

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

November 28, 2022

Memorandum

To: Members, Committee on Financial Services
From: FSC Majority Staff
Subject: Thursday, December 1, 2022, Full Committee Hearing entitled, “Boom and Bust: The Need for Bold Investments in Fair and Affordable Housing to Combat Inflation”

The full Committee will hold a hybrid hearing entitled, “Boom and Bust: The Need for Bold Investments in Fair and Affordable Housing to Combat Inflation” on Thursday, December 1, 2022, at 10 a.m. ET in room 2128 of the Rayburn House Office Building and on the Cisco Webex platform. There will be a single panel with the following witnesses:

- **Nikitra Bailey**, Executive Vice President, National Fair Housing Alliance
- **Margaret Eaddy**, Activist and Housing Seeker
- **Michael Mitchell**, Director of Policy & Research, Groundwork Collaborative
- **Mark Zandi**, Chief Economist, Moody’s Analytics
- **Douglas Holtz-Eakin**, President, American Action Forum

Overview

A persistent shortfall in the supply of housing units in recent years, along with corresponding increases in the costs to access available housing, have contributed to a nationwide housing affordability crisis that has only been exacerbated by the pandemic and corresponding economic trends.¹ For decades, housing supply has not kept up with demand, with one estimate showing an average of 150,000 fewer homes being built compared to the demand for single-family homes and rental units over the past decade.² The underproduction of homes that are affordable to the lowest income households in particular, has led to an absolute shortage of 3.6 million homes for extremely low-income renters—the only subset of households experiencing an absolute shortage of housing.³

This chronic and growing lack of supply to meet demand has contributed to inflation in the housing market, with real average new home prices rising by approximately 88% from 1981 to 2021, after controlling for inflation, and real median new home prices rose by 93% over the same period.⁴ Between 2019 and June 2022 alone, house prices increased by 48% nationally and the national median asking rents increased by 31% during that same time.⁵ Further, wage growth, which has grown by 23%, has not kept up over the past five years with the 36.9% increase in rents.⁶

¹ National Low Income Housing Coalition, [The Gap Report](#) (Apr. 2022); See also Joint Center for Housing Studies of Harvard University, [Black And Hispanic Renters Face Greatest Threat Of Eviction In Pandemic](#) (Jan. 11, 2021).

² Financial Services Committee (FSC), [Testimony of Mark Zandi](#) (Mar. 8, 2022).

³ National Low Income Housing Coalition, [The Gap Report](#) (Apr. 2022); Note: An absolute shortage of housing for extremely low-income renters means that there are not enough homes that are affordable and available to households based on their share of the renter population.

⁴ *Supra* note 2. See also Appendix B, Figure 1.

⁵ Federal Housing Finance Agency, [House Price Index Datasets](#) (Accessed on Nov. 20, 2022); See also U.S. Census Bureau, [Housing Vacancies and Homeownership \(CPS/HVS\), Table 11A/B](#) (Accessed on Nov. 20, 2022); See also Appendix B, Figures 2 and 3.

⁶ Jeff Tucker, [Renters Need to Work 63 Hours to Pay Rent, Six Hours More Than Before the Pandemic](#), Zillow (Nov. 21, 2022).

As described in greater detail below, research shows that increasing housing costs are a primary driver of core inflation in the U.S. economy.⁷ According to the latest consumer price index (CPI) report, housing inflation contributed to more than half of the monthly increase in core inflation observed in October 2022.⁸ The Federal Reserve (Fed) has rapidly raised interest rates to combat inflation; this makes the cost of housing finance more expensive, which can reduce housing prices, but it also increases the cost of lending to build new housing, which can constrict the supply chain of new units under construction and make the sale or rental price of new units more expensive. The Fed's interest rate hikes also do nothing to address the fundamental shortage of housing. This hearing will explore these interactions and policy options to fully combat inflation and promote fair and affordable housing.

High Housing Costs

Housing costs make up the single largest budget item for most U.S. households. As of 2020, 29.9% of all households were moderately or severely burdened by housing costs.⁹ However, cost burden trends are starkest among renters, 46.2% of whom are moderately or severely cost burdened compared to 21.3% for homeowners, and even starker for 84% of extremely low-income renters who make at or below 30% of the area median income.¹⁰ According to the latest Census Bureau data, over 4 million households reported that they are at risk of eviction or foreclosure in the next two months, and over 13 million reported that they are behind on their rent or mortgage payments.¹¹ This is not just a problem for lower wage workers—data show that “the average minimum-wage worker must work 96 hours per week (nearly two and a half full-time jobs) to afford a two-bedroom rental home, or 79 hours per week (two full-time jobs) to afford a one-bedroom rental home at the fair market rent.”¹² In early 2022, rents grew in all markets, with rents increasing 10% or more in 77% of housing markets.¹³ The income needed for a household to purchase a median-priced single-family home has increased by nearly 90% from \$68,035.67 in 2019 to \$129,049.55 today, and is even higher for new homes.¹⁴ While home purchase demand has cooled, with 4.43 million existing homes sold in October 2022, which is down 5.9% from September 2022 and down 28.4% from October of last year, housing inventory is also down 0.8% from September and also 0.8% from October of last year.¹⁵

Inflation in the Economy and in Housing

There are various measures used by economists to gauge inflation in the economy. Two widely used measures are the personal consumption expenditures (PCE) price index, produced by the Commerce Department's Bureau of Economic Analysis (BEA),¹⁶ and the consumer price index, produced by the Labor Department's Bureau of Labor Statistics (BLS).¹⁷ Both indexes have a headline (or overall) index and a core index, which excludes food and energy given those prices tend to be more volatile, meaning they increase or decrease more dramatically and frequently compared to other prices. CPI obtains its data

⁷ For example, see Politico, [The main driver of inflation isn't what you think it is](#) (Mar. 18, 2022); Axios, [The housing problem is also the inflation problem](#) (Sep. 14, 2022); and National Housing Conference, [High housing costs continue to drive inflation numbers](#) (Oct. 16, 2022).

⁸ BLS, [Consumer Price Index News](#) Release (Nov. 10, 2022). As additionally noted in the report, housing inflation increased 0.8% in October 2022, which represents the largest such monthly increase since August 1990.

⁹ Joint Center for Housing Studies of Harvard University, [The State of the Nation's Housing](#) (2022); Note: Moderate cost burdened households pay 30% or more of their income on rent while severely cost burdened households pay 50% or more of their income on rent.

¹⁰ *Id.* See also Appendix B, Figure 7.

¹¹ U.S. Census Bureau, [Week 50 Household Pulse Survey: October 5 - October 17](#) (Accessed on Nov. 19, 2022).

¹² National Low Income Housing Coalition, [Out of Reach Report](#) (2022).

¹³ Joint Center for Housing Studies of Harvard University, [Record-Breaking Rent Growth In Markets In the South and West](#) (Aug. 31, 2022).

¹⁴ National Housing Conference, [Paycheck to Paycheck Database](#) (Accessed on Nov. 28, 2022); Note: The income needed to purchase a median-priced home is based on a 3% downpayment with a 7% interest rate in 2022 versus a 3% downpayment with a 3.61% interest rate mortgage in 2019.

¹⁵ Existing-home sales and inventory include single-family, townhomes, condominiums and co-ops. See National Association of Realtors, [Existing-Home Sales Slumped 5.9% in October](#) (Nov. 18, 2022).

¹⁶ BEA, [Personal Consumption Expenditures Price Index](#) (accessed Nov. 23, 2022).

¹⁷ BLS, [Consumer Price Index](#) (accessed Nov. 23, 2022).

from consumers, whereas PCE sources its data from businesses, resulting in different types of data being captured.¹⁸ In April 2020, core CPI jumped to 3% year-over-year (YoY) and steadily increased, reaching a peak of 6.7% YoY in September of this year, although declining in October to an annual increase of 6.3%.¹⁹

Housing costs, reflected as both rental prices and the amount of money a homeowner would need to pay to rent their home, make up one-third of CPI.²⁰ In October 2022, housing costs contributed to over half of the monthly core CPI increase and 40% of the annual core CPI increase, with housing costs up 6.9% from 2021.²¹ Some private market surveys have started to show declines in rental housing prices. For example, the Apartment List's national rent index decreased by 0.7% between September and October 2022.²² However, the timing of this decrease is consistent with typical, pre-pandemic seasonal trends for the survey, and the index shows that rents have increased overall by 5.9% so far in 2022.²³ This is lower than the 18% increase observed by the index at this point in 2021, but Apartment List predicts it will ultimately be the second largest year of rent growth since 2017.²⁴ Moreover, Fed Chair Powell discussed how government measures for inflation, like CPI, are more comprehensive than private surveys, capturing costs for all homeowners and tenants, and he cautioned, "[T]here will come a point at which rent inflation will start to come down. But that point is well out from where we are now."²⁵ Rental prices could take years to come down in part because the economics behind year-long rental contracts and the high costs of moving combined with limited inventory result in "sticky" prices, meaning they adjust slowly compared to other goods and services.

Further, monopolistic trends may be contributing to home price increases. Research shows that lack of competition results in increased prices, as it emboldens companies to raise prices with relatively little risk of consumers switching to other companies.²⁶ Over the last several decades, there has been a notable increase in economic concentration across many different industries in the U.S., including in the housing market.²⁷ One report showed how private market algorithms used by corporate landlords may be artificially inflating rental prices in a potentially anti-competitive manner.²⁸

While the Fed continues to increase interest rates in an effort to stymie inflation, some data suggests that these rate increases may be exacerbating the housing supply and affordability crises. For example, as the Fed's rate hikes make the cost of lending more expensive for businesses and households alike, increased interest rates have contributed to stalled housing construction projects, disincentivized home sales, and locked more renters out of homeownership opportunities.²⁹ These factors have helped push the median single-family home price to \$379,100 in October 2022, which is an increase of 6.6%

¹⁸ BLS, [A Comparison of PCE and CPI](#) (2017).

¹⁹ BLS, [United States Core Inflation Rate](#) (accessed Nov. 28, 2022).

²⁰ BLS, [Measuring Price Change in the CPI: Rent and Rental Equivalence](#) (Mar. 29, 2022).

²¹ BLS, [Consumer Price Index Summary](#) (Nov. 10, 2022).

²² Apartment List, [Apartment List National Rent Report](#) (Oct. 30, 2022; accessed Nov. 23, 2022).

²³ Apartment List, [Apartment List National Rent Report](#) (Oct. 30, 2022; accessed Nov. 23, 2022).

²⁴ Apartment List, [Apartment List National Rent Report](#) (Oct. 30, 2022; accessed Nov. 23, 2022). Also see Zillow, [Zillow Observed Rent Index](#) (Oct. 2022; accessed Nov. 23, 2022) with monthly rent decline of 0.1% for October 2022, but a 9.6% annual increase.

²⁵ See Fed, [Transcript of Chair Powell's Press Conference](#) (Nov. 2, 2022) at p 19.

²⁶ See FSC, [The Inflation Equation: Corporate Profiteering, Supply Chain Bottlenecks, and COVID-19](#) (Mar. 8, 2022); House Oversight & Government Reform Committee, [Subcommittee Analysis Reveals Excessive Corporate Price Hikes Have Hurt Consumers and Fueled Inflation, While Enriching Certain Companies](#) (Nov. 4, 2022); Roosevelt Institute, [Prices, Profits, and Power: Corporate America and Inflation](#) (June 21, 2022); and ProPublica, [Rent Going Up? One Company's Algorithm Could be Why](#). (Oct. 15, 2022).

²⁷ Gustavo Grullon et al., [Are U.S. Industries Becoming More Concentrated?](#), Swiss Finance Institute (May 31, 2015); See also Black Knight, [Intercontinental Exchange Enters Into Definitive Agreement To Acquire Black Knight](#) (May 4, 2022); See also FSC, [Where Have All the Houses Gone? Private Equity, Single Family Rentals, and America's Neighborhoods](#) (Jun. 28, 2022).

²⁸ ProPublica, [Rent Going Up? One Company's Algorithm Could Be Why](#). (Oct. 15, 2022).

²⁹ Marketplace, [Homebuilder confidence continues to slide as interest rates continue to rise](#) (Sep. 19, 2022); See also CNBC, [Homebuyers are canceling deals at the highest rate since the start of the pandemic](#) (Jul. 11, 2022); See also New York Times, [Older, White and Wealthy Home Buyers Are Pushing Others Out of the Market](#) (Nov. 3, 2022).

since October 2021, despite historically high mortgage rates.³⁰ Data from the Federal Housing Finance Agency (FHFA) shows single-family house prices up 11.9% between August 2021 and August 2022, although recent data shows that the average price of a house in the U.S. has begun to fall.³¹ Economists estimate that single-family home prices will continue to decrease month-over-month, with some anticipating that home prices will fall 20% from the peak in June of more than \$400,000.³² According to U.S. Census Bureau data, housing starts—both single and multifamily—increased by 7.5% between the first and third quarters of 2019 and 2020, 16.7% between the same quarters of 2020 and 2021, but increased at a much lower rate of 0.37% between 2021 and 2022.³³

Monetary Policy

The Fed has a dual mandate to pursue maximum employment and stable prices in carrying out monetary policy.³⁴ Since 2012, members of the Fed’s Federal Open Markets Committee (FOMC) have targeted 2% inflation,³⁵ yet core PCE was 5.1% for the 12 months leading into September 2022, more than 3% above the Fed’s long-term target.³⁶ In order to mitigate rising inflation, the Fed has implemented a series of rate hikes this year. On March 17, 2022, the FOMC voted to increase the federal funds rate 25 basis points to a range of 0.25-0.50%.³⁷ The next was a 50 basis point increase on May 5, 2022, to a range of 0.75-1%.³⁸ Subsequent increases on June 16, July 27, September 21, and November 2 were all 75 basis point increases, resulting in a federal funds rate of 3.75-4%.³⁹ The next scheduled FOMC meeting to determine interest rate action will be on December 13-14, 2022.⁴⁰

The FOMC members, who make decisions on monetary policy, consist of the seven members of the Board of Governors of the Fed, the New York Fed president, and four rotating presidents of the remaining Reserve Banks, who have one-year terms.⁴¹ Fed officials have been vocal about their thoughts on future monetary policy actions to come. For example, Boston Fed President Susan Collins indicated support for slowing down the rate hikes after the last FOMC meeting, explaining that it was not long ago when a 50 basis point rate increase was considered large.⁴² Fed Governor Christopher Waller has said that he is open to reducing the interest rate increase at that meeting to 50 basis points and will be looking particularly at housing in his assessment.⁴³ On the other hand, St. Louis Fed President James Bullard recently said the Fed may have to push forward and continue to increase rates until they reach between 5% and 7%.⁴⁴

As the Fed considers its next steps, a growing number of experts are urging caution as the full effects of past interest rate hikes have not been fully determined, raising the risk that further rate hikes could result in an overcorrection that tips the economy into a costly recession resulting in unemployment,

³⁰ Zillow, [October Existing Home Sales: Affordability Woes See Largest Drop in Sales in 15 Years](#) (Nov. 18, 2022).

³¹ FHFA, [FHFA House Price Index Down 0.7 Percent in August; Up 11.9 Percent from Last Year](#) (Oct. 25, 2022); See also Axios, [The house-price decline accelerates](#) (Oct. 26, 2022).

³² Axios, [“Collapse” in home prices is coming, experts say](#) (Nov. 28, 2022).

³³ “Housing starts” refer to the construction of new, privately-owned, residential housing units. See BLS, [New Residential Construction](#) (Accessed on Nov. 20, 2022); See also Appendix B, Figure 5.

³⁴ See Fed, [Section 2A, Federal Reserve Act](#) (Accessed Nov. 21, 2022).

³⁵ Federal Reserve Bank of St. Louis, [Inflation, Part 3: What Is the Fed’s Current Goal? Has the Fed Met Its Inflation Mandate?](#) (Sep. 2, 2022).

³⁶ BEA, [Personal Consumption Expenditures Excluding Food and Energy](#) (Accessed Nov. 22, 2022). While the Fed utilizes a wide range of data points, the Fed prefers core PCE over CPI as it covers a broader, more dynamic range of goods. See CNBC, [The Fed uses one inflation gauge as its North Star. Here’s why](#) (Jan. 28, 2022).

³⁷ See Forbes Advisor, [Federal Funds Rate History 1990 to 2022](#) (Accessed Nov. 21, 2022).

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ See CNBC, [Fed’s Waller says he’s open to a half-point rate hike at December meeting](#) (Nov. 16, 2022).

⁴¹ Fed, [Federal Open Market Committee](#) (Nov. 2, 2022).

⁴² Wall Street Journal, [Fed’s Collins Signals Support for Slowing Pace of Interest Rate Increases](#) (Nov. 4, 2022).

⁴³ *Supra* note 40.

⁴⁴ *Id.*

evictions, foreclosures, and increased homelessness.⁴⁵ In fact, research has shown that the average monetary policy transmission lag in the United States has been about 42 months.⁴⁶ For example, although in early 2022, rents grew in all markets, private data suggests that rents have started to fall month-over-month in select markets—a possible indication of more decreases to come.⁴⁷ In that case, the full effects of the first of the Fed’s actions to increase interest rates in March 2022 may not be realized until October 2025. The Fed has also acknowledged that there is a lag in effects of interest rate increases on inflation and prices.⁴⁸ Based on their plans for continued interest rate increases, the Fed estimated that unemployment would rise to 4.4% by the end of 2023, meaning more than a million people could lose their jobs.⁴⁹ Additionally, there are risks from the simultaneous rate increases by central banks around the world, as Fed Vice Chair Lael Brainard has pointed out “U.S. tightening is being amplified by concurrent foreign tightening.”⁵⁰

Additional Efforts to Reduce Inflation and Address the U.S. Housing Crisis

The Fed’s interest rate hikes do not address the fundamental shortage of housing supply that is driving prices up. To address decades of chronic disinvestment in fair and affordable housing, the House passed the Build Back Better Act in November 2021, which included over \$150 billion in investments to increase the supply of affordable housing, reduce barriers to housing construction, address the homelessness crisis, invest in communities, and decrease housing costs for families across the country.⁵¹ Moody’s Analytics estimated that investments in the Build Back Better Act would bolster the economy by increasing gross domestic product, boosting job opportunities, and offsetting inflation.⁵² Federal subsidies for affordable housing through the Department of Housing and Urban Development alone are estimated to reduce the share of housing cost-burdened households by 15%.⁵³ Yet, federal investments in housing assistance as a share of total U.S. spending had been steadily declining over the last decade—from 1.4% of all outlays in fiscal year (FY) 2012 to less than 1% in FY2020—until an infusion of temporary housing assistance in the American Rescue Plan Act in FY2021 brought the share back up to the FY2012 level.⁵⁴

While there have been successful efforts to make investments that help address national infrastructure needs,⁵⁵ the global climate crisis,⁵⁶ and rising inflation,⁵⁷ none have included robust investments in fair and affordable housing—a key part of our nation’s infrastructure,⁵⁸ climate resilience and mitigation strategy,⁵⁹ and core inflation.⁶⁰

⁴⁵ See Groundwork Collaborative, [Experts Agree: Fed Should Think Twice Before Raising Interest Rates Again](#) (Oct. 18, 2022); The Washington Post, [As the Fed fights inflation, worries rise that it’s overcorrecting](#) (Oct. 11, 2022); and FSC, [Chairwoman Waters Warns Chair Powell About Consequences of Interest Rates Hike, Urges Extreme Caution to Avoid Recession](#) (Nov. 4, 2022).

⁴⁶ See Tomas Havranek & Marek Rusnak, [Transmission Lags of Monetary Policy: A Meta-Analysis](#) (Dec. 2013).

⁴⁷ See Business Insider, [Rents are starting to fall across the US—and they’re set to drop even more in 2023](#) (Oct. 28, 2022).

⁴⁸ FOMC, [Statement on Longer-Run Goals and Monetary Policy Strategy](#) (Adopted effective Jan. 24, 2012; reaffirmed Jan. 25, 2022).

⁴⁹ See Vox, [Is the cure for inflation worse than the disease?](#) (Oct. 26, 2022).

⁵⁰ Speech by Vice Chair Lael Brainard, [Restoring Price Stability in an Uncertain Economic Environment](#) (Oct. 10, 2022).

⁵¹ FSC, [The Build Back Better Act](#) (Access on Nov. 20, 2022); Note: [H.R. 4497, the "Housing Is Infrastructure Act" \(Rep. Waters\)](#), which would provide a historic investment of over \$600 billion in equitable, affordable, and accessible housing infrastructure, served as the basis for the more than \$150 billion Housing Title of the Build Back Better Act.

⁵² Moody’s Analytics, [Macroeconomic Consequences of the Infrastructure Investment and Jobs Act & Build Back Better Framework](#) (Nov. 4, 2021).

⁵³ *Supra* note 9.

⁵⁴ Office of Management and Budget, [Public Budget Database, Outlays](#) (Accessed on Nov. 20, 2022). See also Appendix B, Figure 6.

⁵⁵ Infrastructure Investment and Jobs Act, Public Law No: 117-58.

⁵⁶ Inflation Reduction Act, Public Law No: 117-169.

⁵⁷ *Id.*

⁵⁸ FSC, [Build Back Better: Investing in Equitable and Affordable Housing Infrastructure](#) (Apr. 14, 2021).

⁵⁹ FSC, [A Strong Foundation: How Housing is the Key to Building Back a Better America](#) (Oct. 21, 2021).

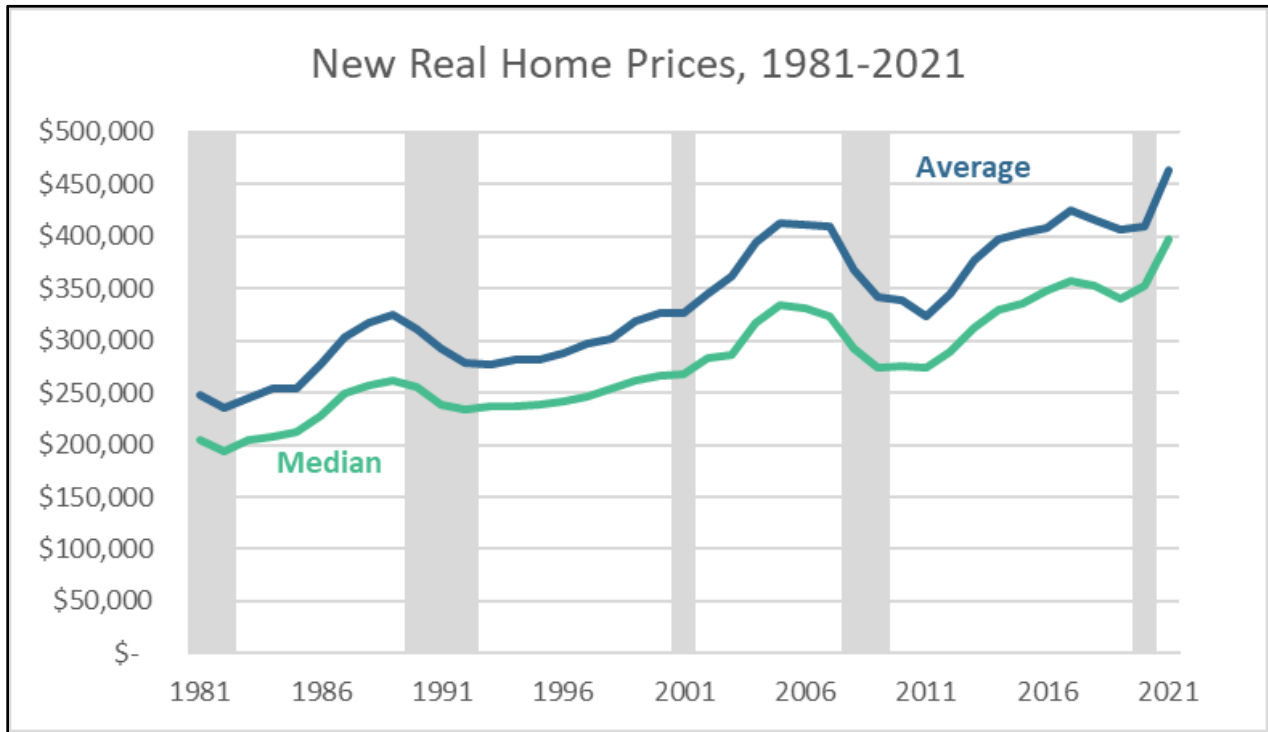
⁶⁰ FSC, [Boom and Bust: Inequality, Homeownership, and the Long-Term Impacts of the Hot Housing Market](#) (Jun. 29, 2022); See also FSC, [The Inflation Equation: Corporate Profiteering, Supply Chain Bottlenecks, and COVID-19](#) (Mar. 8, 2022).

Appendix A: Legislation

- **H.R. 4495, “Downpayment Toward Equity Act” (Reps. Waters, Green, Garcia (TX), Pressley, Axne, García (IL)).** This bill would help address the U.S. racial wealth and homeownership gaps by providing \$100 billion toward downpayment and other financial assistance, including for interest rate buydowns, for first-generation homebuyers to purchase their first home.
- **H. R. 4496, “Ending Homelessness Act” (Reps. Waters, Cleaver, Torres).** This bill would end homelessness and significantly reduce poverty in America by transforming the Housing Choice Voucher program into a federal entitlement, so that every household who qualifies for assistance would receive it. The bill also amends the Fair Housing Act to prohibit housing discrimination based on an individual’s source of income.
- **H.R. 5376, “Build Back Better Act” (Yarmuth).** This bill would provide more than \$150 billion in fair and affordable housing investments, representing the single largest investment in affordable housing in our nation’s history. These funds will expand the supply of affordable, accessible housing; help 294,000 households afford their rent; build, upgrade, and retrofit over 1.8 million affordable housing units; and help close the racial wealth gap through the first-ever national investments in homeownership for first-time, first-generation homebuyers.

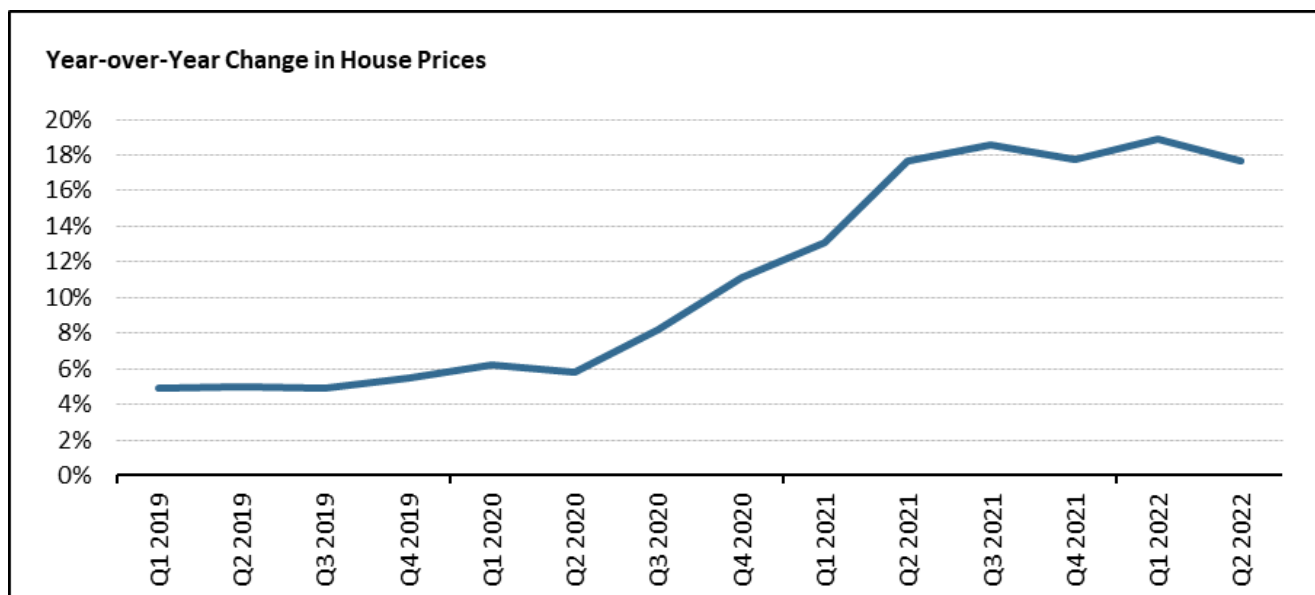
Appendix B: Housing and Inflation Data

Figure 1



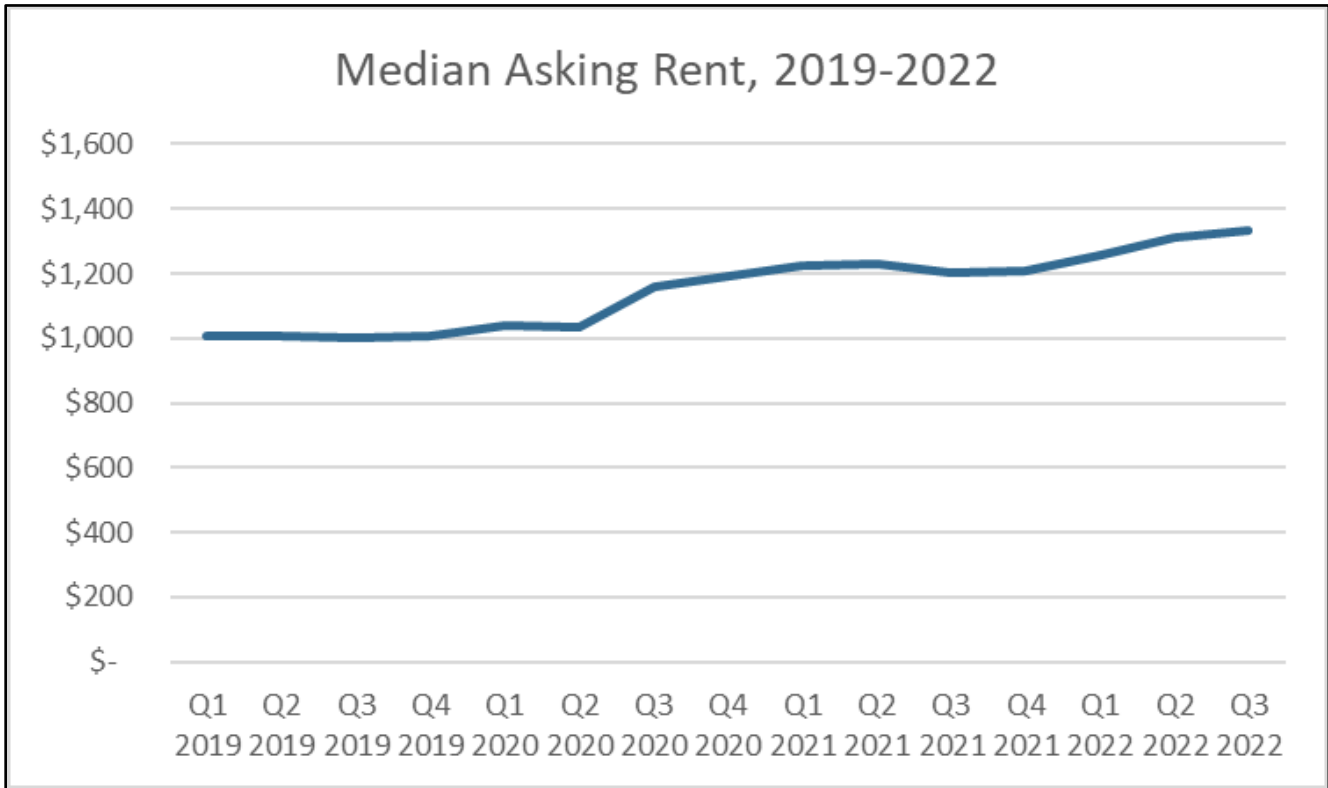
Sources: U.S. Census Bureau, New Residential Sales; U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: All Items in U.S. City Average [CPIAUCSL], retrieved from FRED, Federal Reserve Bank of St. Louis; Federal Reserve Bank of St. Louis, NBER based Recession Indicators for the United States from the Period following the Peak through the Trough [USREC], retrieved from FRED, Federal Reserve Bank of St. Louis

Figure 2



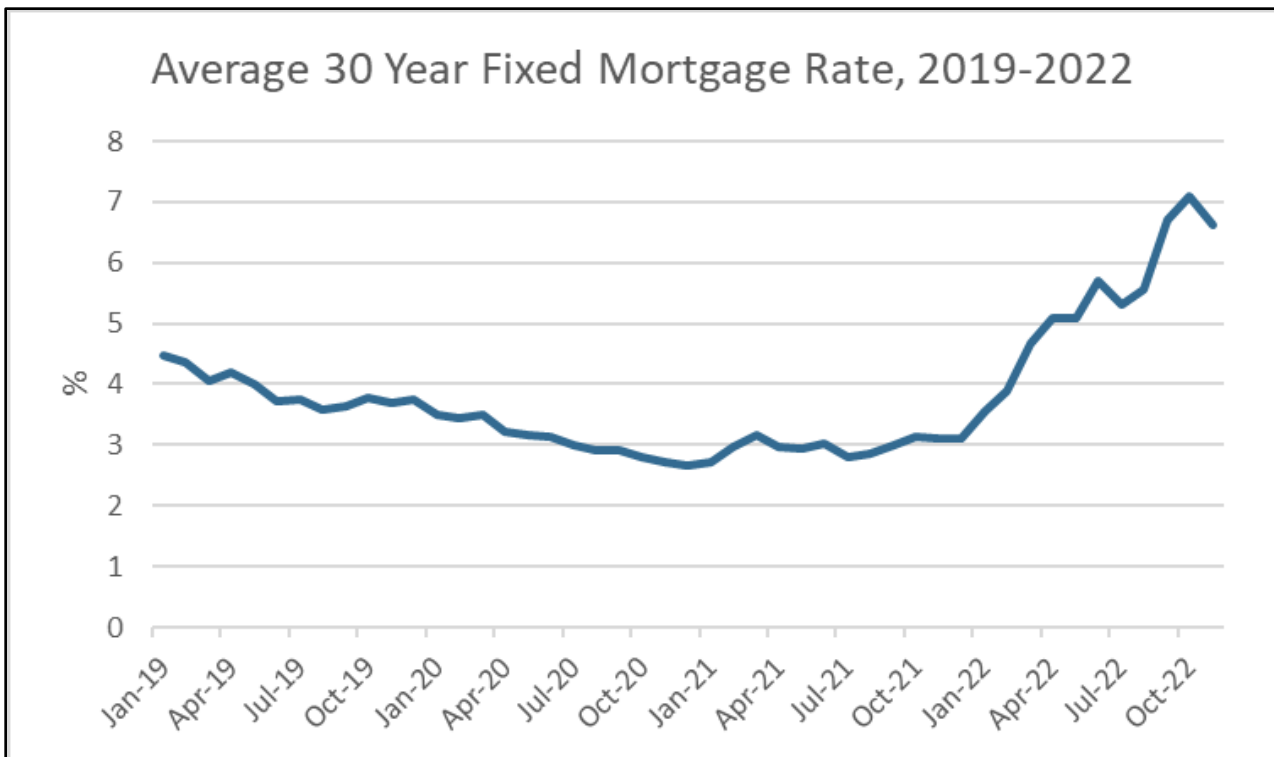
Sources: FHFA House Price Index Datasets

Figure 3



Source: U.S. Census Bureau, Housing Vacancies and Homeownership (CPS/HVS)

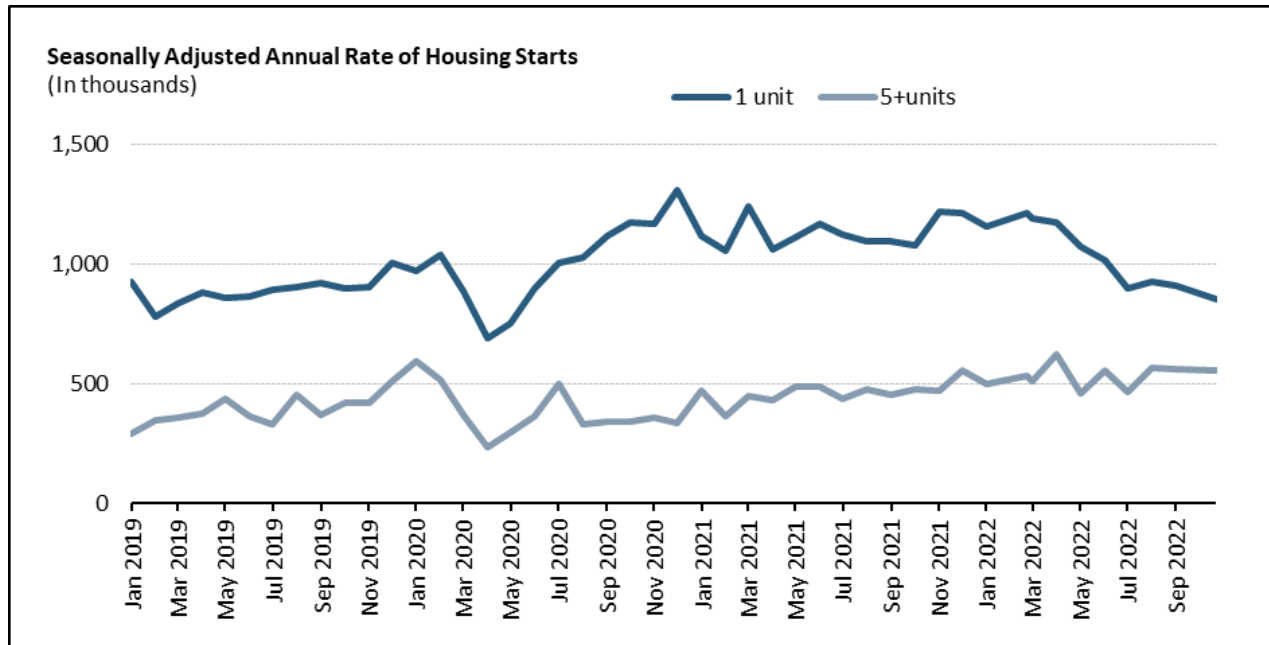
Figure 4



**Note: Each week, since April 1971, Freddie Mac surveys lenders on the rates and points for their most popular 30-year fixed-rate, 15-year fixed-rate and 5/1 hybrid amortizing adjustable-rate mortgage products. The survey is based on first-lien prime conventional conforming home purchase mortgages with a loan-to-value of 80%.

Source: Freddie Mac, Monthly Mortgage Rates Data Archive

Figure 5



**Note: Seasonally Adjusted Annual Rate, by month, one-unit starts only

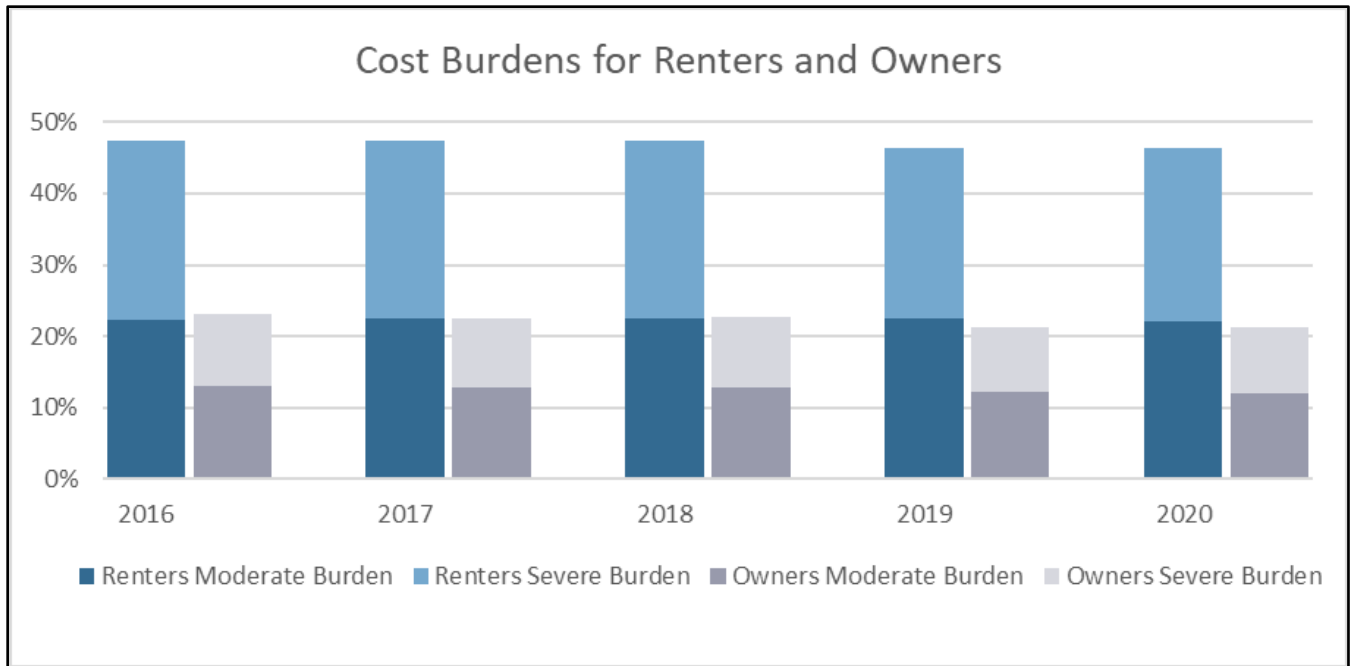
Source: U.S. Census Bureau, New Residential Construction Data

Figure 6

Outlay for Federal Housing Assistance, FY2012-FY2021			
(Budget Subfunction 604, dollars in billions.)			
	Housing Assistance Outlays (nominal dollars)	Housing Assistance Outlays (real 2021 dollars)	Housing Assistance Outlays as a Share of all Outlays
FY2012	\$47.95	\$56.30	1.4%
FY2013	\$46.69	\$53.83	1.4%
FY2014	\$47.62	\$53.86	1.4%
FY2015	\$47.82	\$53.48	1.3%
FY2016	\$50.01	\$55.47	1.3%
FY2017	\$49.08	\$53.48	1.2%
FY2018	\$49.50	\$52.71	1.2%
FY2019	\$50.55	\$52.80	1.1%
FY2020	\$53.00	\$54.63	0.8%
FY2021	\$89.81	\$89.81	1.3%

**Note: The Housing Assistance Subfunction (604) comprises more than 70 accounts, including all of the major rental assistance programs (e.g., Section 8, Housing Choice Vouchers, public housing, Housing for the Elderly and Persons with Disabilities, rural rental assistance), homeless assistance programs, and housing block grants (e.g., HOME, Housing Trust Fund), and the COVID-related Emergency Rental Assistance program, among others). It does not include community development programs (e.g., CDBG), mortgage finance programs (e.g., FHA), or housing-related tax expenditures (e.g., LIHTC).

Figure 7



Source: Data are taken or computed from the Joint Center for Housing Studies of Harvard University's tabulations of 1-year American Community Survey (ACS) data as published in Excel spreadsheets accompanying the JCHS's annual State of the Nation's Housing Reports.