



Funders Together

TO END HOMELESSNESS



Policy Alert

Action Alert: Debt Ceiling Deal Looms with Potential Devastating Cuts to Housing and Homelessness Programs

As the debt ceiling deadline looms as soon as June 1, [negotiations between the White House and House Speaker Kevin McCarthy continue](#) and may be close to final in the coming days. These negotiations could result in a two-year deal which would essentially freeze or cut funding for housing and homelessness programs. A freeze in funding would mean that for FY24, HUD is \$13 billion short of maintaining current funding levels due to inflation, higher interest rates, and increasing rents - having dramatic and harmful impacts on individuals and families across the country with a disproportionate impact on Black, Indigenous, and other people of color.

As our partners at the [Center on Budget and Policy Priorities point out](#), these cuts could lead to:

- 2 million fewer people receiving rental assistance;
- 1.6 million public housing residents impacted by unsafe living conditions;
- At least 119,000 fewer people having access to homelessness assistance services.

Negotiations could also result in [Temporary Assistance for Needy Families \(TANF\) provisions which require strict and ineffective work requirements](#) - putting all 540,000 work-eligible families at risk of losing this critical support and may experience housing insecurity. These proposed rigid work requirements will perpetuate racial disparities as [studies have shown](#) that of those who were unable to demonstrate compliance with the requirements, Black people were significantly more likely than white participants to have their TANF cash assistance benefits taken away.

The bottom line: These proposed cuts and strict provisions to vital and life-saving programs are a racial justice issue and will put many more people at risk of eviction, homelessness, and poverty - a majority of who will be people from historically marginalized communities. In the coming days, strong advocacy rooted in justice is essential to ensure that these programs are protected from threatened cuts and harmful provisions.

How Philanthropy Can Take Action

Advocacy is needed TODAY. Now is the time for advocates to push Congress to hold the White House and congressional leaders accountable to protect investments in affordable housing and homeless services, as well as reject harmful barriers like work requirements.

If you are a public foundation or United Way and can engage in direct lobbying, call on members of Congress to weigh in directly with the White House and congressional leadership and urge them to increase – not cut – [critical investments in housing](#), [ending homelessness](#), and community development in FY24. You can also sign [your organization on to the Campaign for Housing and Community Development Funding's \(CHCDF\) annual budget letter](#), calling on Congress to reject spending cuts and instead provide the highest possible allocation for HUD's and USDA's affordable housing, homelessness, and community development programs in FY24.

If you are a private foundation or unable to partake in direct lobbying activities, contact your federal policymakers to educate and inform them about what your grantee partners are experiencing around affordable housing and housing instability and the impact decreased funding will have on your community. If your trustees have the ability to weigh in directly with leadership, encourage them to be vocal about the need to hold strong on continual robust housing and homelessness resources and reject the proposal for strict work requirements tied to essential assistance for people who need it the most.

Remember: Public and private foundations may educate legislators about a broad range of issues without referencing or providing views on specific legislation. Public and private foundations can also provide capacity for grantee partners to contact their Representatives and Senators on behalf of their community.

If you need assistance or talking points, please contact us or review the [HoUSed campaign toolkit](#) with talking points.

Policy Resource Round-Up

- **Center on Budget and Policy Priorities:**
 - [House Republican Bill Would Force Deep Cuts in Housing Assistance, Harming Families, Older Adults, and People with Disabilities](#)
 - [Roundup: Analyzing House Republicans' Harmful Debt-Ceiling-and-Cuts Bill](#)
 - [TANF Provisions in McCarthy Bill Give States Incentives to Take Cash Benefits Away From Families With the Most Significant Needs](#)
- **National Alliance to End Homelessness:**
 - [How Debt Ceiling Negotiations Threaten Homelessness Funding](#)
- **National Low Income Housing Coalition:**
 - [President Biden and House Republicans Inch Closer to a Debt Ceiling Deal That Could Harm Affordable Housing and Homelessness Assistance](#)
- **Opportunity Starts at Home:**
 - [Urge Congress to Reject Any Proposal to Budget Cuts](#)

As always, we are here to answer your questions or provide insights on public policy developments and opportunities. Please reach out to me or [Amanda](#) at any time.

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