

---

June 9, 2021

## Why Expanding Housing Choice Vouchers Is Essential to Ending Homelessness

### Testimony of Ann Oliva, Senior Fellow, Center on Budget and Policy Priorities, Before the House Financial Services Committee

Thank you for the opportunity to testify today on this timely and important topic. My name is Ann Oliva; I am a Senior Fellow at the Center on Budget and Policy Priorities. The Center is an independent, nonprofit policy institute that conducts research and analysis on a range of federal and state policy issues affecting low- and moderate-income individuals and families. The Center's housing work focuses on increasing access to and improving the effectiveness of federal low-income rental assistance and homelessness programs. Prior to coming to the Center, I spent ten years as a senior career public servant at the U.S. Department of Housing and Urban Development (HUD), most recently as Deputy Assistant Secretary for Special Needs. At HUD I oversaw the Department's homelessness and HIV/AIDS housing programs and helped to design and implement the HUD-VA Supportive Housing (HUD-VASH) program.

### Overview

The nation is experiencing a homelessness crisis. In January 2020 — before the pandemic — 30 states across America saw a rise in homelessness from one year earlier and, for the first time since we began tracking this data, more single individuals<sup>1</sup> experiencing homelessness were *unsheltered* than sheltered. Living on the streets is a brutal existence for men, women, families, and youth, and negatively impacts not only the people forced to live in these conditions but also the surrounding neighborhoods and communities. But shelters are far from ideal as well. Shelters feature only short-term stays, and congregate settings can exacerbate health conditions rather than providing the kind of help people need to obtain housing. During the pandemic, congregate shelters have been especially problematic, as they could facilitate the spread of COVID-19. But the pandemic also has showed us that long-term change is possible and that with investments in permanent and supportive housing, we can dramatically reduce reliance on congregate shelters and help more people get the stable housing they need more quickly.

---

<sup>1</sup> HUD's definition of "individual" refers to a person who is not part of a family with children during an episode of homelessness. Individuals may be homeless as single adults, unaccompanied youth, or in multiple-adult or multiple-child households.

I want to thank Chairwoman Waters and Representatives Cleaver and Torres for their work on the Ending Homelessness Act of 2021, which would make bold changes to strengthen communities and improve the lives of those who are experiencing homelessness or at risk of homelessness. Expanding the Housing Choice Voucher program to provide a voucher to every eligible household is the single most important step we can take to address the homelessness crisis. While the bill we are discussing today is the most comprehensive option, Congress should also enact the President’s proposed 200,000-voucher increase through the appropriations process and include a large-scale, multi-year voucher expansion in upcoming recovery legislation to quickly make progress toward ending homelessness.

After a brief examination of the current national landscape on homelessness and housing instability, my testimony today will review the Ending Homelessness Act of 2021 and then discuss:

- why universal vouchers are the most important step we can take toward ending homelessness;
- how voucher expansion would advance racial equity;
- how voucher expansion can reduce homelessness most effectively, based in part on recent discussions with people with lived experience of homelessness and voucher use; and
- how voucher expansion can increase opportunities for both preventing and exiting homelessness.

## National Landscape on Homelessness and Housing Instability

HUD reports that more than 580,000 people (including members of families as well as individuals) were experiencing homelessness on a single night in January 2020, prior to the COVID-19 pandemic.<sup>2</sup> Sixty-one percent of them were in sheltered locations, while 39 percent were unsheltered. They included nearly 172,000 people in families (60 percent of them children), more than 110,500 people experiencing chronic homelessness,<sup>3</sup> and more than 37,000 veterans. Over the course of a year, nearly 1.45 million people experience sheltered homelessness at some time.<sup>4</sup>

These 2020 point-in-time data illustrated two significant shifts in the landscape of homelessness:

- **Homelessness increased in 30 states.** Unlike in prior years, between 2019 and 2020 the number of people experiencing homelessness increased in more states than it decreased.
- **Unsheltered homelessness is at crisis levels.** Unsheltered homelessness (which is less common among families with children) has increased every year since 2015. (See Figure 1.) In

---

<sup>2</sup> Meghan Henry *et al.*, “The 2020 Annual Homeless Assessment Report (AHAR) to Congress, Part 1,” Department of Housing and Urban Development, January 2021, <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>.

<sup>3</sup> People who are chronically homeless have experienced homelessness for at least a year, or repeatedly over several years, while struggling with a disabling condition such as a serious mental illness, substance use disorder, or physical disability. See National Alliance to End Homelessness, “Chronically Homeless,” <https://endhomelessness.org/homelessness-in-america/who-experiences-homelessness/chronically-homeless/>.

<sup>4</sup> Meghan Henry, Anna Mahathey, and Meghan Takashima, “The 2018 Annual Homeless Assessment Report (AHAR) to Congress, Part 2,” Department of Housing and Urban Development, September 2020, <https://www.huduser.gov/portal/sites/default/files/pdf/2018-AHAR-Part-2.pdf>.

2020, for the first time since the count began, there were more unsheltered single individuals (51 percent) than sheltered single individuals (49 percent). Between 2019 and 2020, unsheltered homelessness among white people increased 8 percent, while increases among Black and Hispanic/Latino people were 9 and 10 percent, respectively.

As the crisis deepens, it is important to understand the needs and characteristics of people experiencing homelessness and housing instability so that interventions can be designed and funded to address those needs.

**Families experiencing homelessness are typically headed by women and include a high percentage of young children.<sup>5</sup>**

About 501,100 people in 156,000 households with children used an emergency shelter or transitional housing in fiscal year 2018. Of those persons, 62 percent were children and nearly 30 percent were children under age 5. Nearly 90 percent of sheltered family households were headed by women.<sup>6</sup>

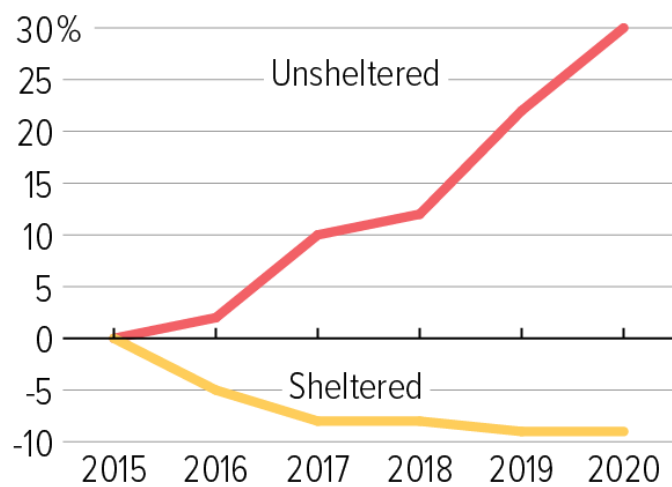
**Youth and young adults experience homelessness as family heads of household and as individuals.<sup>7</sup>**

In 2018, families with children headed by a parenting young adult aged 18 to 24 accounted for 17 percent of all family households experiencing sheltered homelessness; in addition, 113,330 unaccompanied youth experienced sheltered homelessness. Unaccompanied youth experiencing sheltered homelessness were more likely to be people of color (Hispanic or Latino, Black or African American, multi-racial, or another race other than white) than youth in the general population. LGBTQ youth are at more than double the risk of homelessness

FIGURE 1

**Unsheltered Homelessness Increased Every Year Since 2015**

Percent change in people experiencing homelessness since 2015



Source: 2015-2020 Housing and Urban Development point-in-time data

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

<sup>5</sup> *Ibid.*

<sup>6</sup> HUD defines “head of household” as the member of the family or household to whom all other members of the household are associated in homeless management information systems. For families and adult-only households, the head of household must be an adult. In a child-only household, the parent of another child is designated as the head of household; otherwise, each child in a household without adults is designated as a head of household.

<sup>7</sup> *Ibid.*

compared to non-LGBTQ peers, and among youth experiencing homelessness, LGBTQ young people reported higher rates of trauma and adversity, including twice the rate of early death.<sup>8</sup>

People experiencing unsheltered homelessness have higher needs than sheltered persons and are often engaged by police in harmful ways. The California Policy Lab's analysis "Health Conditions of Unsheltered Adults in the U.S." reports that people experiencing unsheltered homelessness are "far more likely to report suffering from chronic health conditions, mental health issues, and experiences with trauma and substance abuse problems as compared to homeless people who are living in shelters."<sup>9</sup>

Further, the analysis shows that often the "[p]eople with the longest experiences of homelessness, most significant health conditions, and greatest vulnerabilities are not accessing and being served by emergency shelters. Rather than receiving shelter and appropriate care, unsheltered people with major health challenges are instead regularly engaged by police and emergency services." Relying on emergency systems like ambulances and police departments to respond to homelessness is costly to public systems and traumatizing to the individuals experiencing homelessness. It also leads to outcomes like arrests and repeated hospitalizations instead of stable housing and appropriate health care.

**People experiencing homelessness often work but still cannot afford housing.** The recent paper "Learning about Homelessness Using Linked Survey and Administrative Data" found high rates of formal employment among people experiencing homelessness.<sup>10</sup> The report's findings not only run counter to pervasive stereotypes about people experiencing homelessness, but also point to the need for a comprehensive and long-term approach to addressing the homeless crisis:

- Fifty-three percent of people experiencing sheltered homelessness had formal labor market earnings in the year they were observed as homeless.
- An estimated 40.4 percent of unsheltered persons had at least some formal employment in the year they were observed as homeless.
- However, the "administrative data reveal substantial material deprivation among people experiencing homelessness." People experiencing homelessness "appear to be having not just a year of deprivation and challenge, but a decade (at least)." In other words, homelessness is a symptom of persistent challenges, poverty, and insecurity.

**Inflow into homelessness is significant, and many households are at risk.** The homelessness crisis is deeply affected by the number of households entering homelessness from unstable housing situations. HUD's "Worst Case Housing Needs 2019 Report to Congress" found that 7.7 million

---

<sup>8</sup> Matthew Morton *et al.*, "LGBTQ Young Adults Experience Homelessness at More than Twice the Rate of Peers," Chapin Hall at the University of Chicago, 2018, <https://www.chapinhall.org/research/lgbtq-young-adults-experience-homelessness-at-more-than-twice-the-rate-of-peers/>.

<sup>9</sup> Janey Rountree, Nathan Hess, and Austin Lyke, "Health Conditions Among Unsheltered Adults in the U.S.," California Policy Lab, October 6, 2019, <https://www.capolicylab.org/health-conditions-among-unsheltered-adults-in-the-u-s/>.

<sup>10</sup> Bruce D. Meyer *et al.*, "Learning about Homelessness Using Linked Survey and Administrative Data," National Bureau of Economic Research Working Paper No. 28861, May 2021, <https://www.nber.org/papers/w28861>.

households have worst case housing needs<sup>11</sup> and that “most cases of worst case needs are caused by severe rent burdens — that is, paying more than one-half of income for rent.”<sup>12</sup> Research sponsored by Zillow finds that “communities where people spend more than 32 percent of their income on rent can expect a more rapid increase in homelessness.”<sup>13</sup> The lack of affordable housing also underpins the pattern of people entering homelessness from other systems, including child welfare, jails and prisons, emergency rooms, and psychiatric hospitals.

The health and economic impacts of the COVID-19 pandemic have only worsened the situation. Millions of households are at risk of eviction; people of color and communities that historically have been marginalized and subject to disinvestment have been disproportionately impacted; and the nation has had to grapple with the inherent health risks posed by congregate settings, including nursing homes, jails, and shelters.<sup>14</sup>

Homeless assistance systems alone cannot end homelessness. In some areas of the country, they are rehousing more households than ever before, even as homelessness continues to increase.<sup>15</sup> The problem requires a comprehensive approach that addresses the large numbers of households that cannot afford rents in their communities because their incomes are too low to afford reasonably priced housing, there is insufficient supply of reasonably priced housing, or both. The approach must also address access to services for people who need and want them.

The first and most effective step in addressing the nation’s homelessness crisis is to provide a Housing Choice Voucher for every eligible household. Vouchers effectively fill in the gap between what rent and utilities cost in a community and how much a household can afford to pay, ensuring that those with very low incomes can afford housing in their communities. This step would fundamentally alter the landscape for people experiencing homelessness, institutionalization, and housing instability, ultimately preventing many stints of homelessness because households with low incomes would be able to afford housing and, thus, would be less likely to fall behind on rent and

---

<sup>11</sup> Renter households with worst case housing needs are those with very low incomes (no more than 50 percent of the area median income) who receive no government housing assistance and pay more than half of their income for rent, live in severely inadequate conditions, or both.

<sup>12</sup> Nicole Elsasser Watson *et al.*, “Worst Case Housing Needs: 2019 Report to Congress,” Department of Housing and Urban Development, June 2020, <https://www.huduser.gov/PORTAL/sites/default/files/pdf/worst-case-housing-needs-2020.pdf>.

<sup>13</sup> Chris Glynn, Thomas H. Byrne, and Dennis P. Culhane, “Inflection Points in Community-Level Homeless Rates,” February 2020, [https://wp-tid.zillowstatic.com/3/Homelessness\\_InflectionPoints-27eb88.pdf](https://wp-tid.zillowstatic.com/3/Homelessness_InflectionPoints-27eb88.pdf); Chris Glynn and Alexander Casey, “Homelessness Rises Faster Where Rent Exceeds a Third of Income,” Zillow Research, December 11, 2018, <https://www.zillow.com/research/homelessness-rent-affordability-22247/>.

<sup>14</sup> CBPP, “Tracking the COVID-19 Recession’s Effects on Food, Housing, and Employment Hardships,” updated June 7, 2021, <https://www.cbpp.org/research/poverty-and-inequality/tracking-the-covid-19-recessions-effects-on-food-housing-and-employment-hardships>.

<sup>15</sup> “These significant increases [in homelessness] come despite hundreds of millions of dollars spent and, according to county officials, a system that is housing a record number of people. In 2019, LA’s homeless services system placed nearly 23,000 people in homes, according to the report by the LA Homeless Services Authority.” Anna Scott, “Homelessness In Los Angeles County Rises Sharply,” NPR, June 12, 2020, <https://www.npr.org/2020/06/12/875888864/homelessness-in-los-angeles-county-rises-sharply>. See also Benjamin Maritz and Dilip Wagle, “Why does prosperous King County have a homelessness crisis?” McKinsey & Company, January 22, 2020, <https://www.mckinsey.com/industries/public-and-social-sector/our-insights/why-does-prosperous-king-county-have-a-homelessness-crisis>.

face eviction. It would lift millions of children out of poverty and improve educational outcomes, help seniors and people with disabilities, and provide youth and young adults with a brighter path to adulthood.<sup>16</sup>

## The Ending Homelessness Act of 2021

The Ending Homelessness Act of 2021 (the Act) would provide the comprehensive approach to ending homelessness that is required. Unlike other bills that aim to address homelessness, it provides critical housing infrastructure through Housing Choice Voucher expansion and investments in the National Housing Trust Fund to address the underlying affordable housing shortage, which is acute in some communities and helps drive increases in homelessness in communities across the country. The legislation supplements existing programs and uses a variety of funding sources to support an array of eligible activities addressing the needs of people who are already experiencing sheltered and unsheltered homelessness. The Act also provides important protections for families and individuals seeking to use vouchers from discrimination based on the source of their income or rental subsidy.

The legislation balances strategies that address affordability, housing supply, services, and technical assistance for communities. It supports significant progress by quickly providing safe and permanent housing through an expansion of the Housing Choice Voucher program to millions of households at the lowest income levels. The Act also includes investments in affordable housing supply where needed. And it includes critical resources to homeless assistance systems to right-size and shift operations so that people living on the street can be rehoused through delivery of outreach and service coordination, coupled with housing that is affordable because of the availability of vouchers or other permanent subsidies.

Enacting this approach would fundamentally change the lives of people experiencing homelessness and housing instability. It would allow the homelessness system to be what it always should have been: a response system that quickly rehouses people experiencing a housing crisis, rather than an under-resourced and stretched housing system of last resort for families, youth, people with disabilities, elders, and people returning home from jail or prison.

---

### Vouchers can:

- ▼ Reduce poverty
  - ▼ Sharply reduce homelessness and overcrowding
  - ▼ Reduce domestic violence
  - ▲ Improve health and educational outcomes
  - ▲ Advance racial equity
  - +
- 

---

<sup>16</sup> Will Fischer, Sonya Acosta, and Erik Gartland, “More Housing Vouchers: Most Important Step to Help More People Afford Stable Homes,” CBPP, May 13, 2021, <https://www.cbpp.org/research/housing/more-housing-vouchers-most-important-step-to-help-more-people-afford-stable-homes>.

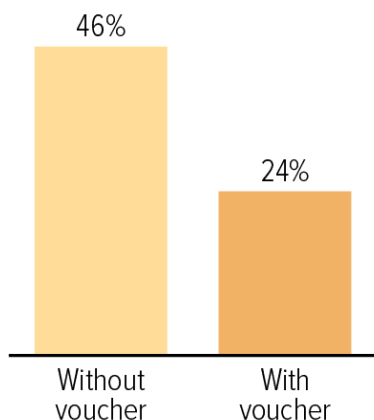
## Expanding Housing Choice Vouchers Is Critical to Ending Homelessness

Housing vouchers are highly effective at reducing homelessness, housing instability, and overcrowding and at improving other outcomes for families and children, rigorous research shows. (See Figure 2.)

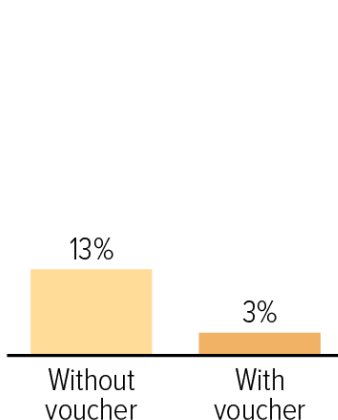
FIGURE 2

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

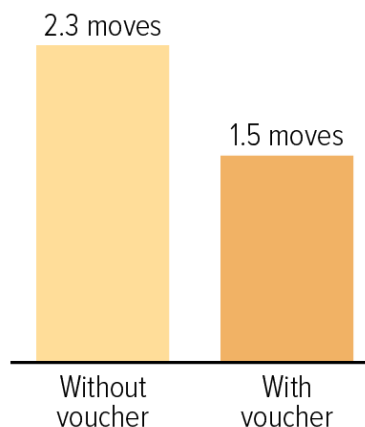
**Vouchers reduced the number living in crowded housing by half...**



**... 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.

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

They are crucial to giving people with low incomes greater choice about where they live and to ensuring that initiatives to build or rehabilitate housing reach those who most need help. Vouchers also make a major contribution to lifting people out of poverty and reducing racial inequity: the housing affordability challenges that vouchers address are heavily concentrated among people with the lowest incomes and, due to a long history of racial discrimination that has limited their economic and housing opportunities, among people of color.<sup>17</sup> (For additional CBPP analysis on the benefits of voucher expansion, see the materials posted at <https://www.cbpp.org/research/resource-lists/expanding-housing-vouchers>.)

<sup>17</sup> *Ibid.*

Unfortunately, the Housing Choice Voucher program only reaches about 1 in 4 eligible families due to funding limitations. This shortfall is one of the biggest gaps in the nation’s economic support system and causes families with pressing housing needs to face long waiting lists and homelessness.

Of the 11.2 million renter households with severe cost burdens in 2018, close to three-fourths had extremely low incomes (up to the federal poverty line or 30 percent of the local median, whichever is higher). Many people cannot afford housing at all and fall into homelessness. Due to a long history of racism — including racially discriminatory housing policies — Black, Latino, and Native American people are disproportionately likely to face severe rent burdens and to experience homelessness.

Research including HUD’s Family Options Study and programs like HUD-VASH and the Family Unification Program (FUP) clearly illustrate the potential of expanding the Housing Choice Voucher Program for ending homelessness and improving the lives of households with incomes at or near the poverty line.<sup>18</sup> For example, the Family Options Study showed that enrolling in Housing Choice Vouchers improved housing stability and reduced family separations, psychological distress and alcohol/drug problems for the head of household, intimate partner violence, the number of schools children attended and the number of absences for children, children’s behavioral problems, and food insecurity among families as compared to usual care in the homeless system. (See Figure 3.)

HUD-VASH, which couples services provided by the Veterans Administration with a Housing Choice Voucher, was a key resource used to reduce veteran homelessness (especially unsheltered homelessness) by almost half between 2009 and 2020. FUP, which operates as an interagency collaboration between local public housing agencies and child welfare agencies, has been shown to expedite child welfare case closure and support high rates of family reunification for families involved with the child welfare system.<sup>19</sup> FUP can also serve youth aging out of foster care by providing supportive housing for young people who may otherwise experience homelessness or housing instability.<sup>20</sup>

Further, expanding vouchers is essential to ensuring that people experiencing homelessness who live with disabilities or may be experiencing chronic homelessness can live safely and pursue their goals. Like HUD-VASH, vouchers can be paired with services (in this case, financed through Medicaid or other funding streams) to develop permanent supportive housing, an evidence-based solution to homelessness among people with disabilities that helps people find and keep housing, which, in turn, can improve health outcomes.<sup>21</sup> Housing Choice Vouchers can also be project-based to support development of affordable and supportive housing in areas that need increased supply.

---

<sup>18</sup> Department of Housing and Urban Development, “The Family Options Study,” [https://www.huduser.gov/portal/family\\_options\\_study.html](https://www.huduser.gov/portal/family_options_study.html).

<sup>19</sup> Michael Pergamit, Mary Cunningham, and Devlin Hanson, “The Impact of Family Unification Housing Vouchers on Child Welfare Outcomes,” *American Journal of Community Psychology*, March 2017, <https://onlinelibrary.wiley.com/doi/abs/10.1002/ajcp.12136>.

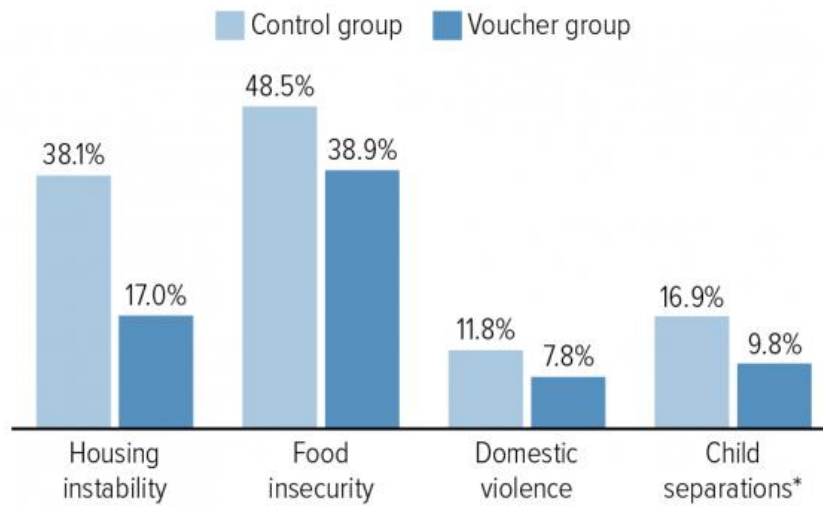
<sup>20</sup> M. Robin Dion *et al.*, “The Family Unification Program: A Housing Resource for Youth Aging Out of Foster Care,” Department of Housing and Urban Development, May 2014, [https://www.huduser.gov/portal/publications/pdf/Supportive\\_housing\\_for\\_youth.pdf](https://www.huduser.gov/portal/publications/pdf/Supportive_housing_for_youth.pdf).

<sup>21</sup> Anna Bailey, “Rental Assistance Needed to Build a Recovery That Works for People With Disabilities,” CBPP, May 6, 2021, <https://www.cbpp.org/blog/rental-assistance-needed-to-build-a-recovery-that-works-for-people-with-disabilities>.



FIGURE 3

## Vouchers Reduce Hardship for Homeless Families



Note: The control group consisted of homeless families that were not offered vouchers or other assistance under the study.

\*These data are the results reported 20 months into the HUD Family Options Study. All the other chart data are from the completed 3 year study.

Food insecurity = Someone in the household had inadequate access to food at some point during the year.

Housing instability = Family reported spending at least one night homeless or doubled up in the past 6 months or stayed in an emergency shelter in the past year.

Source: Gubits *et al.*, "Family Options Study 3-Year Impacts of Housing and Services Interventions for Homeless Families," Department of Housing and Urban Development

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

## Voucher Expansion Would Advance Racial Equity

People of color are disproportionately affected by homelessness.<sup>22</sup> Nearly 40 percent of those experiencing homelessness in 2020 were Black and 23 percent were Latino, although these groups make up only 13 and 18 percent of the U.S. population, respectively.

Voucher expansion would significantly benefit people of color, especially those experiencing homelessness. Insufficient funding prevents vouchers from reaching most people experiencing homelessness, as well as the 24 million people in low-income renter households that pay more than half of their income for rent and utilities. Most of these renters (62 percent) are people of color: 6.8 million are Latino, 5.8 million are Black, 1.4 million are Asian or Pacific Islander, 725,000 are multiracial, and 242,000 are American Indian or Alaska Native. People who pay too much for housing have little money left to cover their basic needs, like food or medicine. And when finances are stretched precariously thin, an unexpected bill or a reduction in work hours — as many people

<sup>22</sup> Meghan Henry *et al.*, *op. cit.*

experienced during the pandemic — can have devastating effects, such as having the heat or electricity cut off or losing one’s home entirely.<sup>23</sup>

Housing vouchers would help households, both those that are homeless and those facing high rent burdens that place them at risk for eviction and homelessness — obtain and maintain stable, affordable housing and raise their incomes above the poverty line. One study estimated that giving all eligible households vouchers would lift 9.3 million people above the poverty line.<sup>24</sup> These benefits would be greatest among people of color, who would experience the steepest declines in poverty. (See Figure 4.) In particular, expanding vouchers to all eligible households would cut the poverty rate for Latino people by a third, for Black people by a quarter, and for Asian people and Pacific Islanders and American Indians and Alaska Natives by a fifth. Making vouchers available to many additional people would also sharply reduce homelessness, housing instability, and crowding.

### Partnering With People With Lived Experience of Homelessness

People with lived experience of homelessness and voucher use must be at the table when policymakers consider topics like affordable housing and homelessness. They bring a critical policy and program design perspective to the discussion based on how these systems actually function. And they make important recommendations based on their experience using these resources.

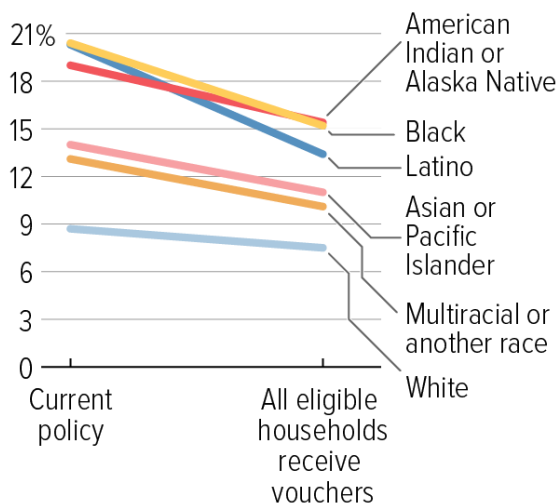
In preparation for today’s hearing, we met with a group of people with lived expertise from several communities and asked for their recommendations on how vouchers can help end homelessness and housing instability. The following themes emerged from our discussion:

- **Expanding the Housing Choice Voucher program for all eligible households would be a key step toward ending homelessness for many households and preventing**

FIGURE 4

### 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 Social Policy calculations using data from the 2019 Current Population Survey (CPS). Results for American Indian and Alaska Native and multiracial individuals calculated using data from the 2017-2019 CPS. Results for these groups should be interpreted with caution due to sample size constraints.

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

<sup>23</sup> Alicia Mazzara, “Expanding Housing Vouchers Would Cut Poverty and Reduce Racial Disparities,” CBPP, May 11, 2021, <https://www.cbpp.org/blog/expanding-housing-vouchers-would-cut-poverty-and-reduce-racial-disparities>.

<sup>24</sup> Sophie Collyer *et al.*, “Housing Vouchers and Tax Credits: Pairing the Proposal to Transform Section 8 with Expansions to the EITC and the Child Tax Credit Could Cut the National Poverty Rate by Half,” Center on Poverty & Social Policy at Columbia University, October 7, 2020, <https://www.povertycenter.columbia.edu/publication/2020/policy-proposal-housing-vouchers>.

**homelessness for many others.** However, the expansion must be implemented in ways that remove barriers to obtaining and maintaining housing for people with disabilities, immigrant households, those with a history of incarceration, and others. This includes providing more robust support in accessing units by protecting program participants against discrimination based on income source, as the Ending Homelessness Act of 2021 proposes. It also includes providing help to voucher holders with locating available units and engaging with landlords to encourage them to lease to voucher holders. Implementing strategies that support lease-up can cut down the time it takes for a household to lease a unit, especially in tight housing markets.

- **Expanding Housing Choice Vouchers would create much-needed changes in the homelessness assistance system.**

Implementation should be done over time to create a strong foundation for shifting homeless assistance systems out of “crisis mode” and toward functioning as a sustainable system focused on quickly rehousing people who are facing a housing crisis and then helping them achieve stable and permanent housing. It should also create an environment where partners like continuum of care entities and public housing authorities work together to prevent and end homelessness in the community.

“In order to get a voucher, I had to go to a shelter.”

“The lottery system needs to go.”

- Discussion Participants

- **People should not be required to enter a shelter to access a Housing Choice Voucher if they are eligible for the program.** Currently, households that may not have otherwise entered a shelter are sometimes required to do so in order to receive a preference for a Housing Choice Voucher, and often must wait months or years for that voucher to become available to them. In some places, a lottery system to obtain a voucher creates anxiety and uncertainty for those who need affordable housing and may be waiting in a shelter. This also delays the types of benefits that safe and stable housing provides to families, children, and individuals while they wait in a shelter or other precarious situation.
- **Rent limitations should be reconsidered, especially in tight housing markets.** Several participants in the discussion stated that the program’s rent limits are too low in their communities, which makes finding units that meet the requirements more difficult. Implementation of Small Area Fair Market Rents, as required in the Ending Homelessness Act of 2021, would help to ensure that Housing Choice Vouchers more accurately reflect neighborhood rents.
- **Both landlords and voucher holders have a role to play.** More can be done to connect voucher holders and landlords and to support a positive relationship during tenancy. This may include developing incentives for landlords to participate in the program, increasing access to available units for voucher holders, and implementing strategies (like a risk mitigation fund) that help landlords recover when units are damaged or other crises occur.

## **Universal Housing Vouchers Can Prevent Homelessness and Resolve Homeless Episodes More Quickly**

We know how to solve homelessness: by providing opportunities for all families and individuals to live in safe and affordable housing that they choose and that meets their needs. To be clear, *housing is not the only component* of the solution to homelessness. But safe, affordable housing options for the millions of households experiencing or at risk of homelessness must be the core component. We can make significant progress in our national collective efforts to make homelessness rare, brief, and one-time by expanding the Housing Choice Voucher program to all who are eligible.

### **Balancing Supply-Side Investments With Affordability**

While voucher expansion is the single most important step policymakers can take to help families afford housing, it is also important to build and rehabilitate affordable housing. But *only* funding “supply-side” investments, without adequately expanding vouchers, would almost certainly leave out a large share of households that most need help to afford housing. It also would risk constraining the housing choices available to low-income people, people of color, and people with disabilities.

In many parts of the country rental markets are relatively soft, the number of housing units is generally adequate, and the primary housing problem facing low-income people is affordability of rent and utility costs. In these communities, rents are reasonable in the sense that they generally reflect the cost of operating the housing and servicing debt and aren’t driven by a hot housing market, but the costs still exceed many households’ ability to pay because their incomes are so low.

However, in tight housing markets where the number of housing units is inadequate to meet demand and costs are driven up by inadequate supply, more units should be made available by increasing subsidies for constructing affordable housing and rehabilitating affordable housing so it remains on the market and in good condition, and by reducing regulatory barriers to development. In addition, supply-side investments can make units available to assist particular populations, for example by increasing the number of units accessible to people with disabilities. And in some cases, such investments can improve access to neighborhoods where it would otherwise be difficult for people with low incomes to rent homes.

But unless a household also receives a voucher or other similar ongoing rental assistance, construction subsidies for private units rarely produce housing with rents that are affordable for households with incomes around or below the poverty line — which make up most of the renters confronting severe housing affordability challenges. These households typically can’t afford rent set high enough for an owner to cover the ongoing cost of operating and managing housing. Consequently, even if development subsidies pay for the full cost of building the housing, rents in the new units will generally be too high for lower-income families to afford without the added, ongoing help a voucher can provide.

### **Providing Safety Net During National Crises by Preventing Homelessness and Housing Instability**

In addition to providing a critical resource to end homelessness as we know it, expanding the Housing Choice Voucher program would provide an important safety net for extremely low-income households *and landlords* when the nation experiences a crisis. Housing instability became a high-profile national issue during the pandemic, when millions of renters fell behind in rent after job

losses, reductions in scheduled hours, or illness. Job losses and reductions in scheduled work hours fell most heavily on workers in low-wage industries and on people of color, who face long-standing inequities often stemming from structural racism in education and employment.<sup>25</sup> Both groups were already more likely to struggle to afford housing. By January 2021, an estimated 15.1 million adults living in rental housing — more than 1 in 5 adult renters — were not caught up on rent. People who struggled to pay rent during the crisis were disproportionately people of color, renters with low incomes, and renters who had lost income.

The federal response to housing needs during the crisis was long-delayed, leading to unnecessary hardship for millions of people. Because the number of families with vouchers and other federal rental assistance is limited by available funding and because that funding does not automatically expand to meet growing needs, large numbers of households were left waiting for policymakers to enact emergency rental assistance programs. Local, state, and federal eviction moratoriums have prevented many — though not all — families from losing their homes, but most families still must pay their rent and accumulate debt if they cannot. Federal lawmakers provided some rental assistance funds in the March 2020 CARES Act, but they did not enact large-scale funding for emergency rental assistance until late December 2020 — more than nine months after severe job losses began — with additional amounts included in the March 2021 American Rescue Plan.

### **Universal Housing Vouchers Would Allow Dramatic Improvements in Homeless Assistance Systems**

Homelessness assistance systems necessarily operate via a scarcity model that requires front-line workers and homelessness assistance providers to make excruciating decisions about who will get needed resources. These are literally life and death situations. The most sick or “vulnerable” often receive assistance first, but vulnerability is hard to measure and looks different for different populations. Is a young person who is being trafficked in exchange for a place to sleep more “vulnerable” than a woman with a serious mental illness living on the streets or a family with young children living in their car? These are the decisions that front-line staff are faced with every day.

This approach, while currently necessary, can be extremely difficult for those who implement it and can lead to high levels of staff burnout and turnover in a system that needs stability and consistency to function well. It is also retraumatizing for the people who come to these systems for help, only to be told they are not sick or needy enough to be at the top of the list for housing and/or services. People wait for assistance in dangerous situations on the street or in congregate shelters, which have proven to be particularly unhealthy environments during the pandemic. Upticks in unsheltered homelessness can increase tension with housed people in neighborhoods that include encampments. They also can increase interactions with police and fire departments that are costly and do not resolve people’s needs or the homelessness crisis overall.

Expanding the Housing Choice Voucher program can change this dynamic, not immediately but by providing the critical basis for significant change. Voucher expansion would increase access to housing as both a *prevention* strategy for households experiencing housing instability and a *rehousing* strategy for families, youth, and individuals who are in crisis or exiting systems like foster care, jails, or hospitals. For some, a voucher alone will enable them to obtain housing and maintain stability. Others will need safe and affordable housing coupled with supportive services like case

---

<sup>25</sup> Fischer, Acosta, and Gartland, *op. cit.*

management, substance use treatment, mental or physical health services, or other types of community-based supports to maintain housing and live full lives.

Imagine a homelessness assistance system that, instead of being forced to prioritize people based on how sick or in danger they are, can quickly offer a family, youth, or individual in crisis a permanent housing option. A system that prioritizes working with landlords to create and maintain positive relationships that benefit people experiencing homelessness, the business community, and neighborhoods. A system that has a housing placement for a person who experienced unsheltered homelessness and chose to enter substance use treatment but needs housing to maintain their sobriety and housing stability. A system that provides outreach to people living on the streets — outreach that actually includes a housing option rather than only a blanket, bottle of water, or granola bar.

We have much work to do to realize that vision. There are many partnerships to build and nurture. But the most important first step is to expand the Housing Choice Voucher program to all eligible households in the United States.