Congress of the United States

Washington, DC 20510

May 1, 2024

The Honorable Tom Cole Chairman Committee on Appropriations U.S. House of Representatives Washington, D.C. 20515

The Honorable Steve Womack Chairman Committee on Appropriations Subcommittee on Homeland Security U.S. House of Representatives Washington, D.C. 20515 The Honorable Rosa L. DeLauro Ranking Member Committee on Appropriations U.S. House of Representatives Washington, D.C. 20515

The Honorable Henry Cuellar Ranking Member Committee on Appropriations Subcommittee on Homeland Security U.S. House of Representatives Washington, D.C. 20515

Dear Chairman Cole, Member DeLauro, Chairman Womack, and Ranking Member Cuellar:

As you consider the fiscal year (FY) 2025 Transportation, Housing and Urban Development, and Related Agencies (THUD) appropriations bill, I respectfully request that you include changes to a legacy general appropriations provision that limits certain college students from accessing critical housing assistance and supports, perhaps unintentionally, since FY 2006. While the language was initially intended to prohibit paid student athletes from taking advantage of housing assistance needed to serve the lowest income households, the existing language is inadvertently locking low-income students who are experiencing homelessness out of stable housing opportunities.

Our nation's worsening affordable housing and homelessness crisis is affecting millions across the country, including a growing population of college students who are often forced to choose between taking on more student loan debt to pay for housing during their college years or falling into homelessness. The first-ever federal data on post-secondary students experiencing homelessness and food insecurity was conducted in 2019 and 2020 and found that more than 1.5 million college students in America are experiencing homelessness. In the State of California alone, 1 in 5 community college students, 1 in 10 California State University students, and 1 in 20 University of California students are experiencing homelessness. Students experiencing homelessness and housing instability are more likely to be students of color and students from low-income backgrounds.

¹ National Low Income Housing Coalition, <u>HUD Issues Final Section 8 Regulations Counting Non-tuition Stipends as Income</u> (Jan. 6, 2006).

² National Center for Education Statistics, <u>2019-20 National Postsecondary Student Aid Study (NPSAS:20)</u> (Aug. 2023).

³ UCLA, State of Crisis Dismantling Student Homelessness in California (2020).

⁴ *Id*.

Currently, 45 million people owe \$1.75 trillion in cumulative private and federal student loan debt with the average borrower holding nearly \$30,000 in student debt.⁵ As the costs of post-secondary education continue to increase, the increased cost of living, including housing, is presenting greater barriers to educational attainment for college students.⁶ Like homeownership, education is also part of the American Dream that serves as a tool for socioeconomic mobility. When low-income students are disproportionately unable to meet one of their most basic needs like stable and affordable housing, it creates barriers to educational attainment and future employment opportunities that can set them up on a more stable path toward financial stability.

In 2004, college athletes received high-profile media attention for receiving housing stipends in addition to their sports scholarships while paying little or no rent through the Section 8 Housing Choice Voucher (HCV) program. In order to fix this loophole, Congress turned to the FY 2006 Appropriations bill and inserted Section 210 as a general provision, which limits college student eligibility for HCV assistance, and has been carried over in appropriations bills ever since with some modifications.

In accordance with the latest FY24 appropriations law and HUD regulations, the term "financial assistance" for the purposes of determining students' income eligibility for HCVs includes forms of assistance that disproportionately help the lowest income students and students of color. This includes Pell Grants, Federal Supplement Educational Opportunity Grants (FSEOG), Academic Achievement Incentive Scholarships, State Assistance under the Leveraging Educational Assistance Partnership Program (LEAP), the Robert G. Byrd Honors Scholarship Program, and Federal Work Study programs, as designated under the Higher Education Act of 1965.

As we work to solve the homelessness crisis, we must consider the distinctive needs and disparities that exist within the homeless population. Stable, fair, and affordable housing is central to ensuring that low-income students can succeed in their college journey and federal policy must not stand in the way. Accordingly, I respectfully request that you include the following language as a general provision in the FY25 appropriations bill (amended based on general provision Sec. 210 of Division F, Title II of PL 118-42):

- "SEC. 210. (a) No assistance shall be provided under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) to any individual who—
- (1) is enrolled as a student at an institution of higher education (as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002));
- (2) is under 24 years of age;
- (3) is not a veteran;
- (4) is unmarried:
- (5) does not have a dependent child;
- (6) is not a person with disabilities, as such term is defined in section 3(b)(3)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)(E)) and was not receiving assistance under such section 8 as of November 30, 2005;
- (7) is not a youth who left foster care at age 14 or older and is at risk of becoming homeless; and
- (8) is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible, to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

⁵ Forbes, <u>2024 Student Loan Debt Statistics: Average Student Loan Debt</u> (Apr. 18, 2024).

⁶ Bipartisan Policy Center, *Housing Insecurity and Homelessness Among College Students* (Aug. 15, 2023).

⁷ NPR, <u>HUD Loophole Aids College Athletes</u> (Jul. 23, 2004).

⁸ The Department of Housing and Urban Development (HUD), <u>Eligibility of Independent Students for Assisted Housing Under Section 8 of the U.S.</u> <u>Housing Act of 1937</u>; <u>Additional Supplementary Guidance</u> (Dec. 6, 2006); <u>See also National Center for Education Statistics, Percentage of full-time, full-year undergraduates receiving financial aid, and average annual amount received, by type and source of aid and selected student characteristics: <u>Selected academic years, 1999-2000 through 2015-2016</u> (Accessed on Apr. 28, 2024).</u>

(b) For purposes of determining the eligibility of a person to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), any need-based financial assistance (in excess of amounts received for tuition and any other required fees and charges) that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or from an institution of higher education (as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)) shall not be considered income to that individual, except for a person over the age of 23 with dependent children."

Thank you in advance for your consideration of this request. Please contact Alia Fierro with Ranking Member Waters at Alia.Fierro@mail.house.gov with any questions about this letter.

Sincerely,

Maxine Waters

Ranking Member, Committee on

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Financial Services