



Commemorating 40 Years  
Of Disability Advocacy  
1973-2013

**STATEMENT OF ANDREW SPERLING AND T.J. SUTCLIFFE  
CO-CHAIRS, CONSORTIUM FOR CITIZENS WITH DISABILITIES (CCD) HOUSING TASK FORCE  
TO THE TRANSPORTATION-HUD SUBCOMMITTEE, COMMITTEE ON APPROPRIATIONS  
U.S. HOUSE OF REPRESENTATIVES  
ON BEHALF OF THE CCD HOUSING TASK FORCE  
REGARDING FY 2014 FUNDING FOR THE HUD SECTION 811 PROGRAM  
APRIL 26, 2013**

Chairman Latham, Representative Pastor and members of the Subcommittee, we are pleased to submit the following statement on behalf 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 57 million children and adults with disabilities and their families living in the United States. The CCD Housing Task Force advocates on behalf of the housing needs of people with a variety of disabilities, including developmental disabilities, mental illness, sensory disabilities, physical disabilities, and intellectual disabilities. On behalf of the CCD Housing Task Force, we urge the Subcommittee to reject the President's proposed cut to the Department of Housing and Urban Development (HUD) Section 811 Supportive Housing for Persons with Disabilities program, and to restore program funding to \$165 million for FY 2014.

**FY 2014 Request for the HUD Section 811 Program**

The President's budget proposes a deep cut to the HUD Section 811 Supportive Housing for Persons with Disabilities program for FY 2014. Section 811 is a critical source of funding for permanent supportive housing (PSH) for non-elderly adults with significant disabilities. The budget proposes a \$40 million reduction, dropping funding to \$126.2 million, from its current FY 2013 level of \$165 million; this includes \$106 million needed to renew existing Project-Based Rental Assistance Contracts for FY 2014.

Specifically, only \$20 million is proposed for development of new PSH units under the new and highly cost-effective Section 811 Project-Based Rental Assistance (PRA) Demonstration program. This represents a 76% reduction in the innovative, flexible Section 811 option targeted by Congress to assist states struggling to address the community-based housing needs of the

<b>Section 811 PRA Demonstration Program</b>			
	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014 President's Proposed</b>
<b>Funding</b>	\$98 M*	\$60 M	\$20 M
<b>New Units</b>	3,530	2,000	700
*Includes an \$85 million appropriation plus approximately \$13 million in reallocation of prior years' unobligated funds.			

most vulnerable non-elderly adults with significant disabilities.

### **HUD 811 PRA Demonstration Program – A Record of Enormous Success in FY 2012 and FY 2013**

This proposal is in marked contrast to funding that Congress made available in FY 2012 and FY 2013 for the HUD Section 811 PRA Demonstration program, authorized under the bipartisan Frank Melville Supportive Housing Investment Act of 2010.

The Section 811 PRA Demonstration assists the lowest income people with significant and long-term disabilities to live independently in the community by providing affordable housing linked with voluntary services and supports. The PRA Demonstration provides project-based rental assistance to help state governments systematically and efficiently create integrated and highly cost-effective PSH units within affordable rental housing developments. Section 811 PRA units are projected to cost significantly less than traditional Section 811 units, and will leverage the development of significantly more additional units of PSH each year.

In FY 2012 Congress made \$85 million available for the first year of the Section 811 PRA Demonstration. With a reallocation of unobligated funds from previous years, this amount was boosted to \$98 million. On February 13, HUD and the Department of Health and Human Services – with significant fanfare – jointly announced awards to 13 states to create 3,530 units of new PSH units. A total of 35 states and D.C. applied for these funds – demonstrating the extraordinary demand for new PSH for people currently living in costly institutional settings (i.e. nursing homes, board and care homes, etc.) and people who are chronically homeless.

For FY 2013, the Continuing Resolution recently passed by Congress allocates \$165 million for Section 811 (minus the 5% sequester of approximately \$8.3 million). HUD projects that \$60 million will be available for a FY 2013 competition for new Section 811 PRA units – enough to fund as many as 2,000 new PSH units. Thus, in FY 2012 and FY 2013, the new 811 PRA Demonstration will produce 5,530 new PSH units. By contrast, the “old” 811 capital advance program produced only 948 units of PSH in FY 2010 and FY 2011.

### **Proposed Cut to HUD 811 PRA Demonstration – A Retreat from Community Integration for People with Disabilities and Ending Chronic Homelessness**

Across the nation, states are seeking new strategies to develop integrated housing opportunities that are consistent with the community integration mandates within the Americans with Disabilities Act (ADA). Numerous states have federal *Olmstead*-related lawsuits and settlement agreements which require the creation of thousands of new integrated supportive housing units for people with disabilities who are leaving restrictive settings (i.e. nursing homes, public institutions, etc.), are at risk of institutionalization, or who experience or are at risk of chronic homelessness.

The proposed cut for FY 2014 represents a significant retreat from the highly innovative, cost-effective and flexible Section 811 Demonstration that had been embraced by the Obama Administration as a critical component of strategies to expand integrated PSH opportunities, to assist states comply with *Olmstead*-related cases and to prevent and end chronic homelessness. The HUD 811 PRA Demonstration is an important resource for the federal government to help states meet these obligations and goals.

**The CCD Housing Task Force urges this Subcommittee to reject this proposed cut to housing for people with disabilities and restore program funding to \$165 million for FY 2014.**

Submitted on behalf of the CCD Housing Task Force:

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