

Congress of the United States

Washington, DC 20515

April 25, 2008

The Honorable John W. Olver
Chairman
Subcommittee on Transportation,
Housing and Urban Development,
And Related Agencies
House Committee on Appropriations
2358 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Joe Knollenberg
Ranking Member
Subcommittee on Transportation,
Housing and Urban Development,
And Related Agencies
House Committee on Appropriations
2358 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Olver and Ranking Member Knollenberg:

We are writing to ask that you include language in the FY 2009 Transportation, Housing and Urban Development and Related Agencies Appropriations bill that prohibits the Department of Housing and Urban Development (HUD) from implementing certain provisions of their Public Housing Operating Fund Final Rule. The Consolidated Appropriations Act of 2008 (P.L. 110-161) included nearly identical language. This language is vital to Public Housing Authorities (PHAs) who have begun to implement the provisions in the 2008 Consolidated Appropriations Act of 2008 and for whom continuity is necessary. Continuing this language will also allow the House and Senate to more permanently address the final rule through stand-alone legislation.

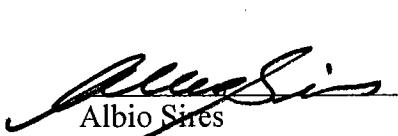
The Quality Housing and Work Responsibility Act (QHWRA), passed by Congress in 1998, included a requirement for negotiated rulemaking to develop a new public housing operating fund formula and accounting system. Known as asset management, this new system is designed to make public housing run more efficiently. Among other mandates, the final rule required that PHAs with more than 250 units of public housing implement this system and utilize a new management fee established without input from the negotiated rulemaking committee. HUD also prevented PHAs from moving funds between their capital and operating funds, even though Congress allowed such transfers in QHWRA.


The language proposed for 2009 would do two things. First, it would allow PHAs with fewer than 500 units of public housing to be exempt from implementing asset management. The 2008 Consolidated Appropriations Act exempted PHAs with fewer than 400 units of public housing. We seek to increase this threshold to 500 units to match the threshold in H.R. 3521, the Public Housing Asset Management Improvement Act of 2007 and future legislation addressing asset management that will be introduced shortly. The proposed language also allows PHAs to move funds between their capital and operating funds as allowed in QHWRA. Such flexibility is important given the chronic

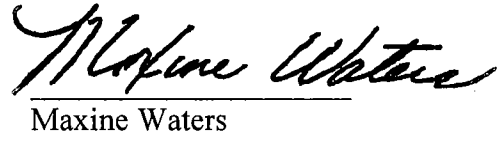
under funding PHAs have received in recent years. Last year, PHAs received 83 percent of the total amount of funding they need to operate effectively, up from 78 percent in previous years.

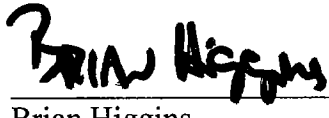
The language will ease the regulatory burden on PHAs and give them continuity for the upcoming year while Congress pursues a more permanent solution through legislation. We hope you will include this language when you draft your 2009 appropriations bill, and we appreciate your consideration of our request.

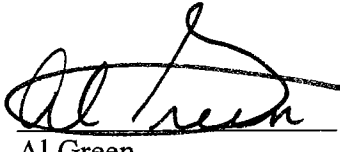
Sincerely,

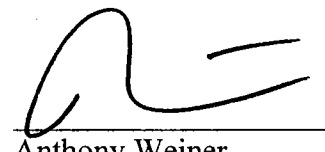

Albio Sires
Member of Congress



Barney Frank
Member of Congress

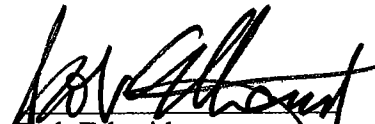

Maxine Waters
Member of Congress

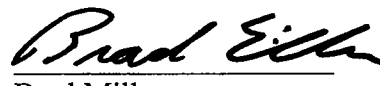

Brian Higgins
Member of Congress

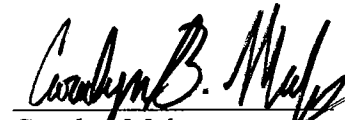

Al Green
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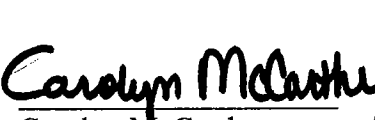

Anthony Weiner
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Betty McCollum
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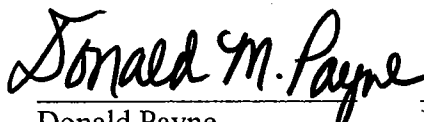

Bob Etheridge
Member of Congress



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Member of Congress

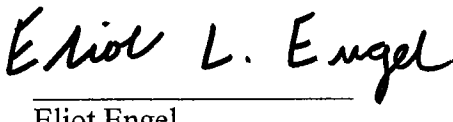

Carolyn Maloney
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Carolyn McCarthy
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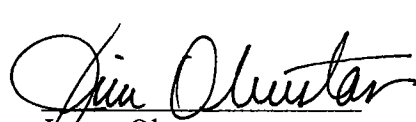

Edolphus Towns
Member of Congress

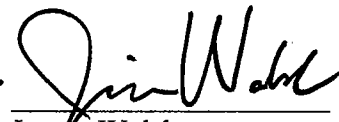

Eliot L. Engel
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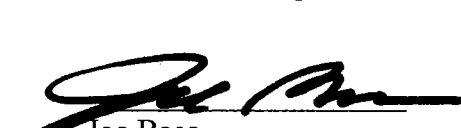

Gwen Moore
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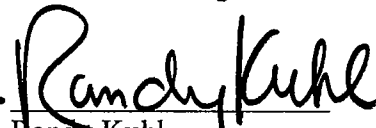

Henry Waxman
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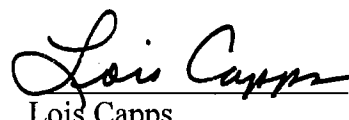

James Walsh
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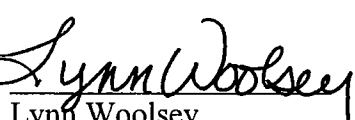

Jim McDermott
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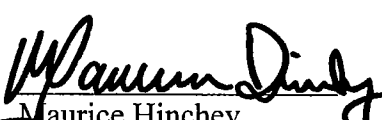

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Member of Congress

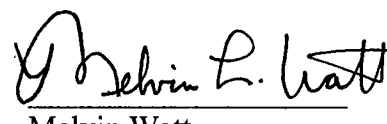

Randy Kuhl
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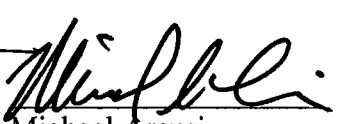

Joseph Crowley
Member of Congress

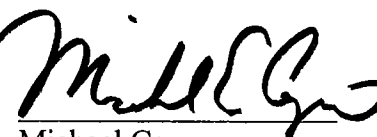

Lois Capps
Member of Congress

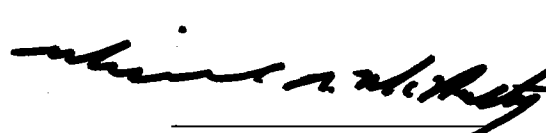

Lynn Woolsey
Member of Congress



Maurice Hinchey
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Michael Capuano
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Michael McNulty
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Michael Michaud
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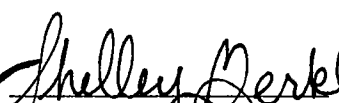

Nick Rahall
Member of Congress

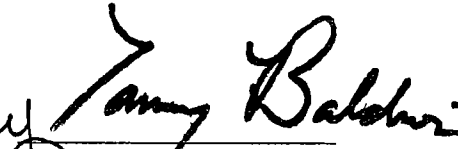

Nydia Velazquez
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Raul Grijalva
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Ruben Hinojosa
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Shelley Berkley
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Tammy Baldwin
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Hilda L. Solis
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