



**Senator Feinstein Questions HUD Plan to  
Provide Low-Income Housing Vouchers By Block Grants**  
April 22, 2004

**Washington, DC** – In a letter to Housing & Urban Development (HUD) Secretary Alphonso Jackson, Senator Dianne Feinstein (*D-Calif.*) expressed serious concern over the Bush Administration's effort to turn the Section 8 Housing Choice Voucher Program into a block grant program that would result in a \$1.6 billion cut in funding for the housing subsidies.

The proposed switch could jeopardize housing assistance for 250,000 families across the nation including more than 9,500 in Los Angeles County, 6,300 in the San Francisco Bay Area, nearly 2,700 in San Diego County, more than 1,400 in Fresno County, and over 1,300 in Sacramento County (Information about other California cities and counties is available at <http://www.cbpp.org/states/3-17-04hous-ca.pdf>).

The proposed funding cut comes as the Los Angeles Housing Authority is already struggling to meet the needs of families with housing vouchers. Earlier this year, the L.A. Housing Authority suspended the Section 8 vouchers of 1,500 Los Angeles families in search of housing. Another 5,000 families in rental housing were in danger of losing their vouchers, but local officials reached an agreement with HUD to preserve the 5,000 vouchers.

The full text of Senator Feinstein's letter follows:

“We are writing to express our deep concern with HUD's FY 2005 budget proposal, the Flexible Voucher Program, which would block grant the Section 8 Housing Choice Voucher program to Public Housing Authorities across the nation.

Although the proposal has elements that would be of great benefit to local jurisdictions in helping to improve their Section 8 program, the Flexible Voucher Program underfunds the Section 8 program by approximately \$1.6 billion as it shifts the program from one that is based on actual costs to a formula block grant.

The cut in funding potentially jeopardizes housing assistance for 250,000 families across the nation that are currently receiving Section 8 housing assistance, disproportionately impacting California. The Section 8 program is by far California's greatest provider of affordable housing opportunities for low-income families, the elderly and disabled persons. Almost 300,000 of the 2 million Section 8 voucher holders in this country reside in California.

Cuts in the amount of Section 8 subsidy will result in unforeseen housing and financial hardships by the most needy of our low-income population and working poor. In Los Angeles County alone, over 9,500 families could lose their housing assistance, and in the San Francisco Bay Area over 6,300 families.

In addition to eliminating existing families from the program, this proposal may also cause: (1) higher rent payments by those who can least afford an increase; (2) private landlords less willing to participate in the program if subsidies are eliminated or unreliable, which would severely reduce the housing choices that have been available over the past few years; and (3) fewer vouchers available for families who have been waiting for years to receive a voucher. These circumstances could undoubtedly lead to an increase in homelessness in California and the rest of the country.

We urge you to take into account the impacts that this proposal could have to California and the rest of the nation. Thank you for your consideration.”

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