

THE HOUSING CHOICE VOUCHER PROGRAM

In America's largest housing program, Housing Choice Vouchers (HCV), families pay 30% of their income in rent and the Federal Government covers the rest. 2.2 million families use a HCV every year, lifting 1 million children out of poverty. If the HCV were fully funded, studies have found it would:

- **Reduce** the share of families living on the streets by 75%.
- **Cut** the child poverty rate by a third and lift 9.3 million people above the poverty line.
- **Shrink** the income gap between white, black, hispanic, and multiracial households.

But housing, in America, is not treated as a human right and eligible families are not entitled to HCV support.

Getting a voucher.

Less than [one in ten eligible](#) households currently rent with HCV. The voucher system is not fully funded to support eligible households, creating scarcity. Houses have to apply for scarce vouchers by:

- 1. Finding an open waitlist**
 - Most waitlists closed
 - Waitlists can be closed for years
- 2. Joining the waitlist**
 - Share private eviction and criminal history
 - Prove income eligibility
 - Win a lottery
- 3. Staying on the waitlist (average 2.5 years)**
 - Stay in regular contact
 - Stay income eligible
- 4. Finding housing with the voucher**

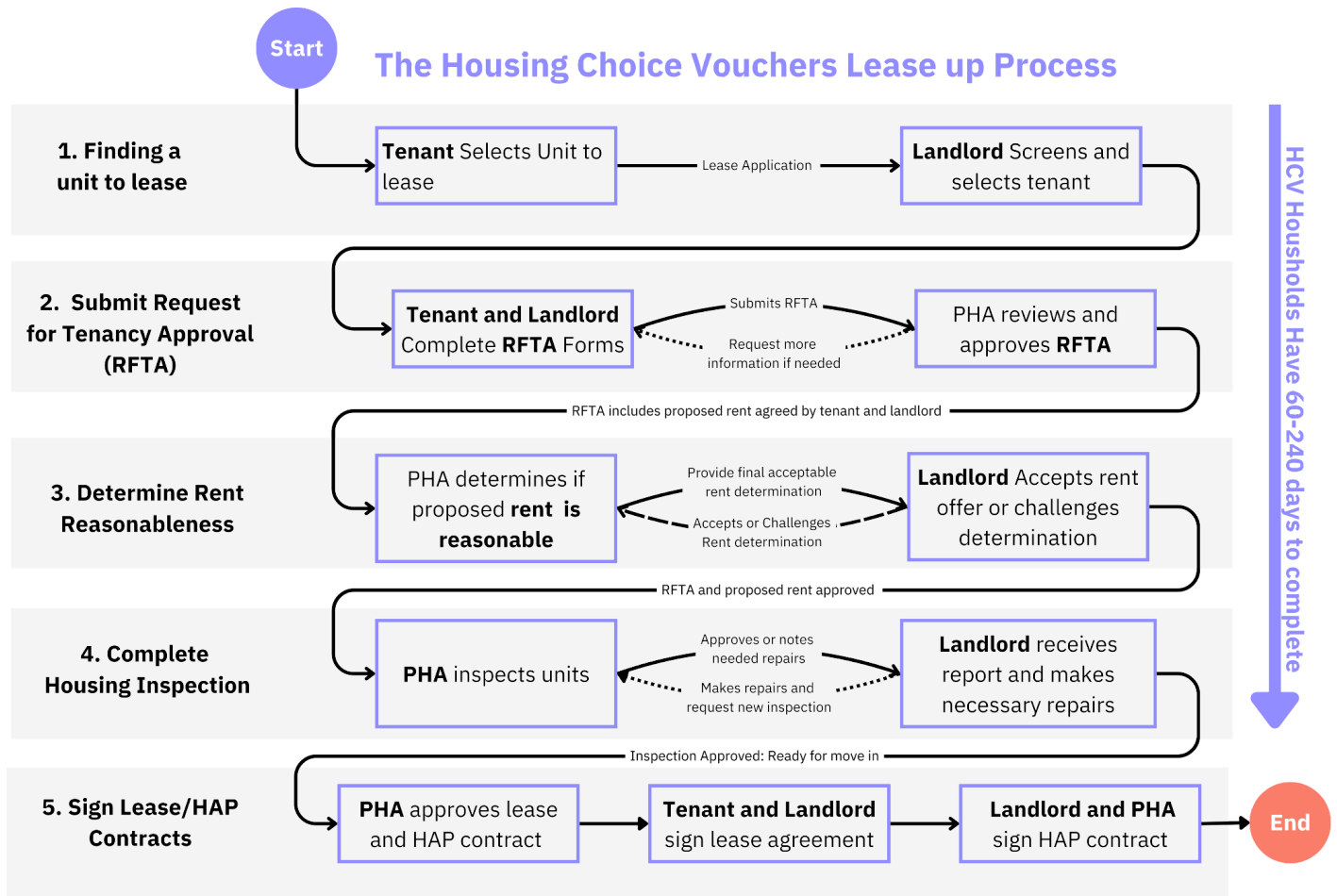


At each point, households can face delays and hurdles. For example, in 2018, [Los Angeles opened their waitlist](#) for the first time in 13 years. In Los Angeles, only 13% of 224,000 applicants won the lottery in 2022 and joined the waitlist. In 2022, 228,000 new vouchers were issued. But once households receive a voucher, only 3 in 5 get support.

Using a voucher.

Tenants go through all the difficulties of finding an apartment with two added hurdles: landlord discrimination and bureaucratic burdens. At each step, HCV tenants face challenges their market tenants don't face. For example:

- 1. Find a unit to lease.** [Researchers found 1 in 39 listed units](#) were possible for HCV tenants to tour.
- 2. Complete forms.** Household's [average income is \\$17,201](#), navigating with few financial resources.
- 3. Pass rent reasonableness.** If a unit is too expensive, tenants have to keep searching.
- 4. Pass inspection.** For the entire process, the landlord has to keep the unit empty, forgoing rent.
- 5. Sign contract.** The tenant has to convince the landlord to, independently, complete 11 forms.



Why vouchers?

Once households are renting with voucher support the average stay in their unit is [over 6 years](#). So how did this subsidy program become our largest housing program? To understand our reliance on vouchers it helps to see the last 87 years of Housing and Urban Development investments.

Timeline of Federal Housing Support

<p>Initial failures. Public housing suffered from low quality and high costs. Building public housing with high density and without neighborhood integration further concentrated disadvantage.</p>	<p>1937 Public Housing</p>	<ul style="list-style-type: none"> • First money is dedicated to gov't built and managed public housing • Established local Public Housing Authorities
	<p>1965 Private Unit Subsidies</p>	<ul style="list-style-type: none"> • First money is dedicated to the government leasing private market units to subsidize rent.
<p>Vouchers introduced. As an alternative to public housing, HUD begins supporting leases on the private market.</p>	<p>1970 Voucher Experiment</p>	<ul style="list-style-type: none"> • First test with tenants using a voucher at any unit instead of a gov't chosen subsidized unit.
	<p>1974 Nationwide Voucher</p>	<ul style="list-style-type: none"> • Congress ends Nixon's housing assistance moratorium and establishes the voucher program

Market based approach.

Reforms to Federal Housing Support have taken money away from public housing and focused on voucher subsidies of private market units that people choose.

1998
Voucher Reforms

- New housing quality standards are introduced
- New options for local agencies to add work requirements are created in Clinton’s welfare reform.

2024
Direct rental assistance

- HUD calls for demonstrations of how direct rental assistance can improve HCV performance

What’s next?

Recognizing the challenges households face using HCV, HUD has put out a [call for direct rental assistance demonstrations](#). In direct rental assistance programs, the government gives money directly to households rather than the landlord.

The federal government is prioritizing a market-based approach to housing support, using vouchers to help low-income households compete for units against higher-income households and access housing in high-opportunity neighborhoods.

Direct rental assistance can represent the full realization of the market based approach the federal government intended when they created the HCV program. Direct rental assistance is a future of the market-based approach, letting people move as quickly as their unsupported competitors while still giving landlords government-guaranteed rent.

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VOX | [The federal government’s new plan](#)
Spectrum News | [Long Beach pilot to transform Section 8](#)
Sanders Institute | [Re-imagining the Housing Bureaucracy](#)

Take the pledge!

Tell us why you support Guaranteed Income for housing!



LEARN MORE ABOUT...

Direct rental assistance.

- [HUD’s RFI calling for direct rental assistance demonstration](#)
- [F4GI Guaranteed Income and the Housing Crisis](#)

Tenant lease-up.

- [Using HUD Administrative Data to Estimate Success Rates and Search Durations for New Voucher Recipient](#)
- [Reforming The Inspection Process](#)

Landlord participation and discrimination.

- [Leveraging Financing to Encourage Landlords to Accept Housing Choice Vouchers](#)
- [A Pilot Study of Landlord Acceptance of Housing Choice Vouchers](#)
- [Urban Landlords and the Housing Choice Voucher Program: A Research Report](#)