AIDS United’s Position Statement on Revised HOPWA Formula

Background

The Housing Opportunities for People with AIDS Act (HOPWA) was authorized in 1992 in the Cranston-Gonzalez National Affordable Housing Act. The authorization ended in 1994 and has not been reauthorized since, though funding for HOPWA continues through the appropriations process. Currently 90% of the appropriated funding for HOPWA is distributed under a statutory formula to 137 qualifying state and metropolitan jurisdictions for development of multi-unit community residences; short term rental, mortgage, and utility fee assistance to people at risk for homelessness or currently homeless; supportive services; and housing counseling and referral. The current funding formula is based on cumulative AIDS cases. According to the Department of Housing and Urban Development (HUD), the formula counts more deceased individuals than living nationwide. The National HIV/AIDS Strategy (NHAS) released in July 2010 directs HUD to work with Congress to update the HOPWA formula to address distribution disparities.

The Obama administration has included a legislation and modernization proposal in the President’s Fiscal Year 2015 budget request for HUD. The proposal includes revision of the current HOPWA formula to use Centers for Disease Control and Prevention (CDC) confirmed data on persons living with HIV/AIDS and on a combination of a housing cost factor and a poverty factor. The plan would be phased in over a three-year period including a hold harmless of no greater loss than 10% and no greater gain than 20% for formula funded grantees. The proposal also expands short and medium term housing intervention and increases administrative fees.

Principles

Housing for HIV-positive individuals is essential to healthcare. Housing for HIV-positive individuals is prevention. The HOPWA formula should count living HIV-positive individuals and not be based on cumulative AIDS cases. The HOPWA formula should not count deceased individuals. The implementation of the new formula should not destabilize systems in place to house HIV-positive individuals across the country. The funding for the HOPWA program should be increased to meet growing need and to mitigate the effects of a revised formula.

Position

AIDS United believes that it is imperative to revise the current Housing Opportunities for People with AIDS (HOPWA) funding formula. AIDS United will work with the National AIDS Housing Coalition (NAHC) to educate Members of Congress on the need to update the HOPWA formula and to advocate a revised formula.

AIDS United believes that revising the HOPWA funding formula should not result in a HOPWA beneficiary losing existing housing. AIDS United will advocate a HOPWA appropriation amount that at a minimum is sufficient to prevent any jurisdiction from losing funding, relative to FY 2014 or the last fiscal year in which the current formula is used, as a result of revising the HOPWA funding formula.
AIDS United supports the Administration’s efforts to revise the HOPWA formula to count persons living with HIV/AIDS rather than cumulative AIDS cases using the CDC’s most up to date HIV surveillance data. AIDS United believes that the 10% hold harmless provision in the Administration's current proposal is too high and would cause unacceptable levels of disruption to existing housing services infrastructures in jurisdictions subject to the hold harmless provision. AIDS United calls for a further revision of the proposed funding formula to lower the hold harmless level to 5% per year over 5 fiscal years. AIDS United also suggests lowering the cap on a jurisdiction’s increase in a given year to 10% per year over 5 fiscal years. AIDS United supports the inclusion of a poverty factor and a Fair Market Rent factor to ensure that use of these factors increases a more equitable distribution of funds across qualifying jurisdictions. AIDS United further calls for additional information on other options for a poverty factor that are readily available and could be considered in order to account more accurately poverty among people living with HIV in each jurisdiction.