

Congress Targeting Housing Assistance for Especially Deep Cuts

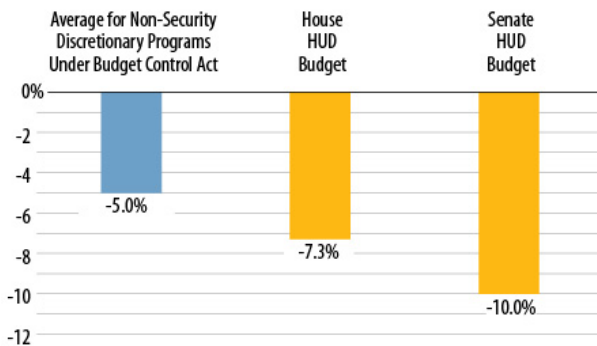
October 20, 2011 at 3:42 pm

Operating within the 2011 Budget Control Act's tight spending limits, Congress is making difficult decisions about which programs to cut in fiscal year 2012. [House](#) and [Senate](#) leaders drafting the Department of Housing and Urban Development (HUD) budget have committed to preserving rental assistance for the low-income families now receiving it so that these families don't lose their homes. Yet the House and Senate funding bills do not meet this important commitment, as I explain in a new [report](#), and tens of thousands of families could lose assistance.

Here's the background. The Budget Control Act requires Congress to cut total spending in non-security discretionary programs — a budget category that includes low-income housing assistance — by about 5 percent in 2012. Yet a HUD spending bill that a House subcommittee approved last month, and a separate one that the full Senate will vote on this week, cut the HUD budget by considerably more (see graph). Indeed, the House and Senate bills would reduce the HUD budget to the lowest levels since 2003 and 2001, respectively, in inflation-adjusted terms.

House and Senate Cuts to HUD Budget Are Disproportionately Deep

Percentage change in 2012, relative to nominal 2011 level



Source: CBPP Estimates, House and Senate Appropriations Committees, OMB Public Budget Database

[Center on Budget and Policy Priorities | cbpp.org](#)

Because they cut the overall HUD budget so deeply, the bills fail to give the major rental assistance programs enough funding to prevent the loss of assistance for low-income families. The bills:

- **Fail to renew Housing Choice vouchers for 25,000 to 40,000 low-income households.** On average, families using vouchers — about half of which include people who are elderly or have serious disabilities — have incomes of just \$12,600, well below the poverty line for families of two or more people. The loss of assistance would typically double or triple these families' monthly housing costs, placing many at risk of becoming homeless.
- **Provide far too little capital funding for public housing,** exposing low-income families to deteriorating or even hazardous living conditions while raising federal costs down the road. Cuts in capital funding for public housing, which has already declined over the past decade, would force agencies to delay repairs, such as fixing leaky roofs, that create unhealthy or unsafe living conditions for tenants and increase the costs of future repairs.

As the House and Senate negotiate the final 2012 budgets for federal agencies in coming weeks, they should ensure that low-income families do not bear the brunt of funding cuts. At a minimum, Congress should provide the resources required to sustain rental assistance for the number of low-income families that now receive it.