



CONSORTIUM FOR CITIZENS
WITH DISABILITIES



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REPORT OF THE HOUSING TASK FORCE 2006 ACTIVITIES

FY 2007 HUD Budget

As with all other domestic appropriations bills for FY 2007, action has been put off indefinitely and a full year continuing resolution is anticipated through October 1, 2007 – with a freeze at FY 2006 levels. For HUD Section 811 funding, this will keep funding at \$238 million. Section 811 had been proposed for deep cuts in the President's FY 2007 budget (a proposed reduction of \$120 million, and elimination of all but \$15.8 million from the capital advance/project-based side of the program). The amount in the continuing resolution for the rest of FY 2007 is nearly \$3 million below the amount included in the draft Senate Transportation-Treasury-HUD Appropriations bill (HR 5576) that was reported in July, but never reached the full Senate.

Capital advance grants and project-based rental assistance contracts awarded to local non-profit disability organizations (through a national competition) are the traditional form of 811 assistance and actually expand the inventory of accessible supportive housing serving individuals with severe disabilities. This is in contrast to tenant-based rent subsidies that cannot be used to develop new supportive housing units. Since the President's budget came out in February, the CCD Housing Task Force fought hard to restore funding for Section 811. CCD is extremely grateful for the leadership of Representatives Joe Knollenberg (R-MI) and John Olver (D-MA) and Senators Kit Bond (R-MO) and Patty Murray (D-WA), the Chairs and ranking Members of the Appropriations Subcommittees that drafted HR 5576, in restoring funding to Section 811.

The Senate bill also included \$5 million for new Section 811 tenant-based rental assistance. By contrast, the House-passed version provided no funding new tenant-based assistance. The CCD Housing Task Force advocated throughout 2006 for Congress not to fund any new Section 811 tenant-based assistance (also known as the “mainstream” voucher program for people with disabilities) out of concern that HUD has failed to ensure that housing agencies are actually targeting rental assistance to individuals with severe disabilities.

Section 8 Rental Voucher Funding

Section 8 is the largest program at HUD is the Section 8 rental voucher program – projected to reach at least \$15.92 billion in FY 2007, nearly 50% of the overall HUD budget. The program provides rent subsidies to individual tenants to pay the difference between the cost of rent and 30% of the voucher recipient's monthly income. Section 8 serves just over 2 million households, most of them extremely low-income (1.3 of recipients are considered “disabled households” – including individuals eligible for Supplemental Security Income, SSI).

Both the House and Senate T-T-HUD Appropriations bills included \$14.436 million to renew all of the existing vouchers in the program for FY 2007, a 3.5% increase over FY 2006. This represents a significant slowdown in the growth in Section 8 renewal spending when compared to the 8% to 10% increase of just a few years ago. The Senate bill also includes important changes to the funding formula for Section 8, allowing housing agencies a broader range in which to measure the number of rental vouchers in use for determining how much they will receive in renewal funding during FY 2007. However, under the full-year continuing resolution for the remainder of FY 2007, this increase proposed by both the House and Senate is in doubt. Also in doubt is an effort to get language included in the final FY 2007 that would adopt the proposed funding formula included in the House Section 8 reauthorization bill – known as the HR 5443, the Section 8 Voucher Reform Act, or SEVRA. This would stem the loss of rental vouchers in recent years, without requiring additional dollars and make much more efficient use of the limited funds available. Again, the full-year continuing resolution will not make this possible.

Homeless Funding

Homeless assistance funding is one of the few programs at HUD where the Bush Administration asked for an increase for FY 2007 – proposing to boost funds by \$209 million (the House bill includes this increase), up to \$1.511 billion. This includes funding for critical permanent housing programs targeted to homeless individuals with disabilities such as Shelter Plus Care (S+C) and SHP, as well as renewal of expiring rent subsidies. The full year continuing resolution for FY 2007 will not include these increased funds. At the same time, FY 2006 will allow for \$285 million for renewal of all expiring S+C rent subsidies and continuation of the 30% minimum for permanent housing, with a 25% local match required for services. Finally, CCD worked in 2006 to preserve targeting of permanent housing to chronically homeless individuals with disabilities in the House and Senate bills reauthorizing the McKinney-Vento (S 1801 and HR 5041).

Legislation Allowing Students With Disabilities to Receive Housing Assistance Enacted

On July 27, President Bush signed legislation that will allow students with disabilities to more easily qualify for Section 8 rental assistance. The House passed the bill on June 13, the Senate on July 18. The new law (P.L. 109-249) corrects an oversight in separate legislation passed by Congress last year meant to clamp down on certain unqualified students that had been receiving Section 8 rental assistance. The bill (HR 5117), sponsored by Representative Deborah Pryce (R-OH) and Senator Mike DeWine (R-OH), would allow certain students with disabilities to re-qualify for Section 8 without having their family's income and resources imputed to them.

GSE-Affordable Housing Trust Fund Legislation

In 2006, CCD continued to work with coalition partners including the National Low-Income Housing Coalition (NLIHC) on legislation authorizing a new Affordable Housing Fund as part of a bill establishing a new regulatory authority over Fannie Mae and Freddie Mac (HR 1461). The Housing Task Force also worked in opposition to a provision in the final version of HR 1461 that restricts the ability of non-profit groups to access the Affordable Housing Fund if they engage in advocacy and voter education and mobilization. The bill passed the House in 2005. A Senate companion was reported by the Banking Committee, but never reached the Senate floor.

Housing Task Force

2007 Priorities

- Potential legislation to reauthorize and reform the HUD Section 811 program,
- FY 2008 appropriations: Section 811 Supportive Housing, Section 8 Housing Choice Voucher program; McKinney-Vento homeless funding;
- HUD oversight of Section 8 vouchers targeted to people with disabilities and Section 811 program; and
- Passage of legislation authorizing a National Affordable Housing Trust Fund.

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