

SCHAKOWSKY WARNS NATION'S HOUSING BUDGET WOULD BE CUT BY \$1 BILLION UNDER GOP FUNDING BILL CHICAGO TO LOSE NEARLY \$34 MILLION RESULTING IN 1,900 FEWER HOMES FOR LOW-INCOME FAMILIES

WASHINGTON, D.C. U.S. Representative Jan Schakowsky (D-IL) today warned that a proposed \$1 billion cut in our nation's housing budget would result in hundreds of thousands of seniors and low-income families not having access to affordable housing. The cuts are included in the VA, HUD and Independent Agencies Appropriations bill. Funding for community and economic development initiatives, homeless assistance, public housing, and housing for persons with AIDS would also be slashed.

Schakowsky joined Housing and Urban Development (HUD) Secretary Andrew Cuomo, Democratic House Leader Dick Gephardt (D-MO), and Housing and Community Opportunity Banking Subcommittee ranking member Barney Frank (D-MA) at a news conference to denounce these cuts in HUD's budget.

"Some in Congress favor tearing the roofs off the heads of low-income families in order to subsidize a tax giveaway to the wealthy and special interests. It is just plain wrong and it shows a warped sense of priorities," Schakowsky said.

"The impact of these cuts on the lives of families, seniors and the homeless would be devastating. My district alone would lose \$4.5 million and hundreds of low-income families would be left out in the cold. We must defeat this bill," Schakowsky added.

In the bill, HUD's budget is gutted by \$1 billion as compared to last year's funding. If the bill passes in its current form, Illinois would lose \$71 million and the ability to create 4,900 new jobs, according to figures provided by HUD. Those jobs would not be created as a result of proposed cuts in the Community Development Block Grant program and the Brownfields Economic Development Initiative. In addition, 5,457 fewer housing units would be available for low-income families and 564 homeless and persons with AIDS would not be served.

Specifically, Chicago would lose nearly \$34 million and 2,530 jobs would not be created. In addition, 1,915 fewer housing units would be available for low-income families and 397 homeless and persons with AIDS would not be served.

"At a time of unprecedented economic prosperity, many communities are not reaping the benefits. The unemployment rate in some of these communities is as high as 20 percent, and more than five million families are only a paycheck away from losing their home. Congress has the responsibility to expand -- not cut -- vital housing and economic development programs. We need to take drastic steps to develop a successful and comprehensive affordable housing and economic development policy. This must become a national priority," Schakowsky said.