

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
Ranking Member Cindy Hyde-Smith
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 Hyde-Smith:

As you consider the Fiscal Year 2025 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, an additional \$600 million for capital advances and operating subsidies for new 202 homes to keep up with existing and increasing need, and \$253 million to fund 20,000 Older Adult Special Purpose Housing Choice Vouchers; and full funding for all renewals of Mainstream Housing Voucher, Section 811 Project Rental Assistance (PRA) and 811 Project-Based Rental Assistance Contracts (PRACs) in addition to \$100 million for new Mainstream vouchers 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. In addition to the Section 202 program, new Older Adult Special Purpose Vouchers should be funded in the FY 2025 bill to prevent and end homelessness among older adults, which is quickly rising. Older adults are now the fastest growing age group of people experiencing homelessness, comprising nearly half of the homeless population.¹ As HUD's most recent *Worst Case Housing Needs Report* finds, more than 2.35 million² very low-income elderly households

¹ <https://aspe.hhs.gov/reports/older-adult-homelessness>

are paying more than 50 percent of their income in rent, an increase of more than 1.35 million older adult households since 1999.

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 and Older Adult Special Purpose Voucher programs can help more seniors to live independently and age in place. To date, Section 202 has helped produce nearly 400,000 homes for low-income seniors. With homelessness skyrocketing for older adults, we need vouchers targeted at older adults and we need them quickly. 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. For example, according to the American Association of Service Coordinators, taxpayers save 66% when older adults live independently with the assistance of a service coordinator.³

HUD's Mainstream and HUD Section 811 Housing for Persons with Disabilities programs 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 would have no housing options at all. According to HUD's *Worst Case Housing Needs Report*, 1.26 million renter households 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. Moreover, there are 18 million disabled people eligible for federal housing assistance but are not receiving it.⁴ These funding requests will allow the Department to renew all current rental assistance as well as fund new Mainstream vouchers and 811 project rental assistance awards supporting affordable units for persons with disabilities.

In addition, we request the following budget language to more efficiently lease up units to this extremely low income population: that HUD allow PHAs to establish a separate waiting list. This recommendation is based on policies and practices demonstrated during COVID-19 to be successful in quickly housing people experiencing homelessness. Furthermore, in addition to rental assistance for 811 PRA, we recommend budget language allowing PRA funds be used for: access modifications, security deposit, other tenant caused damages up to an amount equal to two times the security deposit, owner cost of participation in HUD Systems, and service coordination. We also recommend that 811 PRA allow for the following households to be eligible: two-person households in which each member is an SSI recipient where the combined income is over 30% of AMI but does not exceed 50% of AMI.

³ <https://www.servicecoordinator.org/page/FactSheetsCaseStudiesandReports>

⁴ <https://www.urban.org/research/publication/people-disabilities-living-us-face-urgent-barriers-housing>

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.

A robust investment in HUD's Section 202 and 811 programs also is vital for the nonprofit providers of safe and dignified affordable housing for older adults, who are addressing the challenges of increased costs, for example, rising insurance premiums. 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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