

September 22, 2014

The Honorable Shaun Donovan  
Director  
The Office of Management and Budget  
725 17<sup>th</sup> Street, NW  
Washington, DC 20503

Dear Director Donovan:

We are writing to let you know of our support for the no cost expansion of the Family Self-Sufficiency (FSS) program to families participating in Section 8 Project-Based Rental Assistance. As you know, this provision from the President's fiscal year 2015 budget was included in S.2438, the Senate Appropriations bill for Transportation and Housing and Urban Development that has been reported out of committee. As the process of funding the federal government for fiscal year 2015 unfolds, we encourage you to advocate for this provision.

The language in the Senate bill is well-crafted. It will make the asset-building benefits of FSS available to residents with Project-Based Rental Assistance (PBRA) as well as the public housing residents and voucher holders who are currently eligible. FSS helps families in assisted housing improve their circumstances through service coordinators that help them access existing services such as job training to achieve economic independence. FSS also gives families a financial incentive: as their income rises and therefore their rent increases, the additional rent goes into escrow accounts that the families receive upon graduation from the program.

FSS is a voluntary program that has shown promising results. There is a growing body of research from behavioral and cognitive science guiding ongoing improvements to FSS programs that can be replicated as the program expands.<sup>1</sup> Over 69,000 households currently participate in FSS. In the Housing Choice Voucher FSS program, 56% of continuing participants have positive escrow balances due to increased earnings and the average escrow at graduation for those with a positive balance is \$6000. 100% of graduating families did not receive TANF benefits, a condition of graduation.

We are a diverse coalition of research and advocacy organizations as well as affordable housing and service providers that would like to offer FSS to our residents with PBRA. We are willing to

---

<sup>1</sup> "Strengthening Economic Self-Sufficiency Programs" by Maya Brennan, National Housing Conference Center for Housing Policy, June 2014, [http://www.nhc.org/EconomicSelfSufficiency\\_final\\_web.pdf](http://www.nhc.org/EconomicSelfSufficiency_final_web.pdf)

seek other funding to pay for FSS service coordinators and thus support the provision in the Senate language restricting eligibility for FSS service coordinator funding to public housing agencies. Our priority is to be able to offer the escrow accounts to residents so they can increase their earnings and not be penalized.

FSS has a good track record of using stable, affordable housing as a platform to help families improve their circumstances. This is why we believe that funding for affordable housing is important in general, and why we support FSS expansion to PBRA. FSS has had bipartisan appeal as a way to help families up and out of poverty. We encourage you to insist that this no cost provision be included in the final fiscal year 2015 budget legislation. Please contact us if we can be of assistance.

Sincerely,  
Center on Budget and Policy Priorities  
Compass Working Capital  
Corporation for Enterprise Development (CFED)  
Housing Partnership Network  
National Housing Conference  
National Housing Trust  
New America, Asset Building Program  
PolicyLink  
Preservation of Affordable Housing, Inc.  
Stewards of Affordable Housing for the Future  
The Caleb Group  
The Community Builders

CC: Secretary Castro  
Senator Mikulski  
Senator Murray  
Senator Collins  
Representative Rogers  
Representative Latham  
Representative Pastor  
Senator Johnson  
Senator Crapo  
Representative Hensarling  
Representative Waters  
Senator Reed  
Senator Blunt