

United States Senate

WASHINGTON, DC 20510

April 24, 2008

The Honorable Patty Murray,
Chairwoman
Subcommittee on Transportation,
Housing and Urban Development
and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Christopher Bond,
Ranking Member
Subcommittee on Transportation,
Housing and Urban Development
and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chairwoman Murray and Ranking Member Bond:

As you consider the Fiscal Year 2009 Transportation, Housing and Urban Development and Related Agencies Appropriations bill, we urge you increase funding for public housing and provide \$5.3 billion for the Public Housing Operating Fund and \$3.5 billion for the Public Housing Capital Fund. Public housing is a national asset, serving nearly 3 million low-income, disabled, senior citizens and families while stabilizing neighborhoods throughout America.

The Operating Fund is used to finance the portion of operating costs that are not covered by tenants' rent contributions. This funding is absolutely essential to maintaining affordability and providing safe, high-quality apartments to public housing residents. The President's request underfunds the Operating Fund by an astounding \$1 billion, based on HUD's projection of need. At this level only 81% of public housing authorities' necessary costs would be covered by HUD. This funding shortfall will force public housing authorities to make huge cuts in staffing and inspections, and result in a decreased quality of life for residents of public housing.

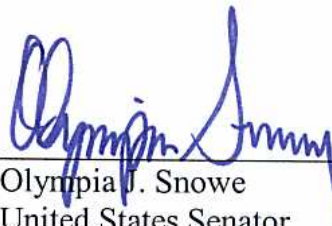
The Capital Fund finances major repairs and renovations of public housing. The President's budget for the Public Housing Capital Fund marked the seventh consecutive year that funding for this account remains level or decreased. Because the nation's public housing authorities accrue new capital needs at a rate of \$2.3 billion per year, the President's FY 2009 request of \$2.024 billion for the Public Housing Capital Fund would not even cover this year's new capital expenses. Instead, it would mean that the \$18 to 20 billion dollar backlog in capital repairs to public housing developments across the country would continue to grow.

In order to cope with these cuts in funding, housing authorities are cutting security and social services, delaying or forgoing routine maintenance, and putting off major repairs and improvements. Full funding for these public housing programs will prevent this disruption of services and allow the public housing authorities to continue operating their projects in a safe and affordable manner. Thank you for your consideration.

Sincerely,



Charles E. Schumer
United States Senator



Olympia J. Snowe
United States Senator

John F. Kerry

Hillary Rodham Clinton

Edward M. Kennedy

Patrick Leahy

Maria Cantwell

Ron Wyden

Noam Coleman

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Public Housing

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