



Highlights of [GAO-04-19](#), a report to the Ranking Minority Member, Subcommittee on Housing and Transportation, Committee on Banking, Housing and Urban Affairs, U.S. Senate

Why GAO Did This Study

In response to long-standing concerns, HUD initiated efforts to improve the administration of its programs in 1997, and Congress passed the Quality Housing and Work Responsibility Act (QHWRA) in 1998. The act contains over 80 reforms that affect two key rental housing assistance programs: the low-rent housing program (also referred to as public housing) and the Housing Choice Voucher program (formerly Section 8). According to many housing agencies, implementing these reforms challenged their ability to address their core mission of providing safe, decent, and sanitary rental units for low-income residents. In particular, some small agencies that manage properties with relatively few rental units have contended that some reforms have little relevance to their operations and pose a significant burden because of the agencies' limited staff and financial resources.

In response to the request of the Ranking Minority Member of the Subcommittee, GAO compared housing agencies by size in terms of (1) the impact of recent housing reforms on their ability to administer HUD programs, (2) the agencies' performance as measured by HUD, and (3) the differences in the technical assistance that the agencies require. To carry out its work, GAO surveyed a statistical sample of small and larger public housing agencies nationwide on the impact of QHWRA reforms. The response rate to the survey was about 69 percent.

www.gao.gov/cgi-bin/getrpt?GAO-04-19.

To view the full product, including the scope and methodology, click on the link above. For more information, contact David G. Wood, (202) 512-8678, or woodd@gao.gov.

PUBLIC HOUSING

Small and Larger Agencies Have Similar Views on Many Recent Housing Reforms

What GAO Found

Of the 18 QHWRA reforms GAO asked about in its national survey, housing agencies of all sizes had similar views on 11 of them. However, when asked to what extent these reforms affected their operations, agencies' responses sometimes differed by size category. For example, the largest percentages of agencies in all size categories viewed the annual plan reform—which requires agencies to provide certain information pertaining to their upcoming fiscal year—as helpful to them in managing and operating their agencies. But small agencies indicated that this reform helped to a lesser extent than larger agencies.

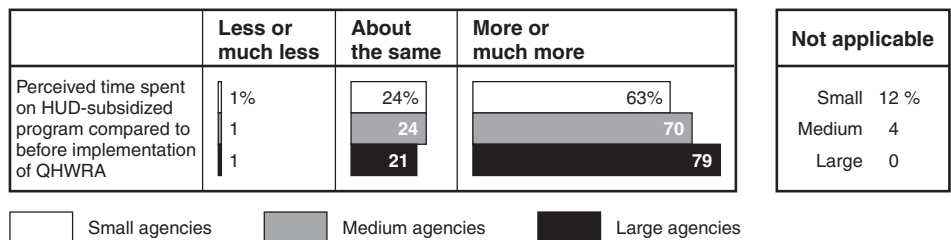
Other results of our survey:

- All agencies reported spending more time on administering HUD programs since QHWRA was implemented.
- Most agencies said they contracted out about the same amount of property management and services as before QHWRA.
- About 75 percent of small agencies reported they believe the regulatory changes HUD has issued to reduce administrative burden will help.

Performance ratings varied between small and larger housing agencies, according to HUD assessment data. The ratings, which assess the agencies' management of HUD housing programs, showed small agencies scoring better than larger ones in managing low-rent units. However, smaller agencies received lower scores than larger agencies for managing Housing Choice Voucher units, but this result may be due partly to HUD scoring method.

HUD uses its risk assessment and management performance assessment systems to target assistance based on its determination of those that need it most. In addition, housing agencies also contact HUD directly to request assistance. However, according to HUD field office officials, small agencies are more likely to need assistance with day-to-day management issues than large agencies because small agencies tend to have few staff that specialize in key areas that are important to managing HUD's programs.

Amount of Time Agencies Spend Administering HUD Programs Since QHWRA



Source: GAO.