

United States Senate

WASHINGTON, DC 20510

April 6, 2023

The Honorable Brian Schatz
Chair
Senate Appropriations Subcommittee on
on Transportation, Housing and Urban
Development, and Related Agencies
Washington, D.C. 20510

The Honorable Cindy Hyde-Smith
Ranking Member
Senate Appropriations Subcommittee
Transportation, Housing and Urban
Development, and Related Agencies
Washington, D.C. 20510

Dear Chair Schatz and Ranking Member Hyde-Smith:

As you develop the Fiscal Year 2024 Transportation, Housing and Urban Development, and Related Agencies appropriations bill, we recommend you to adopt a narrow change in appropriations language to permit the use of Housing Assistance Payments (HAP) for security deposits and apartment holding fees to help more families successfully use their Housing Choice Vouchers (HCV). This small change will address two of the most common barriers to using vouchers, expanding access for thousands of families with vouchers during a period of unusually tight rental housing markets across the country.

Many apartments, especially in competitive rental markets, require a security deposit equivalent to at least one month's rent—creating an insurmountable barrier to access for many families with vouchers. Additionally, housing quality inspections and paperwork processing required for HCV units can create prolonged delays of 30 days or more during the review process. These delays create disincentives, keeping landlords from renting to those with vouchers. In neighborhoods with significant competition for apartments, many owners opt for an immediate rental rather than waiting for the housing authority to process its paperwork.

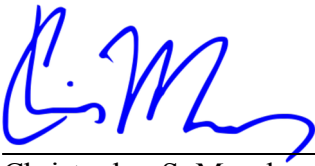
Currently, HUD follows a narrow interpretation of the voucher statute and the usual appropriations language. As a result, the agency only permits HAP funds to be used for monthly rent payments after a tenancy is approved and the unit has passed a housing quality inspection. This restrictive view of “housing assistance” no longer serves the voucher program or its families. Expanding the definition to allow capped amounts for security deposits and holding fees would provide more effective assistance while retaining the essential underlying requirement that funds be used only for direct housing assistance costs. We respectfully request that the following language be inserted in the sections of the appropriations bill covering voucher renewals and new voucher increments:

Provided further, That notwithstanding any other law, public housing agencies may use current and prior year housing assistance funds for standard security deposits and for fees to hold an available apartment during the inspection and approval process, up to a maximum of one month's rent for each type of expenditure.

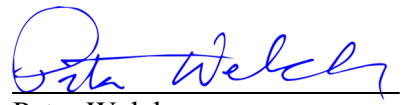
This change would give public housing agencies the flexibility to address barriers to voucher utilization and to improve choice and access to areas of opportunity for their families. There is no additional cost in Fiscal Year 2024 for providing this flexibility, and the formula governing renewal funding based on leasing and costs in calendar year 2023 would remain the same.

Thank you in advance for considering this request, and we look forward to working with you throughout the Fiscal Year 2024 appropriations process.

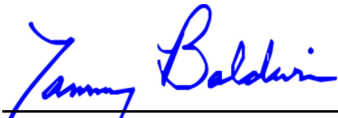
Sincerely,



Christopher S. Murphy
United States Senator



Peter Welch
United States Senator



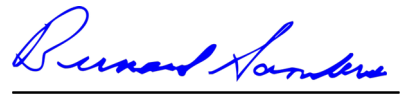
Tammy Baldwin
United States Senator



Catherine Cortez Masto
United States Senator



Tammy Duckworth
United States Senator



Bernard Sanders
United States Senator



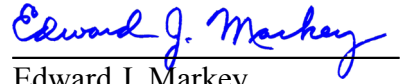
Richard J. Durbin
United States Senator



Elizabeth Warren
United States Senator

A handwritten signature in blue ink that reads "Alex Padilla". The signature is fluid and cursive, with the first name "Alex" and last name "Padilla" clearly distinguishable.

Alex Padilla
United States Senator

A handwritten signature in blue ink that reads "Edward J. Markey". The signature is cursive and includes the middle initial "J.". The signature is written above a horizontal line.

Edward J. Markey
United States Senator