



February 9, 2024

The Honorable Patty Murray
Chair
Senate Appropriations Committee
S-128 Capitol Building
Washington, District of Columbia 20510

The Honorable Susan Collins
Vice Chair
Senate Appropriations Committee
S-128 Capitol Building
Washington, District of Columbia 20510

The Honorable Kay Granger
Chairwoman
House Appropriations Committee
H-307 Capitol Building
Washington, District Columbia 20515

The Honorable Rosa DeLauro
Ranking Member
House Appropriations Committee
H-307 Capitol Building
Washington, District Columbia 20515

The Honorable Brian Schatz
Chair, Senate Appropriations Subcommittee
on Transportation, Housing and Urban
Development
Washington, District of Columbia 20510

The Honorable Cindy Hyde-Smith
Ranking Member, Senate Appropriations on
Subcommittee on Transportation, Housing
and Urban Development
Washington, District of Columbia 20510

The Honorable Tom Cole
Chair, House Appropriations Subcommittee on
Transportation, Housing and Urban
Development
Washington, District of Columbia 20515

The Honorable Mike Quigley
Ranking Member, House Appropriations
Subcommittee on Transportation, Housing and
Urban Development
Washington, District of Columbia 20515

Dear Chair Murray, Vice Chair Collins, Chairwoman Granger, Ranking Member DeLauro, Chairman Schatz, Ranking Member Hyde-Smith, Chairman Cole, and Ranking Member Quigley:

As a group of state Housing Finance Agencies (HFA) interested in promoting the most effective administration of Section 8 Rental Assistance contracts, we urge you to preserve language included as Section 251 of the Department of Housing and Urban Development Appropriations Act, 2024 (Title II of Division C of H.R. 4366, as amended and passed by the Senate on November 1, 2023). This general provision would allow HUD to continue its longstanding partnership with HFAs and other Public Housing Agencies (PHAs) to preserve and protect a critical source of our country's affordable housing stock.

HFAs and PHAs have overseen Project-Based Section 8 Rental Assistance (PBRA) payments, contract renewals, property inspections, and rent increases for decades. In 33 states, HFAs administer contracts covering more than 9,400 properties containing more than 654,000

affordable apartments. In other states, some HFAs are interested in and ready to administer PBRA contracts if they have an opportunity to do so.

As state-based, mission-driven organizations, HFAs have a deep knowledge of local housing markets and their needs, as well as robust relationships with the PBRA property owners and tenants they serve. These connections facilitate efficient and effective implementation of PBRA contracts, timely response to tenant complaints, and the leveraging of other federal and state resources to maintain affordability.

Directing HUD to issue new Performance-Based Contract Administration (PBCA) awards under a cooperative agreement model, including preferences for HFAs and PHAs with demonstrated experience successfully managing PBRA properties and units, would help maintain these long-standing relationships to the benefit of vulnerable households in every state. At a time when access to affordable housing is critically limited in many parts of the country, disrupting this proven model for PBRA administration would exacerbate the challenges that many families face in securing a place to call home.

In addition, enacting legislation to clarify how HUD may enter into contracts with PBRA contract administrators is necessary now because HUD's recent efforts to rebid the contracts have been unsuccessful. There appears to be no way for it to move forward without legislation. This provision is key to ensuring that HUD continues to have the authority to assign contract administration responsibilities to state and local entities after evaluating the capacity and qualifications of interested applicants.

Accordingly, we respectfully urge you to retain the Senate PBRA contract administration language in any future legislation providing funding for HUD for Fiscal Year 2024. Thank you for your consideration.

Sincerely,

Alaska Housing Finance Corporation
Arizona Department of Housing
Colorado Housing and Finance Authority
Connecticut Housing Finance Authority
District of Columbia Housing Finance Agency
Idaho Housing and Finance Association
Illinois Housing Development Authority
Iowa Finance Authority
Kansas Housing Resources Corporation
Kentucky Housing Corporation
Louisiana Housing Corporation
MaineHousing
Maryland Department of Housing and Community Development
MassHousing
Michigan State Housing Development Authority
Minnesota Housing

Montana Housing
Nebraska Investment Finance Authority
New Hampshire Housing
New Jersey Housing and Mortgage Finance Agency
New Mexico Mortgage Finance Authority
New York State Homes and Community Renewal
North Carolina Housing Finance Agency
North Dakota Housing Finance Agency
Oklahoma Housing Finance Agency
Oregon Housing and Community Services
Pennsylvania Housing Finance Agency
Puerto Rico Housing Finance Authority
Rhode Island Housing
South Carolina State Housing Finance and Development Authority
South Dakota Housing
Tennessee Housing Development Agency
Utah Housing Corporation
Vermont Housing Finance Agency
Virginia Housing
West Virginia Housing Development Fund
Wisconsin Housing and Economic Development Authority