



The Honorable Susan Collins
Chair
Senate Committee on Appropriations
United States Senate
Washington, D.C. 20515

The Honorable Patty Murray
Vice Chair
Senate Committee on Appropriations
United States Senate
Washington, D.C. 20515

The Honorable Cindy Hyde-Smith
Chair
Senate Subcommittee on Transportation,
Housing and Urban Development, and
Related Agencies
United States Senate
Washington, D.C. 20515

The Honorable Kirsten Gillibrand
Ranking Member
Senate Subcommittee on Transportation,
Housing and Urban Development, and
Related Agencies
United States Senate
Washington, D.C. 20515

The Honorable Tom Cole
Chairman
House Committee on Appropriations
United States House of Representatives
Washington, D.C. 20515

The Honorable Rosa DeLauro
Ranking Member
House Committee on Appropriations
United States House of Representatives
Washington, D.C. 20515

The Honorable Steven Womack
Chair
House Subcommittee on Transportation,
Housing and Urban Development, and
Related Agencies
United States House of Representatives
Washington, D.C. 20515

The Honorable James Clyburn
Ranking Member
House Subcommittee on Transportation,
Housing and Urban Development, and
Related Agencies
United States House of Representatives
Washington, D.C. 20515

April XX, 2026

Dear Chair Collins, Vice Chair Murray, Chairman Cole, Ranking Member DeLauro, Chair Hyde-Smith, Ranking Member Gillibrand, Chair Womack, and Ranking Member Clyburn,

On behalf of the XXX undersigned national, state, and local organizations working across housing, health care, disability, aging, child welfare, and justice systems, we respectfully urge Congress to include robust funding and targeted report language in the Fiscal Year 2027 (FY27) Transportation, Housing and Urban Development (THUD) appropriations bill to maintain housing stability for people with disabilities.

Housing combined with support services helps people with disabilities break the cycle of homelessness and achieve stability, recovery, health, and independence. Supportive housing is especially critical for older adults, youth exiting foster care, and others with long term or chronic disabilities who face an elevated risk of episodic or long-term homelessness. By preventing unnecessary institutionalization, incarceration, prolonged shelter stays, and premature death on the streets, supportive housing is a data-driven, accountability-based model that improves individual outcomes while reducing strain and costs across public systems.

Services are a core component of the supportive housing model and essential to its effectiveness. Providers engage tenants through case management, behavioral health treatment, physical health care coordination, employment and income support, and services that help tenants maintain housing. While tenants can engage in services at a pace that feels best for them, model fidelity requires that services be provided through an intensive and integrated approach. These supports help individuals stabilize, address complex needs, and work toward greater independence over time.

In the absence of stable housing, communities incur significant costs associated with alternative responses. Communities spend upwards of \$15,000 per person annually on crisis services alone. Incarceration costs approximately \$131 dollars per day, and hospitalization can exceed \$1,200 per day. By comparison, housing paired with services costs approximately \$72 per day and provides a stable foundation for recovery, employment, and long-term stability. These cost differentials underscore that supportive housing represents a fiscally responsible approach that delivers measurable savings alongside proven improved outcomes.

We recognize the Administration's interest in examining and refining funding priorities within HUD. However, changes that affect the level, structure, or duration of rental assistance or access to services would have consequences that extend well beyond a single funding cycle.

Supportive housing properties operate under long term financing and regulatory agreements that depend on stable and predictable federal commitments. These developments rely on layered funding that is committed years in advance, including the Continuum of Care, Housing Choice Vouchers, the Low-Income Housing Tax Credit, HOME, and the National Housing Trust Fund, alongside substantial private investment.

Altering these funding assumptions without fully assessing the resulting impacts would place housing stability for people with disabilities at risk and jeopardize decades of public and private investment that Congress has supported across multiple administrations.

Accordingly, we respectfully request inclusion of the report language outlined below, along with FY27 funding levels for THUD and other relevant appropriations, to establish clear guardrails and oversight that protect housing stability for people with disabilities in supportive housing. A complete table of requested minimum funding levels is included in the appendix. The recommended report language includes:

- 1. Require HUD to fully fund each Continuum of Care's renewal demand at no less than the fiscal year 2026 level with fair market adjustments and direct the Department to maintain renewal amounts consistent with prior year determinations, while preserving local ranking authority.*
- 2. Direct HUD to make available Rental Assistance Demonstration (RAD) authority to facilitate the optional conversion of eligible Continuum of Care (CoC) funded supportive housing properties to long term, project based rental assistance where doing so would preserve housing stability and protect existing tenants. Further direct that, where CoC rental assistance is replaced through such a conversion, the associated CoC funding remain available within the CoC for reassignment by the recipient or through local reallocation processes consistent with program requirements.*

3. *Direct HUD to use its existing authority, including waiver or alternative requirements under the CoC program, to permit Supportive Services Only assistance to be provided before housing placement and during residency in housing, based on annually assessed service needs. Further direct HUD to allow, through the FY27 CoC competition, the conversion of eligible supportive housing projects funded solely through a services component to Supportive Services Only projects, where appropriate, to avoid service gaps and preserve continuity of care.*
4. *Direct HUD to maintain the core definitions, methodologies, and reporting requirements used in the Annual Homeless Assessment Report (AHAR) to ensure continuity in congressional oversight of homelessness trends.*
5. *Direct the Government Accountability Office (GAO) to examine properties nationwide that rely on Continuum of Care funded rental assistance, including applicable deed restrictions, compliance requirements, and risks arising from existing financing and regulatory obligations under the Low-Income Housing Tax Credit, HOME Investment Partnerships, and National Housing Trust Fund programs. GAO should assess associated public and private investment, evaluate options to mitigate compliance challenges or reduce administrative complexity. The review should also examine whether proposed changes to CoC rental assistance funding may affect costs across other government-funded systems or institutions. GAO should provide its findings and recommendations to the Committees not later than 120 days after enactment.*

Together, these provisions would protect housing stability while providing the information needed to responsibly evaluate programs and recommend future changes. We appreciate Congress's continued bipartisan leadership in advancing practical, cost-effective housing solutions for people with disabilities and complex health challenges. We stand ready to work with you and with HUD to ensure federal homelessness programs remain effective, accountable, and responsive to community needs.

For further information or to discuss this issue, please contact Kara Mergl, Director of Policy and Government Affairs at the Corporation for Supportive Housing, at kara.mergl@csh.org.

Thank you,

Kara Mergl,
Director, Policy & Government Affairs
Corporation for Supportive Housing

Appendix A: Summary of Federal Funding Request for Supportive Housing

AGENCY	PROGRAM	FUNDING LEVEL
HUD	Tenant-Based Rental Assistance – Renewals + Admin Fees	\$40.7 billion
	Family Unification Program Vouchers	\$30 million
	VASH	\$15 million
	Tribal VASH	\$10 million
	Project-Based Rental Assistance - Renewals + Admin Fees	\$20.03 billion
	Section 202 Vouchers – Housing for the Elderly	\$1.11 million
	Section 811 Vouchers	\$310 million
	Community Development Block Grant (CDBG)	\$3.3 billion
	HOME Investment Partnerships Program	\$1.5 billion
	Housing Opportunities for Persons with AIDS (HOPWA)	\$552.9 million
	Homeless Assistance Grants	\$5.1 billion
	<i>Continuum of Care (CoC) Program</i>	<i>\$4.6 billion</i>
	<i>Emergency Solutions Grants (ESG)</i>	<i>\$500 million</i>
	<i>Youth Homeless Demonstration Program (YHDP)</i>	<i>\$132 million</i>
	Family Self Sufficiency	\$156 million
	Resident Opportunity and Self-Sufficiency (ROSS)	\$40 million
TREASURY	Community Development Financial Institution (CDFI) Fund	\$324 million
DOJ	Second Chance Act – Pay for Success	\$7.5 million