



**CONSORTIUM FOR CITIZENS
WITH DISABILITIES**

**CONSORTIUM FOR CITIZENS WITH DISABILITIES (CCD),
HOUSING TASK FORCE
STATEMENT ON THE FY 2015 TRANSPORTATION-HUD APPROPRIATIONS BILL
April 11, 2014**

Thank you for the opportunity to submit the following statement for the record by the co-chairs of the CCD Housing Task Force on FY 2-15 funding for the following HUD programs:

- 1. Section 811 Project-Based Rental Assistance (PRA),**
- 2. Section 8 Housing Choice Voucher Program, and**
- 3. McKinney-Vento Homeless Assistance Act.**

The CCD is a coalition of national consumer, advocacy, provider, and professional organizations working together with and on behalf of the 57 million children and adults with disabilities and their families living in the United States. CCD advocates for national public policy that ensures full equality, self-determination, independence, empowerment, integration and inclusion of children and adults with disabilities in all aspects of society. The CCD Housing Task Force advocates on behalf of the housing needs of people with the full range of disabilities, and strongly supports the expansion of high quality community based permanent and affordable housing for extremely low income people with significant disabilities.

We are pleased to work with the Campaign for Housing and Community Development Funding (CHCDF), a coalition of national affordable housing and community development groups, to support HUD funding levels that meet the needs of low and moderate income renters and homeowners.

FY 2015 Request for the Section 811 Project-Based Rental Assistance (PRA) Program

HUD's Section 811 program is an essential source of funding for permanent supportive housing (PSH) for nonelderly adults with significant disabilities. The President's budget proposes a total of \$160 million for Section 811 in FY 2015, including \$135 million needed to renew existing Project-Based Rental Assistance Contracts. Only \$25 million is proposed for development of new PSH units under the new and highly cost-effective Section 811 Project-Based Rental Assistance (PRA) option authorized by Congress in the bipartisan Frank Melville Support Housing Investment Act of 2010.

CCD's Housing Task Force recommends that Congress provide \$100 million for new PSH units under the Section 811 PRA program – for a total appropriation of \$235 million – to address the critical need for community-based, affordable PSH for persons with significant disabilities and build on HUD's successful implementation of the new PRA model.

HUD Section 811 PRA Program – A Record of Enormous Innovation and Success

In FY 2012, Congress appropriated \$85 million for the first year of the Section 811 PRA program – which HUD boosted to \$98 million with unobligated Section 811 funding. Thirty-five states applied, demonstrating the extraordinary demand for new PSH for people living in costly institutional settings and people experiencing chronic homelessness. HUD awarded grants to 13 states to create 3,530 new PRA units – triple the average number funded in two years under the “old” Section 811 program.

HUD recently combined funding provided under FY 2013 and FY 2014 Continuing Resolutions into a single Notice of Funding Availability (NOFA) totaling \$120 million (approximately \$100 million from FY 2013 and \$20 million from FY 2014). HUD expects to make between 12 and 18 awards to states to fund as many as 4,000 new PSH units.

FY 2015 Appropriation Needed for Integrated PSH under the Section 811 PRA Program

According to a recent HUD Worst Case Needs report, American Community Survey data indicate that over 800,000 people with disabilities live in Group Quarters – which includes segregated Adult Care/Board and Care type facilities – rather than in integrated community-based PSH which can be created by Section 811 PRA funding. **To help address these urgent needs, Congress should provide program funding for FY 2015 of at least \$235 million to create as many as 3,500 Section 811 PRA units.**

Section 811 Project Rental Assistance Program

	FY 2012	FY 2013/2014	FY 2015
Proposed Funding	\$98 M*	\$120 M**	\$25 M
New Units	3,530	4,000	894

*Final NOFA funding includes an \$85 million appropriation plus approximately \$13 million in reallocation of prior years’ unobligated funds.

** Combined 2013 and 2014 final NOFA funding includes approximately \$100 million in FY 2013 funding and \$20 million in FY 2014 funding.

FY 2015 Funding for the Section 8 Housing Choice Voucher Program

Approximately 4.6 million non-elderly adults with significant disabilities are extremely poor because they rely on Supplemental Security Income (SSI) payments to meet their basic needs, including housing. Others receive disability benefits from Social Security, the Veterans Administration, or work for very low wages. In 2012, as a national average, SSI provided an annual income of only \$8,712 – approximately 20 percent below the poverty line and equal to only 19 percent of Area Median Income.¹ According to a national study, in 2012, the average

¹ Technical Assistance Collaborative and CCD Housing Task Force, *Priced Out in 2012*. Reflects 2012 SSI payments for individuals with disabilities living independently in the community, made up of the federal SSI payment plus the optional state-funded supplement provided by 21 states to all SSI recipients who live independently in the community.

HUD Fair Market Rent for a one bedroom unit was 104 percent of monthly SSI.² Without the permanent rental subsidy that Housing Choice Voucher provides, extremely low income people with disabilities often live in segregated institutional settings such as public institutions for people with mental disabilities, nursing homes, and adult care homes/board and care facilities, or become homeless.

Successful Housing Choice Voucher Outcomes for People with Disabilities

The critical rental subsidy provided by the Housing Choice Voucher program helps people with disabilities live successfully in permanent housing in the community – a major reason their participation in the HCV program has doubled over the past 15 years. In 2012, 626,825 non-elderly households with disabilities were using vouchers – making up 29 percent of the 2.1 million households assisted. While most of these households have a “plain vanilla” voucher, Congress has long recognized the acute housing needs of people with disabilities through numerous appropriations that created a total of 50,000 Non-Elderly Disabled (NED) vouchers targeted to people with disabilities.

NED vouchers have been deployed by HUD to address urgent disability housing needs including: (1) assisting people with disabilities adversely affected when PHAs and owners of HUD assisted housing designate their properties as “elderly only” housing policies; (2) targeting NED vouchers to assist people with disabilities transitioning from nursing homes to affordable housing in the community under Project Access; and (3) an innovative HUD partnership with the U.S. Department of Health and Human Services to target NED vouchers to people moving from institutional settings into the community under the federal Money Follows the Person Demonstration. Over the past two years, HUD has also developed new guidance to assist states and PHAs collaborate to provide Housing Choice Vouchers to people covered by the U.S. Supreme Court’s *Olmstead* decision.

The Housing Choice Voucher Program: An Essential Tool to Assist States Comply with Olmstead Mandates

Olmstead v. L.C., 527 U.S. 581 (1999), is the landmark U.S. Supreme Court decision which affirmed that the unjustified segregation of individuals with disabilities – in settings such as nursing homes, public institutions, privately owned Board and Care facilities etc. – violates the Americans with Disabilities Act. At least 13 states have *Olmstead* Settlement Agreements negotiated with the U.S. Department of Justice or private litigation, and *Olmstead* activities are underway in other states. Recognizing this critical need, HUD has urged PHAs to assist states implementing *Olmstead*. Because of the number of vouchers lost to sequestration and the extremely low turnover rate of PHA vouchers currently leased, very few vouchers are available to assist with important *Olmstead*-related activities.

Restoring Housing Choice Vouchers Cut by Sequestration Would Help Target Housing Choice Vouchers for Olmstead

CCD urges the Subcommittee to allocate \$40 million in funding to provide 5,000 Housing Choice Vouchers to be made available to PHAs in states required by *Olmstead*-related legal

² Ibid.

action to reduce reliance on segregated institutional or other residential settings for adults with disabilities.

FY 2015 Request for McKinney-Vento Homeless Programs

On a given night in 2013, around 92,600 individuals were experiencing chronic homelessness, meaning they had a disability such as severe mental illness and were homeless frequently or for long periods as a consequence. Although they comprise only 15 percent of all people who experience homelessness, people who are chronically homeless account for a disproportionate amount of public resources spent on uncompensated health care, jails and public safety efforts, behavioral health programs and other crisis interventions.

With increased homeless assistance and other housing resources made available by HUD, the nation can make historic progress in 2015 to end chronic homelessness. **CCD urges the Subcommittee to provide \$2.405 billion in FY 2015 for HUD's McKinney-Vento Homeless Assistance Grants to ensure we meet the goal of ending chronic homelessness by the end of 2016.**

As noted above, permanent supportive housing (PSH) has been the proven solution for homeless individuals with disabilities. PSH programs provide affordable housing linked to community-based services such as health care, behavioral health treatment, and other ongoing supports. Once stable in housing, people recovering from chronic homelessness are able to access health care, preventive measures, and other services to help them remain housed and maximize their independence.

Communities that strategically target PSH to the most vulnerable people experiencing homelessness have also seen significant reductions in public costs. For example:

- **Reduced Health Care Costs.** In New York, reduced psychiatric hospitalizations resulted in an annual savings of \$8,260 per person. In Denver and Los Angeles, annual reductions in physical health hospitalizations saved of \$3,423 and \$13,392 per person, respectively.
- **Lower Shelter Costs.** Large annual savings were also generated as a result of reductions in shelter use - \$3,799 and \$6,844 per person in New York and Denver, respectively.
- **Improved Incarceration Costs.** Savings from reductions in jail and prison use were smaller, but still significant. In New York, combined annual savings from jail and prison was \$800 per person, \$686 in Denver, and \$1,320 in Los Angeles.

Respectfully submitted,

CCD Housing Task Force Co-Chairs:

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