



***Section 811 Supportive Housing for Persons with Disabilities
2006 HUD Budget Proposal***

The President's budget proposes an unprecedented deep cut for the Section 811 Supportive Housing for Persons with Disabilities program. Section 811 is the only program at the Department of Housing Urban Development (HUD) that still produces accessible and affordable supportive housing for non-elderly people with disabilities with extremely low incomes.

Historically, new units of supportive housing produced through Section 811 have been targeted to people with the most severe disabilities who rely on SSI income of \$600 or less per month. For almost 30 years, this program (and its pre-cursor the Section 202 program for people with disabilities) has been a cornerstone of state and local efforts to implement community integration strategies for people with severe disabilities who currently live in nursing homes, public institutions, or at home with aging parents.

The President's budget would cut Section 811 in half, dropping funding down to \$120 million from its current level of \$238 million. More importantly, the budget proposes to completely eliminate all funding for new unit production in FY 2006 by zeroing out the capital advance/project-based side of the program. Historically, 75 percent of HUD's 811 appropriation has been used to fund capital grants and project-based rental assistance for non-profit disability groups to develop new fully wheelchair-accessible units of permanent supportive housing.

Instead, the President's FY 2006 budget proposes to direct the remaining \$120 million in the Section 811 program to renewal of existing rent subsidies (both tenant-based and project-based), with a small amount left to fund new tenant-based subsidies. Specifically, \$80 million would be directed to tenant-based renewals, \$5 million for project-based renewals (also known as PRACs) and \$35++ million of new 5-year tenant-based contracts (an estimated 1,000 – 1,100 vouchers). This means that more than 70% of all 811 funds would be consumed by the cost of renewing (i.e. keeping in place) housing funded under the program in previous years.

Moreover, the elimination of the capital advance/project-based side of the program would end HUD's commitment to support the production of new housing targeted to non-elderly people with severe disabilities with the lowest incomes. Reliance solely on tenant-based assistance (portable rent subsidies that rely on voucher recipients being able to find rental housing on their own) also represents a major change in the targeting of 811 away from people with more severe impairments who need on-going housing-related supports and/or fully accessible units.

The Consortium for Citizens With Disabilities (CCD) Housing Task Force is a coalition of national disability organizations working to promote access to affordable housing opportunities and community supports for people with disabilities.