

November 1, 2006

HOUSING VOUCHERS FUNDED IN KENTUCKY UNDER PENDING PROPOSALS

Due largely to the flaws in the formula for distributing “Section 8” housing voucher funding, the share of vouchers in use in Kentucky has fallen over the past few years, from 96 percent in 2004 to a projected 90 percent in 2006. In other words, **1,928 vouchers have already been cut** in Kentucky over the past two years.

For 2007, Congress will have to choose among three funding approaches that have been put forward. Each provides the same new funding for the program nationally in 2007, but uses a different method for distributing the money among the 2,400 state and local housing agencies. Here is the impact that each of the three formulas would have on Kentucky.

- Under the formula in the Section 8 Voucher Reform Act (or SEVRA), a bill passed by the House Financial Services Committee on June 14, 2006, ***all vouchers in use in Kentucky in 2006 would be funded***. Moreover, agencies in Kentucky would receive enough funding to restore many of the vouchers that have been cut in recent years. Overall, **95 percent of Kentucky’s currently authorized vouchers would be funded** under the SEVRA formula.
- The formula in the Senate appropriations bill would also renew funding for all vouchers in use in Kentucky in 2006. However, it would not provide agencies in Kentucky with enough funding to restore a substantial share of the vouchers that have been cut in recent years. Overall, **92 percent of Kentucky’s currently authorized vouchers would be funded** under the Senate appropriations formula.
- Under the formula in the House appropriations bill, 16 housing agencies in Kentucky would be forced to cut assistance to 650 low-income families in 2007. **90 percent of Kentucky’s currently authorized vouchers would be funded** under the House appropriations formula.

For a description of the pending proposals for distribution of renewal funding to state and local agencies and an analysis of their national impact, see "Fixing the Housing Voucher Formula: A No-Cost Way to Strengthen the Section 8 Program," <http://www.cbpp.org/11-1-06hous.htm>. The paper's Technical Appendix explains the sources and methods for the data in this table.

Agency Estimates (next page)

Agency Estimates

Housing Agency	HUD Code	Authorized Vouchers as of Jan. 2006	Vouchers in Use in 2006 (Estimated)	Authorized Vouchers Funded in 2007			Vouchers in Use That Would Be Cut Under House Appropriations Bill
				SEVRA	Senate Appropriations Bill	House Appropriations Bill	
Appalachian Foothills HA	ky161	780	671	671	684	741	0
Ashland CDA PHA	ky142	616	600	616	612	607	0
Barbourville Urban Renewal & Comm. Dev.	ky150	198	198	198	198	198	0
Bardstown	ky071	169	138	138	141	154	0
Boone Co. Assisted Housing Dept.	ky135	978	867	978	884	880	0
Bowling Green	ky171	509	495	509	505	487	8
Campbell Co. Dept. of Housing	ky136	635	575	635	587	589	0
Campbellsville HA	ky047	274	265	274	270	274	0
Covington CDA	ky133	1,089	1,072	1,089	1,089	1,089	0
Cumberland Valley Regional HA**	ky160	715	715	715	715	715	0
Cynthiana	ky021	175	170	175	173	164	5
Floyd Co.	ky157	301	298	301	301	284	15
Frankfort sec. 8 voucher	ky003	458	344	344	350	423	0
Georgetown HA	ky061	356	314	356	321	315	0
Glasgow Community Development	ky173	338	331	338	338	310	22

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				SEVRA	Senate Appropriations Bill	House Appropriations Bill	
Greensburg HA	ky053	118	116	116	118	118	0
Henderson	ky012	649	640	649	649	613	27
Hopkinsville	ky011	484	484	484	484	466	18
KY Housing Corp.**	ky901	4,727	4,415	4,727	4,503	4,605	0
Lake Cumberland Housing Agency, Inc.	ky163	514	415	415	423	474	0
Laurel Co. Fiscal Court	ky169	330	330	330	330	330	0
Lawrence Co. sec. 8 voucher	ky086	130	128	130	130	129	0
Lebanon HA	ky022	72	72	72	72	72	0
Lexington-Fayette Urban Co. HA	ky130	1,992	1,841	1,841	1,877	1,992	0
Louisville Housing Authority*	ky001	9,188	8,324	8,579	8,579	7,808	516
Madisonville sec. 8 voucher	ky007	253	247	247	252	253	0
Mayfield	ky040	232	183	183	187	207	0
Maysville	ky017	108	77	77	78	102	0
Newport	ky015	432	408	432	416	393	15
Owensboro	ky009	289	280	289	286	289	0
Paducah sec. 8 voucher	ky137	554	482	482	492	528	0
Paintsville	ky027	87	85	87	87	85	0
Paris-Bourbon Co. CDA	ky140	472	472	472	472	472	0

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				SEVRA	Senate Appropriations Bill	House Appropriations Bill	
Pike County HA	ky121	568	568	568	568	568	0
Pikeville	ky107	341	334	341	341	335	0
Pineville/Bell Co. CDA	ky141	401	388	401	395	387	1
Prestonburg sec. 8 voucher	ky035	144	144	144	144	142	2
Richmond sec. 8 housing	ky132	703	605	703	617	583	22
Somerset	ky008	245	231	245	235	234	0
Springfield sec. 8 voucher	ky056	69	67	69	69	67	0
Urban Renewal & CDA	ky138	297	258	258	263	295	0
Total		30,990	28,646	29,678	29,233	28,776	650

*Agency received new "tenant protection" vouchers from HUD in 2005 to replace demolished public housing units or privately-owned units that no longer receive project-based federal housing assistance. Incomplete information was available to estimate the additional funding due these agencies in 2007 to renew these vouchers under each of the approaches. As a result, estimates for these agencies may be too low, and under the House approach may be too low or too high.

**Agency took over administration of additional vouchers from another agency in 2005 or early 2006. Our estimates may not fully account for the effect of the consolidation on the agency's likely funding in 2007.