

June 5, 2017

## Electronic submission to www.regulations.gov

Regulations Division
Office of General Counsel
Rules Docket Clerk
Department of Housing and Urban Development
451 7<sup>th</sup> Street SW, Room 10276
Washington, DC 20410-0500

Re: Operations Notice for the Expansion of the Moving To Work Demonstration Program Solicitation of Comment [Docket No. FR-5994–N-01]

To Whom It May Concern:

Thank you for the opportunity to comment on "Operations Notice for the Expansion of the Moving To Work Demonstration Program Solicitation of Comment" [Docket No. FR–5994–N–01] published on January 23, 2017.

Please accept this letter as the comments of the Co-Chairs of the Consortium for Citizens with Disabilities (CCD) Housing Task Force. CCD is a working coalition of national consumer, advocacy, provider, and professional organizations working together with and on behalf of the over 57 million children and adults with disabilities and their families living in the United States. CCD advocates for national public policy that ensures full equality, self-determination, independence, empowerment, integration and inclusion of children and adults with disabilities in all aspects of society.

#### **Waivers**

The CCD Housing Task Force was pleased that as part of recruitment procedures, "family" is not limited to families with a member who is able to work full time but is defined broadly so as not to exclude families with a member who has a disability, regardless of work status. As indicated in Priced Out 2104<sup>1</sup> many people with disabilities would like to work but are inadequate employment opportunities and limited access to needed supports and services are the reality for many. We hope that MTW programs will be able to provide <u>both</u> employment opportunities and supports for people with disabilities.

<sup>&</sup>lt;sup>1</sup> Cooper, E., Knott, L., Schaak, G., Sloane, L., & Zovitoski, A. (2015). *Priced Out in 2014: The Housing Crisis for People with Disabilities*. Technical Assistance Collaborative, Inc. (Boston).

That said, we agree with the comments of the National Housing Law Project, National Low Income Housing Coalition and the Center for Budget and Policy Priorities that HUD should prohibit general and conditional waivers that could cause the most harm to tenants. Work requirements, time limits on assistance, and policies that result in higher rent burdens for tenants run the greatest risk of negatively affecting participant families and could lead to termination of assistance, evictions, displacement, and homelessness.

The CCD Housing Task Force urges HUD to structure the waivers such that people with disabilities are voluntary and can choose to access these <u>rather than have to request hardship exemptions or otherwise opt out</u>. Hardships exemptions pose significant challenges for many people with disabilities. For example, the Operational Notice allows MTW PHAs to set minimum rents up to \$250. People with disabilities receiving SSI have a monthly income of \$735 in 2017 and are likely paying \$220 for rent and utilities. Not only is it difficult for some of these households to make hardship requests (e.g. people who are blind or have cognitive impairments) but it is also very inefficient for the PHA when these individuals will very likely be granted an exemption.

### **Clarification of Treatment of NED and Mainstream Vouchers**

In the Notice, HUD takes the position that NED NOFA language allows vouchers to be administered in accordance with operations unless the MTW provisions are inconsistent with the appropriation act or requirement of the NED NOFA. [We note that the Federal Register Notice incorrectly references the FUP NOFA under section 8 c rather than the NED NOFA.]

The Operations Notice should reference PIH Notice 2011-32 which makes it clear that PHAs must track all NED vouchers and ensure that when these vouchers "turnover", they are reissued to a households headed by a person with a disability. The Notice provides citations to this effect:

"The Consolidated Appropriations Act, 2004 provided that incremental vouchers previously made available under this heading (Housing Certificate Fund) for NED families shall, to the extent practicable, continue to be provided to NED families upon turnover. This requirement applies to all NED special purpose vouchers awarded since 1997. In addition, the 2008 appropriations Act stated that amounts available under this Act or previous appropriations acts for tenant-based rental assistance and used for NED families shall, to the extent practicable, remain available for its purpose upon turnover. The 2009 Appropriations Act removed the words, "to the extent practicable" and stated that assistance made available under the Act shall continue to remain available for NED families upon turnover. In accordance with section 6 of PIH Notice, 2005-5 (further extended by PIH Letter 2007-1), to the "extent practicable," meant that PHAs were required to issue turnover vouchers to NED families on their waiting lists, and conduct outreach efforts specifically to NED families to obtain eligible applicants if there were none on the waiting list.

In addition, Section 2(a)(4)(C) of the Frank Melville Supportive Housing Investment Act of 2010, states that upon turnover, all HCVs for NED families received pursuant to appropriation Acts for fiscal years 1997 through 2002, or any other subsequent appropriations, remain with NED families to the maximum extent possible."

**Proposed Funding Formula and Local, Non-Traditional Activities** 

The draft Operations Notice requires an expansion MTW agency to spend at least 90% of its annual voucher budget authority on eligible housing assistance payment (HAP) expenses each year. It would also determine an MTW expansion agency's voucher renewal funding based on 90% of its housing assistance payment (HAP) expenditures from the previous year.

As reported by the Center on Budget and Policy Priorities, the experience with the existing MTW agencies using a block grant approach resulted in much lower voucher utilization rates. The block grant approach also led to significant amounts of funds used in ways that are not conducive to public accountability, ranging from providing assistance of indeterminate amount or value through "local non-traditional" programs to the Chicago Housing Authority's (CHA) accumulated reserve of \$432 million which could have provided more than 13,500 vouchers for households on the CHA waiting list.

The 90% floor offers MTW agencies more than adequate flexibility to use funds for "local non-traditional" programs. The Housing Task Force would be supportive of a higher floor. PHA representatives have spoken of the need to provide residents with education, job training, childcare, and transportation assistance to foster greater self-sufficiency. While all of these are important components for assisting individuals to achieve greater self-sufficiency, such auxiliary, non-housing services should be primarily supported by and provided by school districts, local and state workforce development entities, transportation departments, etc. In an era when rental assistance resources are shrinking, it is critical to preserve these funds for their core purpose of providing tenant and project based assistance to extremely low and very low-income households. For PHAs to help tenants to be more self-sufficient, PHAs must all develop collaborative relationships with community organizations that can assist tenants to access appropriate mainstream services. These flexible funds should be used to create and support such collaborations and fill in "but for" gaps in services but not to duplicate existing services.

# MTW Application as a Significant Amendment

We concur with the National Low Income Housing Coalition that a proposal to apply for MTW status must be considered a "Significant Amendment" to the PHA Plan and this should be clearly stated in the Operations Notice.

### **Public Engagement**

HUD asks how the agency can strengthen the public engagement process to ensure that participants have an opportunity to offer meaningful input in the selection and implementation of MTW activities. The CCD Housing Task Force recommends that as part of the Operational Notice, HUD provide PHAs with specific guidance as to conducting outreach and meetings that are accessible to people with disabilities. The Notice does reference Section 504 of the Rehabilitation Act of 1973 but we would encourage HUD to provide more specific and practical advice such as can be found in this tool kit: <a href="https://portal.hud.gov/hudportal/documents/huddoc?id=Accessiblemtgtoolkit092815.pdf">https://portal.hud.gov/hudportal/documents/huddoc?id=Accessiblemtgtoolkit092815.pdf</a>

### Conclusion

Thank you again for the opportunity to comment on "Operations Notice for the Expansion of the Moving To Work Demonstration Program Solicitation of Comment" [Docket No. FR–5994–N–01] published on January 23, 2017.

Sincerely,

Andrew Sperling, National Alliance on Mental Illness Co-Chair, CCD Housing Task Force

T.J. Sutcliffe, The Arc of the United States Co-Chair, CCD Housing Task Force