



national policy and advocacy council on homelessness

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## **NPACH Recommendations on FY2006 HUD Appropriations Bill**

### **-Rental Assistance and Housing Production-**

**Fully fund all housing choice vouchers currently in use, provide additional funding for 150,000 new incremental vouchers, and reject statutory changes that would block grant the Section 8 program or remove the requirement that housing authorities target 75% of vouchers to extremely low income households.** Housing vouchers are the largest source of federal housing assistance for low wage earners and people on limited fixed incomes and form a central element in any effective strategy to prevent and end homelessness. The federal voucher program is especially important given the tightening housing squeeze on low-income families at risk of homelessness.

**Fully Fund Section 811 Supportive Housing for Persons with Disabilities** This program, which serves as an important housing and support services resource for people with disabilities, provides funds to acquire, rehabilitate, construct new housing, and subsidize rents. Since 1992 the program has been cut by more than \$100 million and a significant increase is needed to provide much needed immediate housing and support services as well as to help prevent homelessness. The President's FY 2006 request would cut the program by nearly 50% from its current level of \$238 million.

**\$385 million for Housing Opportunities for Persons with Aids (HOPWA)** People living with HIV/AIDS are at great risk of homelessness, and lack of stable housing presents tremendous barriers to adequate health care. The HOPWA program funds comprehensive, community-based HIV-specific housing and helps provide localities with the resources to create appropriate housing strategies (transitional housing, rental assistance, or community residences) for people with HIV/AIDS.

**Expand Funding for Rural Housing and Economic Development, public housing operating costs, HOME and CDBG-** Expansion of these programs will help address the affordable housing crisis in our nation by providing communities with more resources to ensure greater housing opportunities for low-income households and to prevent homelessness. The President's FY 2006 request proposes to eliminate RHED and enact deep cuts to CDBG.

**Include Report Language Supporting Increases in Housing Production-** As a national organization committed to the goal of ending and preventing homelessness we recognize the centrality of affordable housing in that pursuit. Accordingly, we ask the Subcommittee to include report language recognizing the nation's severe housing crisis and its resultant homelessness and to support the creation of a housing production program targeted to extremely low-income households with priority to those earning minimum wage and below.

## **-Homeless Assistance Grants Program-**

**Increase funding for HUD McKinney-Vento-** The majority of federal homeless assistance dollars are administered by HUD through the McKinney-Vento Homeless Assistance Act, which provides access to emergency shelter, transitional and permanent housing, and support services. According to the U.S. Conference of Mayors' annual survey, homelessness continued to increase in 2004 and close to one-third of families seeking shelter were turned away for lack of room. In fact, in the last round, fifty-one Continuums of Care went unfunded and 37% of all requests for new program funding was denied, leaving those communities to scramble for resources to meet the shortfall services. At the same time, the demand for emergency services is likely to increase with some communities reporting dramatic surges in homelessness, particularly among families and children. As the gap between wages, income, and the cost of housing – already at an all-time high – continues to grow, more people are likely to experience homelessness and need emergency assistance. We urge the committee to support funding of the McKinney-Vento Homeless Assistance Grants account at minimum at the \$1.44 billion level requested by the President for FY 2006.

**Remove the permanent housing set-aside requirement in HUD McKinney-Vento.** Recent appropriation acts have contained provisions that require HUD to reserve at least 30 percent of limited homeless assistance funds for permanent supportive housing. As a result, local Continuums of Care are being forced to ignore the full range of shelter, housing and services needs in order to conform to this mandate. The permanent housing set-aside has resulted in communities being prevented from accessing critically needed funds to provide emergency assistance, support services, and transitional housing, especially for families and children. While permanent housing remains an important allowable activity within HUD McKinney-Vento program, it should not be given priority over all other allowable activities.

**Include Report Language Instructing HUD to Protect Supportive Services in HUD McKinney-Vento.** In recent rounds HUD has funded fewer services and more housing activities, offering that this policy would be accompanied by increased funding for these same services from other agencies, including HHS, DOL, and VA. However, homeless service providers have not been able to access funding from these agencies. If no such funding exists, the committee should instruct HUD to cease pursuing policies that discourage supportive services until the Department can demonstrate that homeless service providers are obtaining comparable funding from other agencies.