FEDERAL HOUSING ASSISTANCE[1]

A number of Federal programs administered by the U.S. Department of Housing and Urban Development (HUD) and the Rural Housing Service (RHS) address the housing needs of low-income households. Housing assistance has never been provided as an entitlement to all households that qualify for aid. Instead, Congress has traditionally appropriated funds for a number of new commitments each year. Until the 1990s, those commitments generally ran up to 40 years, with the result that the appropriations were actually spent gradually over many years. More recently, funding has been provided 1 year at a time. Those additional commitments have expanded the pool of available aid, thus increasing the total number of households that can be served. They have also contributed to growth in Federal outlays in the past and have committed the government to continuing expenditures for many more years to come. The traditional housing programs have been augmented over the years with additional programs funded through block grants to State and local governments. This section describes recent trends in the number and mix of new commitments, as well as trends in expenditures for both the traditional assistance programs and the more recent block grant programs. The section focuses primarily on programs administered by HUD.

TYPES OF ASSISTANCE

The Federal Government has traditionally provided housing aid directly to low-income households in the form of rental subsidies and mortgage interest subsidies. For the most part, both the number of households receiving aid and total Federal expenditures have steadily increased, but the growth of households assisted through the traditional programs has slowed since the 1980s and, in recent years, the number of such assisted households may have declined.[2] Starting in the mid-1980s, a number of statutes were enacted—including the Stewart B. McKinney Homeless Assistance Act of 1987 (hereafter referred to as the McKinney Act) and the 1990 Cranston-Gonzalez National Affordable Housing Act (hereafter referred to as the 1990 Housing Act) that authorized new, indirect approaches in the form of housing block grants to State and local governments. Those governments may use the grants for various housing assistance activities specified in the laws. Data on the number of households assisted through those types of programs are not readily available, however.

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[1] This discussion draws directly from the Congressional Budget Office (1988). For this report, CBO has updated all figures with additional years of data. For a more recent study on these topics, see Congressional Budget Office (1994). Assistance provided through various aspects of the Tax Code is excluded from the discussion.

[2] Because of changes in the way in which HUD reports the number of households assisted through the traditional programs, it is not entirely clear whether the number has just leveled off or has actually declined in recent years.

A number of different housing assistance programs evolved over time in response to changing housing policy objectives. The primary purpose of housing assistance has always been to reduce housing costs and improve housing quality for low-income households. Other goals have included promoting residential construction, expanding housing opportunities for disadvantaged groups and groups with special housing needs such as the elderly, the disabled, and the homeless, promoting neighborhood preservation and revitalization, increasing home ownership, and empowering the poor to become self-sufficient.

New housing programs have been developed because of shifting priorities among these objectives as housing-related problems changed and because of the relatively high Federal costs associated with some approaches. Other programs have become inactive as Congress stopped appropriating funds for new assistance commitments through them. Because housing programs traditionally have involved multiyear contractual obligations, however, these so-called inactive programs continue to play an important role by serving a large number of households through commitments for which funds were appropriated some time ago.

Direct Rental Assistance

Most Federal housing aid is now targeted to very-low-income renters through the rental assistance programs administered by HUD and the RHS (Schussheim, 2000). Rental assistance is provided through two basic approaches: (1) project-based aid, which is typically tied to projects specifically produced for low-income households through new construction or substantial rehabilitation; and (2) household-based subsidies, which permit renters to choose standard housing units in the existing private housing stock. Some funding is also provided each year to modernize units built with Federal aid. Rental assistance programs generally reduce tenants' rent payments to a fixed percentage—currently 30 percent—of their income after certain deductions, with the government paying the remaining portion of the rent.

Almost all project-based aid also is provided through production-oriented programs, which include the Public and Indian Housing Program, the section 8 New Construction and Substantial Rehabilitation Program, and the section 236 Mortgage Interest Subsidy Program—all administered by HUD—and the section 515 Mortgage Interest Subsidy Program administered by the RHS.[3] Today new commitments are being funded through only two of these four programs—a modified version of the section 8 New Construction Program for elderly and disabled families only and the section 515 program. In addition, some new housing for Native Americans continues to be developed through the Indian Housing Block Grant Program.

Some project-based aid is also provided through several components of HUD's section 8 Existing Housing Program, which tie subsidies to specific units in the existing housing stock, many of which have received other forms of aid or

[3] A small number of renters continue to receive project-based subsidies through the now inactive section 221(d)(3) Below-Market Interest Rate and Rent Supplement Programs.

mortgage insurance through HUD. Traditionally, those components have included the section 8 loan management set-aside (LMSA) and property disposition (PD) components, which are designed to improve cash flows in selected financially troubled projects that are or were insured by the Federal Housing Administration or to provide deeper subsidies to the occupants; the section 8 conversion assistance component, which subsidizes units that previously were aided through other programs; and the section 8 Moderate Rehabilitation Program, which provides subsidies to units that have been brought up to standard by the owner.[4] In recent years, few, if any, new commitments have been funded through these programs. Today, new funding is predominantly used for tenant protection to enable tenants to remain in or move out of projects where rents are being raised after the owners opt out of the Federal assistance programs. Tenant protection assistance is also used to replace aid to households that are being displaced from assisted projects because the projects are being demolished.

Household-based subsidies traditionally have been provided through two other components of the section 8 Existing Housing Program—section 8 rental certificates and vouchers. These programs tie aid to households that choose units meeting certain housing standards in the private housing stock. Certificate holders generally must occupy units with rents that are within guidelines—the so-called fair market rents—established by HUD. Voucher recipients, however, are allowed to occupy units with rents above the HUD guidelines provided they pay the difference. Starting in 2000, the certificate and voucher program are being combined into one program that pays the difference between 30 percent of a tenant's income and the lesser of the tenant's actual housing cost or a payment standard determined by local rent levels. Commitments to aid additional households are being made under this program. In addition, because of the tenant protection programs discussed above, aid gradually is being shifted from project-based to household-based assistance.

Direct Home Ownership Assistance

Each year, the Federal Government assists some low- and moderate-income households in becoming homeowners by making long-term commitments to reduce their mortgage interest. Most of this aid has been provided through the section 502 program administered by the RHS. This program supplies direct mortgage loans at low interest rates roughly equal to the long-term government borrowing rates or provides guarantees for private loans with interest rates that may not exceed those set by the Department of Veterans Affairs (VA). Many home buyers, however, receive much deeper subsidies through the interest-credit component of this program, which reduces their effective interest rate to as low as 1 percent.

A number of home buyers have received aid through the section 235 program administered by HUD. That program provides interest subsidies

[4] The 1990 Housing Act repealed the section 8 Moderate Rehabilitation Program at the end of fiscal year 1991, except for single-room occupancy units for the homeless.

for mortgages financed by private lenders. New commitments now are being made only through the section 502 program but a small number of homeowners continue to receive aid from prior commitments made under the section 235 program.[5] Both programs generally reduce mortgage payments, property taxes, and insurance costs to a fixed percentage of income, ranging from 20 percent for the RHS program to 28 percent for the latest commitments made under the HUD program.

Homeless Programs

Since the mid-1980s, a number of programs specifically designed to address the issue of homelessness have been authorized. The still active programs, most of which were authorized by the McKinney Act, include the Emergency Shelter Grants Program, the Supportive Housing Program, the Shelter Plus Care Program, and the Moderate Rehabilitation for Single Room Occupancy Dwellings Program. Another program, which is designed to prevent rather than deal with homelessness, is the Housing Opportunities for Persons with AIDS (HOPWA) Program, authorized by the 1990 Housing Act.

Under these programs, HUD funds housing assistance indirectly in the form of block grants to State and local governments. They in turn are required to contribute matching funds under all programs except under the Single Room Occupancy Dwellings and HOPWA Programs. Funds are distributed by formula or by competition, depending on the type of program. Funds may be used for a variety of housing activities that may be supported on a short-term, emergency basis or on a more permanent basis. Those activities include acquisition, rehabilitation, and new construction of facilities, tenant rental assistance (including section 8), supportive services, and administration costs.

Other Housing Block Grant Programs

Several programs funded through block grants that are not specifically designed to deal with homelessness have been authorized since the early 1980s. Most of these programs have been terminated or are no longer being funded today.

Some assistance for the construction or rehabilitation of rental housing was funded under two small HUD programs authorized in 1983, the Rental Housing Development Grants (HoDAG) and the Rental Rehabilitation Block Grant Programs.[6] These programs distributed funds through a national competition and by formula, respectively, to units of local government that met certain eligibility criteria.

The 1990 Housing Act authorized several new housing assistance approaches, including the Home Ownership and Opportunity for People

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5 The Housing and Community Development Act of 1997 terminated the section 235 program at the end of fiscal year 1999.

6 The Housing and Community Development Act of 1987 terminated the HoDAG Program at the end of fiscal year 1989; the 1990 Housing Act repealed the Rental Rehabilitation Block Grant Program at the end of fiscal year 1991.

Everywhere (HOPE) Program and the HOME Investment Partnerships Block Grant Program. Since 1996, funds have been appropriated only for the HOME Program. The HOME Program provides Federal grants to State and local governments on a formula basis. Currently, participating jurisdictions generally must provide matching contributions of at least 25 percent of HOME funds spent in each fiscal year. Some or all of the matching requirement may be waived for jurisdictions that can show they are financially distressed. Funds may be used for tenant-based rental assistance or assistance to new home buyers.[7] They may also be used for acquisition, rehabilitation, or in limited circumstances, construction of both rental and owner-occupied housing.

TRENDS IN LEVELS AND BUDGETARY IMPACT OF HOUSING AID

This section examines trends in the levels and the budgetary impact of housing aid. Figures are presented only for programs administered by HUD. Because of data limitations, figures for the number of assisted households are presented only for those subsidized through the traditional programs that provide direct rental and home ownership assistance. Figures for the budgetary impact are shown for all housing programs discussed above.

Trends in Net New Commitments

Although HUD has been subsidizing the shelter costs of low-income households since 1937, more than half of all currently outstanding commitments under the traditional assistance programs were funded over the past 26 years. Between 1977 and 2002, funds were appropriated for about 2.7 million net new commitments to aid low-income renters (Table 15-HOUSING-1). Another 108,000 new commitments were funded in the form of mortgage assistance to low- and moderate-income home buyers. Between 1977 and 1983, the number of net new rental commitments funded each year declined steadily, however, from 354,000 to 54,000. Trends have been somewhat erratic since that time. During the late 1990s relatively few new commitments were funded, ranging from less than 8,500 in 1996 to 36,000 in 1998. For fiscal year 2000, however, funds were appropriated for nearly 130,000 new commitments before declining again to about 34,000 in 2002.

The production-oriented approach in rental programs was sharply curtailed in 1982 in favor of the less costly section 8 Existing Housing Programs. Between 1977 and 1981, commitments through programs for new construction and substantial rehabilitation ranged annually from 47 to 69 percent of the total. After 1981, the proportion never exceeded 32 percent until 1995, when it rose to roughly one-half of the total. Because in the late 1990s the number of commitments funded for existing housing has been so low, the new

[7] Prior to the enactment of the HOME Program, some of the activities for home buyers were supported under the Nehemiah Housing Opportunity Grant Program, which was authorized by the Housing and Community Development Act of 1987.

construction commitments (primarily for the elderly and disabled) have been a relatively high proportion of the total.

Trends in Budget Authority

Under the direct housing assistance programs, funding for additional commitments used to be provided each year through appropriations of long-term (up to 40 years) budget authority for subsidies to households and through appropriations of budget authority for grants to public housing agencies and developers of rental housing. Today, most rental subsidies, both for new commitments and for the renewal of expiring contracts, are funded for 1 year at a time. Only new commitments that subsidize the operating costs of projects being built for the elderly and disabled are funded for 5-year periods. For the homeless and other housing block grant programs, funds are appropriated on an annual basis but spend out over periods as long as 10 years.

Annual appropriations of new budget authority for all housing assistance programs combined were cut dramatically during the 1980s. They dropped (in 2002 dollars) from a high of $75 billion in 1978 to a low of $12 billion in 1998 and 1989 (Table 15-HOUSING-2). Those cuts reflect four underlying factors affecting budget authority for the direct housing assistance programs: the previously mentioned reduction in the number of newly assisted households; the shift toward cheaper existing housing assistance; a systematic reduction in the average term of new commitments from more than 24 years in 1977 to less than 5 years recently; and changes in the method for financing the construction and modernization of public housing and the construction of housing for the elderly and the disabled.[8]

Between 1991 and 1994, budget authority levels (in 2002 dollars) rose sharply to between $23 and $24 billion. Those trends reflect primarily the cost of renewing section 8 contracts that expired, with contracts being extended for 5-year terms. In addition, appropriations for homeless programs and other housing block grant programs rose significantly during that period.

After 1994, budget authority levels dropped again to as low as $12 billion in 1997. That decrease is explained by decreases in net budget authority appropriated for direct housing assistance, which were only partially offset by increases in appropriations for homeless and other housing block grant programs. The decreases in net budget authority for direct assistance reflect

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[8] Before 1987, new commitments for the construction and modernization of public housing were financed over periods ranging from 20 to 40 years, with the appropriations for budget authority reflecting both the principal and interested payments for this debt. Starting in 1987, these activities have been financed with up front grants, which reduced their budget authority requirements by between 51 and 67 percent. Similarly, prior to 1991, housing for the elderly and the disabled was financed by direct Federal loans for construction, coupled with 20 years of section 8 rental assistance. Moreover, starting in 1995, the term of the rental assistance was decreased from 20 years to 5 years, thereby reducing the budget authority even more.

TABLE 15-HOUSING-1--NET NEW COMMITMENTS FOR RENTERS AND HOME BUYERS RECEIVING DIRECT HOUSING ASSISTANCE ADMINISTERED BY HUD, BY TYPE OF SUBSIDY, 1980-2002

Fiscal Year	Net new commitments for renters			Net commitments for home buyers[3]
	Existing housing[1]	New construction[2]	Total	
1980	58,402	129,490	187,892	58,907
1981	83,520	75,365	158,885	5,102
1982	37,818	18,018	55,836	4,754
1983	54,071	-339	53,732	2,630
1984	78,648	9,619	88,267	930
1985	85,741	16,980	102,721	4,586
1986	85,476	13,109	98,585	5
1987	72,788	20,192	92,980	60
1988	64,270	19,991	84,261	0
1989	67,653	14,053	81,706	0
1990	61,309	7,428	68,737	0
1991	55,900	13,082	68,982	0
1992	62,008	23,537	85,545	0
1993	50,162	18,715	68,877	0
1994	47,807	17,652	65,459	0
1995	16,904	16,587	33,491	0
1996	7,055	1,438	8,493	0
1997	9,229	12,449	21,678	0
1998	18,376	17,675	36,051	0
1999	16,225	11,060	27,285	0
2000	121,951	8,001	129,952	0
2001	85,720	7,611	93,331	0
2002	25,900	7,635	33,535	0

[1] Includes units assisted through section 8 certificates and vouchers, loan management set-aside (LSMA), PD, and Moderate Rehabilitation Programs.

[2] Includes units assisted through the section 8 New Construction and Substantial Rehabilitation Program, section 202-811 Housing for the Elderly and the Disabled, section 236, and Public and Indian Housing Programs. Excludes units constructed under the Indian Housing Block Grant Program.

[3] Includes units assisted through the various section 235 programs.

[4] Figures are no longer adjusted for units for which funds were deobligated because data were unavailable.

Note-Because reliable data are not readily available, this table excludes substantial numbers of commitments made through the various programs for the homeless (including HOPWA) and other block grant programs such as the HOME Investment Partnerships Program. Net new commitments for renters represent net additions to the available pool of rental aid and are defined as the total number of commitments for which new funds are appropriated in any year. To avoid double counting, numbers are adjusted for commitments for which such funds are deobligated or canceled that year (except where noted otherwise); the commitments for units converted from one type of assistance to another; starting in 1985, the commitments replacing those lost because private owners of assisted housing opt out of the programs or because public housing units are demolished; and starting in 1989, the commitments for units whose section 8 contracts expire. New commitments for home buyers are defined as the total number of new loans that HUD subsidizes each year. This measure of program activity is meant to indicate how many new home buyers can be helped each year. It is not adjusted to account for homeowners who leave the program in any year because of mortgage repayments, prepayment, or foreclosures. Thus, it does not represent net additions to the total number of assisted homeowners and therefore cannot be added to net new commitments for renters.

Source: Congressional Budget Office based on data from the U.S. Department of Housing and Urban Development.

several factors: a gradual reduction in the terms of renewed contracts from 5 years to 1 year; further reductions in funding for new activity; and substantial rescissions of budget authority that had been appropriated in earlier years.

The years since 1997 have seen consistent increases in budget authority, with the 2002 level of nearly $26 billion more than double the 1997 level.

Trends in Outlays

Total outlays for all housing programs administered by the U.S. Department of Housing and Urban Development (HUD) increased (in 2002 dollars) steadily from 1977 through 1996, from $16 billion to nearly $30 billion (Table 15-HOUSING-3). The lion's share of that increase is explained by increases in outlays for direct housing assistance, reflecting both the continuing increase in the number of assisted households and increases in the average subsidy in real terms.

Several factors have contributed to the growth of average subsidies over the 1977-96 period. First, rents in assisted housing probably have risen faster than the income of assisted households, causing subsidies to rise faster than the inflation index used here—the Consumer Price Index for All Urban Consumers (CPI-U-X1).[9] Second, the number of households that occupy units completed under the section 8 New Construction Program rose during the 1980s. Those units require larger subsidies compared with the older units that were built prior to the 1980s under the Mortgage Interest Subsidy and Public Housing Programs. Third, the share of households receiving less costly home ownership assistance has decreased.

Since 1996, outlays for all housing assistance programs stabilized at around $29 billion through 2001 before rising again to nearly $32 billion in 2002.

The leveling off in constant dollar outlays for direct housing assistance in the late 1990s is not easily explained because of a lack of reliable data on the underlying factors that may have contributed. Nevertheless, several factors may have played a role.

The number of assisted households has more or less leveled off at around 5 million. Further, several cost containment measures have been enacted in recent legislation that have slowed down the growth in average subsidies in current dollars, thereby helping to reduce average subsidies in 2002 dollars. First, rents in assisted housing are increasing at a slower rate or are even declining in many cases. Because the Federal Government pays part of those rents, subsidies have been lower than they would have been otherwise. In

[9] For example, between 1980 and 1990, the CPI-U-X1 increased 59 percent. Over the same period, the Consumer Price Index (CPI) for residential rents and median household income of renters increased by 71 and 70 percent, respectively, while the maximum rents allowed for section 8 existing housing rental certificates-the so-called fair market rents – rose even faster, by 85 percent.

particular, the maximum allowable rent in the section 8 voucher and certificate program has been lowered from the 45th percentile to the 40th percentile of the local rent distribution. That decrease is being phased in gradually, as households move from their current units or turn over their certificate or voucher to a new recipient. Also, rents in certain assisted housing projects no longer are increased annually, while rent adjustments in other cases are being reduced. Second, many assisted households who had been contributing little or nothing to their rent are now charged a minimum rent of up to $50 per month. Third, preference rules for admitting new tenants have been relaxed, thereby allowing a gradual shift to a population with somewhat higher incomes. Fourth, in several of the years during the period, the reissuing of section 8 certificates and vouchers upon turnover has been delayed for 3 months.

In addition to the legislative changes, some nonlegislative factors may have contributed to the stabilization in outlays. First, the booming economy of the late 1990s likely increased the incomes of many assisted households, thereby resulting in larger shares of the rent being paid by them and lower shares by HUD. Second, anecdotal evidence suggests that new recipients of section 8 certificates and vouchers in some parts of the country have trouble finding units in which to use their housing assistance because of very tight housing markets or a lack of landlords willing to participate in the programs. As a result, the utilization rate of certificates and vouchers has been decreasing.

TABLE 15-HOUSING-2--NET BUDGET AUTHORITY APPROPRIATED FOR HOUSING ASSISTANCE ADMINISTERED BY HUD, BY BROAD PROGRAM CATEGORIES, 1977-2002

[In millions of dollars]

Fiscal Year	Direct housing assistance[1] in current dollars	Homeless programs[2] in current dollars	Other housing block grants[3] in current dollars	Total net budget authority	
				Current dollars	2002 dollars
1977	$28,579	0	0	$28,579	$71,166
1978	32,193	0	0	32,193	74,987
1979	25,123	0	0	25,123	54,155
1980	27,435	0	0	27,435	54,288
1981	26,021	0	0	26,021	46,951
1982	14,766	0	0	14,766	24,895
1983	10,001	0	0	10,001	16,154
1984	10,810	0	$615	11,425	17,794
1985	11,071	0	0	11,071	16,692
1986	9,888	0	144	10,032	14,771
1987	8,645	$195	300	9,140	13,099
1988	8,353	107	204	8,664	12,021
1989	8,664	172	170	9,006	12,034
1990	10,331	284	152	10,767	13,866
1991	19,029	339	105	19,473	24,137
1992	16,730	498	1,861	19,089	23,054
1993	18,280	672	1,485	20,437	24,111

TABLE 15-HOUSING-2--NET BUDGET AUTHORITY APPROPRIATED FOR HOUSING ASSISTANCE ADMINISTERED BY HUD, BY BROAD PROGRAM CATEGORIES, 1977-2002-continued

[In millions of dollars]

Fiscal Year	Direct housing assistance[1] in current dollars	Homeless programs[2] in current dollars	Other housing block grants[3] in current dollars	Total net budget authority	
				Current dollars	2002 dollars
1994	18,107	979	1,173	20,259	23,393
1995	11,676	1,291	1,462	14,429	16,307
1996	13,218	994	1,400	15,612	17,299
1997	8,672	1,019	1,370	11,061	12,021
1998	14,175	1,027	1,500	16,702	17,900
1999	16,544	1,200	1,600	19,354	20,469
2000	17,474	1,252	1,617	20,343	21,110
2001	20,724	1,380	1,796	23,900	24,207
2002	22,522	1,400	1,796	25,718	25,718

[1] Includes the following programs: Section 8 Low-Income Housing Assistance, section 202/811 Housing for the Elderly and the Disabled, section 236 Rental Housing Assistance, Rent Supplement, section 235 Homeownership Assistance, Public Housing Capital, Public Housing Operating Subsidies, Public Housing Drug Elimination Grants, Revitalization of Severely Distressed Public Housing Operating subsidies, Public Housing Drug Elimination Grants, Revitalization of Severely Distressed Public Housing, Low-Rent Public Housing Loan Fund, Indian Housing Block Grant.

[2] Includes the following programs: Housing Opportunities for Persons with AIDS (HOPWA), Homeless Assistance Grants, Supplemental Assistance for Facilities to Assist the Homeless, Emergency Shelter Grants, Supportive Housing , Shelter Plus Care Program, Section 8 Moderate Rehabilitation for Single Room Occupancy Dwellings, Innovative Homeless Initiatives Demonstration Program.

[3] Includes the following programs: HOME Investment Partnerships Program, Nehemiah Housing Opportunity Grant Program, Rental Housing Development Grants (HoDAG), Rental Rehabilitation Block Grant Program.

Note-All figures are net of funding rescissions, exclude reappropriations of funds, and include supplemental appropriation. Figures exclude budget authority for HUD's section 202 loan funds. Dollar conversion calculated using GDP deflator.

Source: Congressional Budget Office based on data from the U.S. Department of Housing and Development.

Future trends in outlays for housing assistance will be affected by further changes made by recent legislation. On the one hand, the so-called mark-to-market initiative, enacted by the Multifamily Assisted Housing Reform and Affordability Act of 1997, will reduce rents in certain section 8 projects with federally insured mortgages, thereby reducing outlays for the section 8 program. Under this initiative, project rents will be reduced to market levels as the section 8 contracts expire. To avoid defaults on the federally insured mortgages, HUD will write down, if needed, those mortgages to levels that are supportable by the new lower rents. On the other hand, a second initiative, enacted in 1999 by the Preserving Affordable Housing for Senior Citizens and Families into the 21st Century Act, will allow rents to increase in certain section 8 projects, thereby increasing outlays for section 8. To prevent owners from opting out of the Federal assistance programs, rents will be raised to market levels. In cases where owners opt out anyway, tenants will be enabled to stay in the project through the use of vouchers that will be issued at market rent levels even if the latter exceed the section 8 fair market rent in the area. The extent to which these factors, as well as the slowing economy, combined to effect the rise in outlays in 2002 remains unclear.

TABLE 15-HOUSING-3--OUTLAYS FOR HOUSING ASSISTANCE ADMINISTERED BY HUD, BY BROAD PROGRAM CATEGORIES, 1977-2002

Fiscal year	Direct housing assistance (in current dollars)			Homeless programs[3] (in current dollars)	Other housing block grants[4] (in current dollars)	Total outlays	
	Section 8 and other assisted housing[1]	Public housing[2]	Subtotal assisted housing			Current dollars	2002 dollars
1977	$1,331	$1,564	$2,895	0	0	$2,895	$7,209
1978	1,824	1,779	3,603	0	0	3,603	8,392
1979	2,374	1,815	4,189	0	0	4,189	9,030
1980	3,146	2,218	5,364	0	0	5,364	10,614
1981	4,254	2,478	6,732	0	0	6,732	12,147
1982	5,293	2,553	7,846	0	0	7,846	13,228
1983	6,102	3,318	9,420	0	0	9,420	15,216
1984	7,068	3,932	11,000	0	0	11,000	17,132
1985	7,771	17,261	25,032	0	$15	25,047	37,764
1986	8,320	3,859	12,179	0	142	12,321	18,141
1987	8,993	3,517	12,510	$2	165	12,677	18,168
1988	9,985	3,699	13,684	37	180	13,901	19,287
1989	10,689	3,774	14,463	72	275	14,810	19,789
1990	11,357	4,331	15,688	85	276	16,049	20,668
1991	12,107	4,786	16,893	125	168	17,186	21,303
1992	13,052	5,182	18,234	150	35	18,419	22,245
1993	14,032	6,447	20,479	180	276	20,935	24,699
1994	15,289	6,857	22,146	225	862	23,233	26,827
1995	16,448	7,505	23,953	359	1,259	25,571	28,900
1996	17,496	7,668	25,164	616	1,273	27,053	29,976
1997	17,131	7,809	24,940	718	1,263	26,921	29,258

1998	16,975	8,028	25,003	916	1,316	27,235	29,188
1999	17,171	7,805	24,976	1,032	1,367	27,375	28,952
2000	17,359	7,860	25,219	1,110	1,510	27,829	28,878
2001	18,153	8,188	26,341	1,208	1,448	28,997	29,369
2002	20,037	8,926	28,963	1,358	1,545	31,866	31,866

[1] Includes the following programs: section 8 Low-Income Housing Assistance, section 202/811 Housing for the Elderly and the Disabled, section 236 Rental Housing Assistance, Rent Supplement, section 235 Homeownership Assistance.

[2] Includes the following programs: Public Housing Capital, Public Housing operating Subsidies, Public Housing Drug Elimination Grants, Revitalization of Severely Distressed Public Housing, Low-Rent Public Housing Loan Fund, Indian Housing Block Grants.

[3] Includes the following programs: Housing Opportunities for Persons with AIDS (HOPWA), Homeless Assistance Grants, Supplemental Assistance for Facilities to Assist the Homeless, Emergency Shelter Grants, Supportive Housing, Shelter Plus Care Program, Section 8 Moderate Rehabilitation for Single Room Occupancy Dwellings, Innovative Homeless Initiatives Demonstration Program.

[4] Includes the following programs: HOME Investment Partnerships Program, Nehemiah Housing Opportunity Grant Program, Rental Housing Development Grants (HoDAG), Rental Rehabilitation Block Grant Program

[5] In order to reflect trends more accurately, figures have been adjusted to account for advance spending in certain years. In 1995, $1.2 billion of spending occurred that should have occurred in 1996. In 1998, $680 million of spending occurred that should have occurred in 1999. The Congressional Budget office protects also expects that $680 million of spending will occur in 2000 that should occur in 2001.

Note--The bulge in outlays for public housing in 1985 is caused by a change in the method of financing public housing, which generated close to $14 billion in one-time expenditures. That amount paid off—all at once the —capital cost of public housing construction and modernization activities undertaken between 1974 and 1985, which otherwise would have been paid off over periods of up to 40 years. Because of that expenditure, however, outlays for public housing since that time have been lower than they would have been otherwise. Dollar calculated using GDP deflator.

Source: Congressional Budget office based on data from the U.S. Department of Housing and Urban Development.