Millions of Americans Are Housing Insecure: Rent Relief and Eviction Assistance Continue to Be Critical

Written By Julie Pagaduan | November 9, 2021

Since April 2020, the Census Bureau has conducted bi-monthly surveys on the effects of the coronavirus pandemic. The survey responses included insights into economic factors impacting a household's risk for eviction and housing insecurity – data that has continued to inform the impact of federal resources distributed throughout this period.

Among the most striking results were the responses from August 18 – 30, 2021 (week 36 of the survey), when the federal eviction moratorium ended, indicating that nearly half of adult renters who took the survey reported that they were "very likely" or "somewhat likely" to be evicted from their homes within the next two months.[i] This amounts to an estimated 3.7 million people reporting a form of housing insecurity.

Additionally, about 14 percent of respondents – or an estimated 7.7 million adults – were behind on rent.[ii] Many of those people did not immediately face legal evictions. An unknown number of households may have self-evicted during this time period.

Safety net programs and policies in place from the pandemic may have also affected the estimated number of people facing eviction. Some state- and local-level eviction moratoria remain in place, and a subset of individuals and families have benefitted from Emergency Rental Assistance.

Regardless of these unknowns, the survey results clearly illustrate the breadth of need related to housing assistance in the United States.

Housing Insecurity and Potential Impacts on Homelessness

It is currently unclear the extent to which the economic consequences of the COVID-19 pandemic will impact homelessness. Historically, eviction has not always been shown to have an immediate impact on a household's experience of homelessness. Of those who are evicted, some will find new housing quickly, and others will double up with family and friends before either securing permanent housing of their own or experiencing literal homelessness. Additionally, analysis of [data from the Great Recession] of 2007-2009 suggests that homelessness can be a lagging indicator of a crisis, growing far more slowly than unemployment and remaining elevated for far longer.

Current challenges and available relief are different than they were in 2007-2009. However, it is possible that some unknown number of people are slowly spiraling down into literal homelessness and that, without sufficient intervention, they may have a hard time getting out of it. This is likely to be particularly true for specific subgroups of the population.

Greater Hardship Among Subgroups Indicates Need for More Targeted Approaches

The pandemic has disproportionately impacted some groups more than others, including racial minorities and youth. Historical racial discrimination, limited housing opportunities, and the lack of nationwide affordable housing have contributed to this inequity.

As federal, state, and local leaders consider strategies for responding to these needs, it is clear that resources must be appropriately targeted to groups that are disproportionately impacted.

Disproportionate Impacts Among Racial Minorities

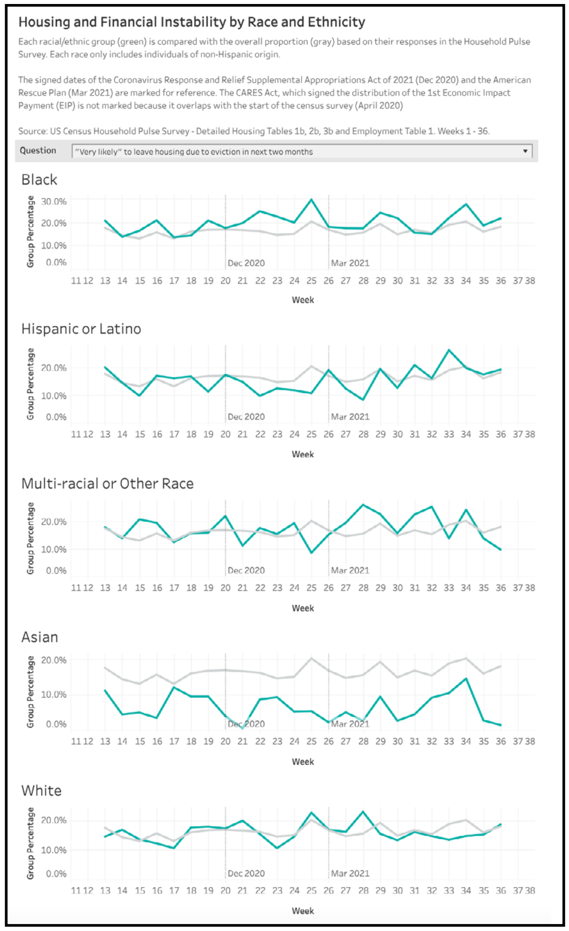
The Census Bureau reports from August 2021 (week 36 of the Census survey) reveal that racial minorities reported higher than national rates for the expected loss of employment income. Compared to a national average of 16 percent, 25 percent of Hispanics/Latinos, 23 percent of Blacks, and 19 percent of other people of color expressed this expectation. Together, they amount to an estimated 18.8 million renter households that need to find another source of income to help pay their rent.[iii]

Racial disproportionality is also present in the survey respondents' fear of eviction.

In August 2021 (week 36 of the Census survey), 22 percent of Black respondents said that they face very likely displacement.[iv] Hispanics/Latinos were not far behind at 19 percent. Meanwhile, the national rate stood at 18 percent.

These disparities create a further concern: should they continue, they could worsen racial and ethnic disproportionality among those who experience homelessness. With homeless systems across the country already pressured by pre-COVID conditions, the nation will face further stress on its ability to reduce homelessness unless all people, especially people of color, are stably housed.

[Click here to access an interactive version of the chart.]



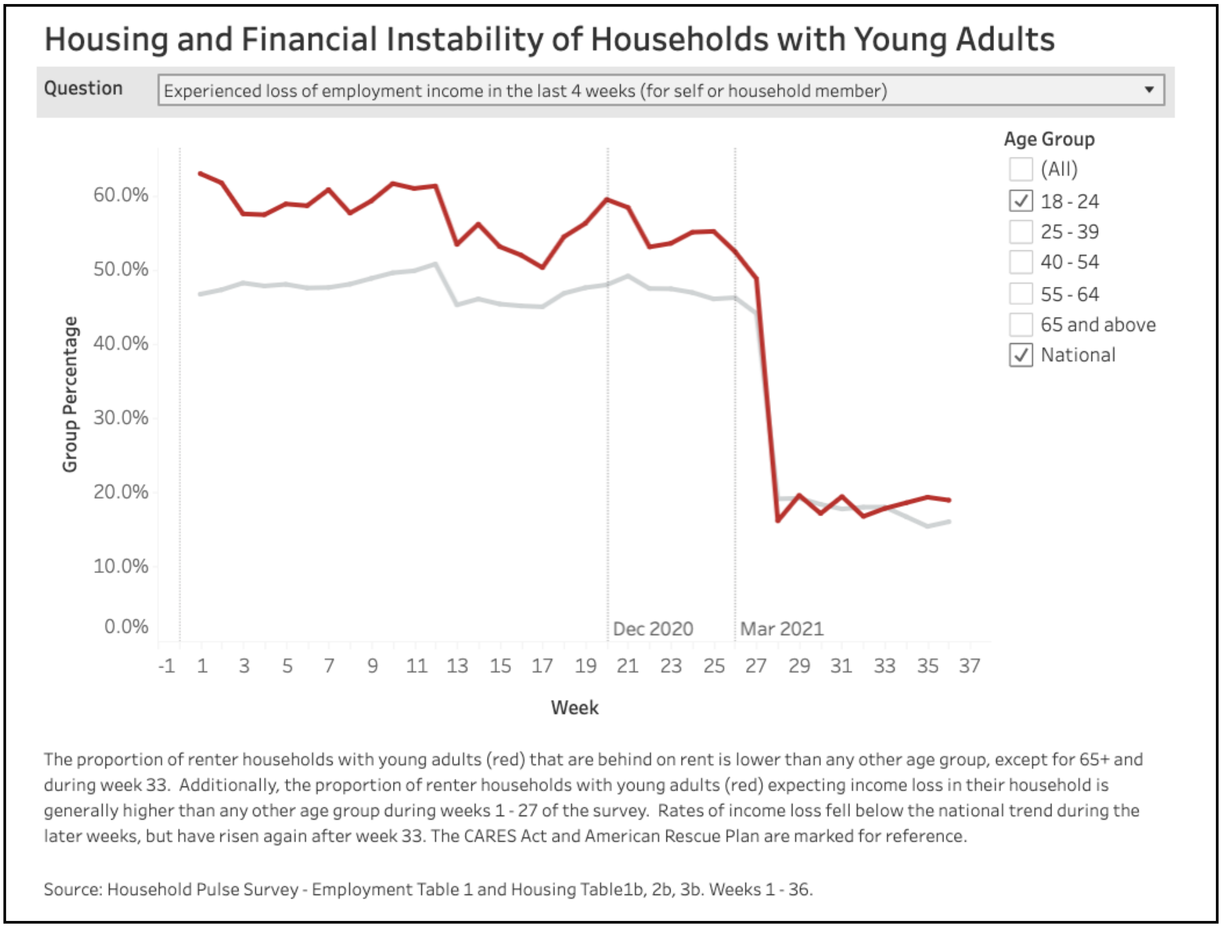
Young Adults Also Struggled with Rent During the Pandemic

Youth have often been excluded from the coronavirus pandemic discussion, as well as from some relief efforts. Notably, they could not access tax-based Economic Impact Payments (i.e., stimulus checks) if their parents claimed them as a "dependent." Yet, this subpopulation could suffer long-term effects from pandemic-related disruptions to employment and education.

Youth poverty rates were on the rise before the pandemic and later accelerated. Unemployment and related income losses have often surpassed national averages since March 2020.

Census survey data demonstrates that the proportion of households with youth that are behind on rent has fluctuated over the course of 2021 but has generally stayed below the national rate and is declining. Many youths can rely on parents and other family members when they experience financial setbacks. Current reporting does not single out those who do not have these social supports—thus, we do not know how many are housing insecure and falling into homelessness.

[Click here to access an interactive version of the chart.]



Federal Aid Prevents Poverty

Federal COVID relief measures and the safety net have been shown to significantly help low-income households, who are at most risk of homelessness, remain financially stable. During the course of the pandemic, this relief has been available through several federal funding streams. These include individual payment resources (tax-based relief, unemployment relief) and rent relief (in the form of Housing Choice Vouchers and Emergency Rental Assistance).

Tax-Based and Unemployment Relief

According to a U.S. Census Bureau analysis on health and poverty, the first and second Economic Impact Payments pulled 11.7 million persons out of poverty and helped an estimated 31.7 million Americans pay for housing and other necessary expenses.[v] Unemployment benefits expanded under the American Rescue Plan prevented 5.5 million people from falling into poverty. Housing subsidies, such as Housing Choice Vouchers, lifted 2.4 million people out of poverty.

While the Census did not provide a racial breakdown for these numbers, it is expected that people of color disproportionately benefited from these federal supports. Based on responses to a Census Bureau survey from the last half of August (week 36 of the Census survey), Blacks, Hispanics/Latinos, Asians, and other races were nearly twice as likely as Whites to rely on unemployment benefits as a main source of income and were around 1.5 times more likely to rely on Economic Impact Payments.[vi]

Housing Cost and Rent Relief

Governments should continue prioritizing eviction prevention by strengthening the financial stability of households, explicitly through continued rent relief and voucher programs. Housing Choice Vouchers and the Emergency Rental Assistance Program (ERA) both have the potential to lift people out of poverty and reduce their risk of entering homelessness.

Housing Choice Vouchers target low-income households and reduce the cost of housing. The program assists 2.3 million households, and nearly 100 percent of the program's annual funding has been used over the past decade (2011 – 2020). However, only a quarter of households eligible for a voucher receives one, leaving 3 out of 4 eligible households without a voucher due to lack of funding. This signifies the effectiveness of and the unmet need for more Housing Choice Vouchers.

The program's effectiveness in reducing homelessness, and its potential for greater impact if expanded, can be seen through a study conducted by Abt Associates from 1999 to 2006. The study focused on more than 8,000 families, some of whom were given household-based rental assistance vouchers under the U.S. Department of Housing and Urban Development's Welfare to Work Voucher Program.

Findings showed that vouchers reduced literal homelessness (use of shelter or living on the streets) by 74 percent. They also reduced the number of families living in overcrowded housing by half and reduced the number of moves by one-third during the five-year observation period (2000 – 2006). Families with vouchers were also three times less likely to stay with family or friends, showing that the program can deter "doubling up."

Like Housing Choice Vouchers, ERA targets low-income households and households that have been affected by the pandemic. The Census survey reveals many households are behind on rent—the ERA Program can help millions of Americans catch up on rent and avoid eviction.

When combined with the individual payment resources above, use of federal safety nets can further lift people out of poverty, or prevent them from entering it. It is crucial that communities are informed on how to utilize these voucher and rental assistance programs.

The Alliance has called on State and local governments to effectively distribute the $46.5 billion worth of ERA funds, and has created a COVID-19 Federal Funding toolkit to help communities and governments strategically implement these programs.

Conclusion

The duration of the COVID-19 pandemic and its associated economic consequences remain unknown. However, understanding the impacts of existing and potentially expanded federal relief resources is essential to stemming further increases in housing insecurity and homelessness. These resources include unemployment benefits, tax system-based relief (i.e., economic impact payments), housing choice vouchers, and emergency rental assistance.

Furthermore, to reduce persistent economic inequities, it is essential that these resources are targeted to those facing disproportionate risk of eviction and housing insecurity, including communities of color and youth ages 18 – 24.

[i] Household Pulse Survey Table Housing 3b, Week 36. August 18 – 26, 2021. The survey reports that about 3.7 million adults living in rental housing (47.95% of respondents) feel that they are very or somewhat likely will be evicted within the next two months.

[ii] Household Pulse Survey Housing Table 1b, Week 36. August 18 – 26, 2021.

[iii] Household Pulse Survey Employment Table 1, Week 36. August 18 – 26, 2021. Estimates were 6,552,868 for non-Hispanic Blacks, 10,530,309 for Hispanic/Latino, and 1,735,576 for Multiple or Other Races.

[iv] Household Pulse Survey Housing Table 3b, Week 36. August 18 – 26, 2021.

[v] Household Pulse Survey PUF file Week 36. August 18 – 26, 2021. The calculation used the sum of people in each racial group (Asian, Black, Other, and White) that answered "Yes" to using their stimulus payment as a "sources of income and funds for spending needs" (variable SPND_SRC6).

[vi] Household Pulse Survey PUF file Week 36. August 18 – 26, 2021. These numbers were calculated by looking at the proportion of the estimated population that answered the question and checked the variable for SPND_SRC5 (relying on UI as a source of main income) SPND_SRC6 (relying on their stimulus payment as a source of main income). Surveys without a response were excluded.