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July 13, 2009

Members of the Subcommittee on Transportation, Housing and Urban Development
and Related Agencies
Committee on Appropriations
U. S. House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the 1.6 million members of the American Federation of State, County and Municipal Employees (AFSCME), I am writing to request your strong support to increase funding for key housing, community development and transportation programs as Congress considers the fiscal year 2010 Appropriations bill for Transportation, Housing and Urban Development, and Related Agencies.

As described in detail below, AFSCME strongly supports increased funding for the Department of Housing and Urban Development's Community Development Block Grant formula grants, Public Housing Operating Fund, Public Housing Capital Fund, and Resident Opportunities and Supportive Services. AFSCME strongly supports increased funding for the Department of Transportation's programs at the Federal Highway Administration, the Federal Administration and the Federal Aviation Administration.

Department of Housing and Urban Development

Department of Housing and Urban Development (HUD) funding is needed to ensure Public Housing Authorities have the resources needed to preserve, modernize and increase the quantity of the public housing stock and provide appropriate social services to ensure public housing residents are living in safe, decent, affordable public housing. HUD funding is also needed to promote and develop sustainable and supportive communities for low- and moderate-income Americans.

HUD - Community Development Block Grant Formula Grants

AFSCME requests \$4.5 billion for FY 2010 Community Development Block Grant (CDBG) formula funding grants. We recognize this would significantly increase the FY 2009 appropriation of \$3.642 billion and is slightly above President Obama's proposed FY 2010 budget of \$4.185 billion. However, FY 2001's appropriation was \$4.41 billion and thus, our \$4.5 billion request is low compared to historic funding for CDBG formula grants.

American Federation of State, County and Municipal Employees, AFL-CIO

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HUD - Public Housing Programs

The affordable housing crisis continues to afflict many low-income and impoverished families, and the ongoing mortgage crisis is increasingly hurting middle-class families. To provide affordable housing options to those in need, localities need federal funding to preserve, modernize and develop varied housing opportunities tailored to local community needs. In many areas, the best option is public housing. To ensure its success, Congress must continue the long-standing federal investment in the permanent public housing inventory of 1.3 million units, which house 2.5 million Americans (50% are seniors or people with disabilities). Despite average resident income far beneath the poverty line, public housing residents reflect America's diversity, including nearly one million children and one million seniors (more seniors live in public housing than in any other housing program).

AFSCME represents approximately 15,000 members working in Public Housing Authorities (PHAs) who have direct experience with the public housing stock and public housing residents. To ensure America's public housing continues to help seniors, children, working families and their communities, AFSCME members know Congress must continue investing in public housing.

Public Housing Operating Fund

AFSCME requests \$5.5 billion for the Public Housing Operating Fund. This amount is needed to ensure PHAs have all the funds they need for operating their public housing. While President Obama's proposed FY 2010 budget of \$4.6 billion is \$145 million above FY 2009's level of \$4.55 billion and claims to fully fund operating needs, calculations from the public housing industry demonstrate that additional funds are needed. Unless Congress provides full funding, PHAs will fail to deliver tens of thousands of housing units to needy families, who will continue languishing on waiting lists for years and years.

Public Housing Capital Fund

AFSCME requests \$5 billion for the Public Housing Capital Fund, which renovates, repairs and modernizes public housing. President Obama's proposed FY 2010 budget of \$2.244 billion underfunds needed capital costs and would cut the FY 2009 appropriation of \$2.45 billion. While we appreciate that the 2009 stimulus legislation appropriated \$4 billion for the Public Housing Capital Fund, experts estimate PHAs' backlog for capital repairs is \$32 billion. Thus, significantly more funding is needed and underfunding the Capital Fund tends to increase future costs for many capital repairs – such as roofs, heating systems and elevators – because investing early prevents problems and avoids more expensive capital repairs later.

Resident Opportunities and Supportive Services

AFSCME requests \$55 million for Resident Opportunities and Supportive Services (ROSS). The ROSS program provides vitally needed grants for service coordinators to work in public housing to address seniors' unique needs. President Obama's proposed FY 2010 budget would eliminate this ROSS line item and make it an eligible use of funds under another program. AFSCME supports continuing the ROSS line item and slightly increasing the funding from the FY 2009 appropriation of \$40 million.

Department of Transportation

Investments in highways, transit and airports stimulate the economy. By increasing funding for the Department of Transportation (DOT) programs, Congress will improve highway safety, reduce congestion and stimulate state and local economies, create new development, increase property values and reduce travel time. In addition, improvements in the highway, transit and aviation infrastructure will create good jobs in transportation operations and maintenance, construction and supplier industries.

Federal Highway Administration Programs

AFSCME requests \$59 billion for Federal Highway Administration programs (FHWA). The FHWA has a massive responsibility and the funding level requested by the President is significantly below the level necessary for the agency to adequately meet its goal of improving the nation's mobility on the highways. These programs improve highway safety, reduce congestion and improve the efficiency of our highway system. Since the details of the next surface transportation bill are not yet known, it is important that FHWA is funded at no less than current levels.

Federal Transit Administration Programs

AFSCME requests \$12.4 billion for federal transit programs. Reductions in transit spending would place a tremendous burden on state and local budgets and local public transit systems and will result in more gridlock on the roads and overcrowded buses and trains. Cuts in transit spending will hinder the ability of public transit systems to improve, maintain and efficiently operate their transit systems.

Airport Improvement Program

AFSCME requests \$4 billion for the Airport Improvement Program (AIP). The increased amount recognizes the need for an increased investment in the nation's airports and it addresses airport safety rehabilitation and maintenance needs.

Finally, we have some concerns about the proposed National Infrastructure Bank. While we understand the need to make large investments in capital infrastructure projects, we are concerned that adequate labor protections are not in place to protect workers who might be displaced if public work shifts to private under a public-private partnership. We support strong labor protections for those affected workers to avoid unnecessary layoffs.

We thank you for your continued leadership on appropriations issues and for your serious consideration of AFSCME's funding requests for these vital programs.

Sincerely,



Charles M. Loveless
Director of Legislation