

## **Statement from Lisa Rice, Executive Vice President of the National Fair Housing Alliance on the FY18 Proposed HUD Budget**

If President Trump is serious about his pledge to keep Americans employed, revitalize urban centers and support rural communities, the Administration would have released a budget that increases HUD's funding rather than proposing a 13.2% cut to it. The President's "skinny budget" is not only a job, small business, and economic development killer, but it also eliminates support for important programs designed to dismantle unfair barriers and expand opportunities for under-served groups. In cutting the HUD budget by \$6.2 billion compared to FY16 levels, this administration is drawing a clear line in the sand about who deserves a fighting chance and who doesn't. Make no mistake, this "skinny budget" will devastate communities, stifle economic development projects already in the works, stymie efforts to expand fair housing opportunities, and cause hundreds of thousands of people to lose their jobs.

The cuts to HUD's budget come as a surprise given Secretary Ben Carson's testimony during his confirmation hearing before the Senate Banking Committee. Secretary Carson stated that deep cuts to HUD's budget, particularly programs that provide rental assistance to 4.5 million low income families, would be "cruel and unusual punishment without providing an alternative." During his hearing, Dr. Carson walked back a campaign promise to cut the federal budget across the board by 10 percent, and instead stated that the federal budget should sustain no more than a 1% across the board cut.

Of the \$6.2 billion in cuts to HUD, little is known about where \$3.5 billion of those cuts will be made. What we do know is that this budget and its forthcoming details would destroy any chance of revitalizing distressed communities in direct contravention of what the President promised to do during his campaign. People of color, families with children, people with disabilities, and low-income people of all backgrounds will suffer if this budget is implemented.

Safe, affordable housing is an inviolable springboard towards living a healthy, fulfilling life of opportunity. We are alarmed by the devastating impact that eliminating the Community Development Block Grant (CDBG), HOME, and other HUD-funded programs would have on local economies and on housing and related opportunities. These programs boost local economies by supporting over half a million jobs each year. Ohio may well lose 20,000 jobs if the proposed cuts to HUD's budget are implemented. Pennsylvania could lose 23,000 jobs.

CDBG dollars are used by local governments to help support fair housing initiatives, which is a requirement under law. These critical dollars are also used to help ensure that every community has access to important opportunities that are necessary for families to thrive. CDBG is used to help revitalize neighborhoods, build affordable housing, develop and maintain infrastructure, fund job training programs, abate nuisances, fund health initiatives, support water treatment facilities, promote economic development, and support local businesses. The program is also used to connect people to jobs, healthy food, public parks where children can play, and schools that will help children become successful and financially independent adults. With dwindling local tax revenues and the continued costs of revitalizing communities that were devastated by the foreclosure crisis, America's cities simply cannot compensate for any further cuts to current CDBG funding levels, much less the elimination of the program.

Compounded by the continuing decline in rental housing affordability throughout the nation, we are losing 125,000 affordable housing units each year. The proposed budget will exacerbate our nation's dismal affordable housing crisis if Congress follows through with the administration's proposal to eliminate the HOME Program. The HOME Investment Partnership Program has been vital to assisting communities in the creation and preservation of affordable housing, helping families afford homeownership, and sustaining housing for families with children and people with disabilities.

Beyond these unjustifiable cuts is the elimination of the Self-Help Homeownership Opportunity Program, NeighborWorks, Choice Neighborhood Grants, and the Interagency Council on Homelessness. Eliminating these and the other programs will have devastating consequences for families, veterans, people of color, the elderly, and people with disabilities.

The proposed HUD budget has grave consequences, and we strongly encourage Dr. Carson to fight for America's families and cities by urging the President to restore HUD's budget. As always, the National Fair Housing Alliance stands at the ready to work with Dr. Carson to strengthen our communities and ensure that every neighborhood is a place of opportunity.

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Founded in 1988, the National Fair Housing Alliance is a consortium of more than 220 private, nonprofit fair housing organizations, state and local civil rights agencies, and individuals from throughout the United States. Through comprehensive education, advocacy, and enforcement programs, NFHA provides equal access to apartments, houses, mortgage loans, and insurance policies for all residents in the nation.