

**UNITED STATES DISTRICT COURT  
DISTRICT OF THE DISTRICT OF COLUMBIA**

OPEN COMMUNITIES ALLIANCE,  
CRYSTAL CARTER, and  
TIARA MOORE,

Plaintiffs,

v.

BEN CARSON, SECRETARY OF  
HOUSING AND URBAN DEVELOPMENT,  
in his official capacity, and  
U.S. DEPARTMENT OF HOUSING AND  
URBAN DEVELOPMENT,

Defendants.

Civ. Action No. 1:17-cv-02192 (BAH)

**DECLARATION OF WILL FISCHER**

1. My name is Will Fischer. I am a Senior Policy Analyst at the Center on Budget and Policy Priorities (CBPP), a bipartisan research and policy institute based in Washington, D.C. I have worked at CBPP for fifteen years, and specialize in the analysis of policies affecting the Section 8 housing voucher program and other federal low-income housing programs. Throughout my tenure at CBPP, I have written extensively about the Section 8 Housing Choice Voucher program, its policy design, and its impacts on low-income households and residential segregation, based on qualitative and quantitative analysis that I have conducted and supervised. I have also testified multiple times before Congress on these matters. I hold a Masters of Public Policy degree from the Goldman School of Public Policy, University of California, Berkeley, and a Bachelor of Arts degree in Political Science from Yale University.

2. Throughout HUD's Small Area FMR demonstration program and into the present, I have conducted or supervised a number of analyses for CBPP examining the impacts of HUD's

Fair Market Rent regulations and comparing the results of metro-wide and Small Area FMR rent policies, specifically examining the effects on voucher concentration, racial concentration, and program costs.

3. I have reviewed and analyzed the findings of HUD's Small Area Fair Market Rent Demonstration: Interim Report (the "Interim Report"), which HUD released in August 2017 and is using as a primary basis for its delay of the mandatory Small Area FMR rule. Based on this review and my knowledge of the voucher program, I believe that the suspension of the Small Area FMR rule will result in significant immediate and long-term negative effects for voucher households and will reinforce voucher and racial concentration within the metropolitan areas subject to the rule. In contrast, the report shows few negative impacts or unanticipated costs that would be associated with rule implementation.

4. Although HUD points to findings in the Interim Report that SAFMRs were accompanied by some negative effects, particularly evidence that on average families at agencies implementing Small Area FMRs were left with higher out-of-pocket rent costs, those findings are not relevant to implementation of the final Small Area FMR rule. Rather, the 2016 rule anticipated these effects and instituted strong protections for renters to enable state and local agencies to prevent such rent increases from recurring. For example, in areas where the Small Area FMR is much lower than the metropolitan FMR, the rule provides that HUD will phase in the decline so the amount of rent that vouchers cover doesn't drop too abruptly. Also, housing agencies can exempt families from a drop in their subsidy if they remain in a unit they now rent with a voucher. And agencies can continue using metro-level FMRs for "project-based" vouchers, which are tied to particular housing projects, often to support development and preservation of affordable housing.

5. The findings of the report that do apply to the 2016 rule center mainly around its significant success in furthering voucher deconcentration and providing families with choices in higher-opportunity neighborhoods. As these findings indicate, the timely implementation of the mandatory Small Area FMR rule would have a positive effect on voucher distribution and in enabling households to seek a broader range of neighborhoods, in particular neighborhoods with “high opportunity” characteristics.

6. Based on my review of the report and my knowledge of the voucher program, the option that HUD has given housing agencies to apply for voluntary implementation of Small Area FMRs is not an adequate alternative to mandatory implementation in achieving these ends. Housing agencies have long had some flexibility to vary voucher subsidies by neighborhood (because they can set subsidy limits 10 percent above or below the FMR), but few do so. For example, of the 20 largest local agencies that the 2016 rule required to use SAFMRs starting in 2018, just three currently set different subsidy limits for different geographic areas. I find it unlikely that more than a small share of agencies that have not used this existing flexibility could be expected to voluntarily adopt Small Area FMRs.

7. The Small Area FMR Interim Report findings show that the share of families that receive housing vouchers that move to high-opportunity neighborhoods rose much more when SAFMRs were used by agencies administering most or all vouchers in a metro area. If only a few agencies within a metropolitan area use Small Area FMRs, voucher holders may have difficulty moving to high-opportunity neighborhoods outside those agencies’ jurisdiction. For example, if an urban agency adopts Small Area FMRs but the surrounding suburbs do not, then families will face the same cost hurdles that currently prevent them from moving to lower-poverty, suburban neighborhoods.

8. While the Interim Report identified some costs associated with the Small Area FMRs, these were administrative costs incurred by the PHAs that were far outweighed by the program's success in enabling voucher families to move.

9. In addition to this review of the Interim Report, I have assisted plaintiffs' counsel by providing data analysis relevant to the Small Area FMR rule suspension. As part of our continuing analysis of federal housing programs, we have access to a custom dataset from the Department of Housing and Urban Development that includes data on all Housing Choice Voucher families in the U.S. by specific location, family makeup, race and ethnicity, and other factors captured in the HUD administrative data systems. Under our agreement with HUD, we can analyze statistical information about family location and composition pursuant to procedures to avoid disclosure of personally identifiable information.

10. I have analyzed this HUD dataset extensively in a number of CBPP reports and policy briefs, and to answer a variety of questions about the administration of the Housing Choice Voucher program. In the present case, we have responded to requests by plaintiffs' counsel for detailed analyses of the distribution of Housing Choice Vouchers in the 23 metropolitan areas where the rule has been suspended, and the impact of that suspension. To assist plaintiffs' counsel in better understanding the severe adverse impacts of the Department's actions, we have provided them with non-personally identifiable data summaries, charts, and maps pursuant to the procedures required by our agreement with HUD.

11. I have reviewed the Complaint filed in this case. I can affirm the correctness of the allegations in paragraphs 45 through 50 regarding concentration of Housing Choice Vouchers in various metropolitan areas. These allegations are based on CBPP's analysis of HUD's dataset. I would be prepared to testify, if necessary, as to the correctness of these allegations and the

manner in which these findings were made.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

A handwritten signature in black ink, appearing to read "Will St.", is written over a solid horizontal line.

Executed: November 7, 2017