

Council of Large Public Housing Authorities

455 Massachusetts Avenue, NW, Suite 425 Washington, DC 20001-2621 Executive Director: Sunia Zaterman phone: 202.638.1300 | fax: 202.638.2364 web: www.clpha.org

April 16, 2018

The Honorable Sean Duffy Chairman Subcommittee on Housing and Insurance Committee on Financial Services U.S. House of Representatives 2129 Rayburn House Office Building Washington, D.C. 20515 The Honorable Emanuel Cleaver II Ranking Member Subcommittee on Housing and Insurance Committee on Financial Services U.S. House of Representatives 2129 Rayburn House Office Building Washington, D.C. 20515

Dear Chairman Duffy and Ranking Member Cleaver:

On behalf of the Council of Large Public Housing Authorities (CLPHA), I am writing to submit comments for the record pertaining to the hearing entitled "Housing Choice Voucher Program: An Oversight and Review of Legislative Proposals" scheduled for April 17, 2018.

It is CLPHA's understanding, the hearing is planning to review three legislative discussion draft proposals, "Fostering Stable Housing Opportunities Act of 2018"; "Transitional Housing for Opioid Recovery Demonstration Program Act of 2018"; and an Act establishing a housing choice voucher mobility demonstration. After a careful review of each discussion draft, CLPHA's comments are as follows for the three proposals—

"Transitional Housing for Opioid Recovery Demonstration Program Act of 2018"

While we applaud efforts to assist individuals recovering from opioid addiction and attend to their housing needs, this discussion draft requires substantial clarification around the role of PHAs in administering the program and what constitutes an "eligible entity," and whether termination of assistance may conflict with leasing and eviction laws as well as provide appropriate support to transition to market rate housing.

Program administration and voucher allotment. While the draft specifies a set-aside of 10,000 voucher nationally, it is unclear how vouchers would be allotted at the local level, to what eligible entities (defined as nonprofit organizations) PHAs would distribute the vouchers, and how the vouchers would be managed. The draft appears to suggest a sponsor-based program in which PHAs would identify eligible non-profit organizations who are administering an evidence-based treatment program for opioid addiction. The draft needs additional clarification as to whether this would indeed be a sponsor-based program, and what entity will be responsible for eligibility screening and income verification. Because only PHAs with Moving to Work (MTW) status can participate in sponsor-based programs, this restriction will considerably limit participation and eligible PHAs may not overlap substantially with geographic areas in which mortality rates from opioid overdoses are high. To maintain this and other eligibility criteria, the draft will need to reconsider and clarify

how eligible organizations will receive and administer the vouchers and what role PHAs will have in the administration and selection process.

Termination of Assistance. The draft does not provide specifics as to what happens to tenants after 12-24 months of assistance, and what kind of planning or services will be available to help them find other housing. Treatment programs also do not typically last 12-24 months, so the draft could benefit from additional clarification as to where tenants will be living after completing treatment. Most sponsor-based organizations are permanent supportive housing programs, which do not have time-limited assistance.

"Fostering Stable Housing Opportunities Act of 2018"

Given the growing number of youth aging out of foster care and their overrepresentation in the homeless population, increasing efforts to assist them with affordable housing opportunities is a worthy goal. But we have concerns that the discussion draft interferes with local autonomy to create waitlist preferences, duplicates the efforts of an existing housing program, includes unsupported work requirements, creates an unmanageable occupancy rule exception, includes termination of assistance that conflicts with other laws and treats youth unequally, and contains unworkable data and reporting requirements.

Waiting list preferences. In 1998, the Quality Housing and Work Responsibility Act eliminated federal preferences for housing assistance and allowed for individual PHAs to determine waitlist preferences based on local needs. A study of PHAs' efforts to serve the homeless, commissioned by HUD in 2013, found that over half of the total inventory of public housing and Housing Choice Voucher units are managed by PHAs that use some type of preference system to give housing priority to households experiencing homelessness, including youth aging out of care. Populations prioritized through a preference system also include many other vulnerable groups, such as households displaced by natural disasters, people with disabilities, seniors, veterans, households experiencing domestic violence, and households living in substandard housing conditions. PHAs create waitlist preferences for these groups in response to local needs, demonstrated by the fact that metro areas with the largest homeless populations are served by PHAs most likely to use a waitlist preference for homeless households. Individual PHAs should retain their autonomy to determine waitlist preferences based on the needs of the homeless population, decisions that are often made in conjunction with local stakeholders such as social service and faith-based organizations, private sector service providers, and planners.

Overlap with the Family Unification Program. The program proposed in the draft overlaps substantially with the existing Family Unification Program (FUP). A partnership between child welfare agencies and PHAs, FUP provides a Housing Choice Voucher for up to 36 months to youth between the ages of 18-21 who are homeless or at risk of homelessness and spent time in the foster care system. FUP received \$20 million in funding in the recent 2018 omnibus bill and has undergone multiple evaluations by third-party evaluators that indicate its success in improving outcomes for youth. PHAs participating in FUP provide a waitlist preference to families or youth referred by child welfare agencies, meaning that youth aging out of care have an existing waitlist preference when they are referred to a PHA through this process. A number of PHAs participating in FUP have also reported having a waitlist preference for youth whose FUP voucher is expiring but wish to continue using their voucher.

Work, training, and education requirements. While the work and education requirements do provide a substantial grace period and contain appropriate exceptions, such requirements should be left to the discretion of the individual PHA and should be accompanied by funding for supportive services. Transitional living programs for youth aging out of foster care as well as FUP voucher programs provide youth with supportive services such as educational and job counseling, financial management and budgeting, and individual case management. Such services are often crucial to youth for finding and maintaining stable employment or school enrollment.

Occupancy standards. The proposed occupancy standards include the ability for two or more unrelated youth to live together. Shared housing is only permitted in the Housing Choice Voucher program under specific circumstances, typically when a tenant requires a live-in aide. Allowing for unrelated youth in the same unit under the same lease agreement is more representative of a group home setting, which would be far beyond the scope of the types of housing that PHAs typically manage.

Termination of assistance. Terminating assistance at age 25 seems somewhat arbitrary and may not be most appropriate for all program participants. There is likely to be individual variation in the length of time that youth need in assisted housing to achieve self-sufficiency and live independently. Rather than identifying an age at which assistance should terminate, a length of assistance similar to FUP's 36-month timeframe may be more appropriate to ensure that regardless of what age they enter, all youth are entitled to receive the same length of assistance.

Data and reporting. While the draft includes significant evaluation efforts, we have some concerns about the feasibility of the evaluation plan. Some of the outcomes to be reported on, such as employment, wages, and criminal justice involvement, can be obtained using administrative records, but other outcomes such as well-being and housing status will require extensive data collection efforts. Because youth outcomes will be tracked for up to 10 years after termination of assistance, a significant amount of resources will be required to maintain accurate contact information for a population that is likely to be residentially unstable. While the draft proposes creation of a database in which youth themselves enter information about their outcomes, this proposal raises concerns about privacy and security as well as the costs of creating and maintaining such a database. Expecting youth to enter extensive personal information online for evaluation purposes is unrealistic and is not consistent with standard evaluation practices around data collection. It is also unclear how these required data collection requirements would be funded.

"Housing Choice Voucher Mobility Demonstration"

The recent work of economist Raj Chetty and colleagues showing the long-term positive impacts for children whose families participated in the Moving to Opportunity (MTO) demonstration provided optimistic evidence that voucher use in highly resourced neighborhoods can foster economic mobility. But as currently written, the discussion draft presents several challenges to creating a new demonstration program that can successfully encourage opportunity moves and appropriately evaluate those efforts. Specifically, the draft does not provide sufficient funding for a mobility demonstration, has a weak evaluation directive, and needs clarification as to what programmatic flexibilities would be offered to participating PHAs.

Funding. The original MTO demonstration awarded over \$75 million to PHAs participating in MTO in the form of extraordinary administrative fees and additional vouchers, which allowed PHAs to offer housing search assistance and mobility counseling to participating families. The draft discussion proposes that participating PHAs use existing administrative fees, reserves, and private funding to fund mobility activities. Proposing use of existing administrative fees, which have not been fully funded since 2008, raises concerns about a lack of commitment to support a mobility program with sufficient funding to fully support a robust menu of mobility services that can adequately promote opportunity moves.

Research and evaluation. The discussion draft proposes an option to randomly select families to participate in the demonstration and a report evaluating the program's effectiveness conditioned upon the availability of evaluation funding. Many of the policy lessons learned from MTO have stemmed from a large body of research evaluating outcomes of participating families. This research, including those from Chetty and colleagues, was possible due to extensive data collection and evaluation efforts as well as the randomization of families into the program. The implementation of a new mobility demonstration program should require similar research and evaluation commitments, including a requirement for a randomized design and funding for a full evaluation.

Waiver authority. While waiving some programmatic requirements may be useful and provide PHAs with flexibility needed to implement mobility services, the discussion draft refers to several subsections of Section 8, including payment standards, portability, tenancy, waitlist preferences, and inspections. The draft would benefit from more clarity as to which program rules would be waived and under what circumstances. Additionally, the authorization of preferences for families with children is not necessary as PHAs are already permitted to enact local preferences for the Housing Choice Voucher program.

Thank you for the opportunity to submit comments on the discussion drafts, and CLPHA respectfully requests that our comments be included in the official record of the hearing.

Sincerely,

Sunia Zaturman

Sunia Zaterman Executive Director