



**CONSORTIUM FOR CITIZENS  
WITH DISABILITIES**

**Administration's Section 8 Voucher Proposal Closes the Door on People with Disabilities**

Legislation developed by the U.S. Department of Housing and Urban Development (HUD) has been introduced in Congress. The State and Local Housing Flexibility Act of 2005" (S. 771) would end the existing Section 8 Housing Choice Voucher program and replace it with a new Flexible Voucher Program. The provisions of the Flexible Voucher Program would be disastrous for people with disabilities – and particularly to those who rely on Supplemental Security Income (SSI) benefits. Similar to previous unsuccessful HUD proposals made in 2003 and 2004, the Flexible Voucher Program would undermine critically important federal housing policies that benefit people with disabilities. It would also eliminate valuable civil rights and fair housing protections that help people with disabilities access federal housing programs.

The Consortium for Citizens with Disabilities (CCD)\* and the Technical Assistance Collaborative Inc. (TAC) are strongly opposed to S. 771 which would re-direct vouchers desperately needed by extremely low income households to higher income households. The Flexible Voucher Program would assist households with incomes as high as 60-80 percent of median income and who already benefit from many other federal housing programs. This change would leave people with disabilities with extremely low incomes behind -- particularly those who rely on SSI payments equal to only 18 percent of area median income. The current Section 8 Housing Choice Voucher program is the only program remaining in the "safety net" of federal housing programs for people with the most severe disabilities who must survive on a monthly income of \$600 per month or less.

In June, the CCD Housing Task Force and TAC will release an important study, which documents --without question -- that by far people with disabilities are those most in need of federal housing assistance. This study, *Priced Out in 2003-2004*, will show that people with disabilities are three times more likely to have extremely low incomes than non-disabled households. This study also documents that the average rent for a modest apartment in 2004 cost more than the entire monthly income of a person with disabilities receiving SSI. By eliminating rules that benefit these and other extremely low income households, the proponents of the Flexible Voucher Program are sending a very clear message that the needs of the poorest and most vulnerable people in our society should no longer be a priority in our nation's housing policy.

**Flexible Voucher Proposal Would Seriously Harm People with Disabilities**

CCD strongly believes that this proposed legislation would completely erode federal housing assistance for the poorest people with disabilities. It would also promote discrimination against

people with disabilities. The legislation – combined with HUD’s FY 2006 budget proposal to eliminate the production of housing for people with disabilities under the Section 811 Supportive Housing for Persons with Disabilities Program – would totally undermine stated Administration disability policy goals to promote community integration through the New Freedom Initiative and to end chronic homelessness by 2012.

The Administration’s Flexible Voucher proposal would cause serious harm to people with disabilities in the following ways:

- The proposal would eliminate all targeting to the lowest income households at or below 30 percent of median income. Thus it would severely curtail access to vouchers by people with disabilities receiving SSI. The extremely low income targeting in the current Section 8 voucher program has helped hundreds of thousands of people with disabilities to live in the community.
- Eligibility for vouchers would be expanded to higher income households. Households with incomes as high as 80 percent of median income could receive Flexible Vouchers. These higher income households are already the primary beneficiaries of many other federal housing programs including the HOME program and the federal Low Income Housing Tax Credit program.
- Public Housing Agencies (PHAs) would be permitted to use the funding exclusively for homeownership for higher income households – closing the doors on many people with disabilities who need rental housing.
- People with disabilities could be required to pay much higher rents than they can afford. Current rules limiting tenant rents to 30-40 percent of income would be eliminated.
- In direct opposition to federal fair housing laws and the Americans with Disabilities Act, PHAs would be permitted to adopt tenant selection policies that would have the affect of excluding some disability sub-populations in favor of others. These preferences would also have the potential to create highly segregated housing – a practice, which perpetuates stigma and housing discrimination.
- Rules requiring PHAs to permit voucher holders to move to other localities would be eliminated.
- CCD recognizes that S 771 exempts people with disabilities from arbitrary time limits on the duration of rental assistance under the flexible voucher program. Unfortunately, this policy exempting people with disabilities is undermined by other provisions in this legislation that will allow housing agencies unfettered discretion to increase rent contributions for voucher holders with disabilities.
- Congress would no longer have the authority - as it has for the past seven years – to target Section 8 vouchers for people with disabilities who have lost housing due to elderly-only policies. Over 50,000 people with currently funded disability vouchers would be at-risk.
- The Flexible Voucher Program legislation eliminates extremely valuable civil rights protections for people with disabilities.

### **New Study Provides Compelling Evidence of Disproportionate Harm to People with Disabilities**

TAC and the CCD Housing Task Force have just completed a new study, which clearly documents that people with disabilities disproportionately would be adversely affected if the Flexible Voucher Program becomes law. This study – *Priced Out in 2003-2004* – for the first

time uses both American Community Survey data<sup>1</sup> and SSI data<sup>2</sup> to document the urgent housing affordability housing crisis faced by people with disabilities in our nation. The study provides compelling evidence of the high priority housing needs of people with disabilities – evidence which directly and starkly rebuts the policy direction being proposed by proponents of the Flexible Voucher Program.

Specifically, *Priced Out in 2003-2004* documents that:

- People with disabilities are much more likely to have extremely low incomes than non-disabled households and are therefore greatly over-represented in the extremely low income category. Specifically, people with disabilities between the ages of 21-64 are almost three times more likely to have incomes at or below 30 percent of area median income than households without disabilities;
- In 2003, one person households with disabilities between the ages of 21-64 were 3½ times more likely than one person households without disabilities to have extremely low incomes;
- According to ACS data, 50.9 percent of all non-elderly single person households with disabilities in the United States have extremely low incomes as compared to 14.9 percent of non-disabled households in the same age group;
- The approximately 4 million extremely low-income non-elderly people with disabilities living on SSI have incomes well below 30 percent of median. Preliminary *Priced Out in 2004* national data indicates that SSI payments in 2004 equaled only 17 percent of median as a national average – well below the 30 percent of median income ceiling for extremely low income households;<sup>3</sup>
- Preliminary *Priced Out in 2004* national data also shows that average monthly rents for modest rental housing were still higher than monthly SSI payments in 2004. This data means that people with disabilities are still completely priced out of the nation’s rental housing supply unless they can obtain subsidized housing through programs like the Section 8 Housing Choice Voucher.

According to recent SSI Annual Statistics, only 9 percent of non-institutionalized people receiving SSI receive housing assistance. The current Section 8 program represents a potential “lifeline” for people with disabilities who rely on SSI, as well as other low income people with disabilities who simply cannot afford the cost of rental housing. Without vouchers, they remain in institutions, are forced into seriously substandard housing or congregate board and care type facilities, or into homelessness. Section 8 vouchers are also needed by people with disabilities who are no longer eligible to move in to public housing. Over 500,000 units of HUD public and

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<sup>1</sup> The American Community Survey uses the United States Census definition of disability which in 2003 covered an estimated 19.8 million households. The Social Security Administration uses a more restrictive definition of disability for the purposes of determining eligibility for the federal Supplemental Security Income (SSI) program. Approximately 4 million non-elderly people with disabilities currently receive SSI payments.

<sup>3</sup> State by state *Priced Out 2004* data will not be available until the Social Security Administration publishes all state SSI payment levels for that year for both federal and state administered SSI supplements. Unfortunately, publication of that important data has been delayed.

assisted housing now have “elderly only” policies, and more units are converted to “elderly only” every day.

### **HUD’s Flawed Rationale**

For the past two years, HUD officials have repeatedly stated that a new and more flexible voucher program controlled by local housing officials would be more “effective and cost-efficient”. The disability community knows better than to believe this rationale for reducing the federal government’s role in providing housing assistance to those most in need. The question which HUD and others who support this proposal must answer is “effective and cost-efficient for who?” Eliminating the Section 8 voucher program’s income targeting policies which now benefit extremely low income households means that Public Housing Agencies would have absolutely no incentive or obligation to assist these households in the future.

Pressure on PHA voucher budgets – a reality clearly illustrated during the past two years when Congress did not fund all authorized vouchers – could mean that PHAs will assist more households with higher incomes because they cost less to serve. Some PHAs would be pressured to dedicate substantial amounts of Flexible Voucher funding for more politically popular homeownership programs.

Across the country, housing advocates and self-advocates know first hand what often happens when local housing officials have control over who receives federal housing funds. For the past ten years, TAC and the CCD Housing Task Force have documented that in many communities, people with disabilities with the lowest incomes rarely benefit from other federal housing programs such as the HOME program. The role of Congress and HUD in directing precious housing funding to those most in need must be preserved.

### **Protections for Voucher Recipients with Disabilities Misleading**

Section 105 of the bill contains a provision which appears to protect voucher holders with disabilities. Specifically, the provision would allow existing voucher holders to continue receiving assistance under current program rules through January 1, 2009. After January 1, 2009 all elderly and disabled voucher holders would be subject to provisions in the legislation that allow for higher tenant rent contributions. This provision appears to offer some protection for vulnerable voucher recipients with disabilities. However, this protection is significantly undermined by another provision in the legislation that allows a PHA to immediately put in place new rules for higher tenant rent contributions for new voucher holders with disabilities. CCD is troubled by this inadequate protection for people with disabilities because it fails to account for the needs of individuals with long-term chronic or permanent disabilities who will need housing stability beyond January 1, 2009. Further, this provision offers no protection for people with disabilities currently on Section 8 waiting lists who may not be selected due to higher income targeting requirements that PHAs will be putting in place immediately after the bill’s effective date.

### **Civil Rights and Discrimination Issues**

The Flexible Voucher Program legislation contains disturbing provisions which the CCD and TAC believe would promote and increase housing discrimination and segregation. The

legislation also eliminates many civil rights protections that people with disabilities need and use successfully in the Section 8 Housing Choice Voucher program. Specifically, the legislation would permit PHAs to create disability specific preferences which would have the affect of reducing or eliminating access to vouchers by people with other disabilities. For example, PHAs could establish a preference for people mobility impairments which would have the affect of discriminating against people with mental disabilities. This feature of the Flexible Voucher Program would also result in segregated housing that promotes both stigma and discrimination, and would roll back much of the progress achieved by people with disabilities through the Section 8 voucher program during the past 10 years. For example the bill fails to include important features of the Section 8 program that help people with disabilities such as provisions which explicitly cover live-in personal care attendants. . In addition, it appears that this provision would also permit disability specific public housing.

## **Conclusion**

The current Section 8 Housing Choice Voucher program is the most important federal housing resource to address the housing needs of households with extremely low incomes – especially people with disabilities who are disproportionately represented within that income category. The undersigned organizations urge Congress to immediately and soundly reject the Flexible Voucher Program proposal because it would severely and negatively affect the most vulnerable people with disabilities. After two years and two other failed Administration proposals, we believe that it is extremely important for Congress to immediately restore the credibility and viability of the Section 8 voucher program, which continues to be at-risk because of these ill-advised proposals. We believe that it is vitally important for Congress to continue to have the direct authority to ensure adequate funding for the program, and to retain control of important policies – including income targeting and tenant selection policies – to ensure that people with disabilities who are the most in need of housing assistance in this country are not left behind!

### On behalf of:

American Association of People with Disabilities  
American Counseling Association  
Association of University Centers on Disability  
Federal of Families for Children’s Mental Health  
National Alliance for the Mentally Ill  
National Association of Councils on Developmental Disabilities  
National Association of Protection and Advocacy Systems  
National Association of State Mental Health Program Directors  
National Council for Community Behavioral Health Care  
National Mental Health Association  
Technical Assistance Collaborative Inc.  
The Arc of the United States  
United Cerebral Palsy  
United Spinal Association  
Volunteers of America

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*The Consortium of Citizens with Disabilities is a coalition of national organizations dedicated to ensuring the full participation of people with disabilities in society. It is comprised of over 100 organizations representing people with disabilities, their families, service providers, advocates and other stakeholders.*