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Financial Services Committee,
United States House of Representatives
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Chairman Garrett, Ranking Member Waters, and Members of the Subcommittee, thank you for the opportunity to testify today on the National Housing Trust Fund.

I am Sheila Crowley, President of the National Low Income Housing Coalition (NLIHC). NLIHC is dedicated solely to achieving socially just public policy that assures people with the lowest incomes in the United States have affordable and decent homes.

Our members include non-profit housing providers, homeless service providers, fair housing organizations, state and local housing coalitions, public housing agencies, private developers and property owners, housing researchers, local and state government agencies, faith-based organizations, residents of public and assisted housing and their organizations, and concerned citizens. We do not represent any sector of the housing industry. Rather, NLIHC works only on behalf of and with low income people who need safe, decent, and affordable homes, especially those with the most serious housing problems, including people without homes. NLIHC is funded entirely with private contributions.

We organize our work in service of three specific goals for federal housing policy:

- There will be no further loss of federally assisted affordable housing units or federal resources for affordable housing or access to housing by extremely low income people.
- The federal government will increase its investment in housing in order to produce, rehabilitate, and/or subsidize at least 3,500,000 units of housing that are affordable and accessible to the lowest income households in the next ten years.
- Housing stability in the neighborhood of one's choice, which is foundational to good health, employment, educational achievement, and child well-being for people with the lowest incomes, will be the desired outcome of federal low income housing programs.

Since 2000, NLIHC has led the National Housing Trust Fund campaign, a coalition of more than 6,000 national, state, and local organizations located in every Congressional district, including faith-based organizations, organizations that advocate for people with disabilities, organizations that work to end homelessness, and organizations that represent older Americans.

Our primary interest in the proposed bills under consideration today is Mr. Royce's bill that would terminate the Housing Trust Fund and the requirement that Fannie Mae and Freddie Mac make annual allocations for the fund. We strenuously object to any legislative effort to terminate the Housing Trust Fund and hope my testimony today will convince Mr. Royce to withdraw his bill.

The Housing Trust Fund, more commonly known as the National Housing Trust Fund, was created in 2008 as part of the Housing and Economic Recovery Act (HERA). This was after many several years of effort to get it established with earlier legislative proposals that were unrelated to Fannie Mae and Freddie Mac. The National Housing Trust Fund is modeled after the nearly 700 housing trust funds created at the state and local level over the past 30 years, all of which help to supplement federal funds for affordable housing.

I will focus my testimony on three issues. First, I will detail the shortage of housing that is affordable for extremely low income households in the United States, which is the single motivation for establishing the National Housing Trust Fund. Second, I will describe how the National Housing Trust Fund will work and hopefully put to rest the "slush fund" allocations that have been made about it. Third, I will discuss different ways that the NHTF can potentially be funded, including, but not limited to, mechanisms applied to whatever entities may replace the GSEs in the future.

Housing For Extremely Low Income Families

All housing markets are local, but there is one fact that is true in every community in the country. No community has a sufficient supply of decent rental homes that are affordable to extremely low income families, defined as having incomes at or below 30% of the area median.

Thirty-nine percent of the households in Orange County, CA are renters; the average renter in Orange County earns $36,213 a year. The annual household income needed to afford a modest two-bedroom rental home in Orange County is $63,360. An extremely low income family in Orange County, CA has an annual income of $26,494 or less.[1]

In Bergen County, NJ, 32% of all households are renters and the average renter earns $36,792. The minimum income needed to afford a modest two-bedroom rental is $59,760 a year, but extremely low income in Bergen County is $27,963 or less.[2]

Who has incomes that low? They are primarily service workers - retail clerks, day care workers, home health care aides - the people on whom the rest of us depend to get our jobs done. Extremely low income also includes people who are elderly or disabled, whose income is primarily Supplemental Security Income (SSI). The annual income of an SSI recipient in California is $13,068; in New Jersey, it is $12,768.[3]

NLIHC calculations of the latest American Housing Survey show that there are 10 million extremely low income renter households in the United States and only 6.5 million homes renting at prices they can afford.[4] This is the only income group for whom there is an absolute shortage of homes. What is more, many of the homes renting in the price range that an extremely low income family could afford are in fact occupied by higher income people. In HUD's recent

[1]Bravve, E., DeCrappeo, M., Pelletiere,D., and Crowley, S. (2011). *Out of reach 2011*. Washington, DC: National Low Income Housing Coalition.
[2] Ibid.
[3] Ibid.
[4] Pelletiere, D. (2010) *A preliminary analysis of the 2009 and 2007 rental affordability gaps from the 2009 and 2007 American housing surveys*. Washington, DC: National Low Income Housing Coalition.

analysis of worst case housing needs, they report that there are just 32 decent, affordable and available homes to rent for every 100 extremely low income renter households.[5] These findings have been affirmed in a major new study on rental housing recently issued by the Joint Center on Housing Studies at Harvard.[6]

The housing circumstances of extremely low income people have only gotten worse in the Great Recession. HUD reports that the number of households with worst case housing needs (households with incomes less than 50% of the area median and who pay more than half of their income for their homes) increased by 20% between 2007 and 2009.[7]

The most tragic manifestation of this housing shortage is the existence of homelessness in the United States. In this very dangerous game of musical chairs, the people who are most likely to end up with no housing at all are those who are the poorest, the most vulnerable, those with the weakest support systems and the fewest coping skills.

What the National Housing Trust Fund Will Do

The people who conceived of and have advocated for the National Housing Trust Fund see its purpose is to end this shortage, to close this gap. We think this is a proper role for government. This is a shortage of a product that is fundamental to human well-being; housing is not an optional expense. It is clear that the market will not fill this gap. The cost of building and operating rental housing simply exceeds what can be paid in rent by extremely low income households.

The primary purpose of the National Housing Trust Fund is to produce, preserve, rehabilitate, and operate rental homes that extremely low income households can afford. No more than 10% can be used for homeownership activities.

It is a block grant that is housed at HUD. Funds are to be distributed to the states and territories by a formula that is based on need, primarily need for rental homes affordable for extremely low income families. The funds go to governors who designate a state agency to administer the program. In most cases, we expect the National Housing Trust Fund to be run by state housing finance agencies that now administer the Low Income Housing Tax Credit program.

The state has to design an allocation plan and create performance goals. It can use the funds to develop housing itself or can establish a grant making process to allocate the funds to sub-recipients. The statute requires that a sub-recipient have experience relevant to the activity it proposes and demonstrate financial expertise and experience.

The state is responsible for assuring that all funds are used properly and for assuring that any funds that are not properly used are reimbursed. HUD can reduce future grants to states that

[5] Steffen, B. et al. (2011). *Worst case housing needs 2009: A report to Congress*. Washington, DC: U.S. Department of Housing and Urban Development.
[6] Joint Center for Housing Studies of Harvard University. (2011). *America's rental housing: Meeting challenges, building opportunities.* Cambridge, MA: Author.
[7] Steffen et al.

are not reimbursed for improperly used funds.

Funds cannot be used for advocacy, lobbying, political activities, travel, counseling, or preparing of tax returns. The state can use up to 10% of its allocation to administer the program, but no funds can be used for outreach or other administrative activities by the state or sub-recipients.

HUD is required to recapture any funds that a state has not committed within two years and reallocate the funds to other states.

HUD has developed the regulations for implementation of the National Housing Trust Fund. They have been published for public comment, comments have been received, and final regulations are expected to be ready this summer.

Attached to my testimony is a document called “National Housing Trust Fund, Frequently Asked Questions” that provides details about how the program will operate. The last page in the FAQ shows estimates of the state allocation amounts.

I hope this detailed review of the rules that will govern the National Housing Trust Fund allays any remaining concerns that Members of the Committee have about how it will be used. We are dismayed by the way the program was mischaracterized in the heat of politics and that these mischaracterizations have survived to the present day despite all evidence to the contrary.

The allegations that the funds will be used for political purposes by special interest groups are simply false. Moreover, they are an affront to the thousands of people across this country who work day in and day out to help their needy neighbors and who have been the backbone of the campaign to establish the National Housing Trust Fund.

A more reasonable question to ask is why we need another low income housing program. Indeed, there would no need for the National Housing Trust Fund if the existing federal programs were differently structured and funded adequately. However, no existing federal housing program produces rental homes specifically targeted for extremely low income households, precisely the program that is most needed.

More critical, the existing programs are grossly underfunded. HUD rent assistance programs only serve 25% of eligible households. While we have had periods of small expansion of HUD programs in the last 30 years, more typically, the programs have been held flat or reduced. All HUD low income assistance programs are part of domestic discretionary spending, the part of the federal budget least likely to be increased and most likely to be cut. The National Housing Trust Fund is intended to be funded with dedicated sources of revenue, such that it is not subject to the vicissitudes of the annual appropriations process and does not compete with existing HUD programs for funding.

Funding the National Housing Trust Fund

The legislation that created the National Housing Trust Fund was part of the reform of Fannie Mae and Freddie Mac that was enacted in 2008. That was because it was linked to a proposal for the initial dedicated source of funding for the National Housing Trust Fund to be contributions from Fannie Mae and Freddie Mac. As you know, Fannie and Freddie were taken into conservatorship soon after HERA was enacted. No contributions have been made to date and the chances of them ever being made are remote.

However, it was never the intention of the National Housing Trust Fund campaign to rely solely on the contributions from Fannie and Freddie. In fact, the amount provided in the legislation was very small relative to the need. It is critical to know that the statute also says that the National Housing Trust Fund can be funded by "**any amounts as are or may be appropriated, transferred, or credited to such Housing Trust Fund under any other provisions of law."** It was this provision in the bill along with the income targeting that made it possible for the National Housing Trust Fund campaign to support the legislation at all.

Regardless of the future of Fannie and Freddie or what Congress decides the future of housing finance policy will be, the statutory basis for the National Housing Trust Fund should stand alone and unharmed

It is true, however, that the National Housing Trust Fund campaign supports the creation of a dedicated source of funding to address low income housing needs in whatever emerges to replace Fannie and Freddie in the secondary mortgage market. We urged that such a provision be included in the Administration's proposal and will work closely with Members of Congress to help shape future legislation to that effect.

We also support legislation Representative Elijah Cummings' bill, H.R. 1477, which would provide $1 billion for the National Housing Trust Fund from the profits made on the sale of "warrants" that were created in the Emergency Economic Stability Act of 2008. In exchange for federal TARP funds, banks gave the Treasury warrants. A warrant is the right to purchase one share of stock at a specified price. Treasury has begun to sell these stocks as the economy strengthens, bringing proceeds back to the federal government. As stock prices increase, so do revenues from the sale of these warrants. So far, the sale of these warrants has yielded almost $9 billion. These proceeds are in addition to the loans made through TARP, and are seen as a way for the public to benefit from the U.S. bankrolling the recovery of financial institutions.

We are also looking to tax policy for ways to fund the National Housing Trust Fund. In the current debate on deficit reduction and tax reform, the mortgage interest deduction has been raised. It is the position of the National Housing Trust Fund campaign that any savings realized from reform of the mortgage interest deduction should go in whole or in part to the National Housing Trust Fund.

We are open to suggestions for other ideas to fund the National Housing Trust Fund that anyone wants to offer. Our only objection will be to funds generated by cuts to other programs that serve low income people.

In closing, let me reiterate that the National Housing Trust Fund is a program that deserves to continue regardless of what Congress decides to do about Fannie Mae and Freddie Mac. We urge Mr. Royce to withdraw his bill. Thank you for the opportunity to testify today.

NATIONAL HOUSING TRUST FUND

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Updated May 12, 2011

National Housing Trust Fund

Frequently Asked Questions

The National Housing Trust Fund (NHTF) is a dedicated fund intended to provide revenue to build, preserve, and rehabilitate housing for people with the lowest incomes. The NHTF was enacted as part of the Housing and Economic Recovery Act of 2008 (HERA), P.L. 110-289 (July 30, 2008).

1. What is the National Housing Trust Fund?

The National Housing Trust Fund is a permanent federal program with dedicated source(s) of funding not subject to the annual appropriations process.

The purposes of the NHTF are to:

- increase and preserve the supply of rental housing for extremely low income households (ELI households, with incomes of 30% of area median or less) and very low income households (VLI households, with incomes of 50% of area median or less), including homeless households, and

- increase homeownership for ELI and VLI households.

2. How is the NHTF funded?

The NHTF is to be funded with dedicated sources of revenue. The initial sources were contributions from the Government Sponsored Enterprises (GSEs), Freddie Mac and Fannie Mae.

The statute also provides that the NHTF can be funded by other dedicated sources of revenue, such as any appropriations, transfers, or credits that Congress may designate in the future. However, the NHTF campaign expects the NHTF to be funded with dedicated revenues generated outside of the current appropriations process. The NHTF should never compete with existing HUD programs funded by appropriations.

Unfortunately, Fannie and Freddie were taken over by the Federal Housing Finance Administration in September 2008 when they ran into financial trouble due to the foreclosure crisis. At that time their contributions to the NHTF were suspended and remain so.

The Obama Administration released its proposal for the future of housing finance on February 11. (It would phase out Fannie and Freddie.) The proposal calls for a dedicated funding source to address housing needs that the market cannot meet, including rental housing for the lowest income families. The proposal named the National Housing Trust Fund as an example of how to do that.

Congress is expected take up housing finance reform this year. Advocates will work to make sure that funding for the NHTF is included in any legislation considered by Congress.
In addition, the President requested $1 billion in his FY12 budget as initial capitalization for the NHTF. He would apply this expenditure to the mandatory side of the federal budget; thus the expenditure is not HUD appropriations. This request is different from the potential funding to come from housing finance reform.

The President made the same request in his proposed budgets for FY10 and FY11. While significant progress was made in the 111th Congress to provide the $1 billion requested by the President, plus $65 million for project-based vouchers for use with NHTF units, the Congress ended without enacting this funding. The NHTF campaign will continue to push for this funding in the 112th Congress.

A third avenue for funding the NHTF in 2011 is through legislation introduced by Senator Jack Reed (D-RI), S. 489, "The Preserving Homes and Communities Act of 2011," which has a companion bill in the House, H.R. 1477, introduced by Representative Elijah Cummings (D-MD). The bill would direct $1 billion to the NHTF from the profits made from the sale of "warrants," which were provided for in the Emergency Economic Stabilization Act of 2011, also known as TARP.

Advocates are also seeking other dedicated funding sources for the NHTF, including through reform of the mortgage interest deduction.

The goal of the NHTF campaign is to identify sufficient sources of dedicated funding that will result in an annual distribution of $30 billion. The overall goal for the NHTF is $300 billion over 10 years to support 3.5 million homes.

3. Have regulations been issued to implement the NHTF?

HUD issued proposed regulations to implement the NHTF on October 29 2010, http://edocket.access.gpo.gov/2010/pdf/2010-27069.pdf. The NHTF rule would be inserted as a subpart of the existing HOME regulations. Key provisions are highlighted in the answers to the following FAQs. The National Housing Trust Fund Campaign submitted comments on the proposed rule.

A copy of those comments can be found at http://www.nlihc.org/doc/NHTF_Comments_NHTF_Regs_12_28.pdf.

HUD anticipates releasing a final rule in summer 2011.

4. Who is served by the NHTF?

The NHTF statute requires that at least 75% of the funds for rental housing benefit extremely low income (ELI) households or households with incomes below the federal poverty line. All funds must benefit very low income (VLI) households.

However, HUD's proposed regulation would require that, for the first year, 100% of both rental and homeowner units be occupied by ELI households. In addition, the proposed rule would give HUD the authority in future years to require grantees to devote more than the statutory minimum to ELI households.

5. How can NHTF dollars be used?

The statute requires that at least 90% of the funds be used for the production, preservation, rehabilitation, or operation of rental housing. Up to 10% can be used for the following homeownership activities for first-time homebuyers: production, preservation, and rehabilitation; down payment, closing cost, and interest rate buy-down assistance.

The proposed regulations follow the statute, limiting the use of NHTF resources for homeowner activities to 10% of a state's allocation, and also limiting to 10% the amount of a state's allocation that can be used for overall program administration and planning. In addition, the proposed rule makes it clear that NHTF-assisted units can be in a project that also contains non-NHTF-assisted units. Also, NHTF resources can be used to buy and/or rehabilitate manufactured homes, or to purchase the land on which a manufactured home sits. Property can be bought or demolished, but only if tied to a specific affordable housing project. Land can be purchased for use for NHTF-assisted housing that will be part of a transit-oriented development. The proposed rule clarifies that NHTF assistance can be in the form of a grant, loan, equity investment, or other forms.

6. How are NHTF dollars distributed?

The NHTF is a HUD-administered block grant to the states, the District of Columbia, and the territories. Under the law, the HUD Secretary must develop a formula for distributing the funds using five specified factors which reflect the number of ELI and VLI households with severe cost burden (paying more than 50% of their income for rent) as well as the shortage of rental properties affordable and available to ELI and VLI households, with priority for ELI households. No state or the District of Columbia can receive less than $3 million.

A proposed allocation formula mirroring the statutory factors was published in the Federal Register on December 4, 2009 and included in proposed implementation regulations on October 29, 2010. The National Low Income Housing Coalition has calculated the percentage of an allocation of $1 billion that might be distributed to each state, the District of Columbia, Puerto Rico, and the other territories. A chart with these amounts is attached.

7. How would states distribute their NHTF dollars?

The NHTF statute requires states to select a state agency (such as a housing finance agency or a housing department) to receive and administer NHTF resources. Each state must prepare an annual Allocation Plan showing how it will distribute NHTF resources based on its priority housing needs.

HUD's proposed rule requires that the NHTF Allocation Plan be inserted as a component of a state's Consolidated Plan, following the ConPlan public participation requirements.

The proposed regulation would give states the option of passing some or all NHTF dollars to local governments or state agencies as "subgrantees" to in turn provide funds to "recipients" to carry out projects. Any subgrantees would have to have a ConPlan that includes a NHTF Allocation Plan consistent with the state's NHTF requirements.

The law and proposed rule defines "recipients" as organizations and agencies (including nonprofits and for-profits) that receive NHTF dollars from a state or subgrantee to carry out a NHTF-assisted project. In a November 2008 letter, the NHTF Campaign urged HUD to explicitly list public housing agencies as potential recipients, but the proposed rule does not do so. Both the law and the proposed rule require recipients to have demonstrated experience and capacity with creating, rehabilitating, or preserving affordable homes.

8. How are projects selected to receive NHTF dollars?

The NHTF statute requires an Allocation Plan to set for the requirements for selecting applications from potential recipients. In addition to a project meeting the state's priority housing needs, the Allocation Plan must give priority for funding based on the following factors:

- geographic diversity (the proposed rule fails to require states to allocate funds based on the relative need in rural as well as urban areas),
- the applicant's ability to obligate NHTF dollars and undertake funded activities in a timely manner,
- the extent to which rents will be affordable in the proposed project, especially for ELI households,
- the length of time rents will remain affordable in the proposed project,
- the use of other funding sources in the proposed project, and

- the merits of an applicant's proposed activity. (The proposed rule offers as examples of merit: housing accessible to transit or employment centers; housing that includes green building and sustainable elements, and housing that serves people with special needs.)

9. How long does the state have to spend its funds?

The statute requires states to "commit" funds within two years. Uncommitted funds are to be recaptured by HUD and reallocated to other states.

The proposed rule mirrors the statute and defines "commit" as having a legally binding agreement for a specific project that can reasonably be expected to begin construction or rehabilitation within one year. The proposed rule also goes beyond the statute and would require funds to be spent within five years.

10. How are NHTF rents determined?

The NHTF statute is silent regarding the rents that can be charged tenants in NHTF units, except to establish as one of the factors states must use to select projects, "the extent to which rents for units in the project are affordable to extremely low income families." One of the basic tenets of housing policy is the "Brooke rule," which considers housing to be affordable only when assisted households use no more than 30% of their income for rent and utilities.

However, HUD's proposed NHTF regulations reject the Brooke rule and establish maximum rents for NHTF units equal to 30% of the greater of either 30% of the federal poverty line or 30% of area median income (AMI). While such threshold rents will be close to the acceptable standard for housing affordability for households at or slightly below 30% of AMI or poverty (whichever is applicable), households earning substantially less than 30% of AMI will almost certainly pay more than 30% of their income for rent, unless additional subsidies are available.

Consequently, many people the NHTF is intended to serve will not be eligible for homes assisted with NHTF dollars because the rents will be more than they can afford. The NHTF Campaign, in its comments on the proposed rule, urged HUD to adopt the Brooke rule for NHTF rental units.

11. How long do NHTF units have to remain affordable?

The statute does not require any particular period of affordability, except that states must select projects based in part on the duration of the units' affordability period.

The proposed rule would require both rental and homeowner units to be affordable for at least 30 years, allowing states and subgrantees to establish longer affordability periods. In its comments on the proposed rule, the Campaign strongly urged HUD to set a 50-year affordability period and to provide preferences for projects with affordability periods greater than 50 years. The public investment of NHTF resources must be retained as long as possible.

12. Can NHTF dollars be used for operating costs for rental housing?

The statute authorizes the use of NHTF dollars for the production, preservation, rehabilitation, and *operation* of rental housing, but the statute does not define what operation means.

The NHTF is intended to provide one-time capital grants. Because operating costs are ongoing and need to be reassessed each year, use of the NHTF for operating costs will be difficult. In 2008, the NHTF Campaign urged HUD to allow 20% of a state's funds to be used to capitalize an operating subsidy fund that could be used in conjunction with ELI units produced by the NHTF. In addition, the NHTF Campaign is currently working to secure funding for project-based vouchers that will go to state agencies to be distributed to NHTF projects.

According to the proposed rule's preamble, HUD views the NHTF as primarily a production program meant to add units to the supply of affordable housing for ELI and VLI households, and anticipates NHTF money to be used with other sources, mostly in mixed-income projects. HUD's proposed rule would allow up to 20% of a state's annual NHTF grant to be used for operating cost assistance with NHTF-assisted units, but did not limit the use of operating cost assistance to ELI units. The NHTF Campaign has asked that the final regulation limit the use of operating assistance to ELI units that have rents based on 30% of a household's income.

13. Are there prohibitions on the uses of NHTF dollars?

The statute prohibits the use of NHTF dollars for political activities, lobbying, counseling, traveling, and project administrative expenses, or for endorsements of a particular candidate or party.

HUD's proposed rule adds that NHTF cannot be used to rehabilitate or build public housing or HOPE VI units; however, a project may contain both public housing units and NHTF-assisted units. The proposed rule, like the HOME rule, prohibits the use of NHTF money for a project previously assisted with NHTF during the period of affordability – except for the first year of completion.

14. Is the NHTF considered to be federal financial assistance?

The statute considers the NHTF to be "federal financial assistance" for the purposes of federal civil rights laws.

The regulations list a number of fair housing and civil rights laws that apply to the NHTF:

The Fair Housing Act; Title VI of the Civil Rights Act of 1964; The Age Discrimination Act of 1973; Section 504 of the Rehabilitation Act of 1973; and, Title II of the Americans with Disabilities Act.

15. Do other federal laws apply to the NHTF?

According to the statute, all activities carried out must comply with federal laws on: tenant protection and tenant participation; public participation relating to the Consolidated Plan, Qualified Allocation Plan, and Public Housing Agency Plan; and, fair housing laws and laws related to accessibility for people with disabilities.

The proposed regulations have a section called "tenant protections" which does not address tenants' rights to participate in the decision making regarding their homes. It does provide a long list of tenant lease and selection provisions.

The proposed rule ties public participation pertaining to the NHTF's Allocation Plan process to the Consolidated Plan public participation process, but it is silent regarding the Low Income Housing Tax Credit Qualified Allocation Plan and Public Housing Agency Plan.

As noted in #14, the fair housing and accessibility laws are cited in the proposed rule, as is Section 3 of the Housing and Urban Development Act of 1968, which entails an obligation to work toward goals to employ and train low and moderate income people, as well as to contract with businesses primarily owned by or that primarily hire low and moderate income people.

16. Is there a requirement that NHTF dollars be matched by the state or grant recipients?

No, the statute does not have a match requirement. This is different from other bills that were introduced to establish a National Affordable Housing Trust Fund.

The statute and proposed rule do, however, include as one priority factor for states and subgrantees to consider when allocating NHTF dollars to a project, the extent to which a project will make use of non-federal funding.

17. Are there any reporting requirements?

The NHTF statute requires each state to submit an annual report to HUD that describes the activities assisted with NHTF money and that demonstrates compliance with the state's Allocation Plan. This report must be available to the public.

The proposed rule does not go into detail, but does require states to submit an annual performance report in a format prescribed by HUD. Instead of requiring the state to make the performance report available to the public, HUD indicates that it will do so.

The proposed rule also presents a number of recordkeeping obligations, including actions taken by the state to comply with Section 3 hiring and contracting goals, and the extent to which each racial and ethnic group, as well as single-heads of households, has applied for, participated in, or benefitted from the NHTF. In general records must be kept for five years after project completion. The public must have access to the records, subject to state and local privacy laws.

18. What can state and local advocates do to help implement the NHTF?

- Contact their governors to voice their opinions on which state agency should be designated to administer their NHTF program.
- Participate in the development of the state Allocation Plan, including providing comments on the Allocation Plan before it is finalized.
- Make sure as many low income people as possible are aware of the Allocation Plan process and have opportunities to participate.
- Make sure funds are distributed throughout the state according to priority needs.
- Make sure funds will be distributed to the types of housing projects that will meet the greatest needs of ELI people.
- Make sure that the relative needs of rural areas are considered as well as those of metropolitan areas.
- Make sure any subgrantees are selected on a reasonable basis and that subgrantees allocate NHTF dollars to the types of housing in the most appropriate areas.
- Advocate at the national level for dedicated funding.

For more information, go to www.nhtf.org.

NLIHC Updated Estimates of State Allocation Amounts from NHTF for Every Billion Allocated and Invested

February 10, 2011

Geography	Amount[1]	Percent of Total
Alabama	10,600,000	1.1%
Alaska	3,000,000	0.3%
Arizona	15,300,000	1.5%
Arkansas	6,900,000	0.7%
California	173,800,000	17.4%
Colorado	14,900,000	1.5%
Connecticut	12,600,000	1.3%
Delaware	3,000,000	0.3%
District of Columbia	3,800,000	0.4%
Florida	49,200,000	4.9%
Georgia	22,800,000	2.3%
Hawaii	5,600,000	0.6%
Idaho	3,100,000	0.3%
Illinois	46,800,000	4.7%
Indiana	16,200,000	1.6%
Iowa	6,800,000	0.7%
Kansas	6,200,000	0.6%
Kentucky	10,400,000	1.0%
Louisiana	11,700,000	1.2%
Maine	3,500,000	0.4%
Maryland	13,400,000	1.3%
Massachusetts	26,700,000	2.7%
Michigan	28,900,000	2.9%
Minnesota	14,800,000	1.5%
Mississippi	6,900,000	0.7%
Missouri	15,800,000	1.6%
Montana	3,000,000	0.3%
Nebraska	4,000,000	0.4%

Geography	Amount	Percent of Total
Nevada	8,800,000	0.9%
New Hampshire	3,300,000	0.3%
New Jersey	33,300,000	3.3%
New Mexico	4,800,000	0.5%
New York	118,500,000	11.9%
North Carolina	22,400,000	2.2%
North Dakota	3,000,000	0.3%
Ohio	33,900,000	3.4%
Oklahoma	8,000,000	0.8%
Oregon	14,600,000	1.5%
Pennsylvania	38,000,000	3.8%
Puerto Rico	7,500,000	0.8%
Rhode Island	4,500,000	0.5%
South Carolina	9,800,000	1.0%
South Dakota	3,000,000	0.3%
Tennessee	13,700,000	1.4%
Texas	57,300,000	5.7%
Utah	4,300,000	0.4%
Vermont	3,000,000	0.3%
Virginia	20,200,000	2.0%
Washington	22,700,000	2.3%
West Virginia	4,600,000	0.5%
Wisconsin	16,900,000	1.7%
Wyoming	3,000,000	0.3%
American Samoa	60,000	0.0%
Guam	560,000	0.1%
Northern Marianas	260,000	0.0%
Virgin Islands	610,000	0.1%

Source: NLIHC estimates are derived from Comprehensive Housing Affordability Strategy (CHAS) data, a special tabulation of American Community Survey (ACS) 2006-2008 3-year data. CHAS data can be accessed here: http://www.huduser.org/portal/datasets/cp.html.

Contact Megan DeCrappeo 202-662-1530 ext. 245 or megan@nlihc.org with questions

[1] These estimates are based on the Proposed Rule for the Housing Trust Fund Allocation Formula, posted in the Federal Register on December 4, 2009 at http://edocket.access.gpo.gov/2009/pdf/E9-28984.pdf. They are intended to provide a rough indication of the ranking and magnitude of each state's allocation. These amounts and proportions are subject to change based on further clarification of HUD's proposed methodology and data sources, and the exact source and vintage of the data used at the time of allocation.

United States House of Representatives
Committee on Financial Services

"TRUTH IN TESTIMONY" DISCLOSURE FORM

Clause 2(g) of rule XI of the Rules of the House of Representatives and the Rules of the Committee on Financial Services require the disclosure of the following information. A copy of this form should be attached to your written testimony.

1. Name:	2. Organization or organizations you are representing:
Sheila Crowley	National Low Income Housing Coalition
3. Business Address and telephone number:	
[redacted]	
4. Have you received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2008 related to the subject on which you have been invited to testify?	**5. Have any of the organizations you are representing received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2008 related to the subject on which you have been invited to testify?**
☐ Yes ☑ No	☐ Yes ☑ No
6. If you answered .yes. to either item 4 or 5, please list the source and amount of each grant or contract, and indicate whether the recipient of such grant was you or the organization(s) you are representing. You may list additional grants or contracts on additional sheets.	
7. Signature:	

Please attach a copy of this form to your written testimony.