

Testimony For the U.S House Committee on Financial Services

October 21, 2021

**A Strong Foundation: How Housing is the Key to Building Back a
Better America**

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Chairman Waters, Ranking Member McHenry, and members of the House Financial Services Committee: Thank you for the opportunity to submit written testimony on behalf of Catholic Charities USA (CCUSA), a national organization representing more than 167 diocesan Catholic Charities member agencies, which operate 3,500 service locations across the country.

Last year, the CCUSA network provided help and created hope for over 15 million people.¹ Many of the people coming to Catholic Charities agencies are homeless, in search of shelter, in need of basic services, including rental assistance or looking for an affordable place to live. In 2020, the Catholic Charities network helped almost 180,000 people access stable and affordable housing, provided homeless-related services to over 403,000 individuals, and operated over 37,000 units of housing (including some projects in the early development stage). Unfortunately, during the same time, 73,000 households were placed on a waiting list due to inadequate private and government funded resources to address housing and homelessness.

Catholic Charities operates in all areas of the housing continuum, which includes housing with project-based subsidies for seniors and families, shelter and transitional housing, homelessness prevention, permanent supportive housing for formerly chronic homeless persons, housing first and rapid rehousing. Catholic Charities also provides critical housing-related support services such as case management, social services, basic needs and emergency utility assistance. Additionally, member agencies provide housing counseling services that not only help people remain housed but also educate first-time homebuyers.

As you well know, homelessness and the lack of affordable housing were major issues for millions of low-income and marginalized households before the pandemic. “On a single night in January 2020, 580,466 people – about 18 of every 10,000 people in the United States – experienced homelessness across the United States. This represents a 2.2 percent increase from 2019.”² Children, seniors, people with disabilities, working families, and even veterans were already struggling to pay their rent and at risk of losing their housing. Also, decades of systemic, unfair housing policies have blocked minorities, especially Black, Hispanic and Native-American households, from building wealth and obtaining economic security. The result is significant racial disparities in housing and homelessness.

More must be done to address the housing crisis and to ensure that every person has a place to call home. The importance of housing to a family cannot be overstated. Over the past 15 years, the number of affordable rental units has decreased significantly resulting in three-fourths of our nations’ lowest-income renters paying more than half of their incomes on rent and utilities. According to the National Low-income Housing Coalition Out of Reach 2021 report, it is estimated that an annual income of nearly \$50,000, or \$23.96 an hour, is necessary to afford a modest, two-

¹ [2020 Annual Report](#), Catholic Charities USA, www.catholiccharitiesusa.org.

² [2020 Annual Homeless Assessment Report Part 1 to Congress](#), U.S. Department of Urban Development, www.hud.gov

bedroom apartment.³ Consequently, a full-time worker earning minimum wage cannot afford a modest apartment in any state or county in the nation.

People of color are disproportionately represented among renters with the lowest income and those experiencing homelessness. Black households account for 12 percent of all households, yet they account for 26 percent of all extremely low-income renters, 40 percent of people experiencing homelessness and more than half of all homeless families. Hispanic households account for 12 percent of all households, 21 percent of extremely low-income renters, and 22 percent of people experiencing homelessness.

Now is the time to advance bold and transformative housing solutions that will help end the affordable housing and homelessness crisis for years to come. CCUSA urges support for robust affordable housing investments, as currently being debated in the reconciliation legislation, at a sufficient level to fund additional housing vouchers and rental assistance, preserve the nation's public housing stock, and build and preserve homes through the national Housing Trust Fund.

CCUSA offers the following policy recommendations:

Expand rental assistance to serve an additional 1 million households. As frontline service providers, Catholic Charities agencies see the plight of individuals and families struggling to pay their rent and facing eviction. They need housing choice vouchers or rental assistance. However, given the shortage or eligibility requirements, their housing need goes unmet. In a nation of plenty, this should not be.

Millions of households are one financial shock away from economic hardship that could quickly spiral out of control. Housing vouchers and other forms of rental assistance are critical to reducing homelessness, addressing housing instability, solving the affordable housing crisis and advancing an equitable recovery. Research shows that such investments in affordable housing generate significant returns across sectors. Still, despite its effectiveness, rental assistance helps only three out of four eligible people due to inadequate funding.

A \$90 billion investment in housing choice vouchers and project-based rental assistance would ensure access to housing vouchers for an additional 1 million households, assist affordable housing developers, and reduce racial disparity. It would also provide subsidies to more very low-income families and ensure access to affordable housing to those with the greatest need. Access to stable and affordable housing is among the most basic of human needs. A stable home helps adults maintain employment, supports children to succeed in school, and encourages families to contribute to their communities. Housing stability ensures better educational outcomes, improves physical and mental well-being, promotes upward economic mobility and racial equity, reduces hospital admissions, and so much more.

Funding to build and preserve homes for low-income and marginalized people through the National Housing Trust Fund. The national Housing Trust Fund is an integral resource to build and preserve affordable rental housing for people with the lowest incomes, including seniors, people with disabilities, families with children and people experiencing homelessness. The Housing Trust

³[Out Of Reach 2021 Report](#), National Low-income Coalition, www.nlihc.org

Fund is the federal housing production tool that targets and addresses the underlying cause of the housing crisis—the severe shortage of affordable housing units. A \$37 billion investment in the national Housing Trust Fund would help build and preserve 330,000 affordable homes for people with the greatest need. This would be a significant step towards ensuring that all people have access to decent, safe and affordable housing. In addition, expansion of the low-income housing tax credit and increasing project gap financing with the HOME program are also vital to affordable housing real estate development and making homes more affordable, particularly for those with the lowest incomes.

Preserve the nation’s Public Housing Stock. Public housing is home to more than 2 million of the lowest-income renters and provides a way for people with the greatest need to access decent, safe, and affordable housing. However, public housing has been in desperate need of repair for several decades. This has resulted in a more than \$70 billion backlog in unmet repairs. An \$80 billion investment in our nation’s public housing stock would provide critical funding to prevent and mitigate health hazards in public housing, improve energy efficiency, and ensure a resiliency to climate change and natural disasters in public housing. In addition, these investments are necessary to resolve the current backlog for capital improvements, prevent units from falling into decay or disrepair, and replenish inhabitable units into the public housing stock.

Every day, Catholic Charities agencies serve the needs of our most vulnerable sisters and brothers seeking help, compassion and care. We urge you to seize this opportunity to make the difference in the lives of those who are struggling to afford a home, who are homeless or who are at-risk of becoming homeless. Thank you for your consideration of these important recommendations.

Respectfully submitted,

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