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## EFFECT OF ADMINISTRATION'S 2007 HOUSING VOUCHER FUNDING PLAN ON STATES

The table below provides estimates of the effect of the Administration's 2007 budget proposal on each state and compares the number of vouchers funded in 2006 with the number in use in 2005. Under the Administration's plan:

- In every state some agencies would be forced to cut the number of families receiving voucher assistance in 2007, compared to the number they are able to help in 2006. About 70 percent of agencies would lose funding for about 20,000 vouchers.
- 28 states would suffer a net loss of vouchers in 2007.
- States would be able to use widely disparate shares of their authorized vouchers.
  - ➤ 4 states would receive funding for 100 percent of their authorized number of vouchers.
  - ➤ In 3 states, 87 percent or fewer of the authorized number of families would be able to receive voucher assistance.
  - ≥ 21 states would receive funding for 95 percent or less of their authorized vouchers.

Because the Administration has proposed a flawed and inequitable formula for distributing voucher funds in 2007, these funding shortfalls would occur at the same time that some agencies would receive more funding than they need to cover vouchers that are funded in 2006. Indeed, if it were distributed more efficiently, the total amount of funding the Administration requested to renew housing vouchers in 2007 likely would be adequate to cover the vouchers that were funded in 2006 at every agency — averting all of the cuts below 2006 levels listed in this table. For further information on the potential cuts and other issues raised by the Administration's budget proposal, see <a href="http://www.cbpp.org/3-13-06hous.htm">http://www.cbpp.org/3-13-06hous.htm</a>.

		Actual 200	6 Appropriation	2007 Administration Budget Request		
				Change in		Percent of
		Potential		vouchers	N. 1 0	total
		increase		funded,	Number of	authorized
		(or loss) of		2006 to 2007, Bush	agencies forced to	vouchers funded,
	Total	vouchers,	Total	2007, Busin 2007	cut	Bush 2007
	Authorized	2005 to	vouchers	budget	assistance	budget
State	Vouchersi	2006 <sup>ii</sup>	funded, 2006 <sup>iii</sup>	request <sup>iv</sup>	in 2007	request
AK	3,806	19	3,806	-53	1	91%
AL	30,860	2,312	29,073	-338	54	93%
AR	22,645	887	21,633	6	55	96%
AZ	20,167	685	19,646	70	17	98%
CA	296,602	6,191	292,859	4,611	68	100%
CO	27,993	246	27,154	-180	31	96%
CT	35,085	1,671	33,610	-94	34	96%
DC	11,037	-610	10,251	-145	1	92%
DE	4,444	212	4,335	-13	4	97%
FL	91,336	3,053	87,325	309	65	96%
GA	51,462	2,701	48,079	-530	17	92%
HI	11,954	340	10,146	-146	5	84%
IA	21,868	952	21,102	84	30	97%
ID	6,388	-222	5,946	-63	4	92%
IL	92,033	12,423	87,162	-713	58	94%
IN	37,465	1,032	34,441	-253	45	91%
KS	11,706	675	11,029	17	19	94%
KY	31,915	749	30,425	-30	26	95%
LA	37,854	2,186	36,382	204	67	97%
MA	71,376	1,338	69,902	-184	62	98%
MD	44,451	2,105	39,358	-585	22	87%
ME	12,374	106	11,857	58	11	96%
MI	50,703	3,257	47,407	-37	37	93%
MN	30,672	922	29,923	179	37	98%
MO	41,254	2,060	39,341	131	36	96%
MS	18,362	1,148	17,629	224	8	97%
MT	5,738	270	5,708	-4	5	99%
NC	55,302	1,055	53,081	442	57	97%
ND	7,481	174	7,292	69	17	98%
NE	11,400	411	11,029	154	17	98%
NH	8,987	74	8,879	110	12	100%
NJ	65,321	1,081	61,441	163	65	94%
NM	13,970	193	13,169	-126	21	93%
NV	12,069	116	11,768	-40	3	97%
NY	217,227	14,407	211,668	-504	114	97%
OH	88,040	2,845	85,446	-108	54	97%
OK	22,914	449	22,087	58	16	97%
OR	31,145	1,119	30,447	-127	15	97%

		Actual 200	6 Appropriation	2007 Administration Budget Request		
				Change in		Percent of
		Potential		vouchers		total
		increase		funded,	Number of	authorized
		(or loss)		2006 to	agencies	vouchers
		of		2007, Bush	forced to	funded,
	Total	vouchers,	Total	2007	cut	Bush 2007
	Authorized	2005 to	vouchers	budget	assistance	budget
State	Vouchers <sup>i</sup>	2006 <sup>ii</sup>	funded, 2006iii	requestiv	in 2007	request <sup>v</sup>
PA	82,856	3,044	78,057	168	69	94%
RI	9,496	391	8,323	-34	21	87%
SC	24,512	1,094	23,553	-155	30	95%
SD	5,760	188	5,477	-31	14	95%
TN	31,414	1,453	30,274	27	22	96%
TX	140,622	4,129	135,416	736	115	97%
UT	10,209	303	10,124	125	7	100%
VA	45,331	3,391	43,418	412	26	97%
VT	5,682	130	5,662	33	7	100%
WA	45,218	2,092	44,305	-11	21	98%
WI	28,358	1,388	27,229	-374	53	95%
WV	14,694	410	13,886	-77	18	94%
WY	2,206	125	2,090	-14	3	94%
Totalvi	2,102,066	86,770	2,019,650	3,421	1,616	96%

<sup>&</sup>lt;sup>i</sup> Figures for total authorized vouchers are based on HUD data as of January 2006.

ii Compares estimate of number of authorized vouchers funded in 2006 at each agency in the state with the average number of vouchers actually used in January – September 2005, based on agency data submitted to HUD. For some agencies, a portion of the increase in vouchers that can be used in 2006 compared with vouchers leased in 2005 is due to the award of new vouchers during 2005 to replace other federal housing subsidies. These new vouchers were in use in part but not all of 2005.

<sup>&</sup>lt;sup>iii</sup> Based on CBPP estimates of funding available to each agency. Includes only vouchers funded up to each agency's authorized level, as of January 2006. Assumes each agency's average voucher cost remains level in the last three months of 2005 and increases at the applicable HUD inflation factor beginning January 1, 2006. Figures for some agencies include tenant protection vouchers awarded in 2005 and before; because information released by HUD on tenant protection vouchers is incomplete, the actual number of such vouchers is somewhat uncertain.

This is the estimated net change in vouchers funded in a state from 2006 to 2007, offsetting increases and decreases at individual agencies. The figures do not include renewal of tenant protection vouchers that will be awarded in 2006, as these approximately 26,000 vouchers cannot be allocated to the agency level in advance of award. Our estimates assume that these additional vouchers will be renewed, subject to the same proration as other renewal funding.

<sup>&</sup>lt;sup>v</sup> Compares estimates of the number of vouchers funded in 2007 at the agencies within a state with the agencies' number of authorized vouchers, based on HUD data as of January 2006. Under HUD's SEMAP performance measurement system, agencies that use fewer than 95 percent of their authorized vouchers are considered deficient performers.

vi Omits data for Puerto Rico and other territories.