

**Opening Statement for the Record – Congressman Albio Sires  
Oversight of Housing and Urban Development, March 14, 2007**

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Mr. Chairman, thank you for this opportunity to address the Department of Housing and Urban Development's proposed Fiscal Year 2008 budget.

I want to state for the record that the Department of Housing and Urban Development's proposed budget for Fiscal Year 2008 is disgraceful. It continues a six year effort by the Bush Administration to dismantle critical federal housing programs.

Not only does the budget cut vital housing assistance to families, it also cuts administrative funding which directly affects individuals in our communities. Just last week, 34 constituents of mine lost their jobs with the Jersey City Public Housing Authority because of cuts to HUD's public housing programs. These cuts coupled with the Department's regulatory restrictions that prevent capital funds from being used for operational purposes, tie the hands of our local program officials. While we expect Public Housing Authorities to serve and provide safe housing to families, we cut their budgets. It is unconscionable and I am going to fight against these cuts and rule changes.

Beyond the administrative shortfalls, the budget cuts critical programs including Public Housing, Section 8, Community Development Block Grants, Section 202 elderly housing, Section 811 disabled housing, and lead prevention grants. The budget continues this Administration's six-year long effort to eliminate several relevant programs, including: the Drug Elimination Program, the HOPE VI public housing revitalization program, Brownfields redevelopment grants, Urban Empowerment Zones, Section 108 Community Development Block Grant loans used by cities to leverage larger economic revitalization projects, and several Rural Housing programs.

These programs serve the most vulnerable of our population and they have the ability to change the course for low-income families and children. By making housing more affordable, housing programs help to stabilize the lives of low-income families and improve their ability to secure and retain jobs. Frequent moving or living in homeless shelters or substandard housing can interrupt work schedules and jeopardize employment.

Housing assistance helps to improve children's educational prospects. Some studies have shown that the children of families that move frequently tend to do poorer in school. By enabling poor families to find and keep affordable housing, federal housing assistance helps children attend school regularly which improves their educational prospects.

Research indicates housing assistance may lead to improvements in child health. One study found that children of families on a waiting list for Section 8 vouchers were much more likely to suffer from stunted growth than children of families that receive housing subsidies.

In conclusion, federal housing assistance makes families and children able to participate more fully in society now and later in their lives. The investment we make today will pay off for many years. These programs are too important to cut. And we cannot expect the Public Housing Authorities to properly administer these programs without adequate funding and flexibility. I hope that Congress will appropriately fund these vital programs.