

November 8, 2004

IMPROVEMENTS TO APPROPRIATIONS BILLS NEEDED TO PROTECT HOUSING VOUCHERS IN 2005

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The Senate and House Appropriations Committees have each approved bills funding the “Section 8” Housing Choice Voucher program and other HUD programs in fiscal year 2005. Neither committee approved the Administration’s proposal to convert the voucher program to a block grant. In addition, both committees rejected deep cuts sought by the Administration in funding for the voucher program, which helps about two million needy households — primarily low-income working families, the elderly, and people with disabilities — to afford modest housing in the private market.

The funding level in the House bill, however, is still somewhat below the amount needed to support all of the authorized housing vouchers that would otherwise be used during fiscal year 2004. In addition, both bills contain provisions regarding the distribution of voucher funds by HUD to state and local housing agencies that raise serious concerns. These provisions take on particular significance because during fiscal year 2004, HUD distributed funding to housing agencies in a manner that provided some agencies with *more* funding than they needed to support their vouchers while at the same time providing other agencies with too little funding and consequently forcing them to cut voucher assistance levels.

Unless Congress improves these provisions when the House and Senate bills are reconciled by a conference committee (which may occur at the staff level as soon as the week of November 8), there is a serious risk that low-income families will face further cuts in 2005.

- **The House bill would allow HUD to continue funding policies that forced cuts in voucher assistance during 2004.** The House bill grants HUD broad discretion to determine how voucher funds will be distributed, allowing HUD to continue its flawed funding policy from 2004 or to impose a new system that is even more arbitrary and harmful. HUD *could* use this discretion to link funding more closely to the costs of vouchers and thus avoid repeating the cuts that occurred in 2004, but HUD’s track record offers no reason to believe that it would take such a step.
- **The Senate bill seeks to address some of the problems that occurred in 2004, but without further improvements, it is unlikely to achieve this goal.** The Senate bill instructs HUD to provide additional funding to state and local agencies whose voucher costs are rising because of changes in local rents, utility costs, or family incomes. In theory this approach could largely prevent cuts of the type that occurred in 2004, but the language in the Senate bill is not sufficiently firm and clear to ensure that HUD would actually distribute the funding in a prompt and reliable manner.

The House and Senate bills also differ in other important respects. Most significantly, the House bill lowers funding for administration of the voucher program below the fiscal year 2004 level and sharply reduces the balances in contingency funds (referred to as “program reserves”) that are needed to enable agencies to manage their programs effectively. The Senate bill contains neither of these reductions.

House and Senate Bills Reject Administration’s Plan to Cut Voucher Funding Deeply and Take No Action on Block Grant Proposal

The Administration’s fiscal year 2005 budget proposed that Congress reduce voucher funding far below the level needed to support all vouchers in use, a step that would have resulted in sharp cuts in housing assistance to low-income families. In addition, the Administration sought to convert the voucher program to a block grant. The proposed block grant would have eliminated many important protections for low-income families and raised the odds that funding would be cut further in future years. Neither the large funding cuts nor the block grant proposal are included in either the House or Senate versions of the 2005 appropriations bill. This makes it nearly certain that the Administration’s proposals will not be enacted this year.

The Senate bill appropriates \$14.1 billion to cover the renewal of existing housing vouchers, while the House bill provides \$13.5 billion. Both of these funding levels are well above the \$12.0 billion the Administration requested. The funding level in the House bill, however, is unlikely to be adequate to cover the costs of all of the authorized vouchers that would otherwise be used in 2005. As a result, this funding level would cause housing vouchers that Congress has authorized to be left unused rather than being issued to needy families. The Senate bill, by contrast, does appear to provide adequate funding.¹

Provisions for Distributing Funds to State and Local Housing Agencies Risk Repeat of 2004 Cuts

While it is crucial that Congress provide an adequate funding level for the voucher program as a whole, doing so does not ensure that individual state and local housing agencies will receive enough funding to support the vouchers they are authorized to administer. In 2004, Congress provided what appears to be a sufficient funding level to pay for all vouchers in use

¹ The figures of \$13.5 and \$14.1 billion include funds to renew vouchers and Section 8 moderate rehabilitation units, without administrative fees. We estimate that the funding level in the House bill would be adequate (leaving no funds for replenishment of reserves) to cover 94.7 percent of the number of authorized vouchers (including moderate rehabilitation units) that the Congressional Budget Office estimates will require renewal in fiscal year 2005, if the average per-voucher cost equals CBO’s estimate of \$6,673. This probably would be sufficient to cover the cost of vouchers that are currently in use, but, as discussed in the text on page 4, the number of vouchers currently in use reflects a sharp drop in utilization during 2004. It would be expected that if, in 2005, HUD returned to a policy of funding vouchers based on their actual cost, housing agencies would rapidly be able to put back in use many of the vouchers that fell out of use in 2004. The funding level in the House bill appears to fall short of the amount needed to support this natural return to the pre-2004 utilization level. At the per-voucher cost estimated by CBO, the funding level in the Senate bill would fund 97 percent of vouchers — which is likely to cover the vouchers that agencies would be able to use in 2005 — while leaving enough funds to enable HUD to replenish agencies’ program reserves to about one-fourth of their normal level.

around the country, but HUD altered its method for distributing the funds to state and local agencies in a way that caused many agencies to receive too much or too little voucher funding.

Before 2004, HUD generally provided each agency with enough funding to support all of the agency's vouchers that were in use at their actual cost. Under HUD's 2004 funding policy, which was announced in April but made retroactive to January, HUD instead provided agencies with enough funds for all vouchers in use *at their actual cost in May-July 2003 plus a formula inflation adjustment*. HUD's formula ignored many of the factors that drive trends in voucher costs, and consequently provided some agencies with more funding than they needed to cover the actual costs of their vouchers and other agencies with less funding than they needed.

- HUD's inflation adjustments, called an Annual Adjustment Factor (AAF), covered only growth in rent and utility costs, not trends in family incomes. The size of a voucher subsidy, however, is determined by the difference between the rent of a modest apartment and about 30 percent of a family's income. If incomes in an area stagnate or drop, this can cause voucher costs to rise more rapidly than would be predicted looking at rent and utility inflation alone. Similarly, if incomes of voucher holders rose substantially, voucher costs could decline or grow more slowly than rent and utility inflation would predict.
- The AAF is a regional factor that often covers several states. Rent and utility costs in a particular local housing market may grow at a different rate than in the region as a whole.
- The AAF is only a projection of rent and utility inflation. Because housing and energy markets are sometimes quite volatile, actual trends in rent and utility costs may differ from HUD's projections.
- Voucher costs could be influenced by a number of other local factors that are not directly under the control of a housing agency and would not be reflected in HUD's formula. For example, if voucher holders succeed in moving from the poorest neighborhoods in a community to areas with better schools and more jobs but somewhat higher rents, the agency's costs will rise.

Housing agencies that received less funding per voucher under the new 2004 formula than their vouchers actually cost were unable to pay landlords for all of their vouchers. Some agencies had access to reserve funds that made up all or part of the shortfall, but many agencies had no choice but to institute cuts in assistance to low-income families. In August, HUD provided supplemental funds beyond the amount set by the new formula in response to appeals by some underfunded housing agencies. But many agencies facing shortfalls did not submit appeals — in part because HUD did not establish criteria for the appeals process in a clear and timely manner — and often agencies that did appeal for added funding did not receive the full amount they needed. Moreover, by the time HUD got around to awarding the additional funds, many agencies had already made cuts that could not easily be undone.

Examples of cuts housing agencies have been forced to impose in response to HUD's funding policy include:

- The housing agency in Asheboro, North Carolina, adopted a policy of shelving vouchers that become available when families leave the voucher program on their own. As a result, 140 of the housing agency's vouchers are currently sitting unused rather than being used to assist families from the agency's waiting list.
- The housing agency in San Diego lowered the maximum amount of rent a voucher can cover. The maximum rent for a two-bedroom apartment, for example, was cut by \$176. A reduction in the maximum voucher rent can make it more difficult for voucher holders to live in neighborhoods with more jobs, better schools, and less crime. If a family is unable to find an apartment it can rent at the new, lower maximum rent that the local agency has set, the family will be forced either to bear a larger share of the rent itself or to turn back its voucher. If the maximum amount of rent that a voucher will cover is set well below prevailing rents, some families may not be able to use their vouchers at all. (Families receiving voucher assistance that remain in their units currently are protected by federal regulations from the effects of reductions in the maximum rent for one to two years, but HUD has indicated that it plans to eliminate this protection.)
- The Kansas City, Missouri housing agency has adopted a policy of requiring a \$50 minimum rental payment from households with little or no income. Housing agencies are permitted to impose a minimum rent of up to \$50 per month, but before 2004 the majority of agencies chose not to use this option due to the hardship it can cause for destitute voucher-holders.

In each case, the agency listed here is only one of many that have been required to take similar actions due to funding shortfalls. Each of these cuts remained in place *after* HUD had completed the process of issuing additional funds in response to appeals.

While there is not sufficient information available to estimate the total impact of HUD's policy on needy families, the trend during 2004 in the number of authorized vouchers that were in use provides an indication of the scale of the effect. In September 2004, a HUD official stated that according to the most recent data available, 94 percent of authorized vouchers were in use. Since approximately 97 percent of vouchers were in use at the start of fiscal year 2004, it appears that this reflects a decline of three percent or about 60,000 in the number of low-income families assisted. It is likely that most or all of this decline resulted from the shelving of vouchers in response to HUD's funding policy. Because many agencies cut assistance through steps — like the reduction of maximum voucher rents — that did not directly affect the number of families assisted, the decline in the number of vouchers in use reflects only one part of the impact of HUD's policy.

House Bill Would Allow HUD to Continue Harmful 2004 Funding Policy

The House bill provides HUD broad discretion to decide how to distribute funds to state and local housing agencies. HUD could use this discretion to distribute funds in 2005 using almost exactly the same formula it used in 2004. As a result, there would be a very high risk that under the House bill, HUD would continue to overfund some agencies and underfund others, as it did in 2004, and that low-income families would consequently continue to face painful cuts. In addition, by perpetuating uncertainty about whether HUD will provide adequate funding to support all vouchers, a continuation of the 2004 funding policy could deter some landlords from renting apartments to voucher holders.

HUD would also have the option under the House bill to link funding levels much more closely to agencies' actual costs than it did in 2004, and thereby to reduce sharply the risk of shortfalls of the type that occurred under the 2004 formula. HUD's track record, however, gives little reason to believe that the Department would make this choice. HUD claims that the formula it used in 2004 was required by the 2004 Omnibus Appropriations Act, even though the text of that legislation does not support this claim and the two members of the Senate most closely involved in drafting that law's voucher funding provisions (Senators Kit Bond, R-MO, and Barbara Mikulski, D-MD) wrote HUD after the 2004 formula was established that the law permitted a funding system more closely linked to actual voucher costs. HUD moved away from funding based on actual costs in 2004 on its own volition, and it appears likely that under the discretion provided by the House bill, HUD would make a similar choice in 2005.

Indeed, there is a significant possibility that under the House bill, HUD would institute a new funding formula that would be even more arbitrary and deleterious than its 2004 policy. Of particular concern, while the 2004 appropriations act required HUD to provide increased funding to help cover the needs of housing agencies that put more of their allotted vouchers to use (though it did not require HUD to provide funds to cover increases in costs *per* voucher), the House bill for 2005 contains no such requirement. If HUD fails to provide added funding for agencies that raise the proportion of their vouchers that are in use, the assistance provided to low-income families under the voucher program would be reduced to an even greater extent than if HUD simply continued its 2004 funding policy.

Senate Bill Seeks Improvements to HUD's 2004 Policy

The Senate bill, by contrast, contains provisions designed to address the most serious flaws in HUD's 2004 funding policy. The bill would continue to fund housing agencies based on the costs of vouchers in the preceding year plus an inflation adjustment, but it explicitly provides for additional adjustments to cover cost growth stemming from trends in family incomes and local utility costs. The bill also indicates that housing agencies should receive additional funding for higher rents if owners are able to demonstrate that the rents are in line with the local market. The bill does not, however, specify when or how HUD should make funding adjustments, and — especially in the case of the rent adjustment — there is a serious risk that HUD would establish a system that would result in few or no adjustments and thereby shortfund agencies just as it did this year.

In addition, the Senate bill contains a new cap on the amount of funding that agencies can receive to cover increases in the number of vouchers in use. Agencies generally would be able to

obtain funding to cover an increase in the number of their vouchers in use by two percent above the number in use according to the data available in October 2004, but not for additional increases in utilization beyond two percent.² It is not unusual, however, for an agency to experience an increase or decrease in the number of its vouchers in use of greater than 2 percent during a twelve-month period. For example, from the last quarter of 2002 to the last quarter of 2003, 40 percent of the nation's housing agencies administering more than half of all vouchers raised the number of their allotted vouchers in use by more than two percent. The cap in the Senate bill is especially likely to harm small housing agencies, where the percentage of vouchers in use tends to be more volatile than at large agencies and a utilization increase of only a handful of vouchers in use could push the agency over the two percent cap.

It is quite possible that an unusually high number of housing agencies will see increases of more than two percent in the number of their vouchers in use in 2005, because, as noted above, many agencies that were shortfunded under HUD's 2004 funding policy temporarily "shelved" vouchers that became available when families left the program rather than reissuing the vouchers to new families on waiting lists.³ Such agencies could rapidly put these vouchers back to use once they are assured that they will receive adequate funding. The two percent cap in the Senate bill would artificially restrain this process, locking in place some of the cuts that occurred in 2004 and causing badly needed vouchers to continue to be left unused.

Improvements to Senate Bill Could Reduce, Though Not Eliminate, Risk of Shortfalls

The surest way to bring an end to the shortfalls that occurred in 2004 would be to reinstitute an approach like that used in 2003, when HUD provided funding to housing agencies based on their actual costs according to the most recent available data. It is highly unlikely that a system along the lines of that proposed by the Senate — which bases funding on older cost data but seeks to adjust those costs for a wider range of factors than HUD did in 2004 — could avoid

² The Senate bill provides funding for the renewal of existing vouchers through two funds: a main renewal fund and a "central fund." The main renewal fund could be used to support vouchers in use according to the data available to HUD on October 1, 2004, at an agency's average per-voucher cost according to the same data, and to cover certain increases in per-voucher costs after October 1. But the main renewal fund could not be used to cover increases in the number of vouchers in use after that date. The purposes of the central fund would include covering increases in the number of vouchers in use and per-voucher cost increases beyond those covered in the main renewal fund. (HUD could shift up to 15 percent of the appropriation set-aside in the renewal fund to the central fund, or vice versa.) The cap in the Senate bill requires that the amount of funding provided to a housing agency through the central fund should not exceed two percent of the amount provided through the initial renewal fund. If an agency had funds available in its program reserves, it could use those funds to cover additional utilization increases beyond the level allowed by the two-percent cap, but it appears that HUD would not be able to provide funds to these agencies to replenish their reserves; this would strongly discourage agencies from using reserves to go beyond the two-percent cap.

³ In addition, some agencies that received adequate funding in 2004 shelved vouchers because HUD did not provide sufficiently clear and timely information to enable them to determine how much funding they would receive or because they feared that they would face funding cuts in the future.

“Dollar-Based” Funding is Not Needed to Control Voucher Costs

During fiscal year 2004, HUD abandoned the traditional “market-based” approach of providing housing agencies with enough funding to cover the actual costs of their allotted vouchers, and instead instituted a “dollar-based” system in which agencies received a set dollar amount for each voucher in use based on the cost of their vouchers in the past plus a formula adjustment. Both the House and the Senate bills contain versions of a dollar-based system (although the Senate bill seeks to approximate more closely a market-based funding system), and both appropriations committees justified this approach by arguing that it was needed to contain costs under the voucher program.

But a dollar-based system is not needed to control voucher costs. The voucher program’s rules contain strict cost-control requirements that block unnecessary spending under a market-based approach. Each agency has a limited allotment of vouchers, and it cannot obtain funds to issue vouchers beyond that allotment. In addition, the maximum amount of rent that a voucher can cover is set based on a “Fair Market Rent” that HUD establishes for more than 2,000 local housing markets.

Moreover, state and local housing agencies are required not only to enforce this overall rent cap, but also to compare the rent of every apartment to be occupied by a voucher-holder to rents for similar unsubsidized apartments in similar locations, and to refuse payment for rents that are out of line with the local market. The only HUD study examining implementation of this “rent reasonableness” rule found that the requirement was generally followed and that average voucher rents were on average \$95 per month *below* rents for similar unsubsidized units.

Costs in the Section 8 program (which includes both the voucher program and a separate “project-based” housing assistance program) rose rapidly in recent years — including an increase of 13.2 percent during fiscal year 2003 — but this increase largely reflected two factors:

- The average cost of vouchers increased because of the growing gap between rents, which rose due to a hot housing market, and the incomes of voucher holders, which stagnated or fell during the recent economic downturn; and
- The number of vouchers requiring funding grew because Congress authorized a substantial number of new vouchers from 1999 to 2002.

Because these were temporary factors, many analysts expected that growth in Section 8 costs would slow as the housing market cooled, the economy recovered, and the newly authorized vouchers worked their way into the system. And this is exactly what has happened. In fiscal year 2004, Section 8 spending rose by 6.7 percent, about half of the rate in 2003. This decline was well underway *before* HUD put a dollar-based funding system in place in April 2004, and continued through the remainder of the year. Moreover, the Congressional Budget Office (which predicted the 2004 decline in spending growth almost exactly) expects that total Section 8 spending will continue to level off and will grow *by only 1.8 percent — roughly the rate of inflation — in fiscal year 2005.*

shortfalls as effectively as an actual-cost-based system. This is the case because voucher costs are driven by a wide range of highly unpredictable factors, ranging from local rent and utility costs to household incomes, household sizes, and neighborhood choices of voucher holders. No formula-based funding adjustment will be able to reflect accurately the funding needs of each of the nation’s more than 2,500 housing agencies.

The Senate's efforts to address the problems in the 2004 system are, however, an important step forward. If Congress decides not to reinstate actual-cost funding in 2005, the Senate bill offers a strong platform that could be used as a basis for a more effective formula-based system. Two key improvements are essential if the Senate bill is to achieve this purpose:

- **The language providing for funding adjustments to October 2004 costs should be broadened and clarified.** The bill should require HUD to make funding adjustments as soon as possible — based on voucher cost and utilization data that housing agencies already submit each quarter — rather than waiting for an appeals process late in the year. HUD also should be instructed to allow housing agencies rather than owners to submit any paperwork needed to show that rents that cause voucher-cost increases are reasonable in the context of the local market. In addition, the bill should require that HUD take all reasonable causes of cost increases into account when adjusting funding. For example, the bill should make clear that HUD must provide funding to cover cost increases stemming from decisions by voucher families to move to modest housing in neighborhoods or communities with higher rents.⁴
- **The two percent cap on utilization-related funding increases should be removed.** If Congress is unwilling to remove this cap entirely, it should apply it to utilization in the program as a whole (which is far less likely to grow by more than two percent) rather than to individual housing agencies, or at least allow HUD to adjust the cap for individual agencies that use more vouchers, if funds are available.

Housing Agency Contingency Funds

Each state and local housing agency has access to a contingency fund, referred to as a “program reserve,” that it may use when it needs additional funds beyond the amount provided by HUD to cover the costs of its vouchers. Even when HUD provided funding to cover the actual costs of all vouchers, program reserves played a vital role by enabling agencies to temporarily cover costs (such as those resulting from rapid increases in local rents) that would later be reimbursed by HUD. In 2004, reserves became an indispensable tool to enable agencies to make up for — or at least reduce the magnitude of — shortfalls stemming from HUD's new funding formula.

Until 2003, HUD replenished each agency's reserve to a level equal to one month's worth of the agency's voucher program budget at the start of the fiscal year, and under some circumstances, HUD restored funds that were used during the course of the year as well. In 2003 and 2004, however, HUD replenished the program reserves of some agencies but not others, with no consistently applied rationale for determining which reserves were restored. Due to this haphazard replenishment policy and the heightened demand placed on reserve funds under

⁴ Under policies put in place under the Reagan Administration, families have a right to move with a voucher to any community in the U.S. that has a voucher program. This policy is central to the choice-based nature of the housing voucher program.

HUD's 2004 funding policy, many housing agencies will enter 2005 with reserves that are deeply depleted.

The House bill would reduce the size of all agency program reserves to one week's worth — that is, to 1/52 — of an agency's budget. Such a small reserve fund would provide agencies with only an extremely limited capacity to make up for funding shortfalls. If such a sharp reduction in reserve levels had been carried out at the start of 2004, the cuts in housing assistance resulting from HUD's funding policy would have been far more severe. Furthermore, 1/52 of an agency's budget would be only the maximum amount of money in an agency's program reserve. The House bill places no obligation on HUD to replenish reserves even to this minuscule level, so many agencies could continue to see their reserves dwindle toward zero.

The Senate bill does not require HUD to reduce program reserves in the manner the House bill does. At the same time, however, neither does it require HUD to replenish agency reserves, even if it turns out that there are voucher funds available beyond those needed to cover current voucher costs. Indeed, the bill does not make clear that HUD is even *permitted* to replenish reserves that are used to cover increases in average voucher costs. (The bill does clearly allow HUD to replenish reserves used to cover increases in the number of an agency's vouchers that are in use.) It is important that Congress require HUD to replenish reserves to the full level of one month's worth of an agency's budget, if funds are available. This issue will take on particular significance if the final appropriations law allows continued shortfalls to occur by letting HUD fund vouchers at a level other than their actual costs.

Voucher Administrative Funding

The Senate bill would provide \$1.26 billion to local housing agencies to cover the costs of administering housing vouchers, raising the 2004 level of \$1.23 billion by approximately the amount needed to compensate for inflation. The House bill, in contrast, would cut administrative funding to \$1.18 billion, \$50 million below the level provided in 2004. The 2004 funding level, which resulted in administrative funding cuts of six percent below the 2003 level, has been inadequate to provide many agencies with sufficient funds to administer their voucher programs.

Of equal significance, the Senate bill would restore a formula for setting individual agencies' administrative funding levels that was used in fiscal year 2003 and before. This formula adjusted administrative funding based on a number of factors that influence an agency's administrative costs, such as the number of the agency's vouchers that are in use. In 2004, Congress required HUD to distribute 96 percent of the total administrative funds pro-rata, based on the amount of administrative funding the agency received in 2003. HUD was permitted to distribute the remaining 4 percent of the funds at its discretion. The House bill would retain the pro-rata distribution method used in 2004, but would eliminate the small discretionary funding amount.

It is likely that the rigid distribution formula established by the House bill, together with the low overall administrative funding level in that bill, would leave many housing agencies with substantially less funding than they need to administer their programs effectively. Agencies may have difficulty carrying out functions needed to ensure that voucher funds are expended

properly, such as verifying the incomes of voucher holders and determining whether the rents for apartments where vouchers are used are in line with rents in the local market.

In addition, underfunded agencies may be forced to drop housing search assistance and other services designed to help low-income people find apartments where they can use their vouchers. Where they are offered, these services are likely to play an especially important role in meeting the needs of groups that may have particular difficulty using their vouchers — such as large families and people with disabilities — and in helping voucher holders move away from high-poverty neighborhoods to areas with better education and employment opportunities.

Finally, because the House bill does not require HUD to provide additional administrative funding to agencies with voucher utilization increases, the bill could discourage agencies from increasing the proportion of their allotted vouchers that are in use. This would mean that fewer low-income families would receive needed housing assistance and more families would languish on voucher waiting lists.

Conclusion

The housing voucher program is widely viewed as one of the most effective tools for helping low-income households to afford housing. The bipartisan, Congressionally-chartered Millennial Housing Commission strongly endorsed the program in its 2002 report, describing it as “flexible, cost-effective, and successful in its mission,” while a 2002 study by the U.S. General Accounting Office found the voucher program to be the most cost-effective of the federal housing programs that the study examined. Similarly, a 2003 report by the Office of Management and Budget on the performance of HUD programs stated that the voucher program demonstrates “improved efficiencies and cost effectiveness in achieving program goals each year” and that independent evaluations “indicate that the program is effective and achieving results.”

The voucher program’s effectiveness depends heavily on adequate, reliable funding. If landlords do not believe that the federal government will fund all housing vouchers, they are likely to be less willing to rent apartments to voucher holders. Unreliable funding also creates needless disruption in the lives of the low-income households — primarily working families, senior citizens, and people with disabilities — who rely on vouchers to help them pay their rent each month, and makes it extraordinarily difficult for state and local housing agencies to plan and manage their voucher programs.

For more than three decades, Congress has steadfastly provided adequate funding to support all of the vouchers it has authorized. HUD’s actions during fiscal year 2004, however, not only forced painful cuts in housing assistance in many local areas but also raised serious doubts about the federal government’s commitment to support all vouchers in the future. The 2005 appropriations bill offers a crucial opportunity to reaffirm this commitment and to set the voucher program back on the course that has underpinned its success. The Senate bill takes important steps in this direction, but it must be further strengthened if this important goal is to be achieved.