

# Rental Assistance and an Equitable Recovery

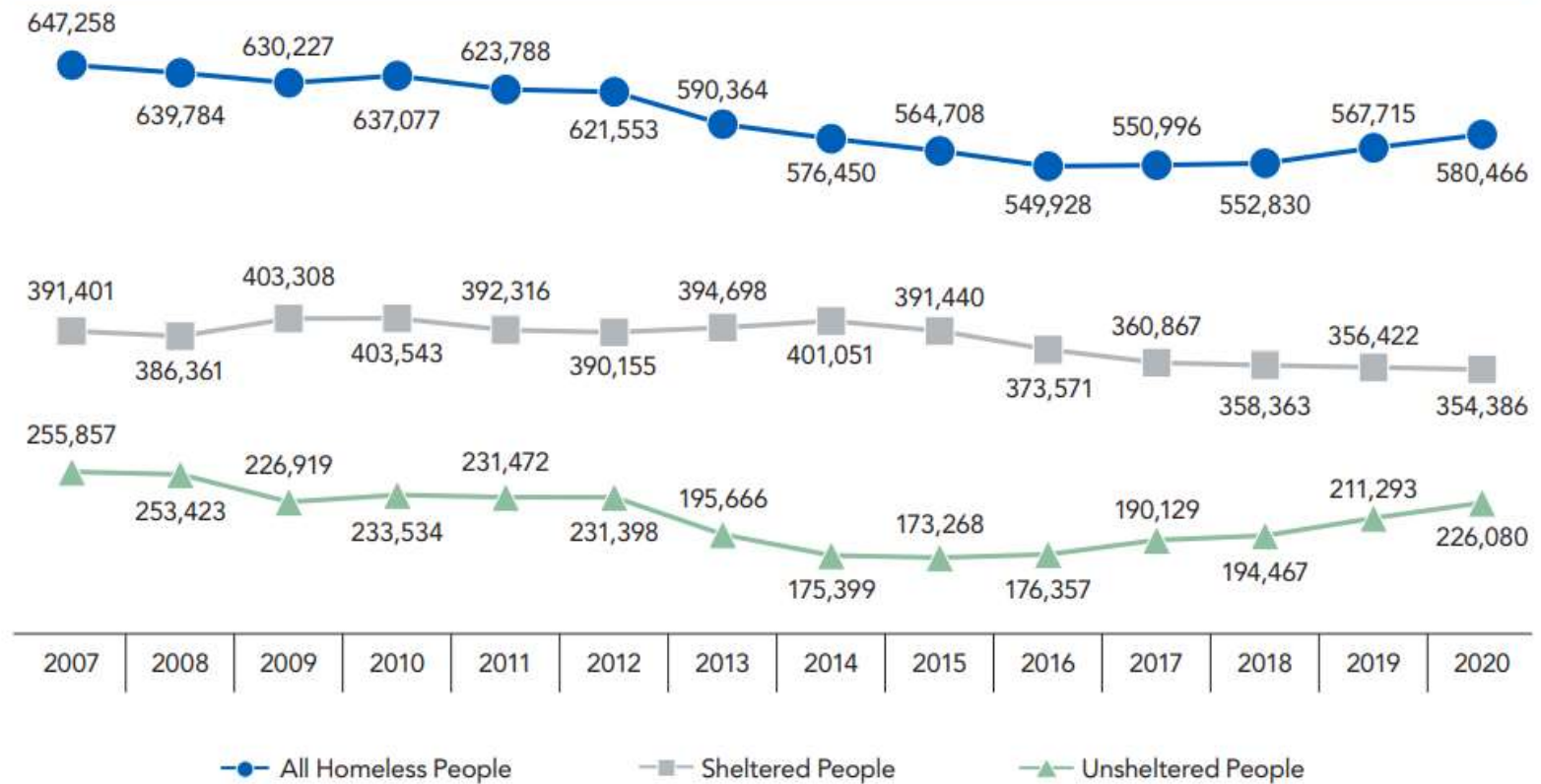
How State and Local Advocates Can Support Unprecedented Investments to Help People Struggling to Afford Housing

May 2021



# Now Is the Time to Expand Federal Rental Assistance

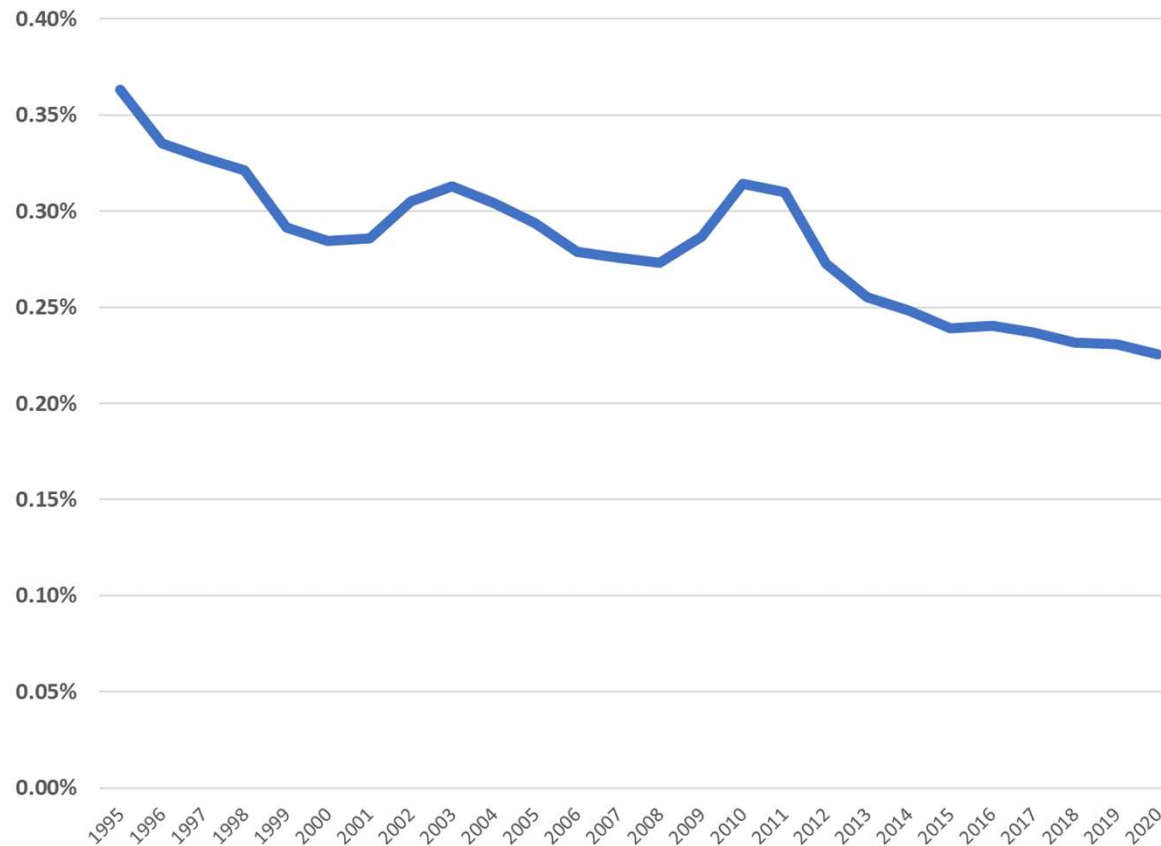
## EXHIBIT 1.1: PIT Estimates of People Experiencing Homelessness By Sheltered Status, 2007–2020



Source: HUD Annual Homeless Assessment Report Part 1, 2020

# Discretionary Housing Assistance Spending Has Fallen to Historic Lows

Spending as a percent of gross domestic product



Source: President's Fiscal Year 2021 Budget

# Why Housing Choice Vouchers?

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## Vouchers can:

- ▼ Reduce poverty
  - ▼ Sharply reduce homelessness and overcrowding
  - ▼ Reduce domestic violence
  - ▲ Can improve health and educational outcomes
  - ▲ Advance racial equity
  - ✚ And more
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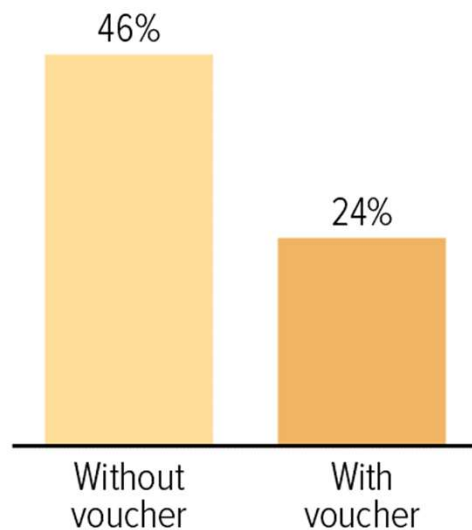
## Research shows that Housing Choice Vouchers:

- Reduce the share of families living in shelters or on the street by three-fourths, the share living in overcrowded conditions by more than half, and the share of adults experiencing domestic violence by half.
- Allow seniors to remain in their homes and allow people with disabilities to live independently.
- Reduce how frequently children must change schools. This also benefits their classmates by helping their teachers better gauge and advance students' learning.
- Give low-income children better access to low-poverty, high-resource neighborhoods – particularly children of color, who disproportionately live in high-poverty areas due to a long history of discriminatory government policies.

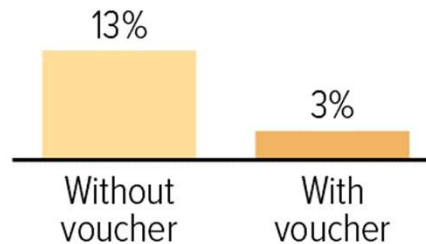
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## Housing Choice Vouchers Sharply Reduced Crowded Housing, Homelessness, and Frequent Moves, Study Shows

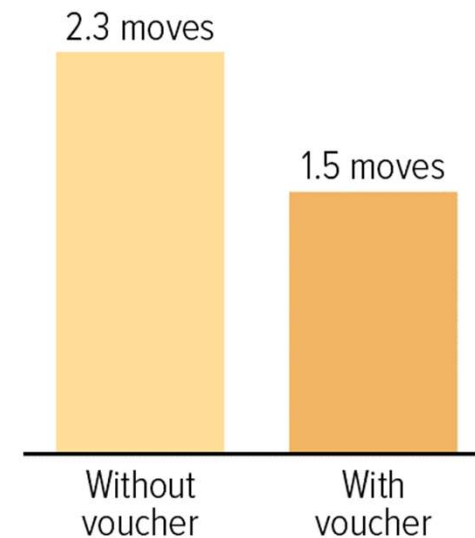
**Vouchers reduced the number living in crowded housing by half...**



**... reduced homelessness by three-quarters**



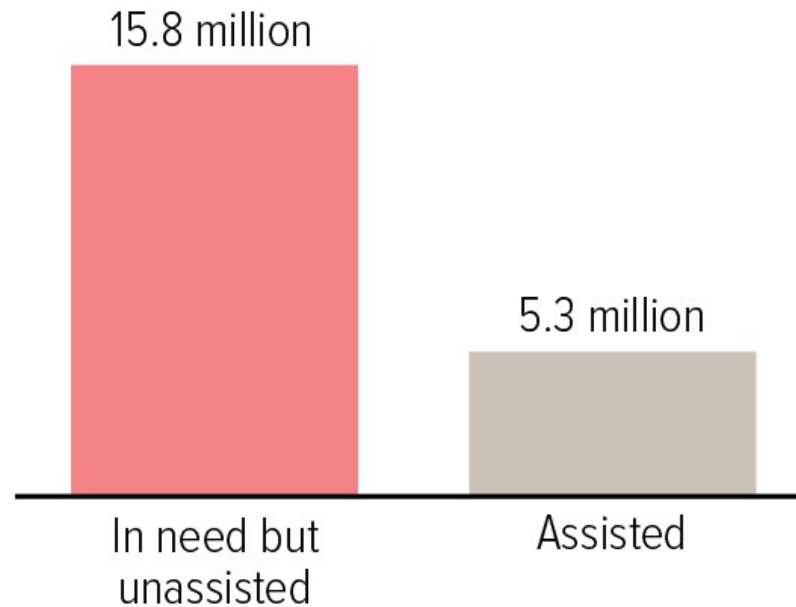
**... and reduced the number of moves over a five-year period by more than one-third.**



Note: The chart compares the housing status of low-income families in six U.S. cities who were randomly selected to receive a voucher and used it for at least part of the previous year to families in a control group who did not use vouchers. Families experiencing “crowded housing” were living in housing that has less than one room per household member. Number of moves reflects the average moves over a 4.5- to 5-year period since random assignment.

Source: Michelle Wood, Jennifer Turnham, and Gregory Mills, "Housing Affordability and Family Well-Being: Results from the Housing Voucher Evaluation," Housing Policy Debate, 2008.

## 16 Million Households Needing Federal Rental Assistance Do Not Receive It Due to Funding Limits



Note: In need = households earning 80 percent or less of the local median household income and paying more than 30 percent of monthly income for housing and/or living in overcrowded or substandard housing.

Source: Department of Housing and Urban Development (HUD) custom tabulations of 2017 American Housing Survey and CBPP tabulations of HUD and Agriculture Department data.

## 24 million people

live in low-income renter households that pay more than half their income for housing (rent and utilities)



**32%**  
are children



**34%**  
are working  
adults



**12%**  
are seniors



**17%**  
have a  
disability

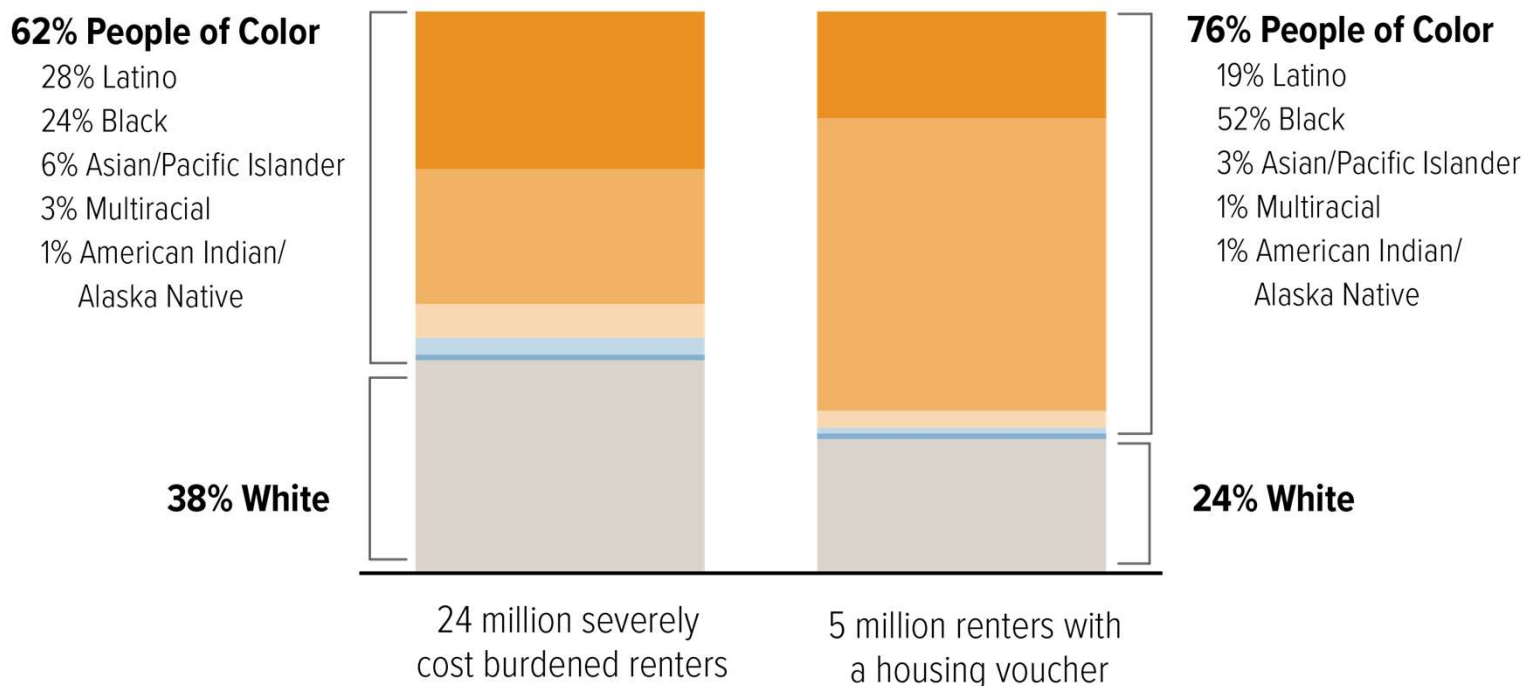
Notes: Low income = household earns less than 80% of the local median income. Severely cost-burdened = household pays more than 50% of their monthly income on rent and utilities.

Source: CBPP analysis of 2014-2018 American Community Survey microdata and 2018 HUD area median income limits.



## Expanding Housing Vouchers Would Help Millions of Renters, Mostly People of Color Currently Not Reached by the Program

Share of renters in low-income households

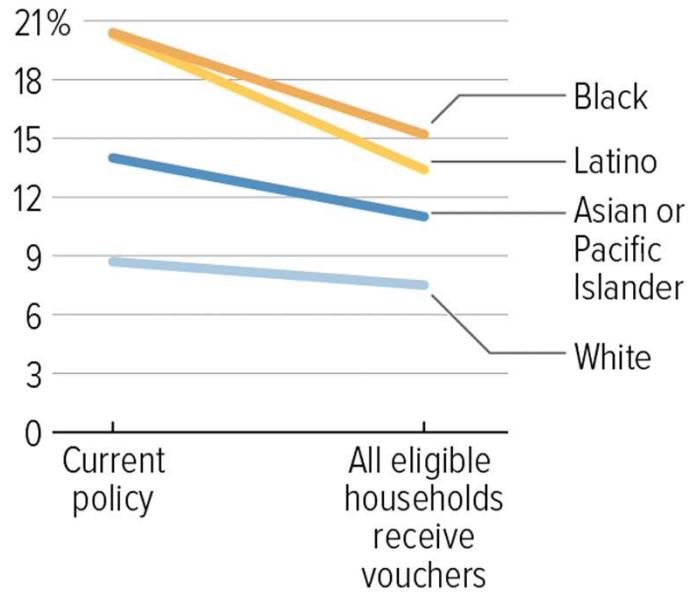


Note: Low-income = household earns less than 80% of the local median income. Severely cost burdened = household pays more than half their income for rent and utilities. Latino category may contain individuals of any race that identify as Latino or Hispanic; other categories exclude individuals that identify as Latino or Hispanic. Chart excludes severely cost burdened individuals identifying as some other race, representing .4% of the total.

Source: CBPP analysis of 2014-2018 American Community Survey microdata, 2018 HUD area median income limits, and 2018 HUD administrative data.

## Expanding Housing Vouchers to All Eligible Households Would Cut Poverty and Reduce Racial Disparities

Percent of people in poverty by race/ethnicity



Note: Currently about 1 in 4 households eligible for a voucher receives any type of federal rental assistance. Latino category may contain individuals of any race that identify as Latino or Hispanic; other categories exclude individuals that identify as Latino or Hispanic.

Source: Columbia University Center on Poverty and Social Policy calculations using data from the 2019 Annual Social and Economic Supplement to the Current Population Survey

# Current Opportunities at the Federal Level and How to Engage

# Renter Relief Actions During Pandemic

- CARES Act (March 2020) included:
  - \$3.4 billion in supplemental funds for HUD rental assistance programs
  - \$4 billion for homeless assistance via Emergency Solutions Grant program
- FY 2021 & COVID Relief (December 2020) included \$25 billion for Emergency Rental Assistance (ERA)
- American Rescue Plan Act (March 2021) provided \$32 billion for housing assistance, including:
  - \$21.6 billion in added ERA funding
  - \$5 billion for ~70,000 housing vouchers
  - \$5 billion for homeless assistance via HOME
  - \$750 million for tribal housing & \$100 million for rural rental aid

# Housing in Biden Jobs & Families Plans

- AJP includes total of \$213 billion for housing.
- Few details, but heavy emphasis on capital investments to build & rehabilitate rental housing. Includes:
  - \$40 billion to repair & modernize public housing
  - Mix of tax credits and grants to build, rehabilitate & make more energy efficient an additional 1 million affordable rental units
  - New grant program to encourage communities to eliminate exclusionary zoning laws
- \$20 billion for new tax credits to develop ~500,000 affordable homes for new homeowners

# Adding a multiyear expansion of Housing Vouchers to AJP & AFP is key

- To make meaningful reductions in homelessness and housing instability
- To ensure that poor renters who struggle most to afford housing are helped, wherever they live
- To more effectively address economic & racial inequities
- In sum, to make real progress is tackling the nation's most severe housing problems

# Expanding Housing Vouchers is key to reducing homelessness

- Rigorous research shows that housing vouchers are highly effective at reducing homelessness & housing instability
- Housing vouchers may also be “project-based” in supportive housing, which includes intensive, coordinated services that improve outcomes for formerly homeless people with chronic or complex health conditions

# Expanding Housing Vouchers reduces economic and racial inequities

- Housing vouchers are effective at reducing poverty, homelessness & housing instability, and overcrowding, all of which fall disproportionately on people of color
- Housing vouchers expand people's housing options, particularly for Black and Latino families, including in well-resourced communities from which they have historically been excluded



# Key takeaways on the housing provisions of the Jobs and Family Plans

- They include important capital investments to build & rehabilitate rental housing & Congress should prioritize many of them, especially funding for public housing & the Housing Trust Fund
- But these investments alone will do little to poor renters with the most severe housing problems, who are disproportionately people of color
- To rectify this omission, Congress should add mandatory, multiyear funding to the economic recovery package to make housing vouchers available to many more renters

# Influencing Federal Decision-Makers

- Set up a meeting (or zoom call) with key policymakers' offices:
  - Have a member on Sen. Banking or House Fin. Services?
  - Does your state have a HUGE unmet need/a good story to tell?
  - Request a call with that Senator/Rep, or with staff as soon as possible
- Engage in social media and in public discourse (Op-eds, LTE, Twitter, FB, Instagram)
  - Uplift the need to provide "guaranteed, multi-year funding for housing vouchers"
  - Make sure to @ your Senator or Member

# Influencing Federal Decision-Makers

## Pt. 2

- Send a sign-on letter or memo to your state delegation
  - If you are sending a multi-issue letter, give housing top-billing and highlight absence of vouchers as "major omission in President's plan"
  - Rather go it alone? Send a memo.
  - Make sure to highlight the specific needs for your state.

**The Big Four:** Speaker Pelosi (CA) and Senate Leader Schumer (NY), Sen. Banking Committee Chairman, Sen. Sherrod Brown (OH), House Financial Services Committee Chairwoman, Rep. Maxine Waters (CA)

**BIG ASK:** Ask Senators/Members **to relay to the Congressional leaders** and Senate Banking or House Financial Services Chairs that guaranteed, multi-year voucher funding must be included in recovery legislation.

# Key States and Members of Congress

- **AZ:** Senator Sinema, Senate Banking Committee
- **CA:** Senator Padilla\*, Rep. Juan Vargas, House Financial Services Committee, Rep. Brad Sherman, House Financial Services Committee
- **CO:** Senator Hickenlooper\*
- **GA:** Senators Warnock\*, Senate Banking Committee, Senator Ossoff\*, Senate Banking Committee
- **ME:** Senator King
- **MI:** Rep. Tlaib, House Financial Services Committee
- **MN:** Senator Smith, Senate Banking Committee
- **MO:** Representative Clever, House Financial Services Committee, Chair, Subcommittee on Housing, Community Development and Insurance
- **NJ:** Senator Menedez, Senate Banking Committee, Rep. Gottheimer, House Financial Services Committee
- **NY:** Senator Gillibrand, House Democratic Caucus Chair, Rep. Jeffries, Rep. Maloney, House Financial Services Committee, Rep. Meeks, House Financial Services Committee, Rep. Ocasio-Cortez, House Financial Services Committee, Rep. Torres\*, Subcommittee on Housing, Community Development and Insurance
- **NV:** Senator Cortez-Mastro, Senate Banking Committee
- **OH:** Rep. Beatty, House Financial Services Committee and Chair of the Congressional Black Caucus
- **OR:** Senator Merkeley
- **VA:** Senator Warner, Senate Banking Committee

\* New Member of Congress

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