

Revised March 15, 2006

WINNERS AND LOSERS UNDER ADMINISTRATION'S 2007 HOUSING VOUCHER FUNDING PLAN

South Dakota

The table below compares estimates of the number of vouchers that would be funded in 2007 under the Administration's budget proposal with the number funded in 2006 and the number in use in 2005. Under the Administration's plan:

- An estimated **14 housing agencies in South Dakota** would be forced to **cut assistance to 67 low-income** families in 2007, compared to the number they are able to help in 2006.

When the number of vouchers the Administration is proposing to fund in 2007 is compared to the total number Congress has authorized agencies to administer (rather than the number funded in 2006), the shortfalls faced by some agencies are even deeper:

- At **8 South Dakota housing agencies, 5 percent or more of the vouchers** Congress authorized the agency to issue to needy families **would be left unused in 2007 because of inadequate funding**. Statewide, the number of vouchers funded would be 5 percent below the number agencies are authorized to issue.

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 other 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 <http://www.cbpp.org/3-13-06hous.htm>.

Housing Agency	Total Authorized Vouchers ¹	Actual 2006 Appropriation		2007 Administration Budget Request		
		Potential Increase (or Loss) in Vouchers from 2005 Level ²	Total Vouchers Funded ³	Change in Vouchers Funded from 2006 Level	Total Vouchers Funded ⁴	Percent of Total Authorized Vouchers Funded ⁵
Aberdeen HA	492	23	484	-8	476	97%
Brookings Housing & Redevelopment	277	21	277	-2	275	99%
Butte County HA	20	0	20	1	21	105%
Canton Housing Commission	61	1	61	-1	60	98%
Clark HA	28	7	22	-1	21	75%

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Huron Housing Commission	228	17	228	6	234	103%
Lawrence County HA	262	0	262	23	285	109%
Lennox Housing Commission	27	2	27	2	29	107%
Maddison Housing Commission	111	2	109	-2	107	96%
Meade County HA	207	8	207	0	207	100%
Milbank Housing Commission	64	-9	55	-1	54	84%
Miller Housing Commission	16	2	15	0	15	94%
Mitchell Housing Commission	112	8	110	-2	108	96%
Mobridge Housing & Redevelopment	129	9	113	-2	111	86%
Pennington County HC	1,226	17	1,218	-17	1,201	98%
Pierre HA	164	9	161	-3	158	96%
Redfield	67	2	67	3	70	104%
Sioux Falls Housing Commission	1,564	117	1,490	-21	1,469	94%
Vermillion Housing	258	-24	164	-2	162	63%
Watertown HA	287	-16	247	-3	244	85%
Wessington Springs	17	1	17	1	18	106%
Yankton Housing Commission	143	-9	123	-2	121	85%
South Dakota	5,760	188	5,477	-31	5,446	95%⁶

¹ Figures for total authorized vouchers are based on HUD data as of January 2006.

² Compares number of authorized vouchers funded in 2006 (3rd data column) with 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.

³ 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.

⁴ Based on CBPP estimates of funding each agency would receive under the proposed formula and of likely per unit costs in 2007. Does 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.

⁵ Under HUD's SEMAP performance measurement system, agencies that use fewer than 95 percent of their authorized vouchers are considered deficient performers. These figures compare the funding available in 2007 under the President's request to renew vouchers that were authorized as of January 2006 (listed in the first data column). Under the Administration's proposal and our estimates, vouchers awarded subsequent to January 2006 also would receive renewal funding through calendar year 2007, subject to the same proration as other renewal funding.

⁶ The statewide percentage of authorized vouchers funded compares the total number of vouchers renewed in 2007 to the total number authorized in 2006. If some agencies in the state are funded for more than 100 percent of their authorized vouchers, the statewide percentage understates the share of authorized vouchers left unfunded in particular communities.