

October 20, 2021

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U.S. House Committee on Financial Services
2129 Rayburn House Office Building

Dear Chairwoman Waters, Ranking Member McHenry, and Members of the Committee:

I am writing on behalf of the Legal Action Center (LAC) and our [No Health = No Justice Campaign](#). For nearly 50 years, LAC has used legal and policy strategies to fight discrimination, build health equity, and restore opportunity for people with arrest and conviction records, substance use disorders, and HIV or AIDS. Consequently, the current housing affordability crisis is of great concern to us as it affects millions of Americans, and disproportionately harms the populations we serve.

We know that you are eager to immediately and proactively address the nation's housing affordability crisis and its devastating impact on Americans. In that spirit, we urge you to prioritize robust investments in the Build Back Better Act for housing vouchers, public housing, and the national Housing Trust Fund (HTF) because these three vital housing programs most directly and effectively serve the lowest income and most marginalized households with the greatest needs.

There is a national shortage of more than 7 million homes affordable and available to people with the lowest incomes. Rental housing affordability has worsened dramatically over the past 15 years, and more households than ever are struggling to pay the rent and make ends meet. High rental costs and low wages have forced three-fourths of our nation's lowest-income renters (disproportionately renters of color) to spend more than half of their incomes on rent and utilities every month. As a result, these households have few resources to cover other necessities, like medical care or nutritious food, and are at greater risk of housing instability and, in worst cases, homelessness.

Access to affordable housing is especially critical to the success of those in recovery from a substance use disorder (SUD) and for people who are re-integrating into society after incarceration. In this country, having a substance use disorder is closely linked to one's likelihood of interacting with the criminal legal system. In fact, it has been estimated that 65% of the U.S. prison population has an active substance use disorder. People experiencing homelessness who also have SUDs typically find it difficult to address their substance use without a safe place to live, because they often use substances to cope with the dangers that people experiencing homelessness face. Moreover, those who are formerly incarcerated experience homelessness at nearly ten times the rate as the general public.

The housing crisis has many dimensions, but fundamentally it stems from long-term growth in housing costs that push rents beyond what many people with low incomes can afford, as well as systemic racism that directly harms Black, Indigenous and other people of color. People of color are disproportionately represented among extremely low-income renters and people experiencing homelessness. Black households account for 12% of all households, yet they account for 26% of all extremely low-income renters, 40% of people experiencing homelessness, and more than half of all homeless families. Hispanic households account for 12% of all U.S. households, 21% of extremely low-income renters, and 22% of people experiencing homelessness. Women of color, particularly Black women, are more likely to face eviction and our nation's older, extremely low-income renters, particularly Black and Latinx seniors, are far more likely to be paying more than half of their income on rent and utilities, placing them at especially high risks of housing unaffordability and homelessness.

Research clearly shows that investments to make housing more affordable generate multiplying returns across [many sectors](#). Stable, affordable housing options located in neighborhoods of opportunity are associated with better educational outcomes, better physical and mental health outcomes, lower healthcare expenditures, greater food security, stronger upward economic mobility and growth, greater racial and gender equity, fewer encounters with the criminal legal system and more. Additionally, as the Administration considers criminal justice reforms while seeking to decrease violence in communities, it is important that housing is viewed as part of the solution. Secure affordable housing greatly improves people's chances of staying out of jail and prison after reentry, and can contribute to better health and educational outcomes, racial equity, and more. Voucher expansion is essential to ending homelessness for people with criminal records, or those formerly incarcerated, who experience homelessness. Unfortunately, years of underinvestment in affordable housing solutions have contributed to our current housing crisis although it is well documented that housing vouchers and other rental assistance are highly effective at addressing homelessness and housing instability.

With your leadership, we can help end the affordable housing crisis by bringing to scale proven solutions, which to be effective must include both additional housing vouchers and measures to build and rehabilitate affordable and accessible housing for people with the lowest incomes. In the Build Back Better Act, we will have the rare opportunity to advance bold, transformative housing solutions that are urgently needed today and will pay dividends for years to come. To help end the affordable rental housing and homelessness crisis, we recommend:

- **Expanding rental assistance by \$90 billion to serve an additional one million households.** Vouchers are more [effective](#) at reducing homelessness, overcrowding, and housing instability than any other policy option and are integral to any strategy to solve the affordable housing crisis and advance an equitable recovery. [Studies](#) repeatedly show that vouchers hold enormous potential to reduce child poverty and narrow racial gaps in poverty

rates. However, currently, just 1 in 4 families eligible for rental assistance receive it, and waiting lists for vouchers are years-long in much of the country.

- **Investing \$80 billion to repair the nation’s public housing infrastructure for more than two million residents.** Home to 900,000 households—mostly seniors, women, and people with disabilities—public housing is in dire need of increased federal investment. Because of divestment by Congress, 10,000 public housing units are lost each year to disrepair, and a large backlog of unmet renovation needs places the health and safety of residents at risk. These resources would enable housing agencies to make critical repairs, such as fixing leaky roofs and replacing outdated heating systems, that would improve living conditions for residents and preserve this essential part of the nation’s affordable housing infrastructure for the future.
- **Investing \$37 billion in the national Housing Trust Fund (HTF) to build and preserve 330,000 affordable homes and help end homelessness.** The HTF is the first new federal housing resource in a generation exclusively targeted to build and preserve rental homes affordable to people with the lowest incomes. By doing so, the HTF is *the* federal housing production tool most targeted to address the underlying cause of the housing crisis. Other federal production programs, on their own, are not enough to build homes affordable to people living in poverty. To expand the supply of housing affordable to the lowest income renters, the President included robust funding for the HTF in his [plan](#). The majority of these funds — at least \$26 billion — should be set aside to develop [permanent supportive housing](#) as part of efforts to end homelessness.

Thank you for your consideration. We urge you to use this opportunity to invest in critical and proven housing solutions to address the underlying, systemic causes of the housing and homelessness crisis in the United States. We look forward to continuing to work with you as you advance these necessary solutions.

Thank you.

Sincerely,

Victoria Palacio
State Advocacy Coordinator