

November 1, 2006

## HOUSING VOUCHERS FUNDED IN RHODE ISLAND 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 Rhode Island has fallen over the past few years, from 88 percent in 2004 to a projected 81 percent in 2006. In other words, **715 vouchers have already been cut** in Rhode Island 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 Rhode Island.

- 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 Rhode Island in 2006 would be funded***. Moreover, agencies in Rhode Island would receive enough funding to restore vouchers that have been cut in recent years. Overall, **91 percent of Rhode Island’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 Rhode Island in 2006. However, it would not provide agencies in Rhode Island with enough funding to restore a substantial share of the vouchers that have been cut in recent years. Overall, **83 percent of Rhode Island’s currently authorized vouchers would be funded** under the Senate appropriations formula.
- Under the formula in the House appropriations bill, 14 housing agencies in Rhode Island would be forced to cut assistance to 147 low-income families in 2007. **85 percent of Rhode Island’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

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	
Bristol HA	RI019	226	180	226	183	171	8
Burrillville	RI014	84	66	84	67	66	0
Central Falls	RI004	553	498	553	507	479	19
Coventry HA	RI016	278	217	278	222	209	9
Cranston HA	RI006	257	197	257	201	190	8
Cumberland	RI010	355	300	355	306	280	20
East Greenwich HA	RI024	292	155	155	158	202	0
East Providence HA	RI007	232	164	232	167	171	0
Johnston HA	RI009	205	198	205	202	191	7
Lincoln HA	RI018	124	96	124	98	97	0
Narragansett HA	RI026	182	180	182	182	173	7
Newport HA	RI005	407	205	205	209	304	0
North Providence HA	RI017	143	121	143	123	119	2
Pawtucket HA	RI002	646	564	646	575	543	21
Portsmouth HA	RI013	85	59	59	60	77	0
Providence HA*	RI001	2,169	1,834	2,169	1,870	1,823	11
RI Housing and Mortgage Finance Corporation*	RI901	1,514	1,200	1,200	1,223	1,477	0
Smithfield HA	RI020	53	43	43	44	52	0
South Kingstown	RI012	138	113	138	116	111	3

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HA							
Tiverton HA	RI027	51	49	49	50	51	0
Warren HA	RI022	192	173	192	176	166	6
Warwick HA	RI011	349	218	218	222	251	0
West Warwick HA	RI015	97	75	97	76	72	3
Westerly HA	RI008	198	170	170	173	192	0
Woonsocket HA	RI003	666	617	666	629	593	23
<b>Total</b>		<b>9,496</b>	<b>7,690</b>	<b>8,646</b>	<b>7,841</b>	<b>8,059</b>	<b>147</b>

\*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.