May 14, 2008

The Honorable Christopher Dodd
Chairman
Committee on Banking, Housing and
Urban Affairs
United States Senate
Washington, DC 20510

The Honorable Richard Shelby
Ranking Member
Committee on Banking, Housing and
Urban Affairs
United States Senate
Washington, DC 20510

Dear Chairman Dodd and Ranking Member Shelby:

The undersigned organizations ask you to include the amendment filed by Senator Robert Menendez calling for $30 million for the McKinney-Vento Homeless Education Program in The Federal Housing Finance Regulatory Reform Act of 2008.

An estimated 2 million children and youth will be directly impacted by the foreclosure crisis, placing them at risk of poor school performance, behavior problems, and other challenges as well. For example, a GAO study found that third-graders who have changed schools frequently are 2.5 times more likely to repeat a grade than their peers, and other researchers have found that school and residential changes can reduce the chances that a student will graduate by more than 50 percent.

Children directly impacted by the foreclosure crisis are also at higher risk of behavioral challenges. One study found that frequent movers were 77 percent more likely than children who have not moved to have four or more behavior problems. Another study found that attending several different elementary schools increased the likelihood of violent behavior in high school by 20 percent.

We ask for an infusion of funds into the McKinney-Vento Homeless Education Program to help ensure that students who are forced to move from their homes do not also have to leave their schools. The requested $30 million will serve approximately 224,000 children, or 11 percent of the children we estimate will be directly impacted by the crisis.

Children are the voiceless victims of the foreclosure crisis. As we lower interest rates, support the homebuilding industry, and reform mortgage lending practices, the undersigned organizations offer the attached language as a modest way our nation can support the nearly 2 million children who are suffering the consequences of decisions made completely outside their control.

Sincerely,

Alliance for Children and Families
Alliance for Excellent Education
American Humane Association
Break the Cycle
Camp Fire USA
Child Welfare League of America
Communities In Schools
First Focus
National Association for the Education of Homeless Children and Youth
National Association of Elementary School Principals
National Association Secondary School Principals
National Collaboration for Youth
National Education Association
National School Boards Association
Public Education Network
School Social Work Association of America
The Rebecca Project for Human Rights
United Neighborhood Centers of America
Voices for America's Children
YMCA of the USA
YouthBuild USA
Menendez Amendment to
The Federal Housing Finance Regulatory Reform Act of 2008

(a) Amend Part VIII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.) by striking “$70,000,000” in Sec. 726 and replacing with “$100,000,000.”

(b) Insert into Sec. 722 (d) the following:

“(6) SPECIAL RULE FOR EMERGENCY PAYMENTS—The Secretary shall use amounts appropriated in FY09, not to exceed $30 million, for the purposes of emergency assistance to support homeless children and youth and children and youth at risk of homelessness due to foreclosure through activities authorized under section 723(d) of the McKinney-Vento Homeless Assistance Act.

(c) Distribution of funds—The Secretary shall distribute emergency grants authorized under this section to state educational agencies according to the Secretary’s determination of need created by foreclosure. Emergency grants shall be distributed by state educational agencies to local educational agencies according to the State educational agency’s determination of need created by foreclosure.

(d) Assurance—State educational agencies receiving emergency grants under this section must provide an assurance to the Secretary in carrying out this section the requirements of subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.) are met.