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Folder Title:
Housing - Section 8 Home Ownership Rule

Stack:	Row:	Section:	Shelf:	Position:
S	98	5	10	2

100 2030 Q&A 10274

"Sec'y will tell the story well."

Doug Kantor

Sec 8 Homeownership Rule
- Monday at Columbia } Lazio

FMR 7 Jeff Lubell - Tuesday
Cafeteria

Sec'y
Mayor Williams
Atlanta housing authority
→ mobility

page 877-408-7027

why not invite Fairfax, Mayor of Alexandria.

file: —

Sec 8
Homeownership
Rule.

hud NEWS

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

HUD No. 00-___
(202) 708-0685
http://www.hud.gov/news.html

FOR RELEASE
Tuesday, August 29, 2000

CUOMO SAYS VOUCHERS CAN NOW BE USED TO HELP FIRST-TIME HOMEBUYERS

NEW YORK, NEW YORK -- Housing Secretary Andrew Cuomo announced today that~~, effective immediately,~~ the nation's ~~3,400~~ 2,700 public housing ~~authorities~~ agencies may use housing vouchers to help working families buy homes. The Secretary made his announcement in a speech at Columbia University in New York.

Until enactment of the Public Housing Reform Act in 1998, Section 8 vouchers could be used only to assist eligible households to rent apartments or houses. A final rule published in today's Federal Register gives public housing ~~authorities~~ agencies the discretion to ~~use vouchers to help~~ allow eligible Section 8 families to purchase homes and use the voucher subsidy to help meet ~~with~~ their monthly homeownership expenses.

Under the Act, HUD has approved 15 Section 8 homeownership voucher pilot programs around the country since last fall.

"Homeownership is the surest and best way to build strong, vital neighborhoods," Cuomo said. "On President Clinton's watch, homeownership has reached record levels in the United States. But now we want to break that record by increasing homeownership opportunities for working families who, in the past, have had few, if any, opportunities to acquire their first home. Thanks to the legislation passed at HUD's request by the Congress and signed by the President, HUD finally will be able to use the Section 8 program to help more families own a piece of the American dream."

Under the rule, it is up to local housing ~~authorities~~ agencies to decide whether to use a portion of their Section 8 voucher allocations to help households purchase homes. Though Congress has not appropriated any new funds specifically for homeownership purposes, last week HUD did award 60,000 new "fair share" vouchers to some 500 housing ~~authorities~~ agencies that may be used for this program.

Housing ~~authorities~~ agencies may provide Section 8 homeownership vouchers to assist eligible households in meeting homeownership expenses for 15 years if they have a mortgage of 20 or more years and for up to 10 years for mortgages of shorter duration. These term limits do not apply to elderly or disabled families.

~~Section 8 homeownership vouchers may be used to~~ Families participating in the homeownership voucher program may purchase an existing, single-family home, a manufactured home, a home that is under construction or shares in a cooperative. They may not ~~be used to~~ purchase vacant lots or to enter into a contract to build a new home.

The voucher amount for the Section 8 homeownership program will be the same as those in effect for the Section 8 rental ~~assistance~~ voucher program in the participating locality.

No member of a participating family may have owned a home for at least three years prior ~~application~~ to receiving homeownership assistance, and may not have an ownership interest in a second home while receiving assistance. A family may use a Section 8 voucher to assist with homeownership expenses on a home purchased outside of the jurisdiction of the housing ~~authority~~ agency initially providing the voucher as long as the ~~authority~~ agency ~~in that jurisdiction~~ over the area in question has also implemented a homeownership voucher program.

To ~~receive a homeownership voucher~~ participate in the homeownership program, ~~participating~~ families must be eligible for the Section 8 voucher program or be current rental voucher program participants. ~~and remain eligible for the Section 8 program.~~ In addition, a family must, at the time of application, be a first-time homebuyer, have an annual household income of at least $10,300 and, with the exception of elderly and disabled families, ~~have~~ include at least one adult member who has been employed full-time for a year. Except in the case of the elderly or disabled, welfare income may not be counted toward the minimum income requirement.

Prior to receiving assistance, families must attend free homeownership counseling sessions that will cover topics such as home maintenance, budgeting and money management, negotiating with sellers, homeownership financing options, credit counseling and laws governing fair housing and predatory lending. ~~Authorities~~ Agencies have the discretion to require that families also participate in post-ownership counseling programs.

If a family sells or refinances a home purchased under this program during the first 10 years of receiving assistance, a portion of the sales proceeds not used to purchase a new home or refinancing proceeds retained by the family are subject to recapture by the ~~authority~~ agency. The recapture amount will be automatically reduced over a 10-year period, beginning one year after purchase, by annual increments of 10 percent. At the end of the period, no homeownership assistance will be subject to recapture.

Public housing agencies may partner with lenders but participating families ~~will be required to select~~ are ultimately responsible for selecting their own lender. The housing ~~authority~~ agency may review lender qualifications and loan terms before approving assistance and may disapprove proposed financing or refinancing. There is no prohibition against using local or state community development block grant funds or other subsidies in conjunction with the voucher program.

An ~~authority~~ agency may not approve purchase of any home until two inspections are completed. The first will be conducted by an employee of the ~~Authorities~~ agency to insure that the home meets ~~all~~ the Housing Quality Standards of the Section 8 voucher program. ~~and the~~ The second inspection will be conducted by an independent certified home inspector, selected and paid for by the family, in order to assess the adequacy and life span of major systems, appliances, and structural components of the potential unit. ~~identify any needed repairs.~~ An ~~authority~~ agency has the discretion to require additional periodic inspections during the period assistance is provided on behalf of the family.

~~Two inspections must be completed prior to the purchase of any home. The first will be conducted by the housing authority to insure that the home meets all Housing Quality Standards and the second will be conducted by an independent certified home inspector, selected and paid for by the family, to identify any needed repairs.~~

Families that purchase a home under the voucher program but then default on the mortgage may receive, at the authority's discretion, Section 8 rental voucher~~s~~ assistance. Families that have received homeownership assistance under this program and have defaulted on their mortgages may not receive assistance for the purchase of another home.

Under Section 8(y) of the Act, beginning last fall HUD began approving Section 8 homeownership pilot programs. ~~They have been established~~ HUD approved pilot programs in Syracuse, Burlington, Danville, Virginia, Philadelphia, Nashville, Charlottesville, Virginia, Yonkers, Montgomery County, Pennsylvania, Suffolk County, New York, southwest Virginia, southern Mississippi, and the states of Colorado and Hawaii ~~and Mississippi~~. To date, more than a dozen families have purchased homes under the pilot program.

# # #

FSS → FSS
temp years

hud NEWS

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

HUD No. 00-231
(202) 708-0685
http://www.hud.gov/news.html

FOR RELEASE
Monday
September 11, 2000

Cuomo expands the "American Dream"
RENTAL VOUCHERS TO HELP FIRST-TIME HOMEBUYERS

NEW YORK – Housing and Urban Secretary Andrew Cuomo announced today that working families for the first time may now use HUD Section 8 rental assistance vouchers to help buy their first home. Cuomo announced the new rule today in a speech at Columbia University in New York City.

"Homeownership is the best way to build strong, vital neighborhoods," Cuomo said. "On President Clinton's watch, homeownership in the U.S. has reached record levels. But now we will break that record by increasing homeownership among working families who previously had little chance of buying their first home. Thanks to legislation signed by the President, even more families will now realize the 'American dream.'"

The rule change stems from a pilot program that HUD launched last fall. Cuomo said that the public comments HUD received were overwhelmingly in favor of expanding use of the vouchers to cover mortgage payments.

According to Cuomo, the nation's 2,700 public housing agencies (PHAs) will determine how vouchers are used when the rule goes into effect in October.

Vouchers may be used to purchase a new home, an existing single-family home, a home under construction or shares in a cooperative. They may not, however, be used to purchase vacant lots or to contract to build a new home.

-more-

To participate in the program, a family must be eligible for the Section 8 voucher program. In addition, a family must be a first-time homebuyer, have an annual household income of at least $10,300 and, except for the elderly or disabled, have at least one adult member who has been employed full-time for a year. In addition, welfare income will only be counted toward the minimum income requirement in the case of the elderly or disabled.

Vouchers may be used for 15 years if the mortgage is for 20 years or longer, and or up to 10 years for a mortgage of shorter duration. The voucher amount for homeownership will be the same as those for rental assistance.

No member of a participating family can be a homeowner for at least three years prior to receiving homeownership assistance, and may not have any financial interest in a second home while receiving assistance. A family may use the voucher to purchase a home outside the jurisdiction of the housing agency providing the voucher if the agency in the jurisdiction in which the house is located also has a homeownership program.

Prior to receiving assistance, the family must also attend free counseling sessions to better understand home financing, fair housing practices, home maintenance, and money management. PHAs may also require a family to participate in post-ownership counseling programs.

If during the first 10 years of assistance a family sells or refinances a home purchased under this program, a portion of the home's equity may be returned to the PHA.

Each family is responsible for selecting a lender. The housing agency may review lender qualifications and loan terms before approving assistance, and may disapprove proposed financing or refinancing. Local or state community development block grant funds or other subsidies may also be used in conjunction with the program.

Two inspections must be completed prior to the purchase of a home. The first will be conducted by the PHA to insure that the home meets certain standards, and the second will be conducted by an independent certified home inspector, selected and paid for by the family, to identify any needed repairs.

Should a family default on the mortgage while in the program, they may still be eligible to receive Section 8 rental assistance. But a family that defaults on a mortgage may not receive voucher assistance to purchase another home.

Last fall, HUD approved pilot programs in: Syracuse, NY; Burlington, VT; Danville, VA, Philadelphia, PA; Nashville, TN; Charlottesville, VA; Yonkers, NY; Montgomery County, PA; Suffolk County, NY; southwest Virginia; and Colorado, Hawaii and Mississippi. To date, more than a dozen families have purchased homes under the pilot program.

HUD has recently awarded 60,000 new rental assistance vouchers to some 500 housing authorities that may be used for this program.

###

Francis S. Redburn 09/08/2000 06:04:23 PM

Record Type: Record

To: Margy Waller/OPD/EOP@EOP

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

Subject: Re: Section 8 Homeownership Rule to be announced

The paragraph at the top of page 2 noes that the 60,000 new "fair share" vouchers can be used for this program but doesn't mention that families already in the program and interested in buying a home can use the voucher for that purpose. This may unintentionally make the proposal scope sound more limited than intended. Moreover, it is people already in the program and working their way up economically who are the most likely users of this option. I suggest adding a sentence to this effect here.

I agree with Lauren L.'s proposed edits.

Message Copied To:

Andrea Kane/OPD/EOP@EOP
Michael Deich/OMB/EOP@EOP
Alan B. Rhinesmith/OMB/EOP@EOP
Lauren Larson/OMB/EOP@EOP
Janis A. Coughlin/OMB/EOP@EOP
Sherron Duncan/OMB/EOP@EOP

Columbia Remarks – September 11, 2000

Dean Lisa Anderson
Mark Gordon
Rev. Moran Weston

I. I'm honored to be a part of this lecture series which honors Moran Weston – a warrior for justice, a giant in the field of housing and community development, and a hero to all who believe in the goal of decent, safe and affordable housing for all.

- Columbia graduate, founded Carver Federal Savings Bank in 1948 – became Chairman Emeritus 50 years later in 1997.
- Organized six non-profit housing corporations that have created 700 units of affordable housing, as well as 500 jobs.
- And he's still going strong – frequently people make a contribution and then fade from the scene. But Dr. Weston's contributions today are more relevant than ever. If you are looking for a role model of what to do with your life, then look no further than Dr. Weston.

II. This lecture comes a time of enormous change in our nation. This year --- the year 2000 – is a crucial transitional point in our nation's history.

- **On the one hand, we've made great progress**
  - Longest economic expansion in history -- 22 million new jobs, Dow Jones over 11,000, unemployment lowest in 30 years, welfare rolls cut in half; crime rate down a record 8 straight years; highest homeownership rate in history. Our cities, by and large, doing better than they have in more than a decade

- **But we also have extraordinary unmet needs**
  - 1 in 5 children sleep in poverty every night. 5.4 million families with worst case housing needs – an all-time high; 600,000 homeless; greatest income inequality of any industrialized nation – 1% own 40% of the wealth.

- **As we strive to address these inequalities, there are new forces at play that are driving us even further apart.**
  - Digital Divide – Information superhighway – great if you're on it – left standing on the shoulder, while others pass by at 100 MPH
  - Spatial Divide – city/suburb still running away from one another, sprawl --1,000 acres/day
  - Education Divides – two education systems – one for the lucky and one for the left out.

II. In the past, people would have looked to government as our collective vehicle for addressing these challenges.

- Lincoln had it right – he said that government allows us to address together the issues that we can't address alone.
  - Americans have always looked to government to address basic needs -- building sewers and roads; national defense; collecting taxes; schools.
  - So it's not a question of if government should take action, but how, and to what extent.

III. But today there is rampant cynicism about not only government's ability to address these problems – and even whether government should be involved at all. Why?

- Two reasons.

(1) **Government has made its share of mistakes --**

- Best – or worst -- example is public housing – on the whole a great success – 97% in good condition, but where we went wrong we went terribly wrong. Built barracks, not homes. Concentrated the poor. Isolated them from economic activity. Usually some divider – literally the other side of the tracks. Chicago – Cabrini Green, Robert Taylor Homes, 11 of the 15 poorest census tracts in the nation. Doomed to fail from the start.

(2) **People are increasingly cynical about government -- they don't see a positive connection between government and their lives.**

- My father's about 65 – as a matter of experience, believes in government. Why? Because the government in many ways saved his life: won two world wars, created opportunity during the Depression, GI Bill, VA mortgage. He personally knows that government can serve a function.

- I'm 42. My generation didn't share those experiences. I did not serve in any wars. I got a student loan in college, which was really underwritten by a private bank. I didn't get a mortgage through the government. And my experience has been Watergate and Nixon. I came after JFK, Bobby Kennedy.

- As Gary Wills wrote, "It is a tradition that belittles America, that asks us to love our country by hating our government, that turns our founding fathers into unfounders, that glamorizes frontier settlers in order to demean what they settled, that obliges us to despise the very people we vote for."

IV. We need to restore confidence in government – find ways to reconnect people to government That was the challenge I took on when I went to HUD eight years ago.

- We're moving government away from the old bureaucracy mentality toward a more efficient, intelligent, and responsive government for the year 2000.
- But I found that change is hard -- undoing government programs is like breaking up a rugby scrum. You have entrenched interests -- delicate balance?

1) **First thing we had to do w[illegible] the public's trust in the department –**
   - launched an ambitious management reform plan that reinvention guru David Osborne has called, "the most dramatic of any federal agency."
   - Admitted mistakes – tearing down our most troubled public housing complexes – Cabrini Green is coming down – rebuilding the right way

2) **Second, we needed to implement progressive policies. And our policies operate on a simple premise – we help people through <u>empowerment not entitlement</u>**
   - Moved beyond the old liberal - conservative debate. On one extreme, conservatives said that if the private market wasn't working in certain areas then those areas are destined to be left out. On the other, liberals said we don't want to see the people in these places to be left behind, so let's bring in government programs to replace the private sector.
   - Fact is you need both the government and the private sector, especially not-for-profits, especially the faith based community.
   - So we've moved to a **<u>new paradigm</u>** -- no more top-down solutions, but working with the community through their public and private sectors
   - HUD still offers a **<u>safety net</u>** for many Americans, but <u>in a different way</u>. Rather than emergency services that offer a temporary solution, we are looking for long-term solutions. Our homeless programs now support local providers who offer comprehensive services which address the multiple causes of the homeless in their community, such as mental illness, substance abuse or domestic abuse.
   - Now HUD also works as the **<u>facilitator, the incentivizer, the catalyst</u>**.
     - Our economic development efforts <u>work with the market, not against it</u> – EZs use grants and tax incentives to attract private investment. The Section 108 program has used loan guarantees to leverage $6 billion of investment since it began in 1978 -- $4 billion since 1993. All at no cost to the federal government.
     - And rather than working about not-for-profits that are already established in the community, we're working with them ah HUD has established a Center for Community and Interfaith Partnerships.

- We're building JFK's New Frontier -- using the tools of the new millennium.

V. **So we had to restore credibility, and we had to implement new policies, but fundamentally, what we had to do at HUD was to reestablish our core mission – and that is a crusade for justice. Not just criminal, but higher forms -- racial, social, economic.**

1) Racial justice of MLK that says we must have the courage to admit the truth: that racism is still alive and well in America
   - Can be as ugly and brutal as ever – James Byrd in Jasper, Texas;
     - Also a more sophisticated "discrimination with a smile" – landlord who says no vacancy, employer who says you're not right for the job, banker who says you don't qualify for the mortgage
   - That's why HUD has prosecuted more than 1,000 fair housing cases.
   - Even sued the KKK in Pennsylvania and won (story of Jouhari – White Forum – bi-racial daughter -- death threats)

2) Social justice of RFK that says we have not achieved justice when 10 children a day in this country lose their lives to senseless gun violence.

   - Rate of children killed in the U.S. by firearms is twelve times higher than in 25 other industrialized nations combined
   - Why? Too easy to access -- 7 times as many gun dealers as McDonald's
   - Gridlock in Congress continues to this day
   - So we took on the gun industry and we won – Smith & Wesson.

3) Economic justice of LBJ that says we have not achieved justice until every American has an opportunity to make the most of his or her talents.

   - That's why we launched the EZ in Harlem. It has leveraged $67 million in local investment, creating or retaining 10,900 jobs, and creating 2,100 new jobs specifically for residents of the EZ.

   - But the economic justice is not about numbers, it's about people. That's why we need to make sure that the residents of this community reap the benefits of this economic recovery. We can't allow people to be forced out of their homes because the very same economic activity we're trying to generate is in fact raising their rents.

   - Today, I am announcing a new HUD policy that will allow HUD rental assistance vouchers to be used toward the purchase of a home.

- Excited to announce this here with Moran Weston, because this is exactly the type of thing that Dr. Weston has tried to do with Carver Federal – take people that were being ignored and excluded by the private market, and give them an opportunity to own a stake in their community -- to realize the American dream.

VII. This is success

- And that's really what this is all about – realizing the American dream – realizing the promise of government – and that promise is best summed up in one simple phrase -- opportunity for all. Not for a chosen few, but for all. That's what the Statue of Liberty says. That if one of us is denied that opportunity, it diminishes us all.
- And by that measure, we have not fulfilled that promise. We can not yet say that we are a success.
- Not when you look out one window you see the mid-town skyline – a symbol of all the wealth that is available in this world; and out of the other window you see Harlem, a community which has been mired in the shadow of that great wealth for far too long.
- But we are closer than ever. We know what needs to be done. We just need to do it.
- And if we do just imagine how strong we will be.
- Just imagine how strong we will be when the 40% of New York City children who sleep tonight in poverty are embraced and empowered.
- Imagine when we realize Dr. King's dream and all of our people are judged by the content of their character and not the color of their skin.
- Imagine when every American feels safe in their own community and a new generation of children can be born without ever knowing the fear of gun violence.

- Harlem's Langston Hughes wrote a beautiful poem.:

> Let America be America again,
> let America be the dream the dreamers dreamed,
> let it be that great strong land of love where opportunity is real and life is free,
> a quality is in the air we breath.
> I am the poor white, fooled and pushed apart,
> I am the Negro bearing slavery scars,
> I am the red man driven from the land,
> I am the immigrant clutching the hope I seek,
> I am the worker sold to the machine,
> I am the people worried, hungry, mean, hungry yet today, despite the dream,
> I am the man who never got ahead, a dream still beckoning to me.
> Oh let America be America again, the land that has never been yet and

yet must be.

- When we let America be America again. That is when we will be a success. Working together, we will can make it happen. I can't wait.

HUD - Section 8

Margy Waller
08/28/2000 12:32:46 PM

Record Type: Record

To: Andrea Kane/OPD/EOP
cc:
Subject: Sec 8 story on On CNN&TIME: Sunday, Aug. 27th at 9pm ET/PT

we should get HUD's TPs/ Q+As —

ouch

---------------------- Forwarded by Margy Waller/OPD/EOP on 08/28/2000 12:32 PM ---------------------------

Francis S. Redburn 08/28/2000 12:28:45 PM

Record Type: Record

To: Margy Waller/OPD/EOP@EOP, Joseph F. Lackey Jr./OMB/EOP@EOP
cc:
Subject: Sec 8 story on On CNN&TIME: Sunday, Aug. 27th at 9pm ET/PT

FYI.

---------------------- Forwarded by Francis S. Redburn/OMB/EOP on 08/28/2000 12:32 PM ---------------------------

Ronald E. Jones 08/25/2000 05:26:48 PM

Record Type: Record

To: Francis S. Redburn/OMB/EOP@EOP, James F. Jordan/OMB/EOP@EOP
cc:
Subject: Sec 8 story on On CNN&TIME: Sunday, Aug. 27th at 9pm ET/PT

---------------------- Forwarded by Ronald E. Jones/OMB/EOP on 08/25/2000 05:18 PM ---------------------------

CNN.Time@CNN.COM
08/25/2000 05:23:17 PM

Please respond to CNN.Time@CNN.COM

Record Type: Record

To: TEXTCNNTIME@CNNIMAIL4.CNN.COM

cc:
Subject: On CNN&TIME: Sunday, Aug. 27th at 9pm ET/PT

==
CNN&TIME - 9:00 pm (ET/PT)
on Sunday, August 27, 2000
==

>> No Safe Haven, I, II, II
>> Second Fiddle

==
No Safe Haven
==

It's a multi-billion dollar government program to provide safe housing for low-income families. But homes, certified safe by the government, may be putting more than half a million children at risk of serious illness.

An 8-month nationwide investigation by CNN&TIME has revealed that a multi-billion dollar federal housing program, known as Section 8, which is supposed to provide safe and decent housing for low-income families, is in fact often not a safe haven for children. In city after city, CNN&TIME has found that homes certified as safe by government inspectors are, in fact, full of lead-paint hazards, and could be putting more than half a million children at risk of serious illness.
The report by correspondent Linda Pattillo will air Sunday, Aug. 27, at 9 p.m. (ET/PT) on CNN.

Lead paint was banned in the United States in 1978, but it still exists in more than 60 million homes in America. The federal government estimates that 80 percent of homes built before 1980 have some amount of lead paint. The paint was banned because lead is highly toxic and can cause reduced intelligence, low attention span, reading difficulties and learning disabilities in children.

The federal government was concerned enough about the dangers of lead paint to include stringent safety requirements in its largest low-income housing program, Section 8. But CNN&TIME's investigation has found that many of the homes declared safe do not meet these safety standards and that other regulations designed to protect children from lead poisoning are being ignored, leaving many families with no choice but to protect their small children by moving into homeless shelters.

==
Second Fiddle

==

At a time when most teenagers are listening to alternative and hip-hop, 15-year-old Jake Krack is listening to songs that stretch back to colonial times. While his contemporaries look to L.A. or New York for musical inspiration Jake turns to the mountain hollows of West Virginia. Through a unique master-apprentice program at the Augusta Heritage Center of Davis & Elkins College, Jake is learning the intricacies of a fading American tradition - the future of which rests firmly under his chin.

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CNN Interactive email id:4882172317716340

Lead-Based Paint Questions and Answers

GAO REPORT

Q: A 1994 GAO report recommended that:

1.) HUD "require, as a condition for receiving housing assistance payments and annually renewing participation in a Section 8 tenant-based assistance program, that a property owner notify the public housing authority if a local health agency finds that the property contains a lead-based paint hazard."

2.) The GAO also recommended that public housing authorities be required "to ask local health agencies for the addresses of children with elevated levels of lead in their blood and to match these addresses with the addresses of Section 8 tenant-based residences to determine whether HUD's regulations should be implemented."

What exactly did HUD do to implement GAO's 1994 recommendations? Explain the difference between the current requirements for Section 8 Tenant-Based Rental Assistance, the requirements that existed prior to the GAO report, and the requirements that will become effective this September?

A: (See attached table of requirements). In 1995, HUD required HAs to:

- "attempt to obtain annually the names and addresses of children with elevated blood lead levels" and to match this information with the names and addresses of participants in the Section 8 program.
- require owners to conduct a more extensive clean up following work with defective paint to ensure that additional hazards were not created during the course of maintenance or repair.

In addition, HUD's new regulation will require.

- all deteriorated paint to be repaired, regardless of the size of the area of deterioration. Previously there was an allowable amount of deterioration.
- "clearance" testing after lead-based paint has been repaired to ensure that the unit is free of lead dust. Previously there was no such requirement.
- information sharing to occur at least quarterly, rather than annually and also sets a specific timeline for follow-up actions.
- more extensive lead hazard evaluation and reduction activities if a lead poisoned child is found in a unit enrolled in the Section 8 program (i.e. the HA to conduct a risk assessment to detect lead hazards within 15 days of the HA being notified of a child with an elevated blood lead level is in a Section 8 property and the owner to conduct interim controls or abatement to eliminate the lead hazards within 30 days, if the risk assessment identifies lead hazards).
- that unit can not be occupied by another family receiving section 8 assistance until the hazards have been addressed. **Previously a unit could be rented to a family, provided that the family did not have a child less than age 6, because once the child less than age 6 moved out, the lead requirements no longer applied.**

Additional point: As you may know lead poisoning is an irreversible disease. The GAO recommendations really focused on what happens *after* a child is poisoned. HUD's strategy in requiring units to meet lead safety requirements is to stop exposure before it occurs, rather than waiting to act until after a child is poisoned.

LEAD PAINT REQUIRMENTS FOR SECTION 8 HOUSING

Q: Why doesn't HUD require more (i.e. a paint inspection)?

A:

- The Department considered several options for addressing lead hazards in the tenant based rental assistance program. We believe the new requirements strike an important balance between preserving affordable housing and protecting children from lead poisoning.

- However, we are concerned that property owners and their trade associations will successfully derail HUD's efforts to provide lead-safe housing. There have already been appeals to the Congress by these groups to delay the effective date of this rule.

- We are determined to ensure that the rule takes effect on time. The regulation is a critical component of the Federal Strategy to Eliminate Childhood Lead Poisoning in that it will protect more than two million children from lead exposure during its first five years.

Q: How much will the new rule cost per Section 8 unit?

A: HUD estimates that the average cost of the new rule imposed per Section 8 unit will be approximately $250. However, the net benefits are estimated to be $850 per unit.

FOLLOW-UP FOR A LEAD POISONED CHILD IN SECTION 8 HOUSING

Q: What does HUD require if a blood test reveals that a child residing in a Section 8 unit has been exposed to lead?

A: HUD follows the Centers for Disease Control and Prevention (CDC) recommendations for caring for a lead poisoned child which vary depending on the child's blood lead level.

- If a blood lead tests reveals a child's blood lead level of **less than** 15 microgram/deciliter, generally the physician or health department will provide parents with information about steps to take to protect their children. Although CDC's "level of concern is 10, CDC does not recommend any housing interventions at this level."

- If the child has tested at the level of 15 during two consecutive tests, or at a level of 20 during one test, CDC recommends that the child's environment be investigated.

- Frequently the local health department will conduct such an investigation to determine the source of the child's exposure. In the case of Section 8, the Housing Authority should know if a lead poisoned child is residing in a Section unit, because the HA is responsible for matching the list of poisoned children with the list of assisted units. In Birmingham, the child's blood lead level was less than 15 and thus, the child was not on the list of lead poisoned children.

- Once notified, the HA determines whether the health department has conducted an inspection. If not, the HA is responsible for testing painted surfaces for lead and for requiring the owner to treat defective paint (removing the deteriorated paint and repainting).

- The new regulation will require HAs and owners to conduct more extensive procedures. The HA must conduct a risk assessment within 15 days of being notified of the EBL. The owner must conduct interim controls or lead abatement within 30 days of the risk assessment.

FUNDING FOR HUD's OFFICE OF LEAD HAZARD CONTROL

Q: How has HUD's Lead Hazard Control Program Budget changed from 1993 to today?

A:

Fiscal Year	Request (in millions)	Enacted (in millions)
1992	10(under the affordable housing account)	47.7
1993	50	100
1994	100	150
1995	100	11 (10[illegible] appropriated but $89 rescinded)
1996	100	65
1997	60	60
1998	60	60
1999	85	80
2000	80	80
2001	90	

Lead-Based Paint Requirements for the Tenant-Based Rental Assistance Program 1988 - 2000

Note: Highlighted requirements signify new provisions (beyond those issued in previous rule(s)).

TITLE	Regs. Prior to GAO Report	Current LBP Regs.	New Regs. Effective 9/15/2000
YEAR	Jan. 15, 1987 (amended in June 6, 1988)	1995 (as amended)	2000
REGULATORY CITATION	35.5, 35.24 882.109(i) and 882.404(d)	Parts 982.401(j) and 35, Subpart H	24 CFR Part 35
REQUIREMENTS: **DISCLOSURE**	"Purchasers and tenants of HUD-associated housing constructed prior to 1950 shall be notified: 1) that the property was constructed prior to 1950, 2) that it may contain lead-based paint, 3) of potential and immediate hazards of lead based paint 4) of symptoms and treatment of lead poisoning, and 5) ways to prevent lead poisoning.	"Prior to execution of the HAP contract, the owner must inform the HA and the family of any knowledge of the presence of LBP." Owner must also comply with the Lead Disclosure Rule.	Lead Disclosure Rule moved from subpart H to subpart A, no substantive changes.
HAZARD EVALUATION	Visual inspection of all applicable surfaces[1] for defective paint at initial and periodic inspection of housing occupied by a child less than age 7.	Visual inspection[2] for deteriorated paint at initial and periodic inspection and occupied by a child less than age 6.	Visual Assessment at initial and periodic inspection of all interior and all exterior surfaces. Inspectors must be trained to perform the activities required of them by the rule.
HAZARD CONTROL	Cover or remove all defective paint surfaces within 30 days of the HA notifying the owner.	Treat defected [illegible] (depending on the [illegible] deterioration)[3] within 30 days of the HA notifying the owner. Worksite cleanup.	Paint Stabilization[4] [illegible] deteriorated surfaces within 30 days. Clearance (dust testing after work is done to ensure the unit is safe for occupancy).
NOTICE	No similar requirement	No similar requirement	Owner must notify occupants of the results of clearance examinations.

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[1] Applicable surface is defined as all intact and nonintact interior and exterior painted surface.

[2] Visual inspection is currently required for all interior surfaces and exterior surfaces up to 5 feet from the floor or ground that are accessible to children under 6. The new regulation will require a visual inspection of all interior surfaces *and all exterior surfaces.*

[3] Treatment is currently required only when the total area of defective paint is: 1) more than 10 square feet on an exterior wall; 2) more than 2 square feet on an interior or exterior component with a large surface area (e.g. ceilings, floors, doors, interior walls; or 3)more than 10 percent of the total surface area on a small surface area (e.g. window sills, baseboards, and trim). In September, paint stabilization will be required for *all* deteriorated surfaces.

[4] Current regulations require removal of defective paint (which generally meant scraping off deteriorated paint and repainting, without regard to the underlying substrate). The new rule requires "paint stabilization" which adds the requirement that any physical defect in the underlying substrate that is causing deterioration be repaired.

Lead-Based Paint Requirements for the Tenant-Based Rental Assistance Program 1988 - 2000

Note: Highlighted requirements signify new provisions (beyond those issued in previous rule(s)).

TITLE	Regs. Prior to GAO Report	Current LBP Regs.	New Regs. Effective 9/15/2000
RESPONSE TO EBL CHILD	HA -Test for LBP on chewable surfaces[5] in housing built before 1978 occupied by a child less than 7 with an EBL condition. EBL defined at 25 ug/dL. Owner - Treat defective paint on chewable surfaces[6]	HA -Test for LBP on chewable surfaces. Owner - Treat defective paint on chewable surfaces in housing occupied by a child less than 6 with an EBL condition. EBL is currently defined at 20 ug/dL or two tests at 15 ug/dL.	HA - Risk Assessment Owner - Interim Controls/Abatement if a child is poisoned. EBL definition the same, except that it is called an "Environmental Intervention Blood Lead Level."
INFORMATION SHARING	No similar requirement	"HA must attempt to obtain annually from local health agencies the names and addresses of children with identified EBLS and must annually match this information with the names and addresses of participants."	HA must attempt to obtain EBL list from health department at least quarterly. HA shall also report an updated list of the addresses of units receiving assistance under TBRA to the health department at least quarterly and must match information on EBLS with the names and addresses of participants, unless the health department performs the matching."
REOCCUPANCY OF UNIT AFTER IDENTIFICATION OF EBL CHILD	Tenant could be issued a certificate or voucher to move. Hazards must be addressed if another family with a child less than age 7 moves in. If a family without a child less than age 7 moves in the requirements do not apply and the hazards do not have to be addressed.	Same requirements except that the age of the child that triggers the requirements is lowered to 6 years.	Unit may not be reoccupied by a family receiving TBRA until the required repairs have been made.

[5] Chewable surface is defined as protruding painted surfaces up to five feet from the floor or ground, which are readily accessible to children under 7.

[6] The regulation does not specify a timeline for testing for LBP or for treating defective paint and chewable surfaces. The new regulation will require HAs to conduct a risk assessment within 15 days of being notified of the EBL. The owner will be responsible for conducting interim controls or lead abatement within 30 days of the risk assessment.

Definitions (summarized, not regulatory definitions)

Clearance examination - activity following lead hazard reduction to ensure determine that lead work is complete and that no soil lead hazards or dust hazards exist. Clearance includes a visual assessment and collection and analysis of environmental samples.

Environmental intervention blood lead level - a confirmed concentration of lead in blood equal to or greater than 20 microgram/deciliter in a single test, or 15-19 microgram/deciliter in two tests taken at least 3 months apart. A microgram (ug) is equal to one millionth of a gram.

Paint Stabilization - repairing any physical defect in the substrate of a surface that is causing paint deterioration, removing loose paint and other material from the surface to be treated, and applying a new protective coating or paint.

Risk Assessment - An on-site investigation to determine the existence, nature, severity and location of lead hazards, and the provision of a report explaining the results of the investigation and options for reducing lead hazards. Must be performed by a certified individual.

Visual Assessment - looking for deteriorated paint.

Talking Points/Statistics

- In 1978 there were about 14.8 million poisoned children in the United States. By 1992, that number had dropped to approximately 3 million. Today, the most recent data show that less than one million children are lead poisoned. Although we've seen a 80 percent decrease in blood lead levels since the 1970's, there are still far too many children affected by this preventable disease.

- Today there are 24 million units at risk of lead paint hazards. During the next 10 years several million of those units will be demolished or renovated. In addition, HUD's new lead paint regulation will create an estimated 1.4 million units of lead-safe housing. About 20 percent or 2.3 million of the remaining units are occupied by low income individuals. HUD will target these 2.3 million units as part of the Federal Strategy to eliminate childhood lead poisoning by 2010.

- HUD has a leading role in implementing the strategy through its Lead Hazard Control Grant program. The grant program is now active in over 200 cities. Since 1992, HUD has awarded $492 million to 34 States and the District of Columbia -- creating nearly 50,000 lead-safe homes for young children in low-income housing.

- This year the President requested a 50% increase in the grant program to expedite the elimination of lead paint hazards in privately-owned low-income housing (including housing receiving Section 8 Tenant-Based Rental Assistance).

- Annually, there are approximately 134,500 pre-1978 housing units with children less than age 6, supported by the Section 8 program. Each unit contains an estimated 1.76 children less than age 6. Therefore, approximately 236,720 children under age 6 reside in Section 8 assisted housing. Expressed differently, between 25-33 percent of the Section 8 assisted housing stock is occupied by at least one child less than age 6.

- The 236,720 children annually residing in Section 8 housing will benefit both from HUD's new lead paint regulation and through grant aid being provided by HUD to state and local governments to eliminate lead hazards in housing.