## Congress of the United States Washington, DC 20515

March 14, 2016

The Honorable Hal Rogers Chairman U.S. House of Representatives Committee on Appropriations H-305, The Capitol Washington D.C. 20515

The Honorable Mario Diaz-Ballart Chairman U.S. House of Representatives Committee on Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies 2358-A Rayburn House Office Building, Washington D.C. 20515 The Honorable Nita Lowey Ranking Member U.S. House of Representatives Committee on Appropriations 1016 Longworth House Office Building Washington D.C. 20515

The Honorable David Price
Ranking Member
U.S. House of Representatives
Committee on Appropriations
Appropriations Subcommittee on
Transportation, Housing and Urban
Development and Related Agencies
2108 Rayburn Building, Washington, DC
20515

Chairman Rogers, Ranking Member Lowey, Chairman Diaz-Ballart, and Ranking Member Price:

Federal housing assistance is essential for providing safe, decent and affordable housing for our nation's most vulnerable populations, including the elderly and persons with disabilities. With an aging population, and many communities still struggling to recover from the housing crisis, our federal housing assistance programs should be a top priority in the fiscal year (FY) 2017 appropriations bill. As you consider the FY17 Transportation, Housing and Urban Development, and Related Agencies (THUD) appropriations bill, we urge you to stand behind our most vulnerable populations in advocating for funding that is necessary for public housing, Tenant-and Project-Based Section 8, Section 202, and Section 811.

Since the 1930s, the public housing program has served an indispensable role on the continuum of affordable housing. This program provides housing assistance for 1.1 million households, approximately half of whom are elderly and persons with disabilities. However, our nation's public housing stock continues to deteriorate as public housing agencies (PHAs) struggle with chronic underfunding. Each year that Congress fails to adequately fund public housing, the cost of preserving the existing stock grows, and thousands of families suffer due to deteriorating living conditions and loss of housing units. According to a 2011 report from HUD, the backlog of capital needs for public housing is \$26 billion and growing. This growing backlog contributes to the demolition or sale of approximately 10,000 units of public housing annually, adding up to

over 120,000 units lost since 2000. Instead of continuing down this unsustainable path, Congress should partner with the Administration to renew its commitment to preserving public housing.

Similar to the public housing program, the Section 8 Tenant-Based and Project-Based Rental Assistance (TBRA and PBRA) programs provide much needed housing assistance to a total of 3.6 million low-income households, over half of whom are elderly or persons with disabilities. The TBRA and PBRA programs also help provide greater housing choice for these households by providing subsidies for them to afford housing in the private market.

The Administration included an ill-advised proposal in its FY17 budget request that would increase the threshold for the deduction of medical and related care expenses from 3 to 10 percent of family income, which would have the effect of raising rents on thousands of elderly and disabled households. Moreover, the Administration does not include any hardship exemption to protect those residents who are simply unable to afford such rent increases. We urge you not to include this proposal from the Administration's request in the FY17 appropriations bill, especially given that a much more responsible approach to income determinations was included in a recent House-passed authorizing bill crafted by the Financial Services Committee.

## For these reasons, we request that you:

- Appropriate \$5.302 billion for the Public Housing Operating Fund, which reflects 100 percent of the program's estimated annual operating costs and the exclusion of the projected cost savings associated with the medical expense proposal;
- Appropriate at least \$5 billion for the Public Housing Capital Fund, which would cover the estimated annual maintenance needs of the public housing stock plus additional funding to address a portion of the backlog of capital repairs;
- Appropriate \$20.884 billion for the TBRA program and \$10.901 billion in PBRA funds, which reflects contract renewal needs in the PBRA program, 100 percent of agencies' renewal costs in the TBRA program, a significant increase in Administrative Fees, and the exclusion of the projected cost savings associated with the medical expense proposal.

Finally, Sections 202 and 811 are the only programs that exclusively provide housing assistance for the elderly and persons with disabilities. The existing housing stock is unprepared to meet the escalating need for affordability, accessibility, social connectivity, and supportive services that these populations require. Today, a third of adults aged 50 and over—including 37 percent of those aged 80 and over—pay more than 30 percent of their income for housing. Further, there have been no new 202 or 811 units developed in several years, despite the overwhelming needs for deeply affordable housing for these populations. Therefore, we request that you provide \$530 million for Section 202 and \$179 million for Section 811, which would fully fund contract renewals as well as provide an additional \$25 million in each program account to create new units of deeply affordable housing for the elderly and persons with disabilities.

Thank you in advance for your consideration of these requests. Please contact Theresa Dumais with Ranking Member Waters at extension 5-4247 or Jennifer Shapiro with Representative Cleaver at 5-4535 with any questions about this letter.

Sincerely,

**Maxine Waters** 

Ranking Member

House Financial Services Committee

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Ranking Member

House Financial Services Committee Subcommittee on Housing and

Insurance

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