

United States Senate

WASHINGTON, DC 20510

April 9, 2019

The Honorable Susan Collins
Chairwoman
Subcommittee on Transportation,
Housing and Urban Development
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Jack Reed
Ranking Member
Subcommittee on Transportation,
Housing and Urban Development
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chairman Collins and Ranking Member Reed,

We write to request that the Committee provide \$110 million for the Department of Housing and Urban Development (HUD)'s Family Self-Sufficiency (FSS) Program in the Fiscal Year 2020 Transportation-HUD appropriations bill. The funding will allow this asset-building program to serve more households, both within already-established Public Housing and Housing Choice Voucher (HCV) FSS Programs and in the newly authorized FSS programs in communities that receive Project-Based Rental Assistance (PBRA).

FSS is a unique and proven asset building program for low-income families around the country. FSS benefits HUD-assisted families by combining (1) stable affordable housing, (2) individualized coaching and service coordination to help families develop and pursue financial goals and (3) a rent incentive in the form of an escrowed savings account that grows as families' earnings increase. Families participating in the FSS program receive the balance of this escrow account when they graduate from the program, and can then use those savings to achieve their financial goals.

When enrolled in FSS, any increases to a family's rent as a result of increased income are credited to the family's escrow account. A recent cost-benefit analysis of two high-performing FSS programs showed that, over a five year period, every \$100 in net cost to run the program returned around \$3,700 in benefits to the participating family.¹ The same study showed that families participating in the program reduced TANF usage, increased FICO scores and reduced household debt.

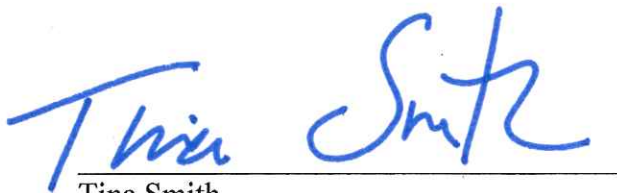
We ask for an increase in funding over last year's funding level of \$80 million because of the recent authorization to expand the FSS program. In 2018, bipartisan legislation was passed to expand the FSS program to PBRA residents. This new authorization makes approximately 2 million PBRA-assisted residents eligible for FSS. Building upon work done in your Committee,

¹ Interim Cost-Benefit Analysis of the Compass Family Self-Sufficiency Program, December 21, 2017, https://www.abtassociates.com/sites/default/files/2018-06/CompassFSS_Cost-BenefitAnalysis_Abt_12-2017_Rev.pdf.

there are opportunities to serve new families and more funding is needed to support additional FSS coordinators at each local program. Additionally, existing Public Housing and HCV FSS programs nationwide already have waiting lists of residents who could be served if more funding was available.

To support the scaling up of this effective program and its new expansion to include PBRA-assisted households, we urge the Committee to fund FSS at \$110 million in the FY 2020 appropriations bill.

Sincerely,



Tina Smith
United States Senator



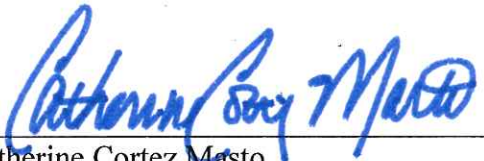
Robert Menendez
United States Senator



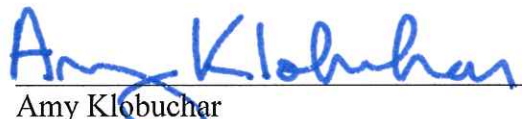
Richard Blumenthal
United States Senator



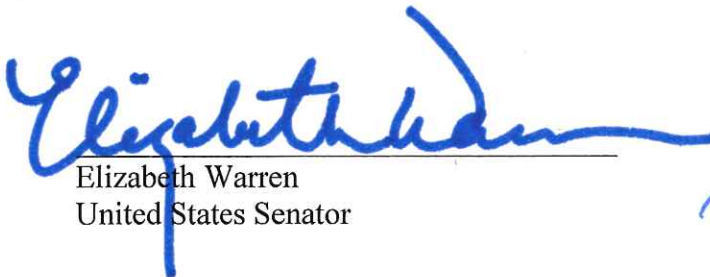
Tammy Duckworth
United States Senator



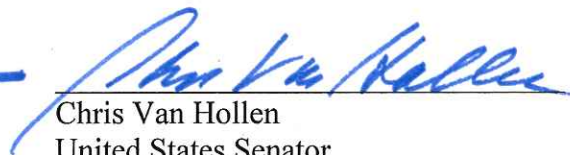
Catherine Cortez Masto
United States Senator



Amy Klobuchar
United States Senator



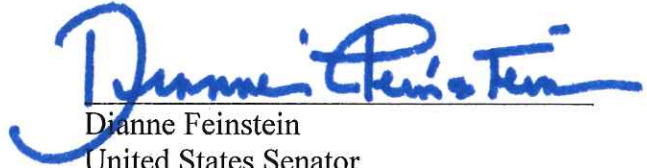
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United States Senator



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United States Senator



Maria Cantwell
United States Senator



Mazie K. Hirono
United States Senator



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United States Senator



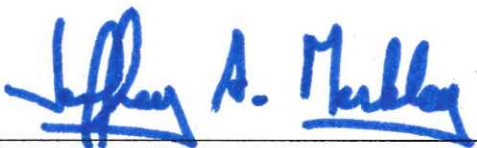
Kirsten Gillibrand
United States Senator



Richard J. Durbin
United States Senator



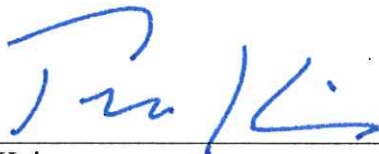
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United States Senator



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United States Senator



Bernard Sanders
United States Senator



Tim Kaine
United States Senator