

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Self-Sufficiency Programs

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Outlays
2020 Appropriation	130,000	79,461	-	209,461	79,550	77,036
2021 Appropriation	155,000	129,912	-	284,912	155,205	104,785
2022 President's Budget	175,000	129,675	-	304,675	175,167	134,000
Change from 2021	20,000	(237)	-	19,763	19,962	29,215

PROGRAM PURPOSE

The programs included in this justification promote economic opportunity for HUD-assisted residents by encouraging self-sufficiency and financial stability. This allows families to capitalize on their HUD-supported stable housing by adding supportive services that will allow for families to recover from the economic downturn caused by the COVID-19 pandemic. These efforts are facilitated through the Family Self-Sufficiency program (FSS), the Jobs Plus Initiative (JPI) program, and the Resident Opportunity and Self-Sufficiency program (ROSS). This suite of programs focuses on employment, financial stability, and economic empowerment of HUD-assisted residents and results in their contributing to the overall economic health of the communities served. These programs provide vital supportive services to communities of color. In 2019, it was reported that over 75 percent of FSS participants were African American, Asian American, Native American or Latinx.¹ Additionally, developments eligible for the Jobs Plus program are often located in neighborhoods with a high concentration of minority populations, for example, the largest Jobs Plus grant award was given to Nickerson Gardens in Watts, California, a development that is over 99 percent African American and Latinx. Finally, the ROSS program has the unique ability to fund service coordinators at Native American Housing Assistance and Self-Determination Act (NAHASDA) assisted units, in recent years over 30 tribal entities have been awarded grants under this program.

BUDGET OVERVIEW

The 2022 President's Budget requests \$175 million for Self-Sufficiency Programs, which is \$20 million more than the 2021 enacted level: \$120 million for the FSS program, \$20 million for JPI, and \$35 million for ROSS. With funding at the requested level, FSS will be able to fund approximately 1,500 coordinators to support over 84,000 families in public housing, voucher housing, and Multifamily housing. The JPI funding will allow the agency to fund up to 10 new grantees, and ROSS will fund 150 coordinators to support over 65,000 households in public housing and NAHASDA-assisted units.

¹ Public Housing Information Center (PIC) HUD-50058 Family Reports.
https://www.hud.gov/program_offices/public_indian_housing/systems/pic

JUSTIFICATION

The Self-Sufficiency Programs goals are to promote economic stability through self-sufficiency and financial stability. There are three distinct programs, which are described below:

Family Self-Sufficiency

Family Self-Sufficiency provides funds for FSS coordinators' salaries. These funds leverage an array of services provided by other national, State, and local programs for training, education, financial empowerment, and other supportive services that expand employment opportunities for the purpose of increasing economic self-sufficiency.

With an increase in funding from \$105 million to \$120 million, the Department will be able to renew all current grants meeting performance requirements and/or provide expansion grants to existing Public Housing Agencies (PHAs) who are serving more families than those for which they are currently funded. This request will fully fund salaries of current FSS coordinators at existing grantees and will likely fund over 100 new grants which will pay for an additional 150-200 FSS coordinators, serving approximately 3,750 to 5,000 additional households.

FSS grants are for one year and are renewable in subsequent years; grants fund only the coordinator's salary, while all supportive services are provided by community partners. FSS coordinators provide coordination of supportive services to help participants achieve employment goals, increase earnings, and accumulate assets. The FSS coordinators in each local program build partnerships with employers and service providers in the community to help participants obtain jobs and supportive services. These services may include childcare, transportation, basic adult education, job training, employment counseling, substance/alcohol abuse treatment, financial empowerment, asset-building skills, and homeownership counseling, among others.

The overarching goals of the FSS program include:

- Increased educational and employment attainment leading to increased earnings;
- Engagement in financial empowerment activities leading to debt reduction, improvement in credit scores, and increased savings; and
- Decreased or eliminated need for Temporary Assistance to Needy Families (TANF) assistance and rental assistance.

The success of the FSS program in promoting the economic security and self-sufficiency of Public Housing and Housing Choice Voucher (HCV) participants is demonstrated by local communities achieving the following outcomes for 2020 (data exclude participant outcomes in MTW agencies):

- Over 65,000 households actively participated in the program; 4,763 families successfully completed their FSS contracts and graduated; 100 percent of graduating families did not require temporary cash assistance (TANF/welfare); 31 percent of graduates had escrow savings at graduation. Those with escrow had an average of approximately \$8,600; 59 percent of participants earned escrow while in the program. Many participants that accumulated escrow chose to use some of or all of their escrow while in the program toward reaching their self-sufficiency goals;
- 1,676 FSS program graduates (35 percent of graduates) exited the housing program and no longer needed rental assistance within one year of leaving the FSS program;
- 543 FSS program graduates (11 percent of graduates) went on to purchase a home; and
- Program expansion to approximately 130 PBRA properties via Rental Assistance Demonstration or unfunded programs.

In support of this effort to study the effectiveness of the program, HUD commissioned Manpower Demonstration Research Corporation (MDRC) to conduct a national impact evaluation of FSS. The timeframe of the evaluation was designed to cover the full five years of a standard FSS contract of participation with a final report due in 2022. Findings for the first 36 months indicated a higher uptake of services in the FSS group, and, more specifically more engagement in financial empowerment programs and a shift from part-time to full-time work, each of which may translate into more stable employment and potential for earned income over the longer term. The study does not indicate a statistically significant change in earned income for FSS participants compared to the control group.²

Congress re-authorized the FSS program in Section 306 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (Public Law No: 115-174) in 2018. HUD is developing an FSS regulation to implement the statute. Over 100 public comments were received by the deadline of November 18, 2020, and the Department anticipates completing the rule-making process by the end of 2021.

Jobs-Plus Initiative

The Jobs-Plus Initiative provides an evidence and place-based strategy for increasing the employment opportunities and earnings of public housing residents. It accomplishes this through a three-pronged program of employment services, rent-based work incentives, and community support for work. A key component to the Jobs Plus model is that it supports entire developments rather than individual households, encouraging work throughout the community—a strategy known as saturation. This program element is particularly important in minority and underserved communities who have historically lacked access to resources and information related to work opportunities. Saturation ensures that everyone in the development has equitable access to work readiness resources.

Jobs-Plus is a place-based program that awards four 5-year grants that implement the Jobs-Plus model. Jobs-Plus addresses poverty among residents by incentivizing and enabling employment through a financial rent incentive (earned income disregard) for working residents and a set of services designed to support work including employer linkages, job placement and counseling, educational advancement, and financial counseling. Residents in Job-Plus developments can evaluate educational, training, and work opportunities in their community to determine a pathway towards long term economic security. Through Jobs-Plus, residents can address barriers that may prevent them from seeking and retaining employment. These services are particularly critical during the COVID-19 pandemic—access to readily available resources helped some Jobs-Plus sites maintain employment levels despite the increase in local unemployment. The Budget requests \$20 million for the Jobs-Plus Initiative.

Since its inception, PHA residents have been able to stabilize their families through increased income, asset building, barrier reduction and wrap around supports. Among the key accomplishments for the Jobs-Plus Initiative from 2014 through December 2020:

- Jobs-Plus sites report 5,437 part-time and/or full-time jobs placements;
- Approximately 1,777 individuals have been continuously employed for at least 180 days after placement; and
- Through the Jobs-Plus Earned Income Disregard, PHA residents have saved over \$29.9 million in rent payments.

² Interim Evaluation Report from HUD's Office of Policy Development and Research anticipated for release by June 2021.

The original Jobs-Plus demonstration was launched in 1998. Of the six sites that were part of the demonstration, only three fully implemented the model. When fully implemented, the model increased tenants' earned income by 16 percent. The Jobs-Plus model was replicated in 2011 in San Antonio, TX, and Bronx County, NY, through the Social Innovation Fund (SIF).

HUD commissioned two studies of the current program, one focusing on implementation of Jobs-Plus and one focusing on the impact of the program. The interim implementation report found that the nine grantees in the first cohort have implemented the model more quickly and fully than the original demonstration and the Social Innovation Fund replication sites. The final implementation study report (released December 2019) shows that PHAs can implement this ambitious program and describes challenges sites faced and how they were addressed.³ The study of program impacts is currently underway, and results are expected in 2021.⁴

Resident Opportunity and Self-Sufficiency

The Resident Opportunity and Self Sufficiency Service Coordinator program provides funding to hire and maintain Service Coordinators who assess the needs of residents of public or Indian housing and coordinate available resources in the community to meet those needs. This program leverages public and private resources, for supportive services and resident empowerment activities.

The Budget requests \$35 million to fund 150 existing ROSS service coordinators who provide vital services to over 65,000 public housing and NAHASDA-assisted residents. ROSS is the only competitive grant program designed to assist not just families, but also elderly/disabled residents. In addition to funding PHAs, ROSS has the unique ability to provide grant funding to tribes, non-profits, and Residents Associations.

A 2019 evaluation of the ROSS program found that ROSS was often the sole source of funds for service coordination among lower-resourced grantees, and therefore a vital lifeline which allowed residents to access critical services and supports.⁵ Through ROSS, public and Indian housing residents receive services in a range of areas, including health and wellness, education, financial literacy, employment training, and substance abuse programs. Combined, these services help individuals and families make progress toward the program's core goals of economic independence and housing self-sufficiency.

Key findings and accomplishments for the ROSS program from 2017 through 2019:

- More than half (56 percent) of all participants received at least one service after the initial assessment. Of those who received services, most participants received three or more services annually;
- ROSS service coordinators delivered case management 66 percent of all participants, including comprehensive needs assessments and links to other services, and provided over of 307,784 case management services to individuals who met with a case manager;
- Most elderly and disabled continued to require assistance from year to year. However, an increasing number of participants experienced a reduction in the need for assistance with

³ HUD's Jobs Plus Pilot Program for Public Housing Residents: Ongoing Implementation Experiences (<https://www.huduser.gov/portal/publications/JobsPlusReport.html>)

⁴ More information on evaluation findings can be found at <https://www.mdrc.org/project/jobs-plus-community-revitalization-initiative-public-housing-families#overview>.

⁵ Project SOAR Closeout Site Visit Summary (<https://www.huduser.gov/portal/publications/ROSS-SOAR-Closeout-Rept.html>)

SELF-SUFFICIENCY PROGRAMS

Activities of Daily Living (ADL) which create a cost-savings to other Federal and State programs;

- 5 percent of all participants moved from not having accesses to medical care in year one of the program to having access in year two – an improvement most noticeable among people with disabilities (15 percent) and youth (13 percent); and
- 1,731 participants enrolled in an education or vocational program.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2020 Budget Authority	2019 Carryover Into 2020	2020 Total Resources	2020 Obligations	2021 Appropriation	2020 Carryover Into 2021	2021 Total Resources	2022 President's Budget
Family Self-Sufficiency Program	80,000	79,461	159,461	79,550	105,000	79,912	184,912	120,000
Resident Opportunity and Self-Sufficiency (ROSS)	35,000	-	35,000	-	35,000	35,000	70,000	35,000
Jobs Plus Initiative	15,000	-	15,000	-	15,000	15,000	30,000	20,000
Total	130,000	79,461	209,461	79,550	155,000	129,912	284,912	175,000

APPROPRIATIONS LANGUAGE

The 2022 President’s Budget includes proposed changes in the appropriations language listed below. New language is italicized and language proposed for deletion is bracketed.

For activities and assistance related to Self-Sufficiency Programs, to remain available until September 30, [2024] *2025*, [\$155,000,000] *\$175,000,000*: *Provided*, That the amounts made available under this heading are provided as follows:

(1) [105,000,000]*\$120,000,000* shall be for the Family Self-Sufficiency program to support family self-sufficiency coordinators under section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u), to promote the development of local strategies to coordinate the use of assistance under sections 8 and 9 of such Act with public and private resources, and enable eligible families to achieve economic independence and self-sufficiency: *Provided*, That the Secretary may, by Federal Register notice, waive or specify alternative requirements under subsections (b)(3), (b)(4), (b)(5), or (c)(1) of section 23 of such Act in order to facilitate the operation of a unified self-sufficiency program for individuals receiving assistance under different provisions of such Act, as determined by the Secretary: *Provided further*, That owners or sponsors of a multifamily property receiving project-based rental assistance under section 8 of such Act may voluntarily make a Family Self-Sufficiency program available to the assisted tenants of such property in accordance with procedures established by the Secretary: *Provided further*, That such procedures established pursuant to the previous proviso shall permit participating tenants to accrue escrow funds in accordance with section 23(d)(2) of such Act and shall allow owners to use funding from residual receipt accounts to hire coordinators for their own Family Self-Sufficiency program;

(2) \$35,000,000 shall be for the Resident Opportunity and Self-Sufficiency program to provide for supportive services, service coordinators, and congregate services as authorized by section 34 of the United States Housing Act of 1937 (42 U.S.C. 1437z–6) and the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.); and

(3) [~~\$15,000,000~~]~~\$20,000,000~~ shall be for a Jobs-Plus initiative, modeled after the Jobs-Plus demonstration: Provided, That funding provided under this paragraph shall be available for competitive grants to partnerships between public housing authorities, local workforce investment boards established under section 107 of the Workforce Innovation and Opportunity Act of 2014 (29 U.S.C. 3122), and other agencies and organizations that provide support to help public housing residents obtain employment and increase earnings: Provided further, That applicants must demonstrate the ability to provide services to residents, partner with workforce investment boards, and leverage service dollars: Provided further, That the Secretary may allow public housing agencies to request exemptions from rent and income limitation requirements under sections 3 and 6 of the United States Housing Act of 1937 (42 U.S.C. 1437a, 1437d), as necessary to implement the Jobs-Plus program, on such terms and conditions as the Secretary may approve upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective implementation of the Jobs-Plus initiative as a voluntary program for residents: Provided further, That the Secretary shall publish by notice in the Federal Register any waivers or alternative requirements pursuant to the preceding proviso no later than 10 days before the effective date of such notice. (*Department of Housing and Urban Development Appropriations Act, 2021.*)