# Support Robust Funding for Rental Assistance Programs in FY 2021!

Sending Office: Honorable Maxine Waters Sent By: Janae.Ladet@mail.house.gov

## **Support Robust Funding for**

#### **Rental Assistance Programs in FY 2021**

#### Deadline: COB March 11, 2021

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 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 Housing Choice Voucher program to renew all vouchers currently in use;
- 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
- Fully fund Section 811 Mainstream tenant-based vouchers to renew all existing vouchers, fully fund all expiring 811 Project-Based Rental Assistance Contracts (PRACs) and provide \$80 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 contracts and provide an additional \$600 million for new construction of 202 units to keep up with the increasing need for these units.

Thank you in advance for your consideration of these requests. The deadline to sign on is COB March 11th. Please contact Elayne Weiss with Chairwoman Waters at <u>Elayne.Weiss@mail.house.gov</u> or Rico Doss with Subcommittee Chairman William Lacy Clay at <u>Darrell.Doss@mail.house.gov</u> with any questions about this letter.

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) 2021 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 Housing Choice Voucher (HCV) and Project-Based Rental Assistance (PBRA) programs, the Section 202 Supportive Housing for the Elderly program (Section 202), and the Section 811 Supportive Housing for People with Disabilities program (Section 811).

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 HCV 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, can help improve children's long-term outcomes in all aspects of life, including education, health, and upward mobility, and can reduce costs in other public programs. Unfortunately, the public housing stock has a backlog of \$70 billion in unmet capital needs according to the Public Housing Authorities Directors Association (PHADA),[1] and chronic underfunding for the program is forcing some public housing residents to struggle with unsafe or unsanitary living conditions. Further, insufficient funding for the Housing Choice Voucher Operations Fund 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 Housing Choice Voucher Program (HCV) to renew all vouchers currently in use;
- Fully fund Section 8 Project-Based Rental Assistance (PBRA) to cover all existing contracts; and
- Fully fund the Housing Choice 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 Supportive Housing for the Elderly program (Section 202) and the Section 811 Supportive Housing for People with Disabilities program (Section 811) are the

only programs that exclusively provide housing assistance and supportive services for seniors and persons with disabilities, respectively. 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 a 2019 report from the Harvard Joint Center for Housing Studies, the number of cost-burdened senior households grew to a new high of nearly 10 million in 2017, an increase of 200,000 households from the year before. About half of these households are severely cost burdened, meaning they are spending more than 50 percent of their income on rent. Older adults with such severe housing cost burdens spend significantly less on basic necessities like health care and food than their peers without housing cost burdens and may even be pushed into homelessness. In fact, according to LeadingAge, between 2007 and 2017, the rate of homelessness among individuals 62 and older nearly doubled from 4.1% to 8%. Additionally, according to the Technical Assistance Collaborative, nearly five million non-elderly adults with significant and long-term disabilities have Supplemental Security Income levels equal to only 20% of AMI and cannot afford housing in the community without federal housing assistance. Further, since Section 202 and 811 programs' inception, the last several years have resulted in the lowest new construction rates despite the overwhelming need for deeply affordable housing for these populations.

For these reasons, we request that you:

- Fully fund Section 811 Mainstream tenant-based vouchers to renew all existing vouchers, fully fund all expiring 811 Project-Based Rental Assistance Contracts (PRACs) and provide \$80 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 contracts 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 repeated attempts through its budget request to increase rents and impose work requirements on residents receiving rental assistance through these programs. We urge you to again reject these proposals as well as any assumptions about corresponding budgetary savings.

Thank you in advance for your consideration of these requests. Please contact Elayne Weiss with Chairwoman Waters at Elayne.Weiss@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,

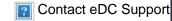
[1] Public Housing Authority Directors Association, "The Advocate," Spring 2019.

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