

MEMORANDUM

TO: Rich Tarplin DT: June 29, 1994
 FR: Grace Reef, Sen. Mitchell's Office (4-5344)
 RE: Senate Housing Bill/Public Housing Work Amdt.

*Ticket for
Housing
Reform*

 While the Senate Housing bill was approved in Committee by a vote of 15-3 (Faircloth, Gramm, and Mack opposed), an amendment by Senator Faircloth was defeated along party-lines, 8-10.

The Faircloth amendment sought to require 10 hours of work per week from individuals living in public housing. Exempt from the work requirement would be the elderly and those with children under six. Faircloth later modified his amendment to require 10 hours of work per month as opposed to per week.

Pro: (the Gramm arguments)

- 1) No one should get something for nothing. A work requirement is only fair from those getting free public housing.
- 2) Others living in rental housing must work to maintain the property (ie: mowing the lawn, cleaning, etc...). Joke: that's why you have kids, so that they can do the work. Ha-ha-ha.

Con:

- 1) We don't know anything about how this would be implemented, enforced, monitored; it would be an administrative burden at a time when public housing is underfunded already.
- 2) No hearings have been held on this issue and we haven't really had a chance to fully examine it.
- 3) Public housing residents are charged 30% of their income for rent. Therefore, the allegation that public housing is free, is wrong.

*Paul: Demos at
PHA option
- Fed asst.*

Con Unused by Committee:

1) This is 'blatantly a politically motivated amendment. Drafted only for PR purposes. Nice sound bite, but it's entirely discriminatory. If the argument is that those who receive a taxpayer subsidy for their housing ought to engage in a work requirement in order to receive their subsidy, then why focus on public housing residents alone? Why not impose a work requirement on everyone receiving a housing subsidy: that is, those receiving Section 8, other HUD assistance, Farmers Home (FmHA), VA, PHA, even homeowners taking advantage of the home mortgage interest deduction -- that's the largest taxpayer subsidy. In fact, it's more than 5 times as large as the amount spent on public housing.

HUD: voluntary program, get addit. money for tenant assns. (job placement etc.)

2) As far as work performed by renters, the premise of the authors of this amendment is dead-wrong. If you're a renter, and you live in private sector rental property, the landlord or the maintenance staff perform work around the property (ie: mowing the lawn, collecting the garbage, general maintenance, plumbing, etc...). Similarly to those living in public housing, renters are

responsible for cleaning their apartment only. There are no broader work requirements for renters in the private market.

3) A work requirement is right. But, it ought not be applied in a discriminatory manner against only one form of federally assisted housing. The issue is a work requirement for welfare recipients. On June 21, the President's Work & Responsibility Act was introduced in the Senate. That legislation will end welfare as we know it. It will require work for welfare, and welfare recipients will only receive money for hours actually worked. Why target public housing residents for a work requirement, when many of them are working and many are not receiving welfare? A work requirement for welfare is the real issue. That issue is best addressed within the context of welfare reform.