



Carson Opts For Stealth Over Flash

A series of moves by HUD Secretary Ben Carson illuminates his strategy to dismantle the operational and policy transformation of HUD undertaken by former President Barack Obama.

Sources say the Carson game plan includes a new vetting of employees hired during the Obama administration to purge non-qualified hires, particularly during the mass hiring of more than 1,000 workers in 2015.

Carson decides to chip away at each of Obama's moves under former secretaries Shaun Donovan and Julian Castro rather than lead a frontal charge against what Obama envisioned as an eventual single-payer national rental-housing center operated under the Section 8 housing voucher platform and as a central Fair Housing Act enforcement center applying a new interpretation of the law to corral violators.

Three recent moves by Carson brought the strategy to the surface -- a reinterpretation of the Disparate Impact theory (*see related story this issue*), a unilateral shakeup of the Family Self-Sufficiency Program, and an arbitrary change to the public housing Annual Contributions Contracts that fund the nation's more than 3,200 public housing authorities.

But it took a single action to shine a spotlight on Carson's ploy to overhaul HUD -- ejection of the employee's union from HUD headquarters and any union-occupied federal office space in the department's regional offices. The HUD local of the American Federation of Government Employees acquired sufficient power to be able to thwart dismissal of employees for all but the most egregious activities. Most miscreants were shuffled to other agencies in similar civil service grade positions rather than lose their jobs (*see related story this issue*).

Carson appeared to fumble at the beginning of his tenure when he initiated his first move in mid-2017 to stop the Small Area Fair Market Rent rule unveiled late in the Obama administration. SAFMRs are designed to boost the value of individual Section 8 vouchers to allow poor families to afford rent in wealthier neighborhoods. Correspondingly, other voucher families would have their voucher values reduced to make up the difference. A federal court overturned Carson's ploy four months later and HUD did not challenge the decision.

Instead, in January, Carson suspended enforcement of the Affirmatively Furthering Fair Housing Rule, the Obama administration's signature HUD move to strengthen enforcement of the newly

interpreted Fair Housing Act.

Carson pulled his suspension of AFFH in May when housing activists challenged it in court. He decided instead to muddle the AFFH by stopping application of its chief companion mechanism, the Local Government Assessment Tool, the AFFH strategy to gather the data necessary to enforce AFFH (*see HAL, May 25, 2018, Issue No. 18-21*).

By the end of May, the AFFH program was in such a muddle that fair housing activists reached a crossroads on how to challenge Carson.

Now, Carson opponents have “disparate impact” to deal with -- the theory was considered the central AFFH component by the Obama administration to solidify FHA enforcement powers.

Meanwhile, Carson focuses his attention on the FSS program. So far, public housing officials consider FSS successful in weaning tenants from public housing to find success in the private sector, although HUD and Congress have never initiated a study of its effectiveness since it was authorized in 1990 as part of the National Affordable Housing Act.

Carson notified PHAs that he wants to change the FSS rules without first debating or discussing the changes with PHA officials. The changes, which could crimp funding for FSS counselors, would be made retroactive so PHAs could be culpable for activities previously certified but subsequently retracted by HUD. Carson provides no rationale for the changes.

Carson also intends to alter public housing Annual Contributions Contracts that would give HUD arbitrary powers to seize public housing funding without explanation if the department consider a PHA not in compliance with HUD dictums.

Part of the new policies sent to PHAs regarding the ACCs including a blanket restriction on PHAs from providing the public information about their activities or programs without first obtaining HUD approval.

Info: See the FSS details at www.cdpublications.com/docs/9479 and the ACC details at www.cdpublications.com/docs/9480

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