

United States Senate
WASHINGTON, DC 20510-3005

[[DATE]]

The Honorable Brian Schatz
Chair
Subcommittee on Transportation, Housing
and Urban Development, and Related
Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Susan Collins
Ranking Member
Subcommittee on Transportation, Housing
and Urban Development, and Related
Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chair Schatz and Ranking Member Collins:

As you consider the Fiscal Year 2023 Transportation, Housing and Urban Development, and Related Agencies appropriations bill, we urge you to support the Department of Housing and Urban Development's (HUD) Section 202 and 811 programs for seniors and persons with disabilities. We respectfully request: full funding for contract renewals for the Section 202 Housing for the Elderly program and an additional \$600 million for capital advances and operating subsidies for new 202 homes to keep up with existing and increasing need; and full funding for Section 811 Mainstream tenant-based vouchers to renew all existing vouchers, \$100 million for new 811 Mainstream vouchers, full funding for all expiring 811 Project-Based Rental Assistance Contracts (PRACs), and \$500 million for new 811 Project Rental Assistance (PRA). Section 202 and 811 funding supports the development of new housing and the continuation of rental assistance for very low-income seniors and persons with disabilities.

Section 202 provides a sensible and necessary approach to meeting our nation's growing affordable housing needs for seniors, and it is the only federally funded program expressly aimed at doing so. As HUD's most recent *Worst Case Housing Needs Report* finds, 2.24 million very low-income elderly households are paying more than 50 percent of their income in rent, an increase of 68% since 2009. Moreover, a 2021 report from the Urban Institute, *The Future of Headship and Homeownership*, predicts there will be 13.8 million new older adult households between 2020 and 2040, and 40% (5.5 million) of these new older adult households will be renter households.

By leveraging other funding sources, combining affordable housing with access to supportive services, and focusing on the most vulnerable segments of the population, the Section 202 program helps more seniors to live independently and age in place. To date, Section 202 has

helped produce nearly 400,000 homes for low-income seniors. We believe that continued investment in low-income affordable housing for older adults is both cost-effective and critical to ensuring seniors can live in supportive, decent, and affordable housing.

HUD's Section 811 Housing for Persons with Disabilities program targets vulnerable persons with disabilities who need affordable housing in order to effectively access community-based support and services. Without Section 811 housing, HUD reports that many of those served by the program would be forced to live in an institution, with aging parents, in a homeless shelter, or on the streets. According to HUD's *Worst Case Housing Needs Report*, about one in seven renters with "worst case" housing needs – meaning they had incomes below half of the median in their area and paid more than half their monthly incomes in rent, lived in severely substandard conditions, or both – included a nonelderly person with disabilities. This funding level will allow the Department to renew all current rental assistance as well as fund new project rental assistance awards supporting affordable units for persons with disabilities.

Federal investments in affordable housing for the nation's most vulnerable holds promise for significantly reducing Medicaid and Medicare costs while also providing low-income older adults the opportunity to age in community and persons with disabilities the opportunity to live in the most integrated setting possible.

As Congress makes difficult decisions about our nation's budget, we encourage you to continue bipartisan support of addressing the affordable housing needs of our most vulnerable populations. We thank you for your attention and consideration.

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