

The Alliance urges the Administration and Congressional lawmakers to provide the Section 202 account with \$1.85 billion in FY2027 to expand housing opportunities for older adults at risk of and who are experiencing homelessness through targeted investments.

As our nation's population ages, the need for safe, affordable, and service-enriched housing for older Americans is **urgent**: approximately 15 percent of older Americans are living in poverty, according to the [U. S. Census Bureau's latest data](#).

Not surprisingly, older adult homelessness is **rising at an alarming rate** in the United States. In 2024, adults aged 55 and older accounted for 20 percent (146,000) of the homeless population and are the fastest growing segment of the unhoused population. Research projects the number of older adults experiencing homelessness could nearly triple in a few short years (by 2030) if current trends continue.

Most programs that serve older adults are targeted to those who are 62 years and over. However, many adults aged 55 and over are already living on a fixed income, making it more difficult for them to keep up with the cost of rent. Therefore, it is important that targeted assistance is also available for **adults 55 and over** to ensure that housing insecurity can be addressed earlier.

The Alliance calls on Congress to **invest \$1.85 billion in FY2027** for housing opportunities for older adults who are experiencing homelessness by expanding the Section 202 Program (Supportive Housing for the Elderly) and authorize HUD to establish an age of eligibility of 55 for a set-aside of at least \$50 million of this total.

## GROWING NEED, LIMITED SUPPLY

A proven approach to address this need is to invest in housing and pair it with supportive services targeted specifically to the needs of older adults. This option is often more effective (and less costly) than the alternative—institutionalization.

Targeted programs—like the U.S. Department of Housing and Urban Development (HUD)'s Section 202 housing program—have been **severely underfunded** for more than two decades. As a result, the demand for this type of housing continues to outpace supply. This means many older Americans are unassisted due to the limited availability, and are left at risk of homelessness (or are forced into homelessness) as a result.

Without sufficient and targeted investments, older Americans—most living on fixed incomes—will continue to experience unstable housing situations, be forced to move into costly institutional care, or become homeless.

## Alliance Recommendation

### EXPAND SECTION 202

HUD's Supportive Housing for the Elderly Program (Section 202) is designed to help low-income Americans aged 62 years and older by pairing affordable housing with supportive services. Federal investment in this program allows older adults to age in place with dignity, strengthens communities by providing stable housing for older adults, and reduces public costs associated with homelessness and institutional care.

The Alliance calls on Congress to allocate **\$1.85 billion** to the HUD Section 202 Supportive Housing for the Elderly program and direct HUD to use this *increase of \$850 million* from FY2026 to:

- **Expand and modernize the program** by providing **\$600 million** in capital advances as primary financing for approximately 2,000 new homes and adjusting operating subsidy to the Section 8 platform;
- **Expand the service coordination component of the program** to **\$265 million** to renew existing grants and fund at least 100 additional Service Coordinators; and,
- **Create a \$50 million set-aside** to serve extremely low-income adults age 55 and older who are at risk of or who are experiencing homelessness and include language authorizing HUD to waive the statutory age requirement for this population.