and host) and ken williams, the deputy assnt secretary in CPD under whom HOME falls, are particularly crucial on the HUD side, and i've included him above, as is shaun donovan in FHA (multi-family housing policy and programs). so, too, are steve redburn and keith laughlin at the white house, with whom we've worked closely on regional housing and other smart growth issues.

when feeding a bureaucracy, the key, as you know, is to figure out what questions the bureaucracy will put to your request, above and beyond the formal planning reqs for the block grant programs. the con plan "placeholder" you attached below is helpful, but here a few things for you to think about and further educate us on:

1. what was ARCH in ex-urban seattle able to do an inter-jurisidctional housing trust fund partially capitalized by HUD in spite of the regulatory barriers? and why can't you, or won't you, do what they did? i don't ask these questions to put you on the defensive, but these questions quickly arise as i think about HUD "getting out of the way of things creative." (again, we gave ARCH the HUD secretary's award for empowerment thru the American Planning Assn's national awards program this past year.)

2. are there other-than-block-grant vehicles thru which HUD could efficiently help capitalize production funds or pools that cross jurisdictional lines? i don't know that any "unallocated" (do you mean unobligated?) HOME funds are allocatable by HUD discretion, and in general no one should expect major new resources from above given the federal budget squeeze, but a highly leveraged competitive pot could be created and tied to HOME (the appeal is that the existing program could more efficiently be used across jurisdictions whether or not there is "new money" on the table--this was the proposal for FY99 budget, for a "Regional Affordable Housing Initiative" tied to HOME, on which we ultimately folded for lack of strong constituency). or a new program ale to flexibly capitalize housing pools nationwide might be better suited to breaking the jurisdiction-by-jurisdiction blinders.

3. for 2 years running, we have had another proposal--regional connections--that could help with efforts like yours (though the intent is to go much broader than housing to accelerate inter-jurisdictional efforts at smart growth at which metro portland is already so advanced). here's last year's proposal, for reference:
(See attached file: regional connections onepager2.doc)

4. a number of HOME jurisdictions apply as "consortia" for size-of-community reasons (marsha dodge, above has info). what's to be learned from their experience?

5. the issue of new incentives from above aside, how many other communities are trying to take very specific steps but are thwarted by HUD regs or statutes governing HUD programs?

6. can major new roles--financial and political--for regional employers be "leveraged" (financially and in other senses of the term) thru inter-jurisdictional housing work of this kind? presumably, if our production capital better tracked the geography of markets (incl markets for regional labor), employers would have a greater incentive to be actively involved in affordable housing (the way they were in the first industrial, great "city building" period). this is the clear story of the silicon valley manufacturing group, which is helping to capitalize (and lend huge political support to) a conty-based, inter-city housing trust fund in the bay area, where the jobs/affordable housing imbalance is as bad as anywhere.

pls send us more.

thanks - to be continued - xav

"Briggs, Cathey" <cbriggs@ci.portland.or.us> on 12/28/99 01:11:14 PM

To: Xavier Briggs/PDR/HHQ/HUD@HUD
cc:
Subject: HUD's Bridging the Divide Conference

Xavier - I attended the conference and the breakout session on growth management strategies. I made the point in that session that there are regulatory obstacles (and few incentives) for jurisdictions trying to work together at the regional level. You asked me to let you know what we're doing here in the Portland metro region and what HUD could do.

I have since learned that you are leaving HUD within a week or so. I would really like to pursue some of our ideas with someone at HUD Central, but don't know who that is. Would you please let me know if there is anyone besides you who is truly interested in working with local jurisdictions that are trying to work together on a regional basis?

I am attaching a draft "placedholder" as we're calling it here, for the Consolidated Plan. The federal entitlement jurisdictions (local and State) and the PHA's have agreed to include a common regional strategy element in their respective Consolidated or PHA Plans.

We've had two meetings thus far and have another meeting planned for February 2. One of the bonuses we have going for us is that the Enterprise Foundation has pledged a $20 million regional "Smart Growth" loan fund. The Portland/Multnomah County HOME consortium has offered to kick in 10% of its HOME money into a regional pool to provide gap financing or loan guarantees or whatever to leverage the fund. Other jurisdictions haven't committed to the HOME idea yet. They've pointed out that HUD regulations don't allow them to spend HOME funds outside their entitlement area. (A barrier that HUD could remove).

HUD has some powerful incentives to offer if they would do it - how about using the unallocated HOME funds as a 2:1 match for a local regional fund? In order to make regionalism work for local elected officials, they have to know that it doesn't mean just moving the same amount of money around the region. They have to know that by working together on a regional basis - and yes spending their money outside their own jurisdiction, that they can actually attract more money to meet local and regional needs.

I would have polished this more for you, but was more interested in getting something to you before you leave.

Regards and best wishes at Harvard -

Cathey Briggs
Program Manager
City of Portland
(503) 823-5637

<<regional placeholder revised.doc>>

- regional placeholder revised.doc

- regional connections onepager2.doc

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Francis S. Redburn 12/23/99 09:04:40 AM

Record Type: Record

To: Andrea Kane/OPD/EOP@EOP

cc: katherine l. meredith/omb/eop@eop
Subject: Re: housing Q

I wouldn't say we are going to pay for these with cuts elsewhere. We have some language drafted on this for the 2001 Budget narrative which Katherine can share with you. In the first week in January, we will make a decision on whether and/or how to link specific proposals for savings and new receipts with the costs of incremental vouchers. I don't think we'll need to answer the question before then.

Previous documents/statements on housing vouchers

From DPC FY 2000 Budget Description

Welfare-to-Work Housing Vouchers: Last year's budget contained $283 million for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families will use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. The FY 2000 budget proposes $144 million for an additional 25,000 vouchers, increasing the total number of welfare-to-work vouchers by 50 percent to 75,000 and bringing total funding to $430 million.

From FY 2000 Budget Wins Document (11/18/99)

Funding 60,000 New Housing Vouchers for America's Hard-Pressed Working Families: The budget includes $347 million for 60,000 new housing vouchers for low-income families, building on last year's level of 50,000. The House and Senate-passed bills had included zero funding for this initiative. These vouchers will subsidize the rents of America's hard-pressed working families, enabling them to move closer to economic opportunities.

Statement on Awarding FY 99 Vouchers (10/1/99)
THE WHITE HOUSE

Office of the Press Secretary

For

For Immediate Release October 1, 1999

STATEMENT BY THE PRESIDENT

The Department of Housing and Urban Development yesterday released $280 million in rental assistance vouchers to help 50,000 families in 35 states move from welfare to work. These housing vouchers are an integral part of our efforts to reform welfare, reward work, and provide affordable housing for low-income families. They will help families move closer to a job, reduce a long commute, or secure more stable housing that will help them get or keep a job.

Today, our economy is strong, incomes are up, and poverty is at the lowest rate in 20 years. But there are still more than 5 million low-income families who need affordable housing. That is why I have asked Congress for an additional 100,000 rental assistance vouchers to meet the critical housing needs of families moving from welfare to work, the homeless and the elderly. As Members of the House and Senate meet in conference to debate this year's budget for the Department of Housing and Urban Development, I want to underscore my strong commitment to this initiative. Congress should not turn its back on families that are playing by the rules and moving from welfare to work. A budget without new vouchers would shortchange the American Dream.

HUD's 10/1/99 Release on Award of FY 99 vouchers

hud NEWS

Department of Housing and Urban Development – Andrew Cuomo, Secretary
Office of Public Affairs, Washington, DC 20410

HUD No. 99-203
(202) 708-0685
http://www.hud.gov/news.html

FOR RELEASE
Friday
October 1, 1999

CUOMO AWARDS $280 MILLION IN HOUSING VOUCHERS TO HELP 50,000 FAMILIES IN 35 STATES MOVE FROM WELFARE TO WORK

WASHINGTON – Housing and Urban Development Secretary Andrew Cuomo today awarded $280 million in rental assistance vouchers to help 50,000 families in 35 states move from welfare to work.

In addition, Cuomo awarded another $23.8 million in grants to 669 small public housing agencies in all 50 states to hire coordinators who will help get jobs for about 35,000 adults receiving HUD rental assistance.

"We're helping members of struggling families get jobs so they can work their way out of poverty and build better lives," Cuomo said.

WELFARE-TO-WORK VOUCHERS

The welfare-to-work vouchers – which are being provided this year for the first time – will subsidize rents of low-income families receiving welfare assistance or recently off welfare, to enable them to rent apartments near available jobs, transportation or child care.

"Our economy is booming, and many suburban employers can't find all the workers they need," Cuomo said. "When we help unemployed people get housing closer to these unfilled jobs, we enable them to move off the welfare rolls and onto payrolls."

President Clinton has proposed funding for 100,000 additional rental assistance vouchers for welfare recipients and others in the Fiscal Year 2000 Budget that he submitted to Congress. However, the House and Senate have not approved funding for new vouchers, even though more then 5 million low-income families are in need of housing assistance.

A House-Senate Conference Committee is now considering the HUD budget and the issue of funding new vouchers.

-more-

"The vouchers we're awarding today will help 50,000 families move into housing they desperately need," Cuomo said. "At this time of record prosperity and a budget surplus, we have the ability to do the same for 100,000 more families. Those of us blessed with good housing and good jobs shouldn't turn our backs on those left behind."

Many of the families who will receive new vouchers now live in substandard conditions, doubled up with friends or relatives, in central cities or in rural neighborhoods where jobs are scarce. Because many of these families are too poor to afford cars, it is difficult and sometimes effectively impossible for adults to reach available jobs in suburbs.

For example, a mother of two young children in a central city might have to travel for hours and take several buses to get from her home to a child-care center, and then to her job in a suburb – if bus connections exist. When mass transit is unavailable, the cost of cab fare can be more than a day's wage for an entry level job.

Currently, about two-thirds of new jobs are being created in the suburbs. However, three-fourths of welfare recipients live in rural areas or central cities.

Cuomo awarded voucher funds today to 121 state and local housing agencies, Indian tribes and tribally designated housing entities. Most of the funding was awarded on a competitive basis, but the eight largest awards were designated by Congress. These went to: Anchorage, AK; San Bernardino County, CA; Miami-Dade County, FL; Prince Georges County, MD; Kansas City, MO; Charlotte, NC; New York City; and Cleveland, OH.

Housing agencies will select 50,000 eligible families who need the tenant-based Section 8 rental assistance vouchers to get or keep jobs. Families with such vouchers pay about a third of their income to rent an apartment, and the vouchers pay the remainder of the rent.

FAMILY SELF-SUFFICIENCY GRANTS

The $23.8 million in Family Self-Sufficiency Program grants awarded today will provide funds to 669 small public housing agencies in all 50 states to each hire one self- sufficiency coordinator.

The coordinator will help people receiving HUD Section 8 rental assistance subsidies to get jobs, by helping them get education, job training, child care, counseling, transportation, job placement and other services.

Some participants in the program are on welfare, and others are in low-wage unskilled jobs and seeking to move up to better paying jobs so they can support their families.

-more-

Participants sign a contract saying the head of the household will get a job and no one in the family will be receiving welfare assistance within five years.

During the term of the contract, as a family's income rises with new employment, about a third of the increased income goes to an interest-bearing escrow account. Normally, the same portion of the increased income would be used to pay higher rent payments in HUD-subsidized housing.

If a family fulfills its contract requiring employment and independence from welfare, it can use its escrow account for such things as a downpayment on a home purchase, starting a business, paying back debts, and paying educational expenses. If a family fails to fulfill the contract, it does not get the funds in the escrow account.

##

COMMENTS ON HUD WELFARE-TO-WORK VOUCHERS

Shirley Marcus Allen, Acting Co-Director of the Child Welfare League of America: "Over 100,000 children whose parents are moving from welfare dependency to self sufficiency will now be able to live in safe, decent housing with the assistance of HUD's Welfare-to-Work Section 8 Tenant Based Assistance Program. Affordable housing is vital to families, particularly those headed by single mothers, as they work to become self-sufficient. These vouchers will encourage and enable families to work toward self-sufficiency and raise their children in healthy, strong communities across the country."

Denise B. Muha, Executive Director, National Leased Housing Association: "I believe the success of welfare reform will hinge on the availability of decent and safe affordable housing. These special housing vouchers will offer low-income families a hand up as they climb from poverty toward self-sufficiency."

Barbara Sard, Director, Housing Policy Center on Budget and Policy Priorities: "These awards of funding for 50,000 new Welfare to Work housing vouchers are important for two reasons: first, this new initiative recognizes the importance of affordable housing as a foundation for families' transition from welfare to employment. In addition, this program provides the first significant increase in the number of families receiving federal housing assistance in five years. Despite a strong economy, there is still a substantial shortage of housing affordable to low-and moderate-income families. The Center looks forward to the implementation of these innovative state and local programs to advance welfare reform efforts."

Housing voucher options

HUD's bottom line is they want 100,000 unrestricted vouchers before adding anything new. They present these options as add-ons to the 100,000.

Two options proposed by HUD

1) 5 year goal: Help 400,000 hard-pressed working families who are making a serious effort to support themselves, but who still pay more than half their income for rent or live in substandard housing. 100,000 new vouchers each year over four years would allow us to meet this goal.

   Population: Approximately 400,000 families who have
   - children under 18;
   - income below 30% of area median [national median for a family of 4 was $55,886 in CY 1998; national median for a family household was $49,069 in CY 1998]; 30% = 14,720
   - wage earnings equivalent to at least 1 person, working full-time at a minimum wage [$10,712/yr using the current minimum wage of $5.15 per hour (effective Sept. 1, 1997)];
   - worst case housing needs [paying more than 50% of their income for rent or live in severely substandard housing] – this means they are not currently getting housing assistance.

   Cost:
   For 100,000 vouchers per year for 5 years (500,000 vouchers total):
   - FY 2001 -- $573 million in BA and $52 million in outlays.
   - Five-years -- $9 billion in BA and $4.5 billion in outlays.

   For 100,000 vouchers per year for 4 years a (400,000 vouchers total):
   - FY 2001 -- $573 million in BA and $52 million in outlays.
   - Five-years -- $8.5 billion in BA and $4.4 billion in outlays.

   Could do either 100,000 new vouchers each year for five years, which gives a little room for inflow, or just 400,000 spread over five.

2) 5 year goal: Help 250,000 hard-pressed working families with young children who are making a serious effort to support themselves, but who still pay more than half their income for rent or live in substandard housing. 50,000 new vouchers each year for five years would meet this goal. This would ensure that young children could grow up in better housing, better neighborhoods, and attend better schools.

   Population: Approximately 250,000 families who have
   - children under 6;
   - income below 30% of area median [national median for a family of 4 was $55,886 in CY 1998; national median for a family household was $49,069 in CY 1998];
   - wage earnings equivalent to at least 1 person, working half-time at a minimum wage [$5,356/yr using the current minimum wage of $5.15 per hour (effective Sept. 1, 1997)];

* worst case housing needs [paying more than 50% of their income for rent or live in severely substandard housing] – this means they are not currently getting housing assistance.

Cost:
For 50,000 vouchers per year for 5 years (250,000 vouchers total):
* FY 2001 -- $287 million in BA and $26 million in outlays.
* Five-years -- $4.5 billion in BA and $2.2 billion in outlays.

Allocation options for 1) and 2):

a) these could either be fair-shared to areas based on the estimated number of families that meet these criteria, with all the new vouchers in an area given to people who meet these criteria (would either move to top of the waiting list or PHAs would allow anyone who meets these criteria to apply, whether or not they are currently on the waiting list)

b) reserve in a national pot and have housing authorities draw down vouchers on a first come/first serve basis to serve individuals meeting the criteria (either from existing waiting list or not)

Alternative way to narrow the numbers (though we don't know to what extent):

3) Provide vouchers to hard-pressed working families making serious efforts to support themselves, who also demonstrate a need for a voucher in order to achieve specific personal goals such as: moving closer to a job, move into better housing, raise their children in a safer neighborhood, or allow them to attend a better school. This has the benefit of focusing on specific policy and personal goals, but would require programmatic changes and would be more difficult to administer.

Steps already agreed to for addressing the worst public housing:

Passback includes $625 M for tearing down severely distressed public housing (Hope VI). This is $50 M above FY 2000. In negotiations with OMB, HUD has agreed to target about one-quarter of the $625 M for accelerated demolition of the worst housing units. This would provide sufficient funding over a three-year period to bring down the worst 30,000 units, about half of which are in Chicago and a large number in New Orleans. Some units would be rebuilt as part of new mixed-income developments. Vouchers to relocate others are provided under a separate tenant protection fund (and are not counted as new incremental vouchers).

Spead over 5 years -- 100,000 vouchers each year to help 500,000 very poor working families with children living in worst neighborhoods

Vouchers = 100,000 total over 5 yrs: 500,000

BA	2001	2002	2003	2004	2005
2001	573,300,000	585,300,000	597,500,000	610,000,000	622,800,000
2002	---	585,300,000	597,500,000	610,000,000	622,800,000
2003	---	---	597,500,000	610,000,000	622,800,000
2004	---	---	---	610,000,000	622,800,000
2005	---	---	---	---	622,800,000
BA total:	573,300,000	1,170,600,000	1,792,500,000	2,440,000,000	3,114,000,000
BA total for 5 years:		9,090,400,000			
OL total:	52,420,000	347,467,000	840,512,000	1,347,356,000	1,872,313,000
OL total for 5 years:		4,460,068,000			

Spead over 5 years -- 100,000 vouchers each year to help 400,000 very poor working families with children living in worst neighborhoods

Vouchers = 100,000 total over 5 yrs: 400,000

BA	2001	2002	2003	2004	2005
2001	573,300,000	585,300,000	597,500,000	610,000,000	622,800,000
2002	---	585,300,000	597,500,000	610,000,000	622,800,000
2003	---	---	597,500,000	610,000,000	622,800,000
2004	---	---	---	610,000,000	622,800,000
2005	---	---	---	---	---
BA total:	573,300,000	1,170,600,000	1,792,500,000	2,440,000,000	2,491,200,000
BA total for 5 years:		8,467,600,000			
OL total:	52,420,000	347,467,000	840,512,000	1,347,356,000	1,816,949,000
OL total for 5 years:		4,404,704,000			

Spead over 5 years -- 50,000 vouchers each year to help 250,000 very poor working families with children living in worst neighborhoods

Vouchers = 50,000 total over 5 yrs: 250,000

BA	2001	2002	2003	2004	2005
2001	286,650,000	292,650,000	298,750,000	305,000,000	311,400,000
2002	---	292,650,000	298,750,000	305,000,000	311,400,000
2003	---	---	298,750,000	305,000,000	311,400,000
2004	---	---	---	305,000,000	311,400,000
2005	---	---	---	---	311,400,000
BA total:	286,650,000	585,300,000	896,250,000	1,220,000,000	1,557,000,000
BA total for 5 years:		4,545,200,000			
OL total:	26,210	173,734	420,256	673,678	936,156
OL total for 5 years:		2,230,034			

Questions and Answers on the Section 8 Welfare-to-Work Voucher Program

Q.1 What is the purpose of the Section 8 Welfare-to-Work (WtW) Voucher Program?

The Section 8 WtW voucher program provides tenant-based rental assistance to help eligible families make the transition from welfare to work. The vouchers are an affordability subsidy intended to help families obtain or retain jobs. The WtW vouchers will help families reduce long commutes, find decent housing close to their jobs or important services such as child care, and secure more stable housing arrangements.

Q.2 Who will administer the Section 8 WtW voucher program?

The Section 8 WtW voucher program is administered by public housing agencies, Indian tribes and tribally designated housing entities (known collectively as HAs) that have developed their WtW voucher programs in cooperation with local TANF and welfare-to-work grant agencies.

Q.3 What families are eligible to participate in the Section 8 WtW voucher program?

To be eligible to receive a Section 8 WtW voucher a family must meet the eligibility requirements of the regular Section 8 voucher program and must also meet the following special requirements for the WtW voucher program: 1)Must be eligible to receive, currently receive or have received TANF with the preceding two years; 2) tenant-based assistance must be determined critical to enable the family to successfully obtain or retain employment; 3) the family must not already be receiving tenant-based rental assistance.

Q.4 How are these Section 8 vouchers different from other Section 8 vouchers?

In developing the Section 8 WtW voucher program, HUD consulted with the Department's of Health and Human Services (HHS) and Labor (DOL) as required by Congress to assure the development of a workable program design and efficient coordination and use of welfare reform resources, such as those available through TANF and the DOL welfare-to-work grant programs. Although the same general requirements apply to both the Section 8 WtW voucher program and the regular Section 8 voucher program, only WtW eligible families, meeting the criteria in Q.3 above, are eligible to receive WtW vouchers.

Q.5 May the funding provided to fund Section 8 WtW voucher programs be used to provide training and services to families?

No. Funding under this program may only be used for rental assistance to eligible families and regular administrative fees for administration of the rental assistance. Services and training will be provided through resources obtained from the TANF agency, Department of Labor WTW grantee and other local service programs.

Q.6 Why is tenant-based assistance so important to the challenge of welfare reform?

One of the challenges of moving from welfare to work is the disconnect between the location of appropriate, entry level jobs and the people who need them. About two-thirds of new job creation is in the suburbs, but three-fourths of welfare recipients live in rural areas or central cities. Long commutes are also a problem within many cities where jobs are located far from residential neighborhoods and transportation routes are not efficiently planned to connect the two. Because Section 8 voucher subsidy is not tied to a particular apartment complex or even the jurisdiction of a particular PHA, it offers welfare recipients the residential flexibility they need to find housing convenient to their jobs, transportation or essential services such as child care. It will also help them overcome transportation problems caused by nontraditional work hours or the need to make multiple stops to take their children to school or child care.

Q.7 What is the role of the TANF agency and other welfare-to-work agencies in the design and implementation of the Section 8 WTW voucher program?

Participation of the TANF agency and WTW grantees is critical to the success of the WtW voucher program, since the presence of strong partnerships will assure that the vouchers are provided to communities with the greatest capacity to support families with the potential for self-sufficiency and that families have the range of services necessary to successfully make this transition. Each community has designed its own WtW voucher program and the flexibility in local design allows the HA, the welfare agency and the DOL Welfare-to-Work grant agency to cooperatively determine the appropriate families to serve, the services to offer, the communities to target for landlord outreach and housing search. Because participation of the welfare agencies is so important to a successful program, the Section 8 WtW vouchers are being awarded competitively to HAs that have been able to demonstrate effective coordination with the local TANF agency and the agency administering the locality's DOL Welfare-to-Work grants.

Q.8 HUD is a housing agency. Why should it be involved in welfare reform?

HUD's involvement in welfare reform is as a housing agency. Our Section 8 WtW voucher program is an example of how housing assistance can serve two functions: not only can it help a family obtain decent affordable housing, HUD's basic housing mission, but it also can support the family's efforts to become and stay employed and move off welfare. HUD is already involved in welfare reform because it houses a number of families whose principal source of income is welfare. Because many of these families had problems accessing services in the community that would help them go to work, HUD has worked with housing agencies to create programs that help coordinate service delivery from community resources, or, where necessary, directly from the housing agency. (See question 9, below, for some examples of successful HUD programs that foster economic independence of families.)

Q.9 Can housing agencies work well with welfare and employment agencies? What experience do housing agencies have with programs that promote the self sufficiency of assisted families.

Many housing agencies already have successful track records in establishing and maintaining successful relationships with other agencies and participation in programs that promote the self sufficiency of their families. The programs below offer excellent examples.

Family Self-Sufficiency requires housing agencies to offer public housing residents and Section 8 program participants a coordinated program of resources to help them become self-sufficient. Each housing agency must establish a local coordinating committee to design its program and locate resources to permit the delivery of services. Welfare agencies, as well as a host of other local social service agencies, play an important part in FSS coordinating committees. Housing agencies operating FSS will have ongoing relationships with their welfare and employment agencies that should permit them to work together in designing and implementing a WtW voucher program.

Family Unification offers Section 8 assistance to help families who have lost or are at risk of losing their children because of a lack of adequate housing. Housing agencies must work in close cooperation with their local child welfare agencies to identify eligible families and to offer them housing and other assistance. Once families are stabilized through the Family Unification program, many housing agencies continue to provide the benefit of coordinated services to the families that then enroll in the FSS program.

Public and Tribal Housing Supportive Services Programs. HUD has promoted educational and economic development opportunities for residents of public and Tribal housing communities through a variety of programs such as the Economic Development and Supportive Services (EDSS) program, Family Investment Centers (FIC) and the Early Childhood Development Demonstration program. In FY'99, the Department published a Notice of Funding Availability requesting applications for the new Resident Opportunities and Self Sufficiency (ROSS) program which links services to public and Tribal housing residents. In the HOPE VI program, which awards competitive grants for the comprehensive revitalization of severely distressed public housing developments, a portion of the funding may be used for supportive services for families. These resources are to be directed primarily to families moving off public assistance. Under HOPE VI, housing agencies are expected to partner with local TANF agencies to coordinate their efforts and leverage their funding and expertise to support mutual clients.

Q.10 What is a TANF agency?

A TANF agency is a local agency administering the Temporary Assistance for Needy Families (TANF) program funded by the U.S. Department of Health and Human Services.

Q.11 How do WtW programs funded by other Departments, such as the Department of Labor, work with the families receiving WTW vouchers?

Models vary, but typically the HA and TANF agency identify eligible families from the existing Section 8 waiting list and/or TANF clientele. (Since families must be selected from the HA's Section 8 waiting list, the HA would have to open a closed waiting list to add the names of eligible TANF families if there are not enought eligible families already on a closed waiting list.) The TANF agency assesses the specific needs of each participant and provides intensive case management services directly or through other participant agencies, and the local service provider of the Department of Labor's Welfare-to-Work program (local Private Industry Council, United Way) has Memoranda of Understanding with local business, colleges, community agencies, and employment/training organizations to provide welfare-to-work services tailored to the individual needs of participating families.

Q.12 Is the WTW more flexible than the regular Section 8 voucher program? How do the two program differ?

The Section 8 WtW vouchers provide the same flexibility as the regular Section 8 voucher program plus special services for families participating in the Section 8 WtW program. A coordinated local program of services and support, which has been developed by the housing agency in coordination with the local TANF agency and DOL welfare-to-work grantee, will be used strategically to help WtW families obtain or retain employment. Families issued WtW vouchers will benefit from higher levels of tenant counseling and housing search assistance than is normally offered in the Section 8 voucher program and should have a wider selection of units since housing agencies will be actively recruiting landlords to make units available to participants in the program.

Q.13 Why didn't some large cities, such as the District of Columbia and San Francisco, get funded?

HUD received 458 applications, but due to limited funding was only able to make awards to the 121 highest scoring applications. Applications were thoroughly reviewed, and scored according to need, soundness of plan, applicant's capacity, leveraging resources, and comprehensiveness and coordination. The lowest score funded was 88 out of 100 total possible points, with several applications receiving a score of 88 ranked according to highest total scores for soundness of approach and capacity of applicant until funds ran out. The application selection process was highly competitive, funding was limited, resulting in many proposals not making the cut-off point.

Q.14 When will the money be available?

Upon completion of the Congressional notification process and confirmation of funding availability, HUD will immediately notify all successful applicants and provide each with an executed Annual Contributions Contract which makes the funding available to the housing agency.

Q.15 Will the program be funded in FY 2000?

The Department is seeking additional funding in FY 2000.

Q.16 Why was this new program developed?

This new program was developed to support Welfare Reform. The flexibility of tenant-based rental assistance, combined with appropriate services, gives eligible families a new tool to support their success in the work place. Families can use WtW vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time and perform their best on the job.

Q.17 How will families be selected for the program? (For instance, will they already be on the waiting list, or is there a separate application process and waiting list?)

HAs must modify their selection systems to require the selection of Section 8 Welfare-to-Work Rental Voucher program eligible families. Families must be on the HA's Section 8 waiting list and must be selected in accordance with the established selection policies in the HA's administrative plan and voucher program regulations. If the waiting list is closed and does not contain sufficient numbers of welfare-to-work eligible families, the list must be reopened to accept applications from eligible families not currently on the waiting list. If Section 8 rental assistance for a family is terminated, available rental assistance must be provided to another Section 8 Welfare-to-Work eligible family selected from the tenant-based Section 8 program waiting list.

Q.18 When does a family become a participant in the Section 8 WtW voucher program?

A WtW eligible family that has been selected from the HA's Section 8 waiting list and issued a WtW voucher becomes a Section 8 WtW voucher program participant when the HA and the owner execute a Housing Assistance Payments Contract with the owner of the unit the family has selected and leased under the program.

Francis S. Redburn 12/20/99 04:39:25 PM

Record Type: Record

To: Andrea Kane/OPD/EOP@EOP

cc:

Subject: Re: pls review and score these voucher options

HUD ended up with 120K incremental, including 32k for Welfare to Work, 10k to be used along with payments to developers of 40,000 LIHousingTaxCredit units to increase the supply of units for voucher-holding larger families seeking units in low-poverty areas, and 18k for the homeless. The other 60k are "fair shared."

120
of which 32 WTW
18 homeless
50
10 LIHTC
60 fairshare

when state allocs tax credit to a property - will make a commitment if they accept vouchers, larger units, low poverty area
once project built, vouchers avail for families to move into new property

Faith-based initiative $20 m - set aside within CDBG
Gun violence - $30 m contingent
Homeownership - no

Andrea Kane 12/17/99 09:[illegible] AM

Record Type: Record

To: Bruce N. Reed/OPD/EOP@EOP
cc: eric p. liu/opd/eop@eop, cynthia a. rice/opd/eop@eop, paul j. weinstein jr./opd/eop@eop
bcc: Records Management@EOP
Subject: Re: housing vouchers

If we aren't going to get more than the 100,000, do you want to fight back to ensure that at least 32,000 or so do get targeted for Welfare-to-Work as in the original pass-back?
Bruce N. Reed

Bruce N. Reed
12/17/99 09:19:32 AM

Record Type: Record

To: Andrea Kane/OPD/EOP@EOP
cc: eric p. liu/opd/eop@eop, cynthia a. rice/opd/eop@eop, paul j. weinstein jr./opd/eop@eop
Subject: Re: housing vouchers

Sounds like it's not going to work. Thanks for trying.

Francis S. Redburn 12/17/99 09:04:05 AM

Record Type: Record

To: Andrea Kane/OPD/EOP@EOP

cc: Katherine L. Meredith/OMB/EOP@EOP, James F. Jordan/OMB/EOP@EOP
Subject: Re: pls review and score these voucher options

We can worry about administrative issues more if we get the money.

My view, now that I think about it some more, is even stronger that we ought to have a specific list of reasons (easily verified) for giving someone a voucher -- having to do with opportunity or hardship. That makes it easier to justify targeting them in preference to others who are waiting already for assistance. It ensures that the vouchers are going to people for whom this particular form of aid is crucial to their personal success and that of their children. Finally, it helps reduce the number and therefore increase feasibility -- both financially and in the congressional process.