

Ensuring NAHMA Members Receive the Latest News and Analysis of Breaking Issues in Affordable Housing

National Affordable Housing Management Association – 400 N. Columbus Street, Suite 203 - Alexandria, VA 22314
Phone 703-683-8630 - Fax 703-683-8634 - www.nahma.org



December 22, 2016

NAHMAanalysis 2016-1222

Housing Policy Recommendations From House Speaker Paul Ryan's "A Better Way" Plan

Background

On June 7, 2016, House Speaker Paul Ryan (D-WI) and the Republican Task Force on Poverty, Opportunity, and Upward Mobility released an anti-poverty policy agenda titled "A Better Way: Poverty, Opportunity, and Upward Mobility." The report stated, "No amount of government intervention can replace the great drivers of American life: our families, friends, neighbors, churches, and charities. And Americans do not need more one-size-fits-all, top-down government programs that limit their ability to get ahead. Instead, they need opportunities to help them escape poverty and earn success. The federal government needs to build public-private partnerships to bring out the best of what each sector has to offer." As a means of escaping poverty, the Task Force recommended four principles to reform the welfare system, including: "1. Expect work-capable adults to work or prepare for work in exchange for welfare benefits; 2. Get incentives right so everyone benefits when someone moves from welfare to work; 3. Measure the results; 4. Focus support on the people who need it most."

"A Better Way" provides the best insight for how the next Administration and Congress will address poverty, at large, and affordable housing more precisely. This NAHMAanalysis highlights some of the housing recommendations proposed under the plan.

Require Housing to Align with TANF Benefits

The Task Force noted that HUD today spends over \$45 billion annually on at least 85 active programs, which includes rental housing assistance programs. The Task Force stated that "rather than promote economic freedom and provide a roadmap out of poverty, HUD policies have created a bureaucratic, complex web of programs that act as barriers to upward mobility. For example, HUD's rental housing assistance programs lack requirements to encourage greater individual self-sufficiency, contributing to rental assistance becoming more expensive and waiting lists growing larger each year as current recipients stay longer." The Task Force recommended "housing benefits should be aligned with TANF benefits for all work-capable recipients in the Section 8 voucher, Section 8 unit, and Public Housing programs.... Those work-capable recipients should be expected to work or prepare for work by meeting with TANF case workers who collaborate with them to develop self-sufficiency plans and assist in making arrangements to prepare for work, such as child care, transportation, work clothes, and other

necessities to transition to regular employment. Additionally, local jurisdictions that administer housing benefits should have the same program guidance that states mandate for TANF beneficiaries, such as the ability to institute work requirements, educational training, and time limits beyond which benefits are discontinued to encourage non-working work capable recipients to move toward jobs, careers, and economic independence.”

Creating Individual Choice in Housing Assistance

In addition to aligning housing and TANF benefits, the Task Force recommended “enhancing the portability of housing assistance vouchers to encourage recipients to move to areas with more affordable housing, education, or job opportunities...” The report recommended reforming “the fragmented national system of over 3,000 PHAs, which contributes to the lack of voucher portability and further constrains individual choice and economic mobility.” For non-voucher holders, the Task Force also recommended, “greater engagement of low-income residents of public housing in the operation and management of their residences should be encouraged in order to stimulate responsibility for making decisions about the care and maintenance of the home and foster a culture of engagement in economic self-sufficiency.”

Reduce Duplication and Overlap Across Programs

The Task Force highlighted the duplication of housing programs across federal agencies and recommended consolidating them. The report states, “a variety of inconsistent or duplicative housing programs was developed over time to meet differing needs. For example, the rental assistance program of the Rural Housing Service (RHS) is similar to HUD’s Housing Choice Voucher program. Overlapping programs, with almost identical goals, should be consolidated into a single program in order to clarify the program’s mission, as well as simplify the delivery of services for seamlessness, consistency, and fairness, in order to avoid gaps and duplication.”

LIHTC and Tax Reform

In addition to housing reforms, the Task Force proposed a tax reform blueprint titled “A Pro-Growth Tax Code for All Americans” to reform the tax system and federal assistance programs. As stated in a prior [NAHMA Analysis](#) on LIHTC, “the blueprint promotes the elimination of many corporate tax expenditures and it is unfortunately silent as to what would then happen to the LIHTC. While omission of the LIHTC from the blueprint does not necessary mean that lawmakers seek to end the program, it is discouraging that a broadly-supported tax expenditure like the LIHTC is not mentioned.”

Conclusion

In conclusion, Speaker Ryan is the leading voice on poverty for the Republican-controlled Congress. He has stated that reforming the nation’s tax code and welfare/safety-net is a priority for the next Congress. The unknown is how much agreement is between his vision and that of President-elect Trump. NAHMA has historically opposed “block-grant” style changes to rental assistance programs and will continue to defend LIHTC. We will wait to see policy proposals, including legislation or regulatory changes, to obtain member feedback and plan our advocacy strategy.