



## Funding Shortfall Threatens 500,000 Section 8 Apartments

**PROBLEM:** As many as 500,000 project-based Section 8 apartments nationwide—40% of which are occupied by elderly and disabled Americans—are at risk of being lost from the nation’s affordable housing stock because the Department of Housing and Urban Development and Office of Management and Budget failed to request enough funds to meet Section 8 funding needs for FY’08.

Congress is poised to pass an appropriations bill with a project-based Section 8 funding shortfall of more than \$1 billion. This shortfall means HUD will be unable to guarantee a full year of payments to Section 8 property owners. Without such a guarantee, property owners who can economically leave the Section 8 program will do so at the first opportunity, leaving working families and seniors facing substantially higher rents or displacement.

The National Housing Trust and the Preservation Working Group have appealed to Congress to fully fund the program and avert a housing crisis that will affect tens of thousands of working families and seniors. A letter was submitted to congressional appropriators on behalf of more than 50 organizations representing affordable housing lenders, state and local housing agencies, investors, tenant groups, and owners.

### **SOLUTIONS FOR RESTORING FULL FUNDING FOR THE PROJECT-BASED SECTION 8 PROGRAM:**

**Congress must maintain the funding level agreed to by the House and Senate conferees.** House and Senate conferees have agreed to \$6.1 billion in appropriations for the project-based Section 8 program for FY’08. The President has threatened to veto the HUD spending bill because it includes more discretionary spending than he has requested. We request that Congress continue to support the \$6.1 billion funding level despite the President’s threat to veto the bill.

**Provide advance appropriations.** \$6.1 billion is insufficient to fully restore the funding needed for all Section 8 contract renewals. In addition to urging \$6.1 billion in appropriations for FY’08 Section 8 contract renewals, we request Congress provide an advance appropriation of the amount needed to restore full funding for contract renewals. **Obligating a full 12 months of payments provides owners the confidence that HUD will fully honor the Section 8 contract.**

VISIT [www.nhtinc.org/Fully\\_Fund\\_Section8.asp](http://www.nhtinc.org/Fully_Fund_Section8.asp) FOR MORE INFORMATION