



CONGRESSIONAL HISPANIC CAUCUS
Michelle Lujan Grisham | Chairwoman
115TH CONGRESS

June 04, 2018

Benjamin S. Carson Sr., M.D.
Secretary
United States Department of Housing and Urban Development
451 7th Street S.W.
Washington, D.C. 20410

Dear Secretary Carson:

We are writing to you as Members of the Congressional Hispanic Caucus to express our concerns over the Trump Administration's legislative proposal, the "*Making Affordable Housing Work Act*," which was recently released by the U.S. Department of Housing and Urban Development ("HUD"). We are worried about the impact this proposal will have on the affordable housing costs for Latinos and communities of color at large.

Our nation's affordable housing and rental assistance programs help more than five million low-income households—the great majority of whom are seniors, people with disabilities, and working families—afford decent, stable housing.¹ Research shows that rental assistance is highly effective at reducing homelessness and housing instability—benefits that are linked to long-term improvements in outcomes, particularly for children.²

The *Making Affordable Housing Work Act* requires low-income families participating in federal housing assistance programs to pay an even greater share of their income on rent--imposing rent increases from 30 percent of a tenant's adjusted monthly income to 35 percent of gross income. Moreover, the proposal increases rents for households with high medical or child care expenses by eliminating the income deductions for these expenditures.

Latinos participating in our nation's affordable housing programs will derive no greater benefit from raising monthly rents or reducing income deductions. In fact, if enacted, the proposal will have the exact opposite effect. The proposition of raising monthly rents to 35 percent of gross income from 30 percent of adjusted income will force Latino and Hispanic families to take already limited money away from other important household expenditures like educational attainment, health and child care, food, and investment in career advancement. When push comes to shove, increasing tenants' monthly rent burden will inevitably lead to non-payment or

¹ Mazzara, Alicia. *Federal Rental Assistance Provides Affordable Homes for Vulnerable People in All Types of Communities.*, Center on Budget and Policy Priorities. November 9, 2017; Pg. 1; National Low-Income Housing Coalition. *Who Lives in Federally Assisted Housing?*, Volume 2, Issue 2. November 2012. Pg. 1.

² Fischer, Will. Research Shows Housing Vouchers Reduce Hardship and Provide Platform for Long-Term Gains Among Children. Center on Budget and Policy Priorities. October 7, 2015. Pg. 1.

delinquency that will turn the most vulnerable members of the Latino and Hispanic community towards eviction and homelessness.

Equally egregious and dangerous, the *Making Affordable Housing Work Act* triples the monthly minimum rent from \$50 per month to at least \$150 per month. Tripling the minimum monthly rent that individuals and families are required to pay to participate in federally assisted housing programs would affect our nation's poorest individuals and families, raising rents on approximately 1.7 million people, including 970,000 children.³ According to the Center on Budget and Policy Priorities, the typical household affected by this increase is a mother with two children with an annual income of \$2,400—just \$200 per month. After paying rent under this proposal, the family would have only \$50 for necessities like clothing, personal items, diapers, school supplies, and other expenses that are not met by other assistance.⁴

As members of the Congressional Hispanic Caucus, we have not been disabused of our assessment that the Administration's proposal would be harmful to the Latino community. It would not lead to second chances for those members of the Latino community who are low-wage employees, working part-time for economic reasons, or who are unemployed or marginally attached to the workforce and continue to search for affordable and stable housing, particularly in the wake of the Great Recession which disproportionately impacted Latino, African American and other communities of color.⁵

Instead of taking away housing benefits, we should enact proven solutions to help struggling families get ahead. We, the undersigned members of the Congressional Hispanic Caucus, urge HUD to work in concert with us towards solutions that will be constructive for the Latino and Hispanic communities we represent. We see this as a cooperative effort that should begin with:

- Implementing the bipartisan reforms included in the *Housing Opportunity Through Modernization Act* that encourage work among families receiving housing assistance;
- Strengthening and expanding voluntary programs like the Family Self Sufficiency program which provides educational training, vocational resources, job skills, and financial incentives to help families meet their individual goals and get ahead; and
- Reforming and strengthening the Section 3 program which provides an opportunity to promote job training and hiring among people receiving housing benefits.

While we have grave concerns with the *Making Affordable Housing Work Act* and its impact on the Hispanic and Latino community, we look forward to working with you to implement the aforementioned policies that will help Latino individuals and families afford decent, stable housing, earn more, and get ahead.


³ Mazzara, Alicia. *Trump Plan to Raise Minimum Rents Would Put Nearly a Million Children at Risk of Homelessness*. Center on Budget and Policy Priorities. Blog Post. April 27, 2018.

⁴ *Id.*

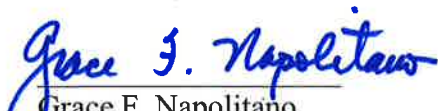
⁵ Wilson, Reid. *Wealth Gap Grows After Recession as Minorities Struggle to Recover*. The Hill. November 2, 2017.


Sincerely,



Nydia M. Velázquez
Member of Congress


Tony Cárdenas
Member of Congress


Adriano Espaillat
Member of Congress



Grace F. Napolitano
Member of Congress


Norma J. Torres
Member of Congress



Nanette Diaz Barragán
Member of Congress

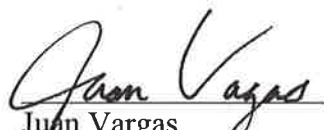

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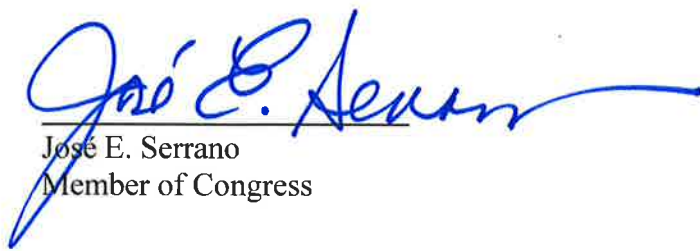

Raúl M. Grijalva
Member of Congress


Juan Vargas
Member of Congress


Albio Sires
Member of Congress


Darren Soto
Member of Congress


Salud O. Carbajal
Member of Congress

A handwritten signature in blue ink, reading "José E. Serrano". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

José E. Serrano
Member of Congress