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**House and Senate Versions of “Welfare Reform and Upward Mobility Act” Are Introduced**

Consolidation of Federal Rental Assistance Programs and Other Programs Into Block Grants to the States

(June 2017) - The House and Senate versions of the “Welfare Reform and Upward Mobility Act” (H.R. 2832 and S. 1290) are proposals to bundle together eleven HUD rental assistance programs (including public housing, TBRA and PBRA), define them as “welfare” programs and send them (and their current funding amounts) to the states for implementation as block grants and dramatically reduce their funding over the next ten years. Representative Jim Jordan (R-OH), a cofounder of the conservative House Freedom Caucus, introduced the House version of the bill, and Senator Mike Lee is the original sponsor of the Senate version of the bill. PHADA strongly opposes legislation that would effectively end the federal responsibility for affordable housing for the neediest families.

The bills are considered companion pieces to the most recent Ryan plan, “A Better Way: Our Vision for A Confident America.” The bills would define federal housing assistance programs – as “means-tested housing programs” and end federal funding for such programs on October 1, 201. The combined amount of authorized expenditures for these programs would be capped at FY 2016 funding levels and would be sent as block grants to states to administer. The FY ’16 funding level would continue through FY 2023 and then be reduced annually by 10 percent in succeeding years. Total funding for all of these housing programs would reach 50 percent of FY ’16 levels in FY 2028. PHADA strongly opposes legislation that would effectively end the federal responsibility for affordable housing for the neediest families.

Both bills would consolidate the following programs and turn them in to block grants to the states:

* The project-based and tenant-based rental assistance programs under section 8 of the United States Housing Act of 1937;
* Public housing assistance under the United States Housing Act of 1937 et seq.);
* The HOME Investment Partnerships Program under title II of the Cranston-Gonzalez National Affordable Housing Act;
* Homeless Assistance Grants under title IV of the McKinney-Vento Homeless Assistance;
* Assistance from the Rural Housing Insurance Fund under section 517 of the Housing Act 1949;
* Assistance from the Rural Housing Service;
* The supportive housing for the elderly program under section 202 of the Housing Act of 1959;
* Native American Housing Block Grants under title I of the Native American Housing Assistance and Self-Determination Act of 1996;
* The rental assistance programs under section 101 of the Housing and Urban Development Act of 1965 and section 236(f)(2) of the National Housing Act; and
* (10) The supportive housing for persons with disabilities program under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act.

States would have to match 20 percent of their federal grants with non-federal funds. States would “have full flexibility to use the amounts of grants to finance a housing provider, service, or program,” and would be allowed to establish a portable voucher system that allows parents with low incomes to use a portion of their voucher’s value to attend a private prekindergarten education program.

States would have to conduct a “comprehensive self-assessment of the effectiveness and progress” of covered housing programs. The U.S. Comptroller General would also have to conduct a study and report its findings to Congress on different approaches and best practices used by states in carrying out their affordable housing programs in accordance with the bill.

***Related Resources***

A full copy of the House version of the bill is accessible at: <https://www.congress.gov/115/bills/hr2832/BILLS-115hr2832ih.pdf> and a copy of the Senate version of the bill is accessible at: <https://www.congress.gov/115/bills/s1290/BILLS-115s1290is.pdf>