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HOUSING VOUCHERS FUNDED IN MONTANA 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 Montana has fallen over the past few years, from 99 percent in 2004 to a projected 95 percent in 2006. In other words, **205 vouchers have already been cut** in Montana 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 Montana.

- 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 Montana in 2006 would be funded***. Moreover, agencies in Montana would receive enough funding to restore vouchers that have been cut in recent years. Overall, **99 percent of Montana’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 Montana in 2006. However, it would not provide agencies in Montana with enough funding to restore a substantial share of the vouchers that have been cut in recent years. Overall, **97 percent of Montana’s currently authorized vouchers would be funded** under the Senate appropriations formula.
- Under the formula in the House appropriations bill, 4 housing agencies in Montana would be forced to cut assistance to 50 low-income families in 2007. **98 percent of Montana’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	
Billings	MT001	553	503	553	513	484	20
Butte HA	MT003	21	18	18	19	21	0
Great Falls HA	MT002	200	164	164	167	193	0
Helena HA	MT004	345	311	311	317	336	0
Missoula HA	MT033	754	743	754	754	715	28
Montana Department of Commerce*	MT901	3,721	3,592	3,721	3,663	3,721	0
Richland County HA	MT006	92	83	92	84	82	1
Ronan HA	MT036	36	35	36	36	34	2
Whitefish Housing Authority	MT015	16	16	16	16	16	0
Total		5,738	5,466	5,665	5,570	5,601	50

*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.