
FEDERAL POLICY RECOMMENDATIONS TO ADDRESS THE CRISIS

Federal rental assistance — meaning a subsidy that helps renters pay no more than 30% of their income for housing — is the key to solving the housing crisis that has been documented in *Priced Out* reports over the past 19 years. Unfortunately, because of funding limitations that have grown worse in recent years, federal rental subsidy programs administered by the U.S. Department of Housing and Urban Development (HUD) currently reach only 35 of every 100 extremely low-income (ELI) households; with incomes equal to only 20% of area median income, one-person households receiving Supplemental Security Income (SSI) fall within HUD's ELI category. This shortfall translates into long waiting lists at Public Housing Agencies (PHAs) and affordable housing developments, and a critical shortage of permanent supportive housing (PSH) opportunities for people with significant disabilities who have SSI-level incomes.

A unified advocacy effort by the disability community is needed to support and potentially expand integrated PSH programs along with other rental assistance strategies. Providing housing assistance to people with the most significant and long-term disabilities is not only the right thing to do, but is also more cost-effective than perpetuating the alternatives: costly institutional care, uncontrolled expenses to the health care system, and homelessness.

The disability community must work closely with elected and appointed officials at both the state and federal levels to prioritize and coordinate funding from mainstream affordable housing programs, Medicaid, and other sources for PSH initiatives. For SSI recipients with complex needs, programs that ensure access to primary and behavioral health care and other assistance will be equally essential to support them in successfully maintaining their housing. Collaboration with state and national housing groups advocating for federal policies that better address the needs of ELI households is also critical. The Technical Assistance Collaborative (TAC) and the Consortium for Citizens with Disabilities (CCD) Housing Task Force urge national, state, and local disability organizations to work with their counterparts to protect affordable housing programs and expand funding wherever possible. Collaborations such as the Campaign for Housing and Community Development Funding, A Call To Invest In Our Neighborhoods (ACTION), and the Preservation Working Group are only a few of the important national campaigns worthy of support from disability groups. Many successful state campaigns are being led by statewide coalitions.¹⁹

TAC and the CCD Housing Task Force urge the disability community to take action on the following policy recommendations.

Fully Fund the Housing Choice Voucher Program and Expand Mainstream Vouchers

Permanent rental subsidies are the model solution to the ELI housing crisis. In *Housing America's Future*, the Bipartisan Policy Center recommends that "federal rental assistance be made available to all eligible households with incomes at or below 30% of area median income who apply for such assistance."²⁰ The fiscal year 2017 federal budget provided funds for new vouchers including \$10 million for "mainstream" vouchers for ELI people with disabilities; this is the first expansion of mainstream vouchers since Non-

¹⁹ National Low Income Housing Coalition State Partners: <http://nlihc.org/partners/state>

²⁰ Bipartisan Policy Center Housing Commission (2013). *Housing America's future: New directions for national policy*. (February 2013.) <http://bipartisanpolicy.org/library/housing-americas-future-new-directions-national-policy/>

elderly Disabled (NED) vouchers were expanded in 2009. The disability community is very appreciative of congressional support for this important program.

According to the Center on Budget and Policy Priorities, housing vouchers help 5.3 million people in 2.2 million households to afford decent housing in the private market; of these, 1 million or 20% are adults with disabilities and 350,000 or 7% are adults with disabilities who have children.²¹ In recent years, securing full funding from Congress for the Housing Choice Voucher (HCV) program has been challenging.

Nationally, high demand has caused rents to increase annually. HCV utilization is very high, leaving little “wiggle room” in PHA budgets. Finally, additional funding will be required in fiscal year 2018 to renew some 35,000 vouchers initially issued as tenant protection vouchers or through the Rental Assistance Demonstration program.



TAC and the CCD Housing Task Force urge Congress to provide sufficient funding for all vouchers that are currently issued or leased. TAC and the CCD Housing Task Force further urge the Administration and Congress to support continued annual increases in funding for the Housing Choice Voucher program, including new NED vouchers targeted to non-elderly people with disabilities.

Fund the Section 811 Project Rental Assistance Program in All 50 States

The Section 811 Project Rental Assistance (PRA) program facilitates the creation of cost-effective, integrated supportive housing units for extremely low-income, non-elderly people with disabilities. HUD awards project-based rental assistance to state housing agencies that develop partnerships with their state’s human services and Medicaid agencies. These funds ensure that eligible tenants with disabilities pay no more than 30% of their adjusted income for housing costs. The program provides rental assistance, but states must also leverage capital funds from other public and private sources. By requiring that no more than a quarter of the units in any PRA-funded property be targeted to people with disabilities, the program ensures consistency with the Americans with Disabilities Act integration mandate and the *Olmstead* decision. This program is a cost-effective and efficient model for which HUD has held two rounds of funding since its inception. Through these funding rounds, the program has awarded \$236 million to 28 states for the development of more than 6,500 units. All but seven of the 50 states applied in one or both of these Section 811 PRA funding rounds, a high response rate that underscores the need for permanent supportive housing across the nation as well as interest in this housing model.



TAC and the CCD Housing Task Force call on Congress to provide sufficient funding to make robust 811 PRA programs available in each of the 50 states, both by funding states that have not received awards and by helping states that are seeking to expand their programs.

Expand Housing Opportunities for SSI Recipients through the National Housing Trust Fund

The National Housing Trust Fund (NHTF) was authorized by Congress in 2008 as the first permanent federal housing program targeted to ELI households that is not subject to annual discretionary appropriations. The NHTF provides communities with funds to build, preserve, and rehabilitate rental homes that are affordable for ELI and very low-income households. At least 90% of the funding must be used for the production, preservation, rehabilitation, or operation of rental housing, and at least 75% of the funding

²¹ Sard, B. (2017). Housing vouchers work: Helping vulnerable people afford decent, stable housing. Center on Budget & Policy Priorities “Off the Charts” blog post, <https://www.cbpp.org/blog/housing-vouchers-work-helping-vulnerable-people-afford-decent-stable-housing>

must benefit ELI households. Thanks to this income targeting requirement, the NHTF could substantially benefit people with disabilities who rely on SSI payments.

States received their first NHTF allocations in 2016 and 2017; combined, states received nearly \$400 million for the two years. For a variety of reasons, many states are using the program to develop supportive housing and housing targeted to people who are homeless. The National Low Income Housing Coalition's survey of state NHTF allocation plans found that 37 states target their funds to projects serving people who are homeless or who have a disability.²² The report found that 16 states used the term "supportive housing" to describe priority projects for NHTF funding.



TAC and the CCD Housing Task Force urge disability organizations to continue advocating at the state level for the use of NHTF funds to create housing for people with disabilities. TAC and the CCD Housing Task Force also encourage advocates to work with state and national housing organizations to protect this relatively new funding source from congressional attacks and from the indirect impacts of changes in Fannie Mae or Freddie Mac operations, as NHTF funds are generated through these agencies.

Fund Federal Programs that Advance the National Goals and Strategies to End Homelessness

By calling for an end to homelessness among veterans, families, youth, and people experiencing chronic homelessness, the U.S. Interagency Council on Homelessness (USICH) and its federal partners have stimulated robust efforts in many communities. An end to homelessness means that every community will have a comprehensive response in place to prevent homelessness whenever possible, and to ensure that when it cannot be prevented, homelessness is rare, brief, and non-recurring.

The Continuum of Care (CoC) and Emergency Solutions Grant (ESG) programs are the federal government's primary response to homelessness, and funding them is critically important to ending homelessness throughout the country. For over 20 years, HUD has funded proven solutions through the competitive CoC program, with additional resources matched and leveraged by communities. These solutions include cost-effective PSH for people experiencing chronic homelessness, as well as diversion, prevention, crisis housing, and rapid re-housing programs through the ESG block grant program.

According to the National Alliance to End Homelessness, between 2014 and 2015 homelessness decreased by two percent overall, with decreases among every major subpopulation including chronically homeless individuals with disabilities.²³ The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act has certainly contributed to this decline in homelessness by funding both short-term assistance such as security deposits and longer-term supports such as permanent supportive housing, depending on the needs of each homeless individual or family.



TAC and the CCD Housing Task Force encourage advocates to continue to seek annual increases in funding for new permanent supportive housing through the CoC program. Advocacy and support from federal and local leaders is absolutely necessary to achieve the ambitious goals adopted by the USICH, its federal partners, and communities committed to ending homelessness.

²² Gramlich, E. (2017). Housing the lowest income people: An analysis of National Housing Trust Fund draft allocation plans. National Low Income Housing Coalition. http://nlihc.org/sites/default/files/NHTF_Allocation-Report_2017.pdf

²³ National Alliance to End Homelessness (2016). The state of homelessness in America. <https://endhomelessness.org/homelessness-in-america/homelessness-statistics/>

Ensure that Disaster Rebuilding Improves the Lives of People with Disabilities

Recovery from disasters such as recent hurricanes in Texas, Florida, U.S. Virgin Islands, and Puerto Rico is more difficult for people with disabilities. However, Louisiana's Hurricane Katrina experience demonstrates that planning and advocacy can improve the post-disaster response so that the resulting, rebuilt environment better meets the community living needs and preferences of extremely low-income people with disabilities — including those experiencing or at risk of homelessness or institutionalization. Louisiana's 3,000-unit PSH program, modeled on a similar program created in North Carolina, was a critical part of the state's Road Home recovery plan following hurricanes Katrina and Rita in 2005. Through state-level policy and partnerships that systematically offer access to a pipeline of integrated affordable housing units, along with local infrastructure for outreach and service coordination, Louisiana has created an innovative and replicable PSH approach that is sustainable with mainstream affordable housing and services funding.^{24,25}



TAC and the CCD Housing Task Force strongly encourage states to incorporate policies like Louisiana's so that permanent supportive housing is developed as part of any disaster recovery rebuilding.

Remain Vigilant in Affirmatively Furthering Fair Housing

Apart from the provision of affordable housing resources, one of the most important ways HUD can help people with disabilities is through enforcement of fair housing laws. These laws help make housing and the lived environment more usable by people with physical disabilities, and prevent discrimination against people with visible and invisible disabilities in accessing and living in housing. The National Fair Housing Alliance found that in 2017, 55% of fair housing complaints across the country involved discrimination on the basis of disability.²⁶



TAC and the CCD Housing Task Force urge HUD to remain vigilant, fully investigating complaints, fully funding the Fair Housing Initiatives Program and the Fair Housing Assistance Program to continue addressing discrimination locally, and fully implementing Affirmatively Further Fair Housing regulations. This includes ensuring that state and local entities have access to the disability-related information necessary to conduct a complete analysis of fair housing issues in their jurisdictions.

Support Diversion and Reentry of People with Disabilities from Jails and Prisons

Incarceration, homelessness, having a significant disability, and poverty are mutual risk factors. Recent studies have demonstrated that people with disabilities, particularly those who are homeless, are disproportionately represented in prisons and jails across the country.²⁷ The Urban Institute found that people with serious mental illness are not only overrepresented in the criminal justice system but are costly to serve, putting a strain on a system ill-equipped to meet their needs.²⁸ This complex issue cries out for policies and practices that divert people from incarceration. Changes are also needed to help those who leave jails and prisons to transition back to their communities.

²⁴ Technical Assistance Collaborative (2012). Taking integrated permanent supportive housing (PSH) to scale: The Louisiana PSH program. <http://www.tacinc.org/media/10896/Louisiana%20Brief.pdf>.

²⁵ Clary, M. and Kartika, T. Braiding Funds to house complex Medicaid beneficiaries: Key policy lessons from Louisiana. National Academy for State Health Policy. <http://www.nashp.org/braiding-funds-to-house-complex-medicaid-beneficiaries-key-policy-lessons-from-louisiana/>

²⁶ National Fair Housing Alliance (2017). The case for fair housing: 2017 fair housing trends report. <http://nationalfairhousing.org/2017-fair-housing-trends-report/>

²⁷ Greenberg G. & Rosenheck, R. (2008). Jail incarceration, homelessness, and mental health: A national study. *Psychiatric Services* 59(2):170-177. <https://www.ncbi.nlm.nih.gov/pubmed/18245159>

²⁸ Kim, K., et al. (2015). The processing and treatment of mentally ill persons in the criminal justice system: A scan of practice and background analysis. <https://www.urban.org/sites/default/files/publication/48981/2000173-The-Processing-and-Treatment-of-Mentally-Ill-Persons-in-the-Criminal-Justice-System.pdf>



TAC and the CCD Housing Task Force support the Second Chance at Housing Act that will help people with criminal histories to access federally assisted housing. TAC and the CCD Housing Task Force also urge HUD to continue educating rental property owners and managers on its April 4, 2016 guidance regarding the use of criminal records in housing, and to enforce this important guidance.²⁹

Promote Medicaid Support for Housing-Related Services

Access to housing with support services has a positive impact on the health of many people with disabilities, reducing their need for costly care and contributing to savings for the system. While Medicaid does not pay for housing costs such as rent, the Centers for Medicare and Medicaid Services (CMS) has provided guidance encouraging state Medicaid programs to develop services and policies that can help people with disabilities to access and retain affordable housing. A June 26, 2015 CMS Informational Bulletin explains that Medicaid can cover three types of housing-related services:

- *Individual Housing Transition Services* such as assisting with the housing application process, arranging a move, or developing an individualized housing plan.
- *Individual Housing and Tenancy Sustaining Services* such as education on tenant responsibilities or helping tenants address any tenancy issues. These services are made available to support individuals in maintaining tenancy once housing is secured.
- *State-level Housing-Related Collaborative Activities* such as developing formal and informal agreements and working relationships among state and local housing and community development agencies to facilitate access to existing and new housing resources.³⁰

Medicaid funding for these housing-related activities will facilitate the development of permanent supportive housing opportunities for ELI people with disabilities, helping states to comply with *Olmstead* requirements as well the CMS "Settings Rule" and achieving cost savings by ending or preventing homelessness and institutionalization.



TAC and the CCD Housing Task Force urge CMS to promote housing-related services in order to support states' continued efforts to rebalance Medicaid spending from institutions to the community.

Employment Can Help to Close the Gap

States should prioritize employment supports and job development for ELI people with disabilities. Increasing ELI households' income can help to close the affordability gap and, by minimizing the amount of rental assistance needed to help people afford housing, stretch limited rental resources. The Department of Labor reports that in October 2017, 68.3% of non-disabled people aged 16 and over were employed, as compared to only 21% of people with disabilities in the same age group.³¹ Yet most people with disabilities would prefer to work. For example, the Bazelon Center reports that "Studies have typically found that approximately two-thirds of people with serious mental illness express interest in working."³² In *Road to*

²⁹ U.S. Department of Housing and Urban Development (2016). Office of General Counsel guidance on application of Fair Housing Act standards to the use of criminal records by providers of housing and real estate-related transactions. https://www.hud.gov/sites/documents/HUD_OGCGUIDAP-PFHASTANDCR.PDF

³⁰ Centers for Medicare and Medicaid Services (2015). CMCS Informational Bulletin: "Coverage of housing-related activities and services for individuals with disabilities." <https://www.medicaid.gov/federal-policy-guidance/downloads/CIB-06-26-2015.pdf>

³¹ U.S. Department of Labor Office of Disability Employment Policy website. Retrieved on 11/13/17 from <https://www.dol.gov/odep/>

³² Judge David L. Bazelon Center for Mental Health Law (2014). Getting to work: Promoting employment of people with mental illness. <http://www.bazelon.org/wp-content/uploads/2017/01/Getting-to-Work.pdf>

Recovery, the National Alliance on Mental Illness found that “studies show that most adults with mental illness want to work and . . . can succeed with appropriate supports.”³³

In recent years, the Department of Justice has made findings that segregated employment of people with disabilities — such as in sheltered workshops — is a violation of the Americans with Disabilities Act. In a 2016 statement, the Department provides an example of a competitive integrated employment setting as “work on a full- or part-time basis, at minimum wage or above, at a location where the employee interacts with individuals without disabilities and has access to the same opportunities for benefits and advancement provided to non-disabled workers.”³⁴

Recent federal legislation such as the Workforce Innovation and Opportunity Act (WIOA) and the ABLE Act offer a potential path to employment for some people with disabilities, including those who are homeless. A WIOA advisory committee has issued capacity-building recommendations for workplaces.³⁵

According to the ABLE National Resource Center, there are now nearly 15,000 individuals with disabilities nationwide who have opened ABLE accounts.³⁶ These special tax-advantaged savings/investment accounts allow qualified individuals with disabilities the opportunity to save for disability-related expenses without jeopardizing their eligibility for many public benefits. Individuals may spend funds from an ABLE account on a variety of purposes, including housing, transportation, education, and employment training and support. The Housing Opportunity through Modernization Act of 2016 (HOTMA) established new income and family asset definitions in HUD programs such as public housing and the Section 8 Housing Choice Voucher program. HUD has not yet issued regulations to implement the new income and asset provisions under HOTMA.



TAC and the CCD Housing Task Force urge HUD in its proposed rules to specify that ABLE account funds be disregarded — as required by statute — when determining eligibility for HOTMA benefits. TAC and the CCD Housing Task Force further encourage HUD to actively participate in cross-agency work with the Department of Labor’s Office of Disability Employment Policy to ensure that HUD policies promote employment for people with disabilities.

³³ Diehl, S. et al. (2014). *Road to recovery: Employment and mental illness*. National Alliance on Mental Illness. <https://www.nami.org/About-NAMI/Publications-Reports/Public-Policy-Reports/RoadtoRecovery.pdf>

³⁴ U.S. Department of Justice Civil Rights Division (2016). Statement on the application of *Olmstead* to state and local governments’ employment service systems for individuals with disabilities. https://www.ada.gov/olmstead/olmstead_guidance_employment.htm

³⁵ Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities (2016). Final report. <https://www.dol.gov/odep/topics/WIOA.htm>

³⁶ ABLE National Resource Center. Medicaid and ABLE: A look at the recently released CMS guidance. Updated 11/9/17. <http://www.ablenrc.org/events/medicaid-and-able-look-recently-released-cms-guidance>