

Support Robust Funding for Rental Assistance Programs in FY 2020

Deadline: COB March 29th

Dear Colleague,

In the midst of the current rental housing crisis that is causing far too many American households to pay unaffordable rent levels, federal rental assistance programs are essential to helping low income households afford their rent as well as other basic necessities. We invite you to join us in sending a letter to appropriators asking them to support robust funding levels for key rental assistance programs administered by the Department of Housing and Urban Development.

Specifically, this letter requests the following funding provisions:

- **Fully fund the Public Housing Operating Fund at 100 of estimated need**, in order to address the estimated annual operating costs.
- **Appropriate at least \$5 billion for the Public Housing Capital Fund**, which would cover the estimated annual maintenance needs of the public housing stock plus additional funding to address a portion of the backlog of capital repairs.
- **Fully fund the Section 8 Tenant Based Rental Assistance program** to fund all authorized vouchers as well as robustly fund Administrative Fees.
- **Fully fund Section 8 Project-Based Rental Assistance** to ensure that there are sufficient funds to renew all existing 811 Mainstream tenant-based vouchers and expiring 811 Project-Based Rental Assistance Contracts (PRACs)
- **Fully fund Section 202 Supportive Housing for the Elderly** and provide an additional \$600 million in the program account to create new units of deeply affordable housing for the elderly.
- **Fully fund Section 811 Supportive Housing for Persons with Disabilities** and provide an additional \$25 million in the program account to create new units of deeply affordable housing for persons with disabilities.
- **Fully fund the Voucher Operations Fund** (also known as the Housing Choice Voucher Administrative Fee) at 100 percent of estimated need in order to ensure that PHAs can adequately meet tenants needs, including ensuring units are safe and decent.

Please join us in supporting these funding requests. Please contact Janae Ladet with Chairwoman Waters at Janae.Ladet@mail.house.gov or Rico Doss with Subcommittee Chair, William Lacy Clay at Darrell.Doss@mail.house.gov with any questions about this letter.

March 25, 2019

Dear Chairwoman Lowey, Ranking Member Granger, Chairman Price, and Ranking Member Diaz-Balart:

Our nation is facing a severe rental housing crisis that is causing nearly 11 million American households to pay unaffordable rent levels. According to the National Low Income Housing Coalition (NLIHC), extremely low income households (at or below 30 percent of Area Median Income) are

being hardest hit by this crisis with 71 percent of extremely low income renter households facing severe housing cost burdens and accounting for nearly 73 percent of all severely housing cost burdened renters in the country. In the midst of this crisis, federal programs that provide direct rental assistance are critical for providing safe, decent, and affordable housing for the lowest income households, including families with children, seniors, and persons with disabilities. As you consider the fiscal year (FY) 2020 Transportation, Housing and Urban Development, and Related Agencies (THUD) appropriations bill, we urge you to provide robust funding for Department of Housing and Urban Development (HUD) direct rental assistance programs: public housing, the Section 8 Tenant-Based Rental Assistance (TBRA) and Project-Based Rental Assistance (PBRA) programs, and the Section 202 and Section 811 programs.

Since the 1930s, public housing has served an indispensable role on the continuum of affordable housing, providing housing for about 1 million families who may otherwise struggle to find housing in the private market even with a voucher. The Section 8 TBRA and PBRA programs also provide much needed housing assistance to 3.5 million low-income households, over half of whom are elderly or persons with disabilities. These important programs sharply reduce homelessness and other hardships, lift people out of poverty, and help provide educational, developmental, and health benefits that can improve children's long-term outcomes and reduce costs in other public programs. Unfortunately, the public housing stock has a backlog of \$70 billion in unmet capital needs according to the National Association of Housing and Redevelopment Officials (NAHRO), and chronic underfunding for the program is forcing countless public housing residents to struggle with unsafe or unsanitary living conditions. Further, insufficient funding for the Voucher Operations Fund for TBRA tenants is hindering public housing agencies' (PHA's) ability to effectively operate the program and to meet the needs of program participants, including responding to tenant and neighbor complaints about housing quality, building and maintaining relationships with landlords, and determining tenant rent payments, especially in response to requests for adjustments to the tenant's rent contribution when they are experiencing hardship.

For these reasons, we request that you:

- **Fully fund the Public Housing Operating Fund at 100 percent of estimated need**, in order to address the estimated annual operating costs;
- **Appropriate at least \$5 billion for the Public Housing Capital Fund**, which would cover the estimated annual maintenance needs of the public housing stock plus additional funding to address a portion of the backlog of capital repairs;
- **Fully fund the Section 8 Tenant Based Rental Assistance (TBRA)** program to fund all authorized vouchers;
- **Fully fund Section 8 Project-Based Rental Assistance (PBRA)** to cover all existing contracts; and
- **Fully fund the Voucher Operations Fund** (also known as the Housing Choice Voucher Administrative Fee) at 100 percent of estimated need in order to ensure that PHAs can adequately meet tenants needs, including ensuring units are safe and decent.

Additionally, the Section 202 and 811 programs are the only programs that exclusively provide housing assistance and supportive services for seniors and persons with disabilities. The nation's existing housing stock is unprepared to meet the escalating need for affordability, accessibility, social connectivity, and supportive services that these populations require. According to HUD's most recent Worst Case Housing Needs Report to Congress, 1.39 million households who had the worst case housing needs^[1] include a non-elderly person with disabilities, which is a 28 percent increase from 2013. The number of cost-burdened older adult households reached a high of 9.7 million in 2016, up from 6.5 million in 2001. Older adults with such severe housing cost burdens spend significantly less on basic necessities like healthcare and food than their peers without housing cost

burdens and may even be pushed into homelessness. In fact, according to Leading Age, between 2007 and 2017, the rate of homelessness among individuals 62 and older nearly doubled from 4.1% to 8%. Further, since Section 202 and 811 programs' inception, the last several years have resulted in the lowest newest construction rates despite the overwhelming need for deeply affordable housing for these populations.

For these reasons, we request that you:

- **Fully fund Section 811** to ensure that there are sufficient funds to renew all existing 811 Mainstream tenant-based vouchers and expiring 811 Project-Based Rental Assistance Contracts (PRACs), **and provide \$25 million for new construction of 811 units**; and
- **Fully fund Section 202** to ensure that there are sufficient funds to renew all 202 expiring PRAC contract, **and provide an additional \$600 million for new construction of 202 units** to keep up with the increasing need for these units.

Finally, we want to highlight our grave concerns with this Administration's proposals to increase rents and impose work requirements on residents receiving rental assistance through these programs. We urge you to reject these proposals as well as any assumptions about corresponding budgetary savings.

Thank you in advance for your consideration of these requests. Please contact Janae Ladet with Chairwoman Waters at Janae.Ladet@mail.house.gov or Rico Doss with Subcommittee Chairman William Lacy Clay at Darrell.Doss@mail.house.gov with any questions about this letter.

Sincerely,

MAXINE WATERS

WM. LACY CLAY

Chairwoman

Chair

Committee on Financial
Services

Subcommittee on Housing, Community Development and
Insurance

^[1] Households with worst case needs are defined as very low-income renters who do not receive government housing assistance and who paid more than one-half of their income for rent, lived in severely inadequate conditions, or both.