

February 6, 2012

The Honorable Judy Biggert
Chairwoman
House Financial Services
Subcommittee on Insurance, Housing and
Community Opportunity
Washington, DC 20515

The Honorable Luis Gutierrez
Ranking Member
House Financial Services
Subcommittee on Insurance, Housing and
Community Opportunity
Washington, DC 20515

Dear Chairwoman Biggert and Ranking Member Gutierrez:

The undersigned organizations are writing to express our strong support for the Discussion Draft of the Affordable Housing and Self-Sufficiency Improvement Act of 2012 (AHSSIA). Our organizations represent owners, management companies, lenders, builders and developers and housing agencies. We have long-supported the Section 8 Housing Choice Voucher program, which provides rental subsidies to approximately two million very-low income households who obtain housing in the private rental market. The program, which is intended to broaden the range of housing choices for families seeking affordable housing, has proven to be effective in helping low income families find decent, safe and affordable housing. In addition, the rental vouchers can be leveraged to build or rehabilitate additional affordable housing, a necessity in today's tight rental markets.

However, in spite of its overall success, the voucher program has started to sag under the weight of too many inefficient and duplicative requirements. The myriad overlapping and redundant procedures have made the program difficult to administer and deterred many professional landlords from participating in the program. As such, we have worked diligently with Congress for several years now to formulate common sense legislation to streamline the Housing Choice Voucher Program.

We, therefore, thank the subcommittee for drafting AHSSIA. This bill seeks to reduce taxpayer costs within the Department of Housing and Urban Development's (HUD) rental housing programs and facilitate greater private sector participation in affordable housing. An important part of this effort for all the various participants involved is the streamlining of federal regulations. Streamlining the program will reduce administrative burdens and lower program costs, while increasing local flexibility. This in turn will mean that more owners will want to participate in delivering affordable housing to those who need it. We wish to highlight several provisions of particular significance that we support in the bill:

- **Streamlining the Property Inspection Process.** First, AHSSIA requires unit inspections every other year rather than annually and eliminates the need for duplicative inspections, which currently occur when a property is financed with multiple government housing programs such as FHA mortgage insurance, Low Income Housing Tax Credits (LIHTCs), or HOME. Multiple inspection requirements increase operating costs to property owners and cause significant inconvenience to tenants and are not necessary to ensure good quality maintenance.

Second, the bill permits immediate tenant occupancy if the unit has been inspected within the past year and as long as there are no life-threatening conditions. This is important for both tenants and owners alike because it reduces the length of time a unit is vacant and allows tenants to move into the unit without delay.

- **Simplifying Rent and Income Calculations. Simplifying Rent and Income Calculations.** This provision reduces administrative burdens by allowing for the recertification of rent and income to occur every three years rather than annually for those on fixed incomes and allows determinations made for other federal means-tested programs to be used in the verification process. Importantly, these changes will apply to all rental assistance and other HUD assisted housing programs, not just the voucher program.
- **Reducing Costly LEP Translation Burden.** Current HUD Guidelines require the translation of all “vital” documents. AHSSIA ensures that HUD is responsible for such translations rather than private owners/managers and PHAs, thus eliminating the burden for owners and centralizing the translation process. The provisions in the bill ensure that persons with limited English proficiency will have access to accurate documents and that the provision of these documents and services is cost-effective.
- **Extending the Contract Term for Project-based Vouchers from 15 to 20 Years.** These provisions will help facilitate the use of project-based vouchers in LIHTC properties. The rental subsidies provided by vouchers help LIHTC owners meet the need to serve extremely low-income households. The bill also provides other logistical changes to the programs that will advance housing opportunities and ease transactional barriers.

We thank you and the staff for all of the hard work and efforts over the years to improve the assisted housing programs. We applaud the enormous undertaking for creating reform to such a major program that helps so many. As the bill moves forward, we look forward to our continued collaboration.

Sincerely,

Council for Affordable and Rural Housing
 Institute of Real Estate Management
 Institute for Affordable Housing Preservation
 National Affordable Housing Management Association
 National Apartment Association
 National Association of Affordable Housing Lenders
 National Association of Home Builders
 National Association of Realtors
 National Leased Housing Association
 National Multi Housing Council

Cc: Chairman Spencer Bachus, Ranking Member Barney Frank, Members of the Insurance, Housing and Community Opportunity Subcommittee