

Senate Hearing Set on HUD's Legislative Proposals

NLIHC's Memo to Members

April 9, 2010

HUD Secretary Shaun Donovan will testify before the Senate Committee on Banking, Housing and Urban Affairs on April 15 on the legislative proposals HUD has made within its FY11 budget request. Scheduled for discussion are HUD's Transforming Rental Assistance (TRA) initiative as well as a plan for new housing choice vouchers to be administered with cooperation from the Department of Health and Human Services (HHS) and the Department of Education.

As envisioned, TRA would allow public housing agencies and some multifamily properties to convert their current operating subsidies into a new form of rent subsidy. PHAs and owners would receive higher operating subsidies under the new rent subsidy, allowing them to seek capital from the private market to rehabilitate their units. TRA also includes incentives for PHAs to consolidate the administration of their voucher programs. Also importantly, there is a resident choice component to TRA that would allow residents in converted units to have the ability to move with a housing choice voucher, while the new operating subsidy remains with the unit. HUD released a discussion draft of TRA on March 31 and is expected to release a more detailed legislative proposal soon.

The 10,000 new vouchers HUD has requested in its FY11 request would be distributed nationally through two new competitive demonstration programs to address the needs of families and individuals who are homeless or at risk of homelessness. One of the demonstration programs would make funds available to PHAs that partnered with state or local entities responsible for distributing Temporary Assistance for Needy Families (TANF) and other HHS services. The other demonstration would provide funds to PHAs that partner with school homelessness liaisons funded through the Department of Education's Education for Homeless Children and Youths program.

The hearing will be at 9:30 am in room 538 of the Dirksen Senate office building.