



February 8, 2024

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Regulations Division
Office of General Counsel
U.S. Department of Housing and Urban Development
451 7th Street SW, Room 10276
Washington, D.C. 20410-0500

RE: Docket No. FR-6436-N-01 Changes to Methodology Used for Calculating Section 8 Income Limits Under the United States Housing Act of 1937

Thank you for the opportunity to comment on HUD's *Notice on Changes to Methodology Used for Calculating Section 8 Income Limits Under the United States Housing Act of 1937*. Please accept this letter as the comments of the undersigned co-chairs of the Consortium for Constituents with Disabilities (CCD) Housing Task Force. CCD is the largest coalition of national organizations working together to advocate for federal public policy that ensures the self-determination, independence, empowerment, integration, and inclusion of children and adults with disabilities in all aspects of a society free from racism, ableism, sexism, and xenophobia, as well as LGBTQ+ discrimination and religious intolerance. The Housing Task Force works to ensure that all people with disabilities have safe, stable, accessible, affordable, and integrated housing that enables people to live in communities of their choosing, with full access to home and community-based services and supports.

Question for Comment #2

We are writing to respond to Question for comment #2: **Have income limits kept pace with other social programs that provide basic income for individual disabilities and older adults?** We are responding specifically on behalf of people with disabilities including older adults on fixed incomes whose income sources are Supplemental Social Security Income (SSI), Social Security Income Disability Insurance (SSDI) and Social Security (SS).

As illustrated in Table 1 below, the answer is clearly "no" –income limits have increased more rapidly than the income of SSI, SSDI and SSA recipients. Table 1 provides the cost-of-living adjustments (COLAs) for SSI and SSDI since 2018 and compares these to the income limit allowed under the current rules and the change in the national average HUD Median Family Income (MFI) for the same period. Since 2010, each year, except FY23, the allowable income limit has increased more than the COLA including a number of years when it increased significantly more than the SSA's COLA.

Table 1 Comparison Income COLA and HUD Income Limit Trends

Year	SSI/DI COLA ¹	Income Limit increase Cap (5% or 2x US MFI change) ²	Annual Change in National MFI ³
10	0.0%	5.0%	0.6%
11	0.0%	5.0%	-0.3%
12	3.6%	5.0%	1.4%
13	1.7%	5.0%	decreased
14	1.5%	5.0%	decreased
15	1.7%	5.9%	3.0%
16	0.0%	5.0%	decreased
17	0.3%	5.0%	decreased
18	2.0%	11.5%	5.8%
19	2.8%	10.0%	5.0%
20	1.6%	7.9%	4.0%
21	1.3%	5.0%	2.5%
22	5.9%	11.9%	5.9%
23	8.7%	5.9%	3.0%
24	3.2%		

This differential has a significant impact on rent affordability in the Low Income Housing Tax Credit (LIHTC) program in which a tenant’s rent is based on the area median income, with the exception of those units with tenant- or project-based vouchers where the tenant pays 30-40% of their income for rent and utilities and the remainder of the rent is subsidized by the rental assistance. Most people whose source of income is SSI would could not qualify for the vast majority of LIHTC properties without such rental assistance. When the LIHTC rents increase, individuals with tenant- or project-based rental assistance continue to pay what they can afford and any uncovered increase is paid by the rental assistance.

This is not the case for persons whose SS or SSDI was initially sufficient for them to rent a LIHTC unit. While they may have been able to afford the rent initially, for many, their COLA would not be enough to cover the rent increases; eventually they may have to move or may be evicted as the result of a nonpayment situation.

For example, in FY23 in Alabama, a low-cost state, the 50% AMI ranged from \$22,850 to \$31,700 for a one-person household. As you can see from Table 2, a person whose sole source of income is SSI cannot afford that unit without rental assistance. However, an older adult on SS or a person who receives an above average amount of SSDI would be eligible for that unit. In FY23 in Massachusetts, a high cost state, the 50% AMI for a one-person household ranged from \$34,900 to \$52,800. A retired older adult with an above average SS income or a person receiving SSDI amount at the higher end of the range would potentially be eligible for a one-

¹ <https://www.ssa.gov/cola/>

² <https://www.huduser.gov/portal/datasets/il.html>

³ <https://www.huduser.gov/portal/datasets/il.html>

bedroom LIHTC unit. The income of these potential tenants would not be able to keep pace with the rent increases however.

Table 2 Social Security Income Types and Amounts

- In 2023, the SSI Federal Benefit Rate was \$914 per month for an eligible individual or \$10,968 per year⁴.
- In 2023, SSDI averaged \$1,483⁵ per month or \$17,796 per year but the maximum possible was \$3,627⁶ per month or \$43,524 per year.
- In December 2023, the average SS for retired workers was \$1,905⁷ per month or \$22,860 per year but the maximum was \$4,873⁸ per month or \$58,476 per year.

The CCD HTF requests that HUD evaluate the rate of nonpayment evictions in LIHTC developments and determine the relative number of households who do not have rental assistance who are evicted for nonpayment who rely on these sources of fixed income.

Additional Comment

The CCD HTF urges HUD to adopt a cap on the annual increase in income limits as proposed in the Notice. As Table 1 illustrates, income limits could rise 5% a year in some areas even when national MFI growth was flat or negative and COLAs were 0 or very low, resulting in an increasing gap between allowed tax credit rents and SSI/SSDI/SSA incomes. However, The HTF urges HUD to adopt a cap that is **LESS THAN 10%**. Over the last 50 years, the SSA's COLA has increased by more than 10% only twice. As described above, tenants who rely on SSDI or SSI as a primary income source, even when they are not the sole income provider in the household, will have difficulty keeping pace with rent increases, even those capped at 10%. We urge HUD to reconsider the amount of the capped percentage increase in order to ensure LIHTC properties remain available to older adults and people with disabilities on fixed incomes.

Conclusion

Thank you for your consideration of our comments and for asking these difficult questions from all stakeholders.

Sincerely,

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Co-Chair, CCD Housing Task Force

Jennifer Kye, Justice in Aging
Co-Chair, CCD Housing Task Force

Greg Robinson, Autistic Self Advocacy Network
Co-Chair, CCD Housing Task Force

⁴ <https://www.ssa.gov/ssi/amount>

⁵ <https://www.cbpp.org/research/retirement-security/policy-basics-social-security-disability-insurance>

⁶ <https://www.ssa.gov/news/press/factsheets/colafacts2023.pdf>

⁷ <https://www.ssa.gov/OACT/FACTS/>

⁸ [https://faq.ssa.gov/en-us/Topic/article/KA-](https://faq.ssa.gov/en-us/Topic/article/KA-01897#:~:text=The%20maximum%20benefit%20depends%20on,maximum%20benefit%20would%20be%20%244%2C873.)

[01897#:~:text=The%20maximum%20benefit%20depends%20on,maximum%20benefit%20would%20be%20%244%2C873.](https://faq.ssa.gov/en-us/Topic/article/KA-01897#:~:text=The%20maximum%20benefit%20depends%20on,maximum%20benefit%20would%20be%20%244%2C873.)