

Hot Topics

From the National Voice of the Poor Committee
www.voiceofthepoor.org

Housing:

Housing costs have skyrocketed coast-to-coast resulting in higher shelter costs of working families — over 50% of income in many cases. Vincentians receive requests for larger amounts of emergency housing assistance along with help with energy costs. The Society's Position Statement on Affordable Housing for the Poor "... encourages the Society to speak in a unified voice in support of affordable housing locally, regionally, nationally and internationally".

The Federal Housing Finance Reform Act of 2005 (H.R. 1461) that passed the House in October 2005, could produce up to \$1 billion annually for an Affordable Housing Fund dedicated to building, refurbishing and preserving housing for very low income families. While initially supported by the USCCB and Network, the bill that passed the House included a glaring injustice. Non-profit organizations would be prohibited from applying for grants from the Affordable Housing Fund if they have engaged in any voting activity, including voter registration, in the 12 months prior to application. Grantees would be prohibited from helping the residents it serves become registered to vote during the duration of the grant, even if the organization is using other funds intended to support civic engagement. "Affiliation" with any organization that engages in voting activity or lobbying disqualifies a non-profit and public organization from accessing these grants to build or preserve housing affordable for the lowest income families.

National President Joseph Flannigan has spoken out against this injustice. In a letter to members of the House of Representatives last October President Flannigan urged support for the Affordable Housing Fund in the Government Sponsored Enterprises (GSE) legislation (HR 1461), but without restricting an organization's right to engage in voter registration, and to oppose any language that restricts voter registration and freedom of affiliation by non-profit and public organizations when using their own funds.

The 109th Congress brought forth The Federal Housing Finance Reform Act (H.R. 1461), a government-sponsored enterprise (GSE) reform bill,

to increase oversight of enterprises such as Fannie Mae and Freddie Mac. The bill creates a valuable new Affordable Housing Fund (AFH) with funding from Fannie Mae and Freddie Mac's profits to be set aside for the Fund.

Both organizations **oppose** the State and Local Housing Flexibility Act of 2005 (S.771) because provisions do not protect Section 8 (Housing Choice Vouchers) for lowest income families.

Payday Loans:

Last year, Cardinal McCarrick wrote to Congress on behalf of the USCCB insisting, "Efforts to revitalize neighborhoods and to expand homeownership among low income families are being threatened by abusive lending practices. These practices, termed predatory lending, trap far too many unsophisticated and vulnerable people, often the elderly, into high cost loans that frequently lead to foreclosure after stripping any equity from the home. The Catechism of the Catholic Church condemns this sort of speculation, this usury, as morally illicit." (2409)

Predatory lenders have many faces; replacement window or vinyl siding second mortgage loans at usurious rates, payday loans or "Rent-to-Own" which charge over 30 % and about three times the cost of the rental item. These storefront operations offer quick cash if the borrower has a checking account and a job. "The devil is in the details" – up to 17% interest accumulating every two weeks. Loans can be rolled over. Fifteen per cent in two weeks turns into 30 per cent per month or, worst case, 400 per cent per year. The argument is made that these loans are a convenience for people who would otherwise be unable to borrow. The problem is that when financial emergencies (car repair, medical crisis) prevent repayment on time, the accumulated interest can become a runaway expense. Have you had clients mention problems caused by this type of loan? Brought to the attention of National Voice of the Poor by Oregon and Illinois Vincentians, payday loans are now a \$40 billion industry according to CBS News. Recent news describes how these "legal loan sharks" have sprouted up around military bases.

Hunger-Free Communities:

The USCCB supports *The Hunger-Free Communities Act*, S. 1120/H.R. 2717. The bill reaffirms our nation's commitment to reducing hunger and food insecurity in the United States, providing support to local community efforts and public-private partnerships to help meet that pledge.

WIC Nutrition Program:

The House passed Agriculture Appropriations bill included \$5.244 billion, and the Senate Appropriations Committee-approved bill included \$5.246 billion, respectively, in funding for the Special Nutrition Program for Women, Infants and Children (WIC). While these amounts are slightly below some predictions of what will be needed next year, the Appropriations Committees in both houses of Congress noted their commitment to monitoring need through fiscal 2007 and making sure there was adequate funding to meet that need. Both Committees also rejected the Administration's proposal to end funding for the Commodity Supplemental Food Program.

Proposed Rule Revisions for Woman, Infants and Children (WIC) Program

The Women, Infants and Children program provides people whose income is around the poverty level with vouchers or food checks. The Food Nutrition Service (USDA), is proposing WIC's first significant update in over 25 years. Under proposed changes, fruits, vegetables and whole grains will be added to the program. WIC plans to compensate for the cost by allotting less money to the juice, eggs, cheese and milk that have been the program's staples.

Federal Register: <http://www.fns.usda.gov/wic/regspublished/foodpackagesrevisions-proposedrulepdf.pdf>

Details for commenting: <http://www.fns.usda.gov/wic/regspublished/foodpackagesrevisions-proposedrule.htm>

This proposed rule would revise regulations to align WIC food packages with the 2005 Dietary Guidelines for Americans and current infant feeding practice guidelines of the American Academy of Pediatrics, and provide WIC participants with a wider variety of food. Comments must be postmarked or sent electronically on or before **November 6, 2006**. The USCCB has not taken a position on the WIC regulations.

Immigration:

An estimated 11 to 12 million undocumented persons reside this country. The Wall Street Journal reports that unemployment has actually fallen despite steady, growing illegal immigration. The service industry, construction and agriculture have become dependent on cheap, illegal labor. Business interests favor immigration reform that will insure a steady supply of cheap labor. The USCCB and Network have endorsed immigration reform that allows a path to citizenship for undocumented persons in the country; a temporary worker program which protects both U.S. and foreign-born workers; family based immigration reform which reduces backlogs in family unity categories; restoration of due process protections for immigrants; and policies which address the root causes of flight.

In a bipartisan effort on May 25, 2006 the U.S. Senate passed a wide-ranging immigration reform bill (S. 2611). The heavily-amended, almost 900-page bill, contains good as well as troubling provisions. On the positive: a path to citizenship, family visa backlog reduction, new legal channels for immigration, Ag Jobs, and the DREAM Act. Yet there are troubling areas including barriers to legalization, such as high cost, compounded by uncertainty and confusion.

The Society's Position Statement on Immigration, based on the bishops' document, "Strangers No Longer," and Pope John Paul II's, "Ecclesia in America", calls for adoption of an immigration policy that is comprehensive and provides legal status and legal avenues for entry into the United States.

Human Trafficking:

Defined as involvement of coerced commercial sex or use of minors or forced labor, it is estimated that human trafficking from Eastern Europe, Latin America, Asia and Africa affects up to 800,000 individuals annually, 14,000-17,000 brought into the U.S. (1/3 of this number are children). The USCCB notes that 22 national and international Catholic organizations have formed a coalition opposing human trafficking. St. Vincent de Paul has not taken an official position.

Resources:

www.usccb.org www.networklobby.org
