



Urban Affairs Committee

State Representative W. Curtis Thomas

Majority Chairman

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Public Hearing: Housing Authorities Law

October 7, 2010

Opening Remarks for Chairman, W. Curtis Thomas

Good Morning. My name is W. Curtis Thomas and I am Chairman of the House Urban Affairs Committee. On behalf of my colleagues, welcome and thank you all for your attendance. Before we begin, I would like to have the other members of the committee in attendance today to please introduce themselves.

We are here today to look at how we can improve the delivery of quality, affordable housing to low income families in the Commonwealth of Pennsylvania. Across the state are 90 local public housing authorities empowered to provide that service through the acquisition, development and management of affordable housing units.

These public housing authorities were created pursuant to the Pennsylvania Housing Authorities Law of 1937. Since 1937 there haven't been any major changes to the law to update how housing authorities are governed or operated. In light of the troubling events which have recently come to light regarding the Philadelphia Housing

Authority, the House Urban Affairs Committee is now in a position to seriously review the Pennsylvania Housing Authorities Law.

The four main questions before us today involve transparency, accountability, oversight, and how housing authority operations fit into overall municipal housing goals.

In light of the recent events at PHA, both scholars and lay people have raised legitimate questions about who, if anyone, has oversight over these 90 housing authorities. Together they spend hundreds of millions of public dollars each year to develop and manage public housing. At the same time it is becoming increasingly clear that the public and even elected officials have little say how those dollars are spent.

One example of this lack of transparency and oversight can be found in the Housing Authorities Law itself:

Section 24 of the law states that housing authorities are required to submit an annual report and a copy of any new rules and regulations adopted by their Board to the state Department of Community and Economic Development. However, the law is devoid of any enforcement provisions if a housing authority fails to provide these documents. Similarly, although the Department of Community and Economic Development accepts these documents, it is without any statutory oversight of housing authority financials, management or governance.

This might have been ok in 1937, but it is not ok in 2010. The amount of money flowing into these authorities cannot be understated. In addition to the hundreds of millions in operating dollars they receive annually from the federal government, statewide the Pennsylvania Housing

Finance Agency has underwritten billions of dollars in low income tax credits. Far too much public money is being spent to allow this lackadaisical system to continue.

One area of particular concern for me is the general sense, expressed in numerous media articles, that housing authority Boards lack accountability and transparency. Across the Commonwealth there are roughly 150,000 Pennsylvanians living in housing authority units and it is imperative that we find ways to promote broader participation and access among residents in decision making.

Since the Commonwealth originally created housing authorities through the enabling authority of the Pennsylvania Housing Authorities Law, it is appropriate for the General Assembly to revisit this legislation. Moving forward, we must bring the Pennsylvania Housing Authorities Law into the 21st century.

Some have suggested that public housing authorities should be required to comply with the Pennsylvania Open Records Law, the Pennsylvania Ethics Law, and state budget and finance laws. Another prominent suggestion is that authorities be required to coordinate their housing development efforts with established city and county-wide housing strategies. Finally a good deal of attention has become focused on Board structure, including expanding Board membership to allow for more resident input.

It is our hope to come away from this hearing with specific recommendations that will be translated into legislative prescriptions to resolve these issues. The ultimate goal is to ensure that the Commonwealth's Housing Authorities Law promotes increased

transparency and accountability, and collaboration between housing authorities and their host counties & municipalities.

With that being said, we have an extremely full agenda ahead of us, so we will begin by hearing from our guests.