November 4, 2015

The Honorable Jeb Henersling  
Chairman  
House Financial Services Committee  
2129 Rayburn HOB  
Washington, D.C. 20515

The Honorable Maxine Waters  
Ranking Member  
House Financial Services Committee  
4340 Thomas P. O’Neill, Jr. Federal Building  
Washington, D.C. 20515

The Honorable Blaine Luetkemeyer  
Chairman  
Subcommittee on Housing and Insurance  
Financial Services Committee  
2440 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Emanuel Cleaver  
Ranking Member  
Subcommittee on Housing and Insurance  
Financial Services Committee  
2335 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Henersling, Ranking Member Waters, Chairman Luetkemeyer and Ranking Member Cleaver,

We are writing in response to the comments made by members of the Housing and Insurance Subcommittee during the hearing on Thursday, October 21, 2015, titled, “The Future of Housing in America: Federal Housing Reforms that Create Housing Opportunity.” We are concerned that some members want to impose federal time limits or work requirements on tenants who are receiving federal rental assistance. Imposing these types of restrictions on extremely low-income residents of HUD’s assisted housing fails to take into account the demographics of HUD’s rental assistance programs, does nothing to actually improve access to employment opportunities or educational programs to increase earnings for residents facing significant barriers to employment, and does not give the changes to workforce investment programs enacted by Congress in the Workforce Innovation and Opportunity Act of 2014 (WIOA) the time necessary to carry out the goal of increasing access to workforce development programs that could lead to increased employment and income.

CSH (Corporation for Supportive Housing) is a national nonprofit dedicated to increasing the availability of supportive housing for the most vulnerable populations. Supportive housing is an evidence-based practice that combines affordable rental housing with supportive services that promote housing stability by addressing underlying conditions or issues that can increase homelessness. Heartland Alliance is the leading anti-poverty organization in the Midwest. Each year, Heartland Alliance helps ensure opportunity for thousands of people around the world who are experiencing homelessness, living in poverty, or seeking safety. Heartland Alliance’s National Initiatives on Poverty & Economic Opportunity (National Initiatives) is dedicated to ending chronic unemployment and poverty. Through the National Center on Employment &
Homelessness, National Initiatives promotes employment in quality jobs as a fundamental solution to homelessness.

CSH and Heartland Alliance’s National Initiatives have recently partnered together to improve the connection between workforce development programming and local housing providers. As a part of WIOA implementation, states are currently working to modify their public workforce plans to better meet the needs of extremely low-income households and individuals facing barriers to employment. States will need to submit the new plans to the Department of Labor in the spring of 2016. CSH and Heartland Alliance’s National Initiatives recognize the importance of the changes that Congress enacted to the public workforce system and believe that these changes create an opportunity to better connect the public workforce and homeless services systems.

Snapshot of Residents in HUD Assisted Housing Programs

HUD’s core rental assistance programs serve nearly 5 million households. Almost half the residents in Project-Based Section 8 supported apartments are elderly; one-fifth of households living in public housing have a person with disability; and forty-seven percent of households living on vouchers are either elderly or are have at least one person with disability. For the non-elderly, non-disabled households that are typically targets of work requirements and time limits, data show that two-thirds of this population report income from work or had been previously connected to the workforce. Unfortunately, wage growth has failed to keep pace with housing costs on the private market. Further, the median income of these working households was $15,600, which represents working a full-time job at minimum wage. According to the National Low Income Housing Coalition’s Out of Reach annual report, there is no state where someone working one minimum wage job can afford a rental housing unit and would only pay 30 percent of his or her income towards rent. Finally, most of the heads of households across all HUD’s rental assistance programs are women. Low-income women face multiple barriers to full employment potential, with one of the most significant barriers being the lack of affordable child-care. Because of the limited availability of affordable child-care programs, low-income women find themselves facing a dilemma: work or care for their child. Those who are able to work are often working in part-time, hourly positions.

The length of time a household stays on housing assistance is more closely related to the rental housing market costs, rather than lack of income. Families that utilized voucher assistance for five years or more were those who were in high-cost rental markets. These households are typically working minimum-wage, hourly jobs that could not support the full cost of living without access to housing assistance.

We regard employment as playing a critical role in ensuring that individuals and families become and remain stably housed. It is clear that employment alone is often not enough to move people out of poverty and homelessness, as evidenced by the number of poor and homeless working families. Many unassisted

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1 Core rental assistance programs are defined as the Housing Choice Voucher program, Project-Based Section 8 apartments, Public Housing, Section 202 Elderly Housing and the Section 811 Supportive Housing for Persons with Disabilities program.
2 National Low Income Housing Coalition, Housing Spotlight, Vol. 2 (November 2012).
3 Barbara Sard and Thyria Alvarez-Sanchez, Large Majority of Housing Voucher Recipients Work, are Elderly or Have Disabilities, Center on Budget and Policy Priorities (November 2011).
5 Anne Morrison and Katherine Gallagher Robbins, Chartbook: Low Income Women Overrepresentation in Low-Wage Jobs, National Women’s Law Center (Oct. 2015)
6 Center on Budget and Policy Priorities, Large Majority of Housing Voucher Recipients Work (Nov. 2011).
families experiencing homelessness already work; Census data show that over 30 percent of poor children are in families with at least one member working full-time. Moreover, many positions available to people experiencing homelessness are low-wage and/or part-time and fail to pay other benefits, such as health insurance or child care. These jobs frequently do not present opportunities for advancement.\(^7\)

There has also been a shift in the families and individuals served by the voucher program. HUD and the Interagency Council on Homelessness have been encouraging Public Housing Agencies (PHAs) to serve more families and individuals who are experiencing homelessness through their programs by creating preferences or setting aside vouchers/units for these households. PHAs across the country are using vouchers to target chronically homeless individuals and families or households facing high barriers to housing.\(^8\) Additionally, since 2008 Congress has funded 75,000 new vouchers that target chronically homeless veterans and States that have Olmstead settlement agreements in place have been encouraging their public housing agencies to use housing vouchers to assist those leaving institutional settings.

Imposing time limits and work requirements on these higher-need households fails to take into account that these households face high barriers to housing without some type of assistance as well as face multiple barriers to getting, keeping, and advancing in employment. In order to become and remain employed, earn enough to remain stably housed, and reduce reliance on public assistance, these households need access to effective employment services and jobs that pay family-sustaining wages, rather than time limits and work requirements that will perpetuate homelessness and poverty.

**Targeting Individuals and Households Facing High Barriers to Employment in Workforce Legislation**

WIOA modernizes the federal framework that guides America’s public workforce system. The law prioritizes and acknowledges the need for workforce services and supports for adults and youth facing barriers to employment—including homeless jobseekers and extremely low-income households—to a greater degree than its predecessor, the Workforce Investment Act (WIA). WIOA articulates that one of the goals of the public workforce system is prepare individuals, especially individuals facing barriers to employment, to succeed in the labor market through increase and access to employment opportunities, education, training, and support services. Federal guidance that has been issued to implement WIOA instructs public workforce systems to prioritize and direct resources to serve low-income adults and out-of-school youth.\(^9\)

With new prioritization and focus on homeless populations by housing providers such as PHAs and the public workforce system, there is a real opportunity for partnership and cross-system collaboration. Imposing time limits and work requirements on recipients of housing assistance undermines the goals of housing programs to serve higher-need households and the newly enacted workforce legislation.

WIOA has modernized an old system that failed to take into account the actual needs and strengths of low-income and homeless job seekers, as well as the barriers they face to employment. The old workforce

\(^7\) Caitlin Schnur and Chris Warland, *Getting Families on their Feet: Steps for Integrating Employment Programming into Homeless Services*, Uncensored, Institute for Children, Poverty and Homelessness (Summer 2014).

\(^8\) The Columbus Housing Authority’s Project-Based Vouchers serve individuals and families with multiple barriers to housing; the New York City Housing Authority has set aside vouchers for families exiting the city homeless shelter system; the Housing Authority of Los Angeles has a set aside to serve individuals that are exiting jails.

development programs failed to consider the individualized needs of homeless or low-income households, targeted individuals with fewer employment service needs, and were often inflexible as to which programs clients were able to access and when. WIOA removed many of those barriers by specifically requiring states to report on how they are serving individuals facing high barriers to employment, promoting flexible programming, and having a new emphasis on supportive services.  

Connecting Housing and Workforce Systems

WIOA creates an opportunity to better connect residents who are being served through HUD’s rental assistance and McKinney-Vento Homeless Assistance grants to employment opportunities. The WIOA statute gives states the flexibility to develop their new statewide workforce plan in coordination with other systems, including employment and training activities that are carried out by HUD. According to the Department of Labor’s draft guidance, certain HUD programs such as the Family Self Sufficiency program, Continuum of Care (CoC), Jobs Plus program, and the Resident Opportunity and Self Sufficiency program are required partners of the one-stop system that delivers public workforce services. Those HUD programs cover voucher holders, residents of public housing and households receiving assistance through the homelessness system at the local level.

HUD combined state planning can spur innovative system coordination ideas, such as the inclusion of employment supports in coordinated access and assessment processes, co-location of homeless and workforce services, and the use of employment navigators, among others. These efforts increase the likelihood that households experiencing homelessness will receive appropriate housing and workforce services.

WIOA recognizes that extremely low-income households and people experiencing homelessness need and want to work and can succeed in employment if given access to the training and support services that meet their needs and interests. Leveraging the opportunities for cross-system collaboration embedded in WIOA planning and implementation is what will make access to employment opportunities a reality for low-income households and homeless jobseekers—not imposing arbitrary work requirements and time limits.

Fully Implementing Existing Service Programs to Increase Earnings and Employment for Low Income Households and Utilizing Innovative Strategies

HUD’s existing self-sufficiency and employment service programs are small, underfunded, and lack the necessary capacity and innovation to serve residents of assisted housing. The Congressional Budget Office’s recent report on Federal Housing Assistance for Low-Income Households stated that it would cost an additional $10 billion to fully implement the Family Self Sufficiency Program (FSS) for all eligible households. This cost would include an increase in spending to hire and train self-sufficiency coordinators, help participants obtain jobs, and provide ongoing case management and maintain escrow accounts. Currently, Congress appropriates approximately $75 million for service coordination for the FSS program. It is unlikely that Congress will provide an additional $10 billion for FSS participation, but Congress could increase the amount of service coordinator funding by a mere $15 million and have a significant impact on households living in public housing or receiving the Housing Choice Voucher (HCV) assistance. Congress

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11 Congressional Budget Office, Federal Housing Assistance for Low-Income Households (September 2015).
could target additional service coordinator funding to PHAs that commit to engage higher-need households being served by vouchers or public housing to enroll in the FSS program and retool their existing programs to make it more accessible for households that may face higher barriers to employment.

The Jobs Plus pilot program is an employment program that combines employment services with rent modification policies that would reduce the extent to which increases in income would be significantly offset by rent increases. A report of the Jobs Plus pilots from 1998 to 2003 showed that if implemented correctly, there was a positive effect of increasing public housing residents’ income. Successful Jobs Plus programs had four key partners, one being the local workforce development agency. As states are retooling their workforce development strategies to better serve higher-need households, Congress should be encouraging the connections between HUD programs and WIOA programs. If conducted in thoughtful and deliberate way, combined state planning efforts by the WIOA-funded system and HUD-funded employment services in states can maximize resources to ensure that a greater share of low-income and homeless households have access to workforce services and supports.

Finally, the Jobs Plus program and the Family Self Sufficiency program are geared towards residents in PHA assisted housing. WIOA recognizes how important it is that workforce training services and supports are made available to homeless populations. Congress should consider providing funding to encourage homeless providers to implement and test evidence-based models for increasing access to employment and income support in the McKinney-Vento Homeless Assistance grant program.

Conclusion

CSH and Heartland Alliance’s National Initiatives are dedicated to increasing employment and economic opportunity for the most vulnerable populations, including extremely low-income households and people experiencing homelessness. To meet these goals, we believe that people facing barriers to employment need access to workforce training and supports that meet their interests and needs—not time limits on rental assistance and arbitrary work requirements. CSH and Heartland Alliance’s National Initiatives are willing to discuss any of the policy proposals mentioned above or provide information on local programs that are effectively serving individuals facing barriers to employment.

Sincerely,

Hilary Swab Gawrilow
Director of Federal Policy
CSH (Corporation for Supportive Housing)

Caitlin C. Schnur
National Initiatives Coordinator
Heartland Alliance’s National Initiatives on Poverty and Economic Opportunity

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