

**PUBLIC AND INDIAN HOUSING  
LOW-RENT PUBLIC HOUSING ASSISTANCE  
2011 Summary Statement and Initiatives  
(Dollars in Thousands)**

<b>LOW-RENT PUBLIC HOUSING ASSISTANCE TO PHAS</b>	<b>Enacted/ Request</b>	<b>Carryover</b>	<b>Supplemental/ Rescission</b>	<b>Total Resources</b>	<b>Obligations</b>	<b>Outlays</b>
2009 Appropriation .....	\$1,000	...	...	\$1,000	\$111	\$45,862
2010 Appropriation/Request .....	5,000	...	...	5,000	5,000	5,000
2011 Request .....	<u>1,000</u>	<u>...</u>	<u>...</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Program Improvements/Offsets .....	-4,000	...	...	-4,000	-4,000	-4,000

**Summary Statement**

The fiscal year 2011 Budget assumes that \$1 million of permanent indefinite authority will be used to provide funding for remaining Public Housing development and modernization activities in the pipeline that were reserved under the “Annual Contributions for Assisted Housing” (ACAH) appropriations through 1986. No discretionary appropriation is required.

**Initiatives**

This is a liquidating account reflecting pre-1992 loan activity. Therefore, there are no initiatives proposed for fiscal year 2011.

Low-Rent Public Housing Assistance

**PUBLIC AND INDIAN HOUSING  
LOW-RENT PUBLIC HOUSING ASSISTANCE  
Summary of Resources by Program  
(Dollars in Thousands)**

<u>Budget Activity</u>	<u>2009 Budget Authority</u>	<u>2008 Carryover Into 2009</u>	<u>2009 Total Resources</u>	<u>2009 Obligations</u>	<u>2010 Budget Authority/ Request</u>	<u>2009 Carryover Into 2010</u>	<u>2010 Total Resources</u>	<u>2011 Request</u>
Low-Rent Public Housing Assistance (Mandatory)	<u>\$1,000</u>	...	<u>\$1,000</u>	<u>\$111</u>	<u>\$5,000</u>	...	<u>\$5,000</u>	<u>\$1,000</u>
Total .....	1,000	...	1,000	111	5,000	...	5,000	1,000
 <u>FTE</u>	 <u>2009 Actual</u>	 <u>2010 Estimate</u>	 <u>2011 Estimate</u>					
Headquarters .....	...	...	...					
Field .....	...	...	...					
Total .....	...	...	...					

**PUBLIC AND INDIAN HOUSING  
LOW-RENT PUBLIC HOUSING ASSISTANCE  
Program Offsets  
(Dollars in Thousands)**

<b>Low-Rent Public Housing Assistance (Mandatory)</b>	<b><u>Amount</u></b>
2009 Appropriation .....	\$1,000
2010 Appropriation/Request .....	5,000
2011 Request .....	<u>1,000</u>
Program Improvements/Offsets .....	-4,000

**Proposed Actions**

The Department proposes \$1 million of mandatory budget authority for the Low-Rent Public Housing Assistance Fund program for fiscal year 2011. This program has not received new appropriations since fiscal year 1986. The program is now in a liquidating status with permanent indefinite borrowing authority and is classified as mandatory. The Department borrows from Treasury each year to close pipeline loan commitments. Once the commitment is closed, both the Department and the Treasury forgive the loan.

Historically, the Department has been using borrowing authority to finance the obligations and expenditures of the Low-Rent Public Housing program. In order to finance project construction, housing authorities issued bonds to private investors. In addition to bonds, the Department made loans to the housing authorities that were later sold to the Federal Financing Bank (FFB). HUD assumed responsibility for the repayment of both the loans and private investor bonds. In 1986, Public Law 99-272 was passed to forgive this debt from the housing authorities and converted the program to a grant program.

The program was established for three reasons. First, the program was to provide direct Federal loans (capital funds) to support the completion of Public and Indian Housing construction, acquisition, and modernization activities. Second, the Fund was also used as a repository of appropriations provided in prior years to make interest differential payments to the FFB. Budget authority was obligated in the Loan Fund to provide payments to the FFB to fund the difference in interest payments between what would have been charged if tax-exempt bonds had been sold to the public and the interest that actually was charged when instruments were sold to the FFB at a Federally taxable interest rate. A third purpose of the account, as a Corporate Fund, was ended during the first quarter of 1997 pursuant to Section 507 of the Congressional Budget Act of 1974.

Low-Rent Public Housing Assistance

**PUBLIC AND INDIAN HOUSING  
LOW-RENT PUBLIC HOUSING ASSISTANCE  
Crosswalk of 2009 Availability  
(Dollars in Thousands)**

<u>Budget Activity</u>	<u>2009 Enacted</u>	<u>Supplemental/ Rescission</u>	<u>Approved Reprogrammings</u>	<u>Transfers</u>	<u>Carryover</u>	<u>Total 2009 Resources</u>
Low-Rent Public Housing Assistance (Mandatory) .....	<u>\$1,000</u>	<u>...</u>	<u>...</u>	<u>...</u>	<u>...</u>	<u>\$1,000</u>
Total .....	1,000	...	...	...	...	1,000

Low-Rent Public Housing Assistance

**PUBLIC AND INDIAN HOUSING  
LOW-RENT PUBLIC HOUSING ASSISTANCE  
Crosswalk of 2010 Changes  
(Dollars in Thousands)**

<u>Budget Activity</u>	<u>2010 President's Budget Request</u>	<u>Congressional Appropriations Action on 2010 Request</u>	<u>2010 Supplemental/ Rescission</u>	<u>Reprogrammings</u>	<u>Carryover</u>	<u>Total 2010 Resources</u>
Low-Rent Public Housing Assistance						
(Mandatory) .....	<u>\$5,000</u>	<u>\$5,000</u>	<u>...</u>	<u>...</u>	<u>...</u>	<u>\$5,000</u>
Total .....	5,000	5,000	...	...	...	5,000