CONSORTIUM FOR CITIZENS WITH DISABILITIES

May 15, 2018

Transmitted via email.

The Honorable Jeb Hensarling
Chair, House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Mike Crapo
Chair, Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Maxine Waters
Ranking Member, House Committee on Financial Services
4340 Thomas P. O'Neill, Jr. Federal Office Building
Washington, DC 20515

The Honorable Sherrod Brown
Ranking Member, Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

RE: "Making Affordable Housing Work Act" and "Promoting Resident Opportunity through Rent Reform Act"

Dear Chairman Hensarling, Ranking Member Waters, Chairman Crapo, and Ranking Member Brown:

The undersigned members of the Consortium for Citizens with Disabilities (CCD) write to express our strong opposition to the "Making Affordable Housing Work Act" and the "Promoting Resident Opportunity through Rent Reform Act."

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 society.

The "Making Affordable Housing Work Act," proposed recently by the Department of Housing and Urban Development (HUD), would impose harmful rent increases on nearly all families across many essential HUD affordable housing programs – **including people with disabilities and their families**. While Secretary Carson has stated that HUD intends to hold harmless current tenants with disabilities, in reality, the proposed bill would hurt many tenants with disabilities as soon as it is implemented, and would only increase the number of people with disabilities who pay higher, unaffordable rents as implementation moves forward.

- As highlighted by the National Low Income Housing Coalition: "Currently, most families receiving federal housing assistance pay 30% of their adjusted income as rent. Under the

proposal, families, with some exceptions, would instead have to pay 35% of their gross income or 35% of the amount earned by working at least 15 hours a week for four weeks at federal minimum wage, whichever is higher. With this provision, HUD would essentially set a new mandatory minimum rent of $150—three times higher than the current minimum rent that housing providers may apply to families."[1] Any disabled person who lives in a family with an adult who is not considered "disabled" and is younger than 65 would be subject to these rent increases upon implementation.

- Households identified as a "disabled family" or "elderly family" would also be subject to new, higher minimum rents. For purposes of determining rents and possible work obligations, a "disabled family" would be limited to households without any adult who is not disabled or age 65 or older. Their rents would be calculated as 30 percent of gross income or a minimum rent of $50 per month, whichever is higher. All new "disabled family" tenants would be impacted immediately; existing "disabled family" tenants would see these higher rents phase in over a maximum of 6 years. The very fact that HUD proposes to phase in these higher rents underscores the reality that people with disabilities would be hurt. At the end of the day, nearly all families identified as a "disabled family" would see their rents go up under this proposal. For example, the HUD Section 811 Supportive Housing for Persons with Disabilities program now has no minimum rent, in recognition of the fact that tenants have extremely low incomes.

- To qualify as a "disabled family" or "elderly family" for the purpose of setting rent (and work obligations), **all adults in the family** would have to be a person who meets the HUD definition of disability or be at least 65 years old. As a result, families that include non-elderly adults with and without disabilities would in fact be subject to the higher rents under the bill and forced to pay 35 percent of gross income or $152 per month, whichever is higher. Many families raising children with disabilities would also be subject to these higher rents.

- Key income deductions currently used by many people with disabilities would be eliminated. These deductions are currently used to calculate "adjusted income" to set rents in HUD programs. They include deductions of unreimbursed **medical expenses, disability-related expenses (including "reasonable attendant care and auxiliary apparatus expenses"), and child care**. Eliminating these vital income deductions would cause rents to skyrocket for people with disabilities who have high out-of-pocket health care or disability-related costs, and for many families raising children with disabilities and chronic illnesses.

- Rent increases would apply across multiple HUD programs that are vital for people with disabilities and their families including Section 8 (vouchers and project-based), public housing, and the Section 811 Supportive Housing for Persons with Disabilities program.

- Experience in numerous other federal and state programs highlights that the bill's additional exemptions for "hardship" would prove ineffective for most people with disabilities, who often find it difficult if not impossible to navigate an exemption process.

- HUD would have the authority to create or authorize additional alternative rent policies that could lead to even higher rents for some or many tenants, including people with disabilities. These proposals – such as tiered rents and de facto time limits under "stepped rents" – mirror proposals by Representative Dennis Ross under the "Promoting Resident Opportunity through Rent Reform Act."

HUD's proposed bill also would give Public Housing Authorities and project-based Section 8 housing owners the option to impose new work requirements. The details of how this would operate would be left up to HUD regulation. The bill fails to propose any new investments to ensure that people can access the supports and services they might need to find and keep a job. Existing programs that offer employment supports and services to jobseekers with disabilities are already underfunded and often have long waiting lists. By reducing or cutting off basic housing assistance and making it harder for people to remain housed, work requirements would only make it harder for people to get and keep a job – including many people with disabilities and their families. People with disabilities often want to work, but need additional supports and services to obtain and keep jobs, in addition to facing discrimination and misconceptions about their ability to work.

The Center on Budget and Policy Priorities and the National Low Income Housing Coalition have documented numerous additional concerns with these bills that we share.[2]

Both the "Making Affordable Housing Work Act" and the "Promoting Resident Opportunity through Rent Reform Act" would have devastating impacts on the ability of people with disabilities and their families to afford stable, accessible housing in the community. In 2016, there was no housing market in the United States where a person with a disability whose sole source of income was Supplemental Security Income (SSI) could afford a safe, decent rental unit.[3] HUD programs play an essential role in closing this affordability gap for millions of people with disabilities across the country. The alternatives – a return to segregation and institutionalization, or homelessness – are unthinkable and would turn back the clock on decades of progress in the integration and inclusion of people with disabilities.

We have been deeply grateful for the long history of bipartisan Congressional support for inclusive, accessible, affordable housing for people with disabilities. This includes recent bipartisan modernizations under the Housing Opportunity Through Modernization Act of 2016 (HOTMA) as well as new investments in affordable housing for people with disabilities under the FY 2018 Omnibus spending bill.[4] We urge Congress to reject the "Making Affordable Housing Work Act," the "Promoting Resident Opportunity through Rent Reform Act," and any similar proposals – and to instead continue to work on a bipartisan basis to strengthen and expand affordable, accessible housing in the community for people with disabilities.

Sincerely,

<u>CCD members</u>:

ACCSES
American Association of People with Disabilities
American Association on Health and Disability
American Network of Community Options & Resources (ANCOR)

American Psychological Association
Association of University Centers on Disabilities (AUCD)
Autism Society
Autistic Self Advocacy Network
Bazelon Center for Mental Health Law
Brain Injury Association of America
Center for Public Representation
Council of State Administrators of Vocational Rehabilitation
Disability Rights Education & Defense Fund
Justice in Aging
Madison House Autism Foundation
National Academy of Elder Law Attorneys
National Alliance on Mental Illness
National Association of Councils on Developmental Disabilities
National Association of State Head Injury Administrators
National Council on Independent Living
National Disability Institute
National Disability Rights Network
National Down Syndrome Congress
Paralyzed Veterans of America
RespectAbility
The Advocacy Institute
The Arc of the United States
United Spinal Association

Joined by:
Ability360
Lakeshore Foundation
National Low Income Housing Coalition
Technical Assistance Collaborative

cc: Members, U.S. Senate
Members, U.S. House of Representatives

[1] http://nlihc.org/press/releases/10642
[2] *See*: https://www.cbpp.org/blog/trump-plan-would-raise-rents-on-working-families-elderly-people-with-disabilities; https://financialservices.house.gov/uploadedfiles/hhrg-115-ba04-wstate-wfischer-20180425.pdf; http://nlihc.org/sites/default/files/Trump-Proposal-Housing-Cuts_0418.pdf; and http://nlihc.org/sites/default/files/FAHRO-Proposal_0418.pdf
[3] http://www.tacinc.org/knowledge-resources/priced-out-v2/
[4] http://www.tacinc.org/blog/march-2018/significant-affordable-housing-opportunities-for-people-with-disabilities-in-the-2018-federal-budget/