

MEMO OF MEMBERS

The Weekly Newsletter of the National Low Income Housing Coalition

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Capitol Hill

Freddie and Fannie Hearing Postponed Due to Storm

The hearing on the regulation of Fannie Mae and Freddie Mac originally scheduled for September 18 in the House Finance Committee was postponed as the House adjourned early due to Hurricane Isabel. The hearing has been rescheduled for Thursday, September 25, and the agenda includes consideration of HR 2575, a bill to reform the regulation of certain housing-related government-sponsored enterprises.

Update On TANF Legislation

As reported in last week's *Memo*, the bill reauthorizing the TANF program passed the Senate Finance Committee. A superwaiver proposal, which would give governors, with the permission of cabinet secretaries, authority to waive federal laws and regulations related to several social service programs was included in the bill. This current proposal does not include housing programs. Advocates remain concerned that Senators who strongly support the superwaiver proposal may attempt to broaden the scope of the proposal by adding more social service programs, including housing, to its purview when the bill goes to the floor. As it is unclear when the bill will go to the floor, advocates say they will continue to remain in contact with their Senators to express their opposition to housing programs being included in the superwaiver proposal.

New Legislation

On September 16, Representative William Clay (D-MO) introduced H.R. 3107. The bill would amend the Internal Revenue Code of 1986 to provide a tax credit for property owners who remove lead-based paint hazards. The bill has been referred to the House Ways and Means Committee.

Bills at a Glance

Current information on legislation being tracked by NLIHC is available through NLIHC's new legislative action center, at <http://capwiz.com/nlihc/issues/bills/>.

National Housing Trust Fund

Representative Jim Turner (D-TX) Co-Sponsors HR 1102

This week, Representative Jim Turner (D-TX) became the 206th co-sponsor of the National Affordable Housing Trust Fund Act, HR 1102.

The Campaign also welcomes new endorsers this week, including the San Diego Association of Governments (SANDAG). SANDAG is the regional planning entity for 19 local governments and their council members, mayors, and supervisors in the San Diego, CA, area. Endorsements for the Campaign now exceed 4,450 organizations, housing notables, state and local governments, and elected officials. More information is at www.nhtf.org.



POINT OF VIEW

by Sheila Crowley, President

With Hurricane Isabel bearing down on Washington this week and attracting most of the media attention, policymakers got a bit of a break from the lights shining on their fiscal follies. Earlier this week, polls showed serious discomfort with the President's demand for \$87 billion more for the war in Iraq. The Medicare prescription drug proposals are unraveling as retirees figure out that most major corporations who now cover their retired workers' prescription drug insurance will drop them when a government insurance program is enacted, increasing the new program's cost and diminishing the quality of care that these retirees now enjoy. David Firestone's front page article in the Sunday *New York Times* (September 14) and Paul Krugman's article in the *New York Times Magazine* the same day could not have been clearer about the harmful effects of the escalating federal deficit. Mr. Krugman (an economics professor at Princeton) also provides a nice tutorial on how supply-side "economics" is not economics at all, but merely political cover for the crowd that intends on cutting taxes until the New Deal is undone.

By mid-week, Isabel had managed to divert public attention away from what I found to be one of the most damning accounts of the mismanagement of the public trust yet. On Wednesday, September 17, David Walker, Comptroller General of the United States, gave an address at the National Press Club. The Comptroller General is the head of the General Accounting Office and, in essence, our national audi-

(See *Point of View* on p. 5)



HUD HUDClips

On September 15, HUD's Office of the Secretary released FR-4728-N-03. The notice announces the publication of the 2004 Operating Cost Adjustment Factors. The notice establishes annual factors used in calculating rent adjustments under section 524 of Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRA), as amended by the Preserving Affordable Housing for Senior Citizens and Families into the 21st Century Act of 1999, and under and under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA). The notice goes into effect on February 11, 2004.

Notice CPD 03-08 was released on September 15. The notice provides guidance to HOME Investment Partnership Program Grantees and Participating Jurisdictions (PJs) on how to use HOME Program funds to assist individuals and families who are homeless or at risk of homelessness. The notice expires July 30, 2004.

On September 16, HUD's Office of the Secretary released FR-4869-N-01. The notice announces the revised contract rent Annual Adjustment Factors for the Section 8 Housing Assistance Payments Program for FY04. The notice goes into effect September 16, 2003.

On September 17, HUD's Office of the Assistant Secretary for Public and Indian Housing released FR-4475-F-02. The notice announces a final rule, which implements section 537 of the Quality Housing and Work Responsibility Act of 1998. Section 537 requires Public Housing Agencies (PHAs) to identify distressed public housing developments that must be converted to tenant-based assistance. PHAs do not have to start conversion until the completion of a cost study to evaluate the cost of conversion versus the cost to modernize and operate the distressed developments. The effective date of this notice is March 15, 2004.

On September 17, HUD's Office of the Assistant Secretary for Public and Indian Housing released FR-4476-F-04. The notice announces a final rule, which implements section 533 of the Quality Housing and Work Responsibility Act of 1998. Section 533 allows PHAs to volunteer developments to convert to tenant-based assistance. This action is permitted only when that change would be cost effective, be beneficial to residents of the development and the surrounding area, and not have an adverse impact on the availability of

affordable housing. PHAs cannot start conversion until the completion of a cost study. The effective date of this notice is March 15, 2004.

On September 17, HUD's Office of the Assistant Secretary for Public and Indian Housing released FR-4718-P-01. The notice announces a proposed rule, which would establish the cost methodology that Public Housing Agencies (PHAs) must use under HUD's programs for the required and voluntary conversion of public housing developments to tenant-based assistance. This rule allows the public an opportunity to comment on the methodology that will be used for the required cost comparisons. Comments are due November 17, 2003.

The Office of the Assistant Secretary for Public and Indian Housing released FR-4759-F-03 on September 17. The notice serves as a final rule, which provides that units owned or substantially controlled by a public housing agency (PHA) are eligible for purchase under the Housing Choice Voucher Program homeownership option. The final rule also establishes procedures to remove potential conflicts of interest where the PHA is the seller. The effective date of this rule is October 17, 2003.

All notices are available at www.hudclips.org.

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Update from the Field After Veto, IL Governor Backs Housing Task Force

Housing advocates in Illinois won an important victory this past week when the governor issued an executive order with the goal of drawing up an annual housing plan for the state to meet the needs of underserved populations, but the victory came in a round about way.

During the fall of 2002, the Statewide Housing Action Coalition (SHAC) worked with allies around the state and several legislators, including State Representative Julie Hamos, a Democrat from Evanston and Chair of Housing and Urban Development Committee, on a series of hearings on housing issues. In response to the information gathered at these hearings, Ms. Hamos introduced HB 2345, the Illinois Housing Initiative Act of 2003, on February 19.

HB 2345 identified underserved populations within the state, including families at less than 50% of area median income (AMI) and below and particularly those at 30% of AMI and below, low income seniors and people with disabilities; homeless people and those at risk of homelessness; and low and moderate income people unable to afford housing near their workplace.

The bill would create a task force made up of government officials from a range of agencies affected by housing, appointees of the majority and minority leaders of the House and Senate, and housing experts from rural and urban areas appointed by the Governor. The task force would develop an annual comprehensive housing plan, including goals for housing units developed, and would report annually on progress made on those goals. The task force would also coordinate state policies and funding decisions relating to housing and supportive services for underserved populations and recommend actions to be taken by the state to promote affordable housing development.

The bill would also establish the Illinois Housing Initiative, which would coordinate the allocation of federal and state funds to give priority to the development and preservation of affordable housing and the provision of supportive services for the underserved populations identified by the legislation.

The bill passed the General Assembly, but it was vetoed by Governor Rod Blagojevich (D) on technical grounds related to the use of federal funds. But on September 16, the Governor issued an executive order similar to HB 2345. According to Governor Blagojevich, "The shortage of affordable housing poses a serious

threat to the wellbeing of communities across the state....The Executive Order I'm signing today will allow the state to more effectively leverage its limited resources to promote a full range of quality housing options in every region of the state." The Governor has committed to working towards codifying the executive order in next year's legislative session.

The executive order establishes a housing task force, with a similar makeup and responsibilities as it would have under HB 2345. In his executive order, the Governor appointed 18 people representing rural, suburban and urban areas to the housing task force, in addition to members from state government agencies, and U.S. Representative Bobby Rush (D-IL). The executive order also creates the Illinois Housing Initiative, similar to one that the bill would establish.

Bob Palmer of SHAC said that his organization is "very excited about the executive order. Along with the Governor's endorsement of the National Housing Trust Fund, it shows a commitment to housing all the people of Illinois." Mr. Palmer noted however, that earlier in the year Governor Blagojevich seized \$5 million from the state's housing trust fund to help balance the budget. "That is going to have a bigger short-term impact than the executive order," he cautioned.

Resources

Fair Housing Handbook for People With Disabilities

The Bazelon Center for Mental Health Law recently released a new edition of its handbook, "What 'Fair Housing' Means for People with Disabilities," updated with new judicial decisions and federal laws. The handbook explains how the housing rights of people with mental or physical disabilities are protected under federal laws and how these individuals can take advantage of these laws in their search for housing. While the handbook is addressed directly to people with disabilities who are looking for housing, it is also useful for others as an informational source.

The handbook's first section gives an overview of the issues surrounding fair housing for those with disabilities: what the laws are and who is protected, who must comply with the laws, who enforces the laws, and what some examples of housing-related discrimination are. The three acts relevant to people with disabilities are the Fair Housing Act itself, Section 504 of the Rehabilitation Act of 1972, and Title II of the Americans With Disabilities Act.

(See Resources on p. 4)

Resources *(cont'd from p. 3)*

Much of the handbook details how tenants with disabilities can go about obtaining fair housing. This ranges from recognizing discrimination in the housing application process or tenancy itself to requests for reasonable accommodations and modifications. Also discussed are accessibility requirements and the process for challenging discrimination. Passages from the Fair Housing Act and other relevant materials are cited in the notes. In addition, the resources listed at the back of the handbook provide more information on issues surrounding housing discrimination.

Boxes throughout the handbook contain specific examples of the issues discussed. These boxes are especially geared towards the person with a disability looking for housing and contain real world examples. For example, one box contains specific examples of discrimination that may occur in the leasing process and another of discriminatory actions during tenancy. Another box includes both examples of reasonable accommodation and a sample request letter.

The handbook is available at: <http://www.bazelon.org/issues/housing/publications/wfhm.pdf>

The center has also recently updated its Digest of Cases and Other Resources in Fair Housing for People with Disabilities. The Digest looks at the most significant fair housing decisions from across the country and cities sources and commentaries relating to fair housing laws. The Digest and the Handbook are available for purchase at <http://store.bazelon.org/housing.html>; the Digest does not appear to be available on-line.

Fact of the Week

Jobless Recovery?

Percent Change in Private Sector Employment, 20 Months After the Recovery Began

Last five recoveries

Nov 2001 – July 2003	-1.1% (current recovery)
March 1991 – Nov 1992	0.3%
Nov 1982 – July 1984	8.0%
March 1975 – Nov 1976	5.3%
Nov 1970 – July 1972	4.6%

Source: "Labor market left behind: Evidence shows that post-recession economy has not turned into a recovery for workers" Economic Policy Institute, September 2003.

News & Events

Congress'l Black Caucus Foundation

The Congressional Black Caucus Foundation will hold its 33rd Annual Legislative Conference on Wednesday, September 24 to Saturday, September 27 at the Washington DC Convention Center. Included among the issue fora is: "The State of Affordable Housing: Are We Better or Worse Off Since the Bush Administration Took Office." The housing event is sponsored by Representatives Barbara Lee (D-CA) and Mel Watt (D-NC), and will take place on Thursday, September 25 at 3:30pm. NLIHC President Sheila Crowley will be a member of the housing panel. For information, visit www.cbcbfinc.org.

Health and Human Services

The U.S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration Center for Mental Health presents a conference on "Ending Homelessness for People with Mental Illnesses and/or Substance Use Disorders." The conference takes place at the National Training Conference December 3–6, 2003 Pointe South Mountain Resort Phoenix, Arizona. Those who are interested can find a complete brochure at www.nrchmi.com/pdfs/2003_brochure_a.pdf.

University of North Carolina

The University of North Carolina at Chapel Hill, The Center for Urban and Regional Studies and The Center for The Study of the American South will present "This House is Home: Multidisciplinary Perspectives on Affordable Home Ownership Conference." The conference will be held October 30 through November 1, 2003 in Chapel Hill, NC. The conference seeks to foster critical thinking and reflective communication between a diverse group of housing and community development professionals, policy makers, social scientists, artists and humanists. For further information about the conference, visit www.unc.edu/depts/curs and click on the conference site.

National Coalition for the Homeless

The National Coalition for the Homeless will hold its Annual Bringing America Home Conference October 6-8 in Washington, D.C. Workshops will be presented in tracks including Health, Civil Rights, Education/Child/Youth/Family issues, Economic Justice, and Legal Strategies to Ending Homelessness. A particular focus will be NCH's new Bringing America Home Campaign, aimed at passing the omnibus Bringing America Home Act. Register at www.nationalhomeless.org. For more information, contact Nick Phillips at 202-737-6444 x17 or nphillips@nationalhomeless.org.

Point of View *(cont'd from p. 1)*

tor. His position is non-partisan, and he began his speech by stating that he was offering a professional, not a political, opinion. After reviewing the federal deficit, the federal debt, the looming entitlement crisis with the retirement of the baby-boomers, and other bad news, he said that "the government's current financial statements and annual reports do not give policymakers and the American people an adequate picture of our government's overall performance and true financial condition." In other words, it is worse than we think. As our public auditor, Mr. Walker warns against allowing the accounting failures that have rocked private companies to occur in the public sector. Mr. Walker does not call for either spending cuts or tax increases, but is clear that we have obligations that cannot be ignored and the present course is unsustainable. And he further warns that the longer we wait to correct course, the more likely it is that we will not be able to. Go to www.gao.gov to read Mr. Walker's remarks or catch him on C-span.

Grover Norquist, the leader of the tax cut movement, had an op-ed published in the *Washington Post* on Monday, September 15 entitled "Don't Even Think About Raising Taxes." He threatens any Republican who questions the wisdom of future tax cuts or thinks we have already gone too far in cutting taxes with political retribution. If only the people we elect will pay heed to their auditor rather the radical right.

NLIHC Staff

New Research Intern

This week Scott Bucher has joined us as a full-time research intern. Originally from Massachusetts, Scott graduated from Bridgewater State College and is currently a candidate for a MA in International Development from American University. He expects to graduate in the spring. With an increasing interest in domestic issues, Scott is focusing his own research work on housing and homelessness in Washington, D.C.

Tell Your Friends...

NLIHC membership is the best way to stay informed about affordable housing issues, keep in touch with advocates around the country, and support NLIHC's work. Membership information is available at www.nlihc.org, or by fax, mail, or e-mail. Just e-mail membership@nlihc.org or call 202-662-1530 to request membership materials to distribute at meetings and conferences.



National Low Income Housing Coalition

Memo to Members
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About NLIHC: Established in 1974, the National Low Income Housing Coalition is dedicated solely to ending America's affordable housing crisis. NLIHC educates, organizes, and advocates to ensure decent, affordable housing within healthy neighborhoods for everyone. NLIHC provides up-to-date information, formulates policy, and educates the public on housing needs and the strategies for solutions.