

PRESS RELEASE

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Attorney General Frosh Joins Coalition Calling for Increased Funding for Public Housing

Coalition Pushes Congress to Go Beyond \$40 Billion in President Biden's \$2.3 Trillion Infrastructure Plan to Retrofit Existing Public Housing

BALTIMORE, MD (**April 16, 2021**) – Maryland Attorney General Brian E. Frosh today joined a coalition of 14 attorneys general from around the nation in strongly urging Congress to invest in the nation's public housing systems. In a letter to congressional leadership, the coalition expresses concern that the \$40 billion in funding for public housing allocated as part of President Joseph Biden's \$2.3 trillion infrastructure plan is insufficient to address years of neglect and underfunding of the nation's public housing systems. The coalition, instead, estimates that the nation's public housing portfolio requires at least \$70 billion for capital needs to return to a good state of repair, growing to \$90 billion through 2030.

"The Biden administration's infrastructure plan is a good start, but additional funds are needed to plan for the future of public housing in this country," said Attorney General Frosh. "Continuing to allowing these homes to fall into disrepair should not be an acceptable byproduct of years of failure to address the operation and maintenance backlog."

Because of its reach and its ability to serve low-income families that might otherwise become homeless, public housing is a vital resource for cities, neighborhoods, and the 1.2 million families that call it home. In order to keep public housing units affordable for low-income families, federal regulations cap rents at 30 percent of a family's income. While this cap ensures affordability, the amount of rent collected by the nation's 3,300 public housing agencies (PHAs) is insufficient to cover the costs of operating and maintaining the properties they oversee.

When the federal public housing program was created in 1937, it was understood that PHAs would need ongoing operating and capital support from the federal government to close the gap between the rents charged to those in public housing and the actual cost of building operations and maintenance. The amount that each PHA is entitled to receive from the federal government is set each year by the U.S. Department of Housing and Urban Development (HUD) through a formula. However, it is Congress that appropriates money to these funds, and, in most years, the appropriation does not match the total amount that PHAs require for maintenance and operation under the formula.

In recent years, especially, as the coalition notes, the political will has not existed to fully fund the gap between public housing rents paid and the cost of building operations and maintenance. For example, the amount appropriated by Congress has only matched the need specified by HUD twice between 2000 and 2018; in some years the amount was less than 85 percent of the need. Further, in the past 10 years alone, the Public Housing Operations budget has been reduced by nearly \$1 billion. This has resulted in a massive backlog in necessary repairs and maintenance and has led to deteriorating and damaging conditions for the families living in public housing.

In today's letter, the coalition calls on Congress to allocate sufficient funds to address the repair backlog, a forward-facing commitment to fund capital funding gaps, and a dedicated fund for lead remediation.

Joining Attorney General Frosh in signing the letter are the attorneys general of Connecticut, Delaware, the District of Columbia, Illinois, Iowa, Massachusetts, Michigan, Nevada, New Jersey, New Mexico, New York, Vermont, and Virginia.

https://www.marylandattorneygeneral.gov/press/2021/041621.pdf