

# When Congress Works

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Column By David S. Broder

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If you were to ask Democrats Barney Frank and Chris Dodd -- the principal architects of the massive housing bill signed yesterday by [President Bush](#) -- which of its many features pleases them most, the answer would surprise you.

It is not the bailout of [Fannie Mae](#) and [Freddie Mac](#), the embattled mortgage giants, or the aid the bill provides for thousands of homeowners struggling to afford their subprime loans in a faltering real estate market.

Instead, it is the section creating the National Housing Trust Fund, a creative way of meeting the chronic shortage of affordable low-income rental units -- a huge problem in cities and rural areas across the country.

Dodd, a senator from Connecticut, told me, "That is the part that will have the greatest long-term impact." Frank, a Massachusetts representative, said in a separate interview, "That's what I'm most proud of."

Their views are echoed by two other legislators without whom this legislation would never have made it to the [White House](#). Democratic Sen. [Jack Reed](#) brought his passion for affordable housing with him from Rhode Island and never gave up on pressing the cause. And [Richard Shelby](#) of Alabama, the former chairman and now ranking Republican on the relevant Senate committee, gave the measure the bipartisan backing it needed.

Even with Shelby's help, Dodd notes, the bill had to survive several cloture votes and the threat of a presidential veto, later withdrawn.

The lobbying campaign that supported this effort began in 2001 and involved hundreds of local governments and social service agencies. Sheila Crowley, president of the National Low Income Housing Coalition -- the person who coordinated the campaign -- kept hammering home the basic numbers: 9 million extremely low-income households in the United States and only 6.2 million units of affordable rental housing.

The bill addresses that imbalance by creating a new program within the federal [Department of Housing and Urban Development](#). The National Housing Trust Fund does not depend on annual appropriations by Congress, which might never arrive, given the size of the federal budget deficit, the costs of two wars and runaway health-care programs.

Instead, it taps a portion of the profits that Fannie Mae and Freddie Mac make on their mortgage loans, estimated to yield at least \$300 million a year and perhaps as much as \$700 million.

Fannie and Freddie have had a rough time in the current housing slump, but all the sponsors of this legislation told me they are confident the two big lenders will survive. In one of the compromises that cleared the way for passage of the bill, next year the profits of Fannie and Freddie will be held in reserve to offset any losses the government incurs in helping seriously strapped mortgage-holders. So it will be 2010 before funding of the trust begins.

Each year, as the money comes in, the trust fund will distribute it to the states using a formula that measures the seriousness of their low-income-housing needs. At least 90 percent of the

funds must be used to construct or rehab rental units. All of the benefits are ticketed for very low- or extremely low-income households.

For far too long, the federal government has been shirking its responsibility to help the neediest Americans meet their basic housing needs. Food stamp allocations have been increased repeatedly to combat hunger, in part because the farm lobby values the additional markets for its products.

But Crowley says this bill is "the first low-income-housing production program passed by Congress since 1990 and the first that specifically serves extremely low-income families since 1974."

That legislation of this scope and potential has passed Congress would be worth celebrating at any time. That it has happened now, when Congress is so mired in partisan battles and so paralyzed by the unmet challenges of energy, education, immigration and fiscal irresponsibility, is almost a miracle.

The public has registered its disgust with the performance of this Congress, and I have been equally harsh in my judgment. It is a particular pleasure, therefore, to salute a rare action that shows both professionalism and conscience in the lawmakers.

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