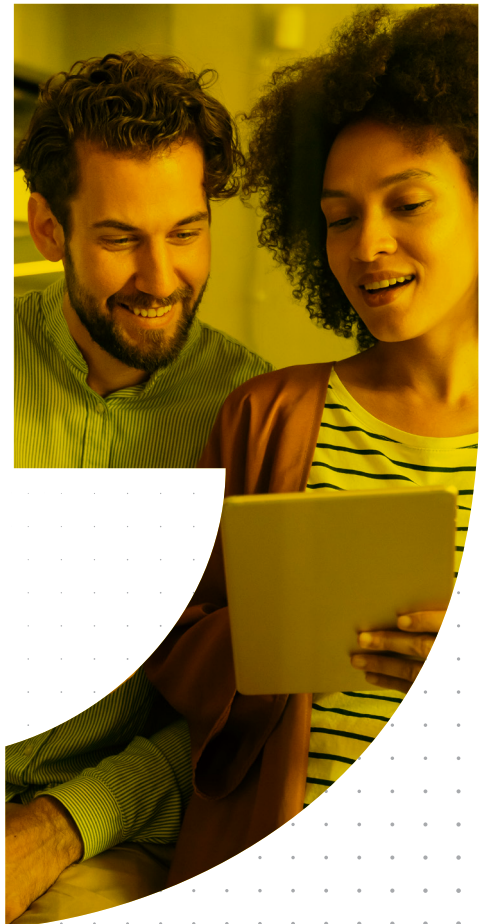


ADVOCATES' GUIDE'26



Dear Advocates,

For decades, the *Advocates' Guide* has served as a cornerstone resource in advancing equitable housing policy and programs. We are grateful to our partners for their continued commitment to ensuring this resource reflects the most current affordable housing knowledge, policy developments, and leading practices in the field. Their contributions strengthen our community of advocates and help advance sustainable policies so people with the lowest incomes can access safe, stable, and affordable homes.

The federal housing policy landscape continues to evolve, with recent policy shifts, budget cuts, and administrative changes affecting federally funded housing programs and resources. These developments may also impact the functionality of some websites referenced in this year's *Advocates' Guide*. If you encounter inactive links, we recommend using an internet archive tool such as <https://archive.org> to access previously available content.

Many authors prepared their contributions during a period of significant federal policy change, including actions that diverge from NLIHC's mission to advance racially and socially equitable public policy and ensure affordable, accessible homes for those with the lowest incomes. As the policy environment continues to shift, some fiscal data and reference materials may be updated online after publication to reflect the most current information.

We invite you to use this guide to deepen your understanding of the overall structure, impact, and history of housing programs. To stay informed about the latest policy developments, housing resources, and opportunities for action, we encourage you to sign up for NLIHC emails at <https://tr.ee/ntO0KB>.

This is a consequential moment for housing justice. The work ahead will require clarity, courage, and sustained commitment—but progress is possible when more voices are elevated, more communities are engaged, and more people stand in support of equitable housing solutions.

Together, our advocacy drives meaningful change.

Sincerely,



President and CEO

National Low Income Housing Coalition

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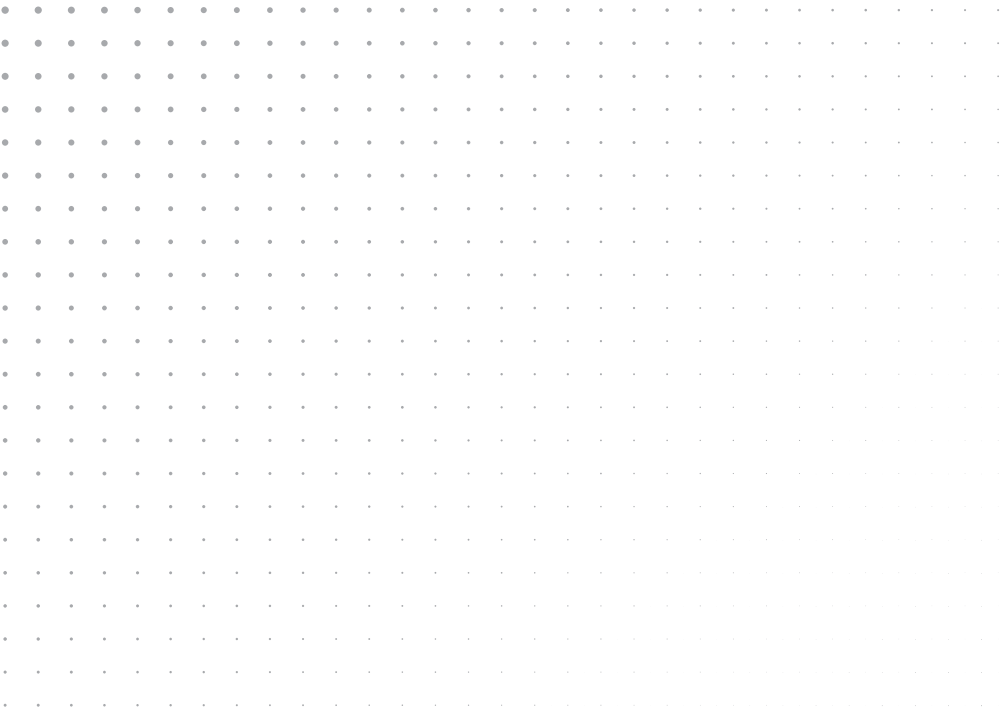
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Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

CHAPTER 1

INTRODUCTION

ABOUT THE *ADVOCATES' GUIDE*

The Advocates' Guide: An Educational Primer on Federal Programs and Resources Related to Affordable Housing and Community Development is a guide to affordable housing—but on many levels, it is much more. The *Advocates' Guide* comprises hundreds of pages of useful resources and practical know-how, written by leading experts in the affordable housing and community development field with a common purpose: to educate advocates and affordable housing providers of all kinds about the programs and policies that make housing affordable to low-income people across America.

NLIHC is pleased to present the 2026 edition of the *Advocates' Guide*. For many years, the *Advocates' Guide* has been the leading authoritative reference for advocates and affordable housing providers seeking a quick and convenient way to understand affordable housing programs and policies.

With the right information and a little know-how, everyone can effectively advocate for housing programs with members of Congress and other policymakers. Whether you are a student in an urban planning program, a new employee at a housing agency or community development corporation, or a seasoned affordable housing advocate looking for a refresher on key programs, this guide will give you the overview of housing programs and advocacy tools you need to be a leader in the affordable housing movement and to advocate effectively for socially-just housing policy for low-income Americans.

How To Use the *Advocates' Guide*

The first section of the *Advocates' Guide* orients you to affordable housing and community development programs with articles that explain how affordable housing works, why it is needed, and what NLIHC believes are the highest housing priorities, including the national Housing Trust Fund. The advocacy resources section provides vital information to guide your

advocacy with the legislative and executive branches of government, as well as tips about how organizations and individuals can be effective advocates.

The next few sections cover housing programs for low-income households, additional housing and community development programs, special housing issues, housing tools, community development resources, and low-income programs and laws. These are the core affordable housing programs and issues to understand.

Take this guide with you to meetings with lawmakers and share it with your friends and colleagues. The more advocates use this guide, the greater our collective impact will be.

A Note of Gratitude

The *Advocates' Guide* was compiled with the help of many of our partner organizations. We are deeply grateful to each of the authors for their assistance as the *Advocates' Guide* would not be possible without them. Several articles build on the work of authors from previous versions of the *Advocates' Guide*, and we appreciate and acknowledge their contributions.

THANK YOU TO PNC FOR THEIR ONGOING
SUPPORT FOR THIS PUBLICATION.



NLIHC 2026 PUBLIC POLICY PRIORITIES

By David Gonzalez Rice and NLIHC Policy Team

The Moment

In 2026, NLIHC and our members, partners, and allies continue to confront a policy landscape unlike any in recent memory. The Trump administration's assault on federal workers left a weakened and demoralized civil service in its wake, while attacks on federal programs, civil rights protections, and social safety net programs ramped up throughout 2025 and continue unabated in 2026. Specific populations in the U.S. have been targeted for harassment and harm, and little has been done to address the nation's growing affordable housing crisis; indeed, many federal policy changes will undermine housing stability by making it more difficult for people with low incomes to afford rent or qualify for housing assistance. Artificial intelligence is rapidly emerging as a force that will impact all aspects of society, while the Trump administration seeks to foreclose guardrails that would protect historically marginalized communities from its impacts. This reality demands urgent, defensive action through policy advocacy as well as litigation and organizing strategies.

At the same time, housing affordability is taking center stage in the national conversation, and both chambers of Congress are interested in enacting bipartisan legislation to address the national housing affordability crisis. While the measures being considered would make important improvements and needed reforms to HUD programs, they fall short of providing the long-term, large-scale investments needed to close the gap between incomes and housing costs for the lowest earning households. Nevertheless, this momentum is encouraging to housing affordability advocates. Measures under consideration by Congress, including the bipartisan "ROAD to Housing Act" that passed the Senate in October 2025, hold potential to benefit underserved communities and the lowest-income households if state and local governments, advocates, tenant leaders, and housing providers make sure they do so.

However, a word of caution: historically, significant federal investment in any public good has often been accompanied by (if not contingent upon) exclusionary policies, discrimination, and segregation. It may not be coincidence that the U.S. finds growing bipartisan consensus on housing supply at the same time the Trump administration has encouraged concentration camps for unhoused people, cut or undermined safety net programs, reintroduced eugenicist rhetoric to our political discourse, and walked back civil rights protections for older, disabled, and LGBTQ+ people, as well as immigrants and Black and brown communities. We identify this historical pattern not to despair, but to approach the momentum behind affordability and housing supply with a keen analysis of the risks, and an intentional commitment to practice and advance equity and inclusion.

Thankfully, there is also a growing understanding among housing advocates that we must articulate a policy vision that fully answers the affordability crisis and rising homelessness rates while situating them within the broader context of a tattered social safety net, enfeebled civil rights protections, and democratic backsliding. Though we should know our strengths and pursue broader priorities in coalition, housing advocates cannot afford to frame our priorities as separable from the fights for voting rights, food security, healthcare access, criminal-legal system reform, survivor-centered systems, disability rights, early childhood needs, and so on. Nor can we offer optimistic appraisals of policy half-measures in the interest of getting at least some win over the finish line. We can outline what is really needed, work on what is achievable in the near term, and describe the gap in a way that galvanizes greater ambition in the future.

In that spirit, in 2026, NLIHC will focus on protecting and expanding the resources, services, and protections needed for the lowest-income families to obtain affordable, accessible housing in the communities of their choice. We organize our agenda around three broad priority areas, reflected in NLIHC's *HoUSed* Campaign:

- **FAIRNESS:** NLIHC will continue to ground our work in equity, because fair housing, tenant protections, and civil rights enforcement are foundational to solving America's housing crisis. Moreover, we situate our work for housing justice within the broader movement, working to protect democracy and the rule of law, because a lawless and anti-democratic federal government threatens every policy agenda and, more importantly, threatens the families we advocate for.
- **SUPPORT:** NLIHC will advocate for the subsidies, support services, legal services, reasonable accommodations, and accessibility features needed for everyone to find and keep quality housing in the communities of their choice.
- **SUPPLY:** NLIHC will advance policy reforms and call for public investments needed for large-scale development and preservation of deeply affordable, accessible housing in all communities across the U.S.

By broadening our coalition, building power among our members and partners, and elevating the lived expertise of tenants and low-income households, NLIHC will lay the groundwork now for a future in which the country addresses its housing affordability and accessibility crises for everyone without exception.

Fairness

DEFEND DEMOCRACY AND THE RULE OF LAW

To ensure elected leaders respond to and federal policy reflects the needs of renters and households with the lowest incomes, NLIHC supports legislation that safeguards elections and protects the right to vote, including:

- The *"Our Homes, Our Votes Act"* (H.R. 10215 in the 118th Congress) (<https://www.congress.gov/bill/118th-congress/house-bill/10215?s=3&r=1>), which would facilitate voter registration for residents of public and federally subsidized housing by adding public housing agencies (PHAs) and HUD-assisted housing providers to the "National Voter Registration Act," commonly known as the "Motor Voter Law."

- The "John R. Lewis Voting Rights Advancement Act," reintroduced in 2025, would modernize and revitalize the "Voting Rights Act of 1965," strengthening legal protections against discriminatory voting policies and practices (<https://tr.ee/INbg1c>).
- The "Freedom to Vote Act" would bolster our democracy by protecting voting rights, ending partisan gerrymandering, improving campaign finance, and safeguarding the electoral process (<https://tr.ee/SvTtFf>).

To ensure the government carries out laws passed by Congress, NLIHC urges Congress to exercise its oversight authority over the Trump administration's assault on federal civil rights infrastructure. Further, Congress must restore the federal government's capacity to investigate, track, and prosecute abuses of civil rights. In particular, NLIHC urges Congress to review:

- HUD's decision to rescind Fair Housing guidance and resources for households with Limited English Proficiency.
- Internal directives to HUD staff in the office of Fair Housing and Equal Opportunity (FHEO) directing them away from complaints and cases believed not to align with the President's priorities, contrary to the requirements of the law.
- Reductions in Force across the civil rights divisions at HUD and the Department of Health and Human Services (HHS) that hinder the federal government's ability to investigate and enforce civil rights laws including Fair Housing law.
- The implications of the Trump administration's retreat from Disparate Impact tests for racial and other forms of discrimination.

Finally, the Trump administration has adopted policies and deployed law enforcement resources in a manner that harasses and harms specific populations and communities. For example:

- Conducting immigration enforcement overreach and illegal actions targeting immigrants, their families, neighborhoods, and communities;

- Through policy proposals like the Mixed Status Rule, forcing families to choose between their loved ones and their housing and other necessities;
- By executive order, recommending the criminalization of homelessness nationally;
- Unleashing a federalized police force to harass people experiencing homelessness in the nation's capital;
- Issuing changes to the Continuum of Care program that undermine recovery and revoke housing assistance from hundreds of thousands of tenants with disabilities and histories of homelessness;
- Spreading harmful stereotypes about tenants in subsidized housing while adding paperwork burden that would cause many eligible families to lose assistance;
- Refusing to issue Presidential Disaster Declarations in states governed by the opposing political party, resulting in denial of aid to thousands of disaster survivors;
- Introducing ableist and eugenicist ideas and rhetoric into public discourse while undermining the civil rights infrastructure that people with disabilities depend on to ensure their full access to public resources and services;
- Withholding federal resources from communities of color, Black-led cities, and organizations that advanced diversity, equity, and inclusion; and
- Rolling back civil rights protections and enforcement.

OPPOSE UNAUTHORIZED CUTS TO FEDERAL PROGRAMS

The Trump administration has subverted the will of Congress and undermined federal programs through a variety of strategies that amount to benefits cuts by other names. NLIHC calls on Congress to exercise its power of the purse under Article 1 of the Constitution and reign in these strategies.

Recissions and Impoundments. The Trump administration has employed and justified novel strategies to thwart congressional intent, such as “pocket recissions” and illegal funding freezes that

facially violate the “Impoundment Control Act.” As a result, neither legislators nor advocates can trust negotiated funding agreements will actually be implemented, a dynamic that contributed to the long duration of the government shutdown in 2025. To protect their own power, both parties in Congress must enact guardrails like those in a proposal advanced by Senator Patty Murray (D-WA) and Congresswoman Rosa de Lauro (D-CT), ranking members of the Senate and House Appropriations Committees, respectively. Their proposal would protect congressionally appropriated funding by reigning in pocket recissions and illegal impoundments by the Executive Branch. Without such measures, legislative appropriations and legislative advocacy will diminish in importance with each budget cycle.

Unnecessary Paperwork Requirements. Another strategy to effectively cut or withhold resources from eligible recipients is to weigh federal programs down under unnecessary, burdensome, and redundant red tape. This includes various proposals by the Trump administration to implement time limits and work requirements on HUD-assisted households. Research and the experiences of states and housing providers demonstrate that so-called “work requirements,” in practice, deny benefits to eligible households and impose an outsized administrative burden that creates inefficiency for states, local governments, and non-profits. In the context of housing assistance, such measures threaten to exacerbate climbing rates of homelessness and housing insecurity. NLIHC will continue to mobilize advocates and call on the administration and Congress to reject harmful new paperwork requirements and other red tape designed to deprive low-income households of housing and other necessary assistance.

PROTECT AND ENFORCE CIVIL RIGHTS

Since the start of the second Trump administration in January 2025, there have been multiple attacks on the federal agencies tasked with enforcing civil rights, including HUD's Department of Fair Housing and Equal Opportunity (FHEO). In the absence of national enforcement, state and local governments have taken action to enact protections including important tenant

protections; while this work is crucial, it leaves low-income households with a patchwork of protections that vary depending on where someone lives. Strong, enforceable civil rights, anti-discrimination, and tenant protections are required to prevent housing instability and homelessness, redress long-standing racial and social inequities, and advance housing justice across the country.

Strengthen Federal Tenant Rights. In June 2024, NLIHC, National Housing Law Project (NHLPP), and Tenant Union Federation (TUF) launched the National Tenants Bill of Rights, a policy agenda that would provide uniform protections for renter households nationwide, helping to ease the power imbalance between tenants and landlords that puts renters at risk of eviction. The National Tenants Bill of Rights sets out seven essential rights that establish a baseline of tenant protections in the rental housing market:

1. **The Right to A Fair Application – Discriminatory screening practices by landlords and tenant screening companies prevent prospective tenants from being fairly considered when they apply for housing.** To ensure fair opportunity for all, landlords should only consider information relevant to an applicant's ability to perform their obligations as a tenant.
2. **The Right to A Fair Lease – Leases shape the legal relationship between landlords and tenants, often reflecting their imbalance of power.** To correct this imbalance, leases should clearly define the duties and rights of both landlords and tenants and avoid predatory and deceptive terms.
3. **The Right to Freedom from Discrimination and Harassment - Home should be a sanctuary for tenants.** Currently, tenants are vulnerable to discrimination, violations of privacy, and harassment by their landlords. To ensure a basic level of privacy and quiet enjoyment, tenants should have the tools to prevent this behavior. Tenants also need the federal government to robustly enforce federal anti-discrimination laws to prevent landlord abuses.
4. **The Right to A Habitable Home – Tenants deserve to feel safe in their homes.** Safe homes include working appliances and fixtures, reliable utilities, effective pest control, and prevention from deadly health hazards.

When something is in need of repair, tenants should have a clear way to communicate their concerns to a landlord and the landlord should be obligated to fix habitability concerns promptly.

5. **The Right to Reasonable Rent and Costs – Rent is often the largest expense in a household's budget, and financial stability is largely absent in a system where landlords hike rents dramatically higher and at a faster rate than the growth of wages.** To protect tenants from financial shocks that put them at risk of eviction and further harm, safeguards are necessary to prevent rent gouging and excessive or hidden fees. Landlords should be limited to reasonable rent increases, and they should only be allowed to assess fees that have been clearly disclosed in the lease.
6. **The Right to Organize – To correct the power imbalance between tenants and landlords, tenants must have the ability to organize without fear of retaliation or eviction from landlords, owners, and management.**
7. **The Right to Safeguards Against Eviction – Tenants should not have to risk losing their homes in eviction court in a manner of minutes.** Tenants deserve a basic level of due process in eviction proceedings and have protections from illegal evictions and evictions without good cause.

One major step forward in advancing tenant rights Congress can take is enacting the ["Fair Housing Improvement Act," \(S.2827/H.R.5443; https://tr.ee/PblukU\)](https://tr.ee/PblukU) introduced this Congress by Senator Tim Kaine (D-VA) and Representative Scott Peters (D-CA). The "Fair Housing Improvement Act" would amend the "Fair Housing Act" to prohibit discrimination in housing on the basis of source of income and veteran or military status. Prohibiting source of income discrimination would help increase housing access for households receiving rental assistance, who are too often locked out of areas of opportunity because they cannot find a rental unit on the private market that accepts their rental assistance.

Increase Resources to Prevent Evictions. NLIHC will continue advocating for a national right to counsel for tenants facing eviction. An [estimated](#) 4% of tenants facing eviction receive legal representation in court, compared to 83% of landlords. Available evidence from

areas that have enacted right to counsel laws shows legal representation can significantly increase the likelihood a family facing eviction is able to stay in their household and decreases the rate at which evictions are filed (<https://tr.ee/N8d7Za>). A national right to counsel—adequately funded and effectively administered—would help shift the power imbalance between renters and landlords and help more people keep a roof over their heads.

In addition, NLIHC remains dedicated to reintroducing the bipartisan “Eviction Crisis Act,” ([S.2182; https://tr.ee/sde2Jk](https://tr.ee/sde2Jk)) led by Senators Todd Young (R-IN) and Michael Bennet (D-CO) in the 117th Congress. The “Eviction Crisis Act” would create a permanent federal emergency rental assistance (ERA) program to provide families with low incomes who are experiencing an unexpected financial emergency with the assistance they need to pay rent and maintain stable housing. The “Eviction Crisis Act” builds on the successes and lessons learned from distributing billions of dollars in ERA during the pandemic to target resources to those most at-risk of losing their housing, and establish guardrails to help prevent waste, fraud, and abuse in the program.

Ensure Equitable Access to Housing for Formerly Incarcerated and Convicted People, Including Victims and Survivors. Issues of affordability are compounded for formerly incarcerated and convicted people who face rampant discrimination in the job and housing markets. These barriers place people impacted by the criminal-legal system at a significant disadvantage to finding quality, affordable housing, increasing the risk of housing instability, homelessness, and reincarceration. As with discrimination in housing and employment, Black, Latino, and Native people, as well as people with disabilities and members of the LGBTQ+ community, are unfairly targeted and disproportionately impacted by the criminal-legal system; accordingly, they are also more likely to be impacted by screening criteria that unfairly deny people access to housing because of a conviction or arrest history (<https://tr.ee/nbPLLW>).

Housing after exiting incarceration is vital for successful reentry, providing the stability required to help someone reconnect with family, search for employment, and get back on their feet. While there is ample evidence of the importance of housing to successful

reentry, and the harm barriers to housing cause, there is no meaningful proof that high barriers to housing for formerly incarcerated and convicted people make communities safer. Rather, [studies show](#) that people with criminal records have similar rates of maintained housing stability as people without criminal records (<https://tr.ee/CMthDK>).

NLIHC will continue working to enact federal policies that decrease barriers to housing for formerly incarcerated and convicted people, including Fair Chance Housing policies, which restrict certain records, like arrest, juvenile, or expunged records, from being reported on background screenings. Fair Chance Housing laws also require housing providers to perform individualized assessments for potential renters with a conviction history, taking into consideration the totality of circumstances surrounding a conviction, including the amount of time that has since passed, and evidence of rehabilitation.

These laws also protect survivors of domestic violence, dating violence, sexual assault, and stalking, who may have criminal or arrest records related to the abuse committed against them. The majority of women impacted by the criminal-legal system also experienced intimate partner or gender-based violence before becoming incarcerated (<https://tr.ee/sbpeaf>). Survivors also have additional housing protections outlined in the “Violence Against Women Act” (VAWA; <https://tr.ee/liTlh6>), which Congress must ensure is fully and consistently implemented.

Without a safe, affordable place to turn, people exiting incarceration and survivors of intimate partner or gender-based violence are at a significantly increased risk of homelessness. People who have been incarcerated once are seven times more likely to experience homelessness than the general population, while those who have been incarcerated more than once are 13 times more likely to experience homelessness (<https://tr.ee/liUTi2>). An estimated 38% of survivors of intimate partner violence experience homelessness at some point in their lives, and over 90% of women experiencing homelessness also report having experienced physical or sexual abuse (<https://tr.ee/uu1UeB>).

Homelessness, in turn, puts people at increased risk of [interacting with the criminal-legal system](#) and subsequent reincarceration, as communities across the country move to arrest or fine people experiencing homelessness for engaging in life-sustaining activities, like sleeping, in public spaces, even when there is no adequate shelter or housing available (<https://tr.ee/WmUgBz>).

Oppose the Criminalization of Homelessness:

Laws that fine, ticket, and jail people experiencing homelessness for living in public spaces when they have no other alternatives are cruel and ineffective at reducing homelessness. Likewise, programs that require treatment and services as a precondition for housing assistance are not person-centered, trauma-informed, or effective. Experience with these policies and models shows they result in denial of services and re-traumatization without accomplishing systemic reductions in homelessness.

NLIHC condemns the Trump administration for encouraging states and localities to criminalize individuals experiencing homelessness and promoting “mandatory treatment” policies while cutting the very resources that would pay for needed treatment and services. In effect, the administration’s “treatment first” and “mandatory services” policies are of a piece with its criminalization policies: both rob people of their autonomy and center rules or systems instead of people.

NLIHC will continue to oppose the victimization and re-traumatization of unhoused people and advocate for evidence-based policies and programs that end homelessness and advance housing justice.

ADVANCE EQUITY

Certain populations and geographic areas of the United States require intentional focus in policies and planning to ensure they enjoy the full benefit of national policy improvements. Congress should challenge the administration’s various assaults on Diversity, Equity, and Inclusion initiatives. In addition, NLIHC will maintain a focus in all our policy work on the following communities:

Rural communities face unique challenges to developing housing: meeting basic infrastructure needs, like sewer, electricity, and internet, costs more, rural housing stock tends to be older and may need repairs, and small towns and rural counties have fewer resources to allocate to affordable housing development. These challenges, combined with the low incomes of rural residents, mean that rural renters often lack decent, safe, accessible, and affordable homes. In addition to the priorities discussed throughout this document, Congress should address the needs of rural communities by:

- Increasing appropriations for the multifamily housing programs at USDA’s Rural Housing Service to allow for both the preservation of the existing multifamily portfolio and the construction of new units.
- Enacting the bipartisan “Rural Housing Service Reform Act” (S.2790 and H.R.6785 in the 118th Congress). The bill would make several improvements to housing programs administered by USDA, including permanently authorizing the Multifamily Housing Preservation and Revitalization (MPR) demonstration and ensuring continued access to rental assistance by low-income rural tenants.
- Enacting reforms in the bipartisan “Affordable Housing Credit Improvement Act” (S.1557, H.R.3238 in the 118th Congress). This bill includes reforms to make it more financially feasible to build or preserve affordable rental homes in rural areas.

Native Americans and Alaska Natives living on Tribal lands face some of the most acute housing needs in the United States due to the legacy of colonization and ongoing discrimination. Yet federal investments in affordable housing on Tribal lands have been chronically underfunded for decades, particularly in more rural and remote areas. NLIHC, in partnership with Native housing leaders and advocates, strongly urges Congress to increase funding to build and preserve affordable homes in Native communities with the greatest needs.

- NLIHC continues to call on Congress to reauthorize the Native American Housing Assistance and “Self-Determination Act.”

- The bipartisan “Affordable Housing Credit Improvement Act” (S.1557, H.R.3238 in the 118th Congress) includes reforms to make it more financially feasible to build or preserve affordable rental homes in rural and Tribal areas.

Disability and Accessibility (see <https://tr.ee/gpsYvt>)

U.S. housing markets and housing policy habitually fail to meet the needs of people with disabilities and older adults (<https://www.urban.org/urban-wire/americas-housing-market-failing-older-adults>). Nearly 7 million households report poor “housing fit” in terms of a resident’s ability to enter the home, access the kitchen, and otherwise navigate and carry out activities of daily living. The effect is especially pronounced among older adults and people with disabilities who also have low incomes (<https://tr.ee/9gWtM2>).

In addition to the housing market’s historic failure to build housing people can continue to live in as they age and acquire disabilities, older adults and people with disabilities face structural barriers and widespread discrimination:

- There is no state in the country where a person living solely on Supplemental Security Income—the federal income support program for adults with disabilities—can afford to rent an apartment.
- Over one-third of older households are cost-burdened, paying more than 30% of their income for housing (<https://www.jchs.harvard.edu/blog/one-three-older-households-cost-burdened>).
- Older households make up a growing share of renters and people experiencing homelessness. People with disabilities are also overrepresented in these groups.
- More than half of housing discrimination complaints filed annually are complaints of discrimination against people with disabilities.

NLIHC supports legislation and policy reforms that address these inequities:

- The “**VITAL Act**,” introduced in the 118th Congress (<https://www.congress.gov/bill/118th-congress/senate-bill/1377>), which reforms LIHTC to serve more older adults and people with disabilities;

- Increased investments in Section 202 and 811, as well as policy reforms to make these programs easier to operate and apply for;
- Congressional action and oversight to defend permanent housing for people with disabilities in the Continuum of Care Program; and
- Restoring federal civil rights protections through adequate resourcing of FHEO and other civil rights offices in federal agencies.

Immigrant Families. The Trump administration has tried to attribute the affordable housing crisis solely to the number of immigrants entering the country. In doing so, the administration conjures an imaginary zero-sum competition between immigrant and citizen households for scarce resources. In reality, American families and communities include both citizens and immigrants with a variety of immigration statuses who live together, work together, play together, and do business together.

NLIHC supports policies that ensure housing and other essential services are available to all income-eligible households regardless of immigration status, and that allow people to live, work, study, and form families without having to choose between their loved ones and their housing. NLIHC calls on Congress to address the following issues through legislation or oversight:

- **Limited English Proficiency (LEP)** resources. Under the Trump administration, HUD rescinded guidance and resources used by housing providers to support tenants, applicants, and prospective homebuyers who have limited proficiency in English. This policy decision has absurd and counterproductive effects, from tenants in Puerto Rico being told they must submit discrimination complaints to HUD in English, to citizen English-learners being denied education about their rights as they consider purchasing a home while integrating into their communities. HUD should restore LEP guidance and resources so housing providers and agencies can provide the best information about rights and obligations to their customers and clients.
- Mixed Status, Public Charge, and other harmful regulations. The Trump administration has undertaken a number of regulatory actions and sub regulatory

guidance meant to reduce the participation of immigrant families in federal programs, including HUD's housing programs. Such rules have the effect of forcing families to separate or lose assistance. They also produce denial of assistance to eligible family members. Programs like SNAP, federal disaster assistance, and housing voucher programs should be operated consistent with the intent of Congress, not as arms of immigration enforcement and not as mere tools for the current administration to enact its immigration policy preferences without legislation.

COMMUNITIES OF COLOR

The Trump administration is working to dismantle our nation's civil rights infrastructure, much of which has been in place for decades. The administration's multi-prong attack on civil rights extends far beyond merely changing policy priorities; instead, the White House has eliminated or sidelined civil rights offices across the federal government, proposed rolling back key anti-discrimination rules, and waged a campaign against the ill-defined term "DEI." These efforts have further opened the door to increased bias and segregation in housing programs and markets. One particular federal target is "disparate impact," a longstanding legal tool used to combat policies and practices that have an unjustified discriminatory effect on communities of color, among others.

Under the Trump administration, HUD, the Consumer Financial Protection Bureau, and the Department of Justice all indicated they will no longer consider patterns of discriminatory effect as violating civil rights law, regardless of relevant statutes, congressional intent, or case law. NLIHC calls on Congress to ensure the Executive Branch enforces civil rights laws with respect to housing, fair lending, and other activities where historical patterns of discrimination require legislation to protect the rights of people seeking housing.

Support

Crucially, the housing affordability crisis in 2026 is as much a shortage of the services and supports people need to get and keep housing as it is a shortage of

available, quality housing options located in the places where people want to live. A few data points illustrate this broad pattern:

- An estimated 1 in 4 families who qualify for housing assistance actually receive assistance, leaving 75% of otherwise qualified families struggling to afford the cost of housing.
- In 2024, homeless services organizations had enough housing resources to serve 16% of households staying in shelters.
- Less than 5% of the U.S. housing supply is accessible to older or disabled persons, while both groups represent large and growing shares of the U.S. population.
- In every year since 2016, available data show at least 500,000 people waitlisted for Home and Community Based Services to live independently.

NLIHC advocates for the full array of subsidies and supportive services needed for families with the lowest incomes to enjoy fully equitable access to housing.

INVESTMENTS

NLIHC continues to push Congress to provide the highest possible allocation for HUD's and USDA's affordable housing and homelessness assistance programs, and to defend federal investments in all social safety net and anti-poverty programs against proposed cuts.

Congress should help bridge the gap between income and housing costs by protecting, expanding, and improving federal rental assistance, and working toward a guarantee of rental assistance or income support to all low-income families who need help affording the cost of housing.

In 2026, Congress should focus on the following priorities for the voucher program:

- Full renewal of all existing vouchers: Congress must provide sufficient funding to renew all Housing Choice Voucher (HCV) contracts in the final spending bill for

fiscal year (FY) 2026, and the next spending bill for FY27. Without adequate funding, vouchers are lost through attrition, meaning they cannot be reissued when a household no longer needs them. Insufficient renewal funding puts households at risk of losing rental assistance, leading to housing instability, eviction, or homelessness.

- Successfully transition all families in the EHV program to appropriate assistance: Congress should also provide resources to ensure the more than 50,000 households currently served by HUD's Emergency Housing Voucher (EHV) program can transition to other assistance programs and not fall into homelessness. Simply losing EHV's could increase homelessness across the country by as much as 10% nationally, and by even higher rates in some states. Congress should provide sufficient funding for additional Tenant Protection Vouchers (TPVs) to be issued to households currently using EHV's. Because TPVs provide continued assistance for a variety of other expiring rental subsidies, funding must be sufficient to cover both EHV households and households in need of TPVs under their existing use.
- Expand vouchers to match the LIHTC expansion. The "One Big Beautiful Bill Act" (H.R. 1) expanded LIHTC but did not include reforms to the program needed to ensure LIHTC better serves the lowest income households. Almost 70% of households in existing LIHTC-supported housing also receive some form of rental assistance (<https://www.huduser.gov/portal/periodicals/cityscape/vol26num2/ch11.pdf>). Congress should not only fully fund existing voucher contracts but also expand the voucher program by at least 250,000 new vouchers to ensure new LIHTC development serves the families that need it most.
- Support families with young children through FSOVA: Access to safe, affordable housing is linked to nearly every measure of having a quality life, including better educational and health outcomes, housing stability, racial equity, and economic mobility. The bipartisan "Family Stability and Opportunity Vouchers Act" would provide 250,000 new housing vouchers, along with counseling services, to help families with young children move to communities of their choice.

- Provide Emergency Rental Assistance to Households in Crisis: As discussed above in the context of tenant protections, it is essential to ensure low-income renters can remain stably housed during unexpected financial setbacks. Congress should enact the bipartisan "Eviction Crisis Act," introduced in the 117th Congress by Senators Michael Bennet (D-CO), Rob Portman (R-OH), Sherrod Brown (D-OH), and Todd Young (R-IN), and in the House as the "Stable Families Act" by Representative Ritchie Torres (D-NY), to create a national housing stabilization fund to provide temporary assistance to renters facing financial distress, helping prevent the many negative consequences of eviction and homelessness.

SUPPORT SERVICES

Families who qualify for rental assistance would also benefit from a robust array of social services and supports, spanning anti-poverty programs like SNAP and TANF, healthcare insurance through Medicaid, in-home and community-based services that support independent living for persons with disabilities, and housing navigation services to successfully apply a voucher to a rental unit. People do not live single issue lives, and our advocacy cannot be focused on housing without a focus on the broader universe of support services that directly impact people's ability to find and keep quality housing in the communities of their choice. NLIHC advocates for:

- More resources or flexibility for Public Housing Agencies to offer Housing Stability Services to voucher recipients.
- Judging success of the voucher program according to families' ability to successfully apply a voucher, in addition to PHA's voucher utilization rates.
- More services coordination, income and employment supports, and other services for tenants in subsidized housing. These programs are often available only through "demonstration" programs like Moving to Work or targeted programs like EHV's and the CoC program, but all families served in subsidized housing would benefit from ready access to these and similar services.

- Policies that require or incentivize states to invest in home and community-based services on par with the scale of need among people with disabilities. Inadequate options for support services in community settings contribute significantly to high rates of homelessness, institutional care, emergency services interactions, and prolonged hospitalization or rehabilitation. When states provide adequate, person-centered, and trauma-informed options in the community—not tied to institutional settings—housing stability improves (<https://tr.ee/tvruOO>).

EVIDENCE-BASED SOLUTIONS TO HOMELESSNESS

NLIHC will continue to urge Congress to scale up proven solutions to homelessness. Housing First is a bipartisan, evidence-based approach that pairs rental assistance or “housing without preconditions” with supportive services to help people find and maintain permanent housing.

That services are voluntary rather than mandatory is a key characteristic of trauma-informed, person-centered programs that effectively serve unhoused people and others with complex, compounded trauma. Adequately resourced housing first programs conduct assertive outreach and improve or modify their services to better engage and retain participants. Research has consistently shown that providing permanent housing and voluntary services to people experiencing homelessness decreases homelessness and improves housing stability compared to high-barrier, rules-centered, treatment-first approaches that require individuals in a crisis state to accept services in exchange for housing.

NLIHC calls on Congress to fully fund trauma-informed, person-centered homeless response systems, anti-poverty programs, affordable housing, and healthcare

systems so fewer people experience homelessness and housing programs can readily connect participants to quality, effective health care and social services.

ENSURE FEDERAL RESPONSES TO DISASTERS ARE ADEQUATE, FAIR, AND EQUITABLE

The “Reforming Disaster Recovery Act” is a bill to permanently authorize the CDBG-DR Program creates important safeguards and tools to ensure that federal disaster recovery and rebuilding efforts reach all impacted households, including those with the lowest incomes that are often hardest hit by disasters but have the fewest resources. NLIHC continues to strongly support this bill. The bill has been introduced in multiple congresses with significant bipartisan support. In 2025, the Senate version of the bill was amended onto a package of housing measures, the “ROAD to Housing Act,” sponsored by Senate Banking, Housing, and Urban Affairs Committee Chair Tim Scott and Ranking Member Elizabeth Warren. That package was subsequently passed unanimously by the Senate Banking Committee and then amended onto the “National Defense Authorization Act” (NDAA), which then was passed by the entire Senate. Despite this success, opposition from House Financial Services Chair French Hill led to the bipartisan package not surviving conference negotiations. The bill had been previously passed by the House of Representatives in 2019, and again as part of the NDAA in 2023. The past several HUD administrators—from both Democratic and Republican administrations—have supported the move.

The “Fixing Emergency Management for Americans Act of 2025” (<https://tr.ee/kJDoQ7>) (FEMA Act) (H.R.4669), was introduced by Transportation and Infrastructure Committee Chairman Sam Graves (R-MO), Committee Ranking Member Rick Larsen (D-WA), former Economic Development, Public Buildings, Emergency Management Subcommittee lead Republican Daniel Webster (R-FL), and Economic Development, Public Buildings, and Emergency Management Subcommittee

Ranking Member Greg Stanton (D-AZ) in late 2025. If enacted, the bill would restore FEMA's status as an independent agency outside of DHS and implement a host of improvements that will help allow the agency to respond faster, fairer, and with increased flexibility to the needs of all disaster survivors across the country. It also contains important reforms to better ensure that disaster survivors—whether they are renters, homeowners, or are experiencing homelessness—can access the assistance they need to fully recover; all while encouraging states to take greater steps to address their disaster risk. The bill includes significant reforms (<https://tr.ee/I9SwWu>) that members of the Disaster Housing Recovery Coalition have been pushing for nearly a decade. The bill was passed out of the House Transportation and Infrastructure Committee on a bipartisan vote.

The “Disaster Assistance Simplification Act” (<https://tr.ee/uCVWbZ>) (S.1528) was introduced in 2025 by Senate Homeland Security and Government Affairs Committee Chairman Rand Paul and Ranking Member Gary Peters. The bill would create a universal application system for federal programs, removing the need for disaster survivors to fill out multiple applications to receive assistance from different federal agencies. The bill would also streamline information sharing between federal agencies that maintain disaster recovery programs. The bill was passed by the Homeland Security and Government Affairs Committee in November of 2025.

The “Housing Survivors of Major Disasters Act,” introduced by Congressman Adriano Espaillat (D-NJ) and Senator Elizabeth Warren (D-MA), addresses the requirement that applicants for FEMA disaster assistance provide title documentation to show ownership over disaster damaged property. This requirement constitutes a major barrier to aid for low-income households. People living in manufactured housing such as mobile homes and people with inherited, family-owned property without formal legal documentation—known as “heirs’ property”—often lack access to clear title. These households are forced into lengthy and expensive legal title clearing procedures before they can be found eligible for FEMA assistance. The “Housing Survivors of Major Disasters Act” would require FEMA to expand the list of documents eligible to prove ownership for the purposes of receiving

recovery assistance and require the agency to develop a “declarative form” allowing owners who are unable to procure ownership documents to attest to ownership of their home under penalty of perjury. The House version (<https://tr.ee/NpdL4R>) of the bill was introduced in January of 2025 and the Senate version is expected to be introduced before the end of 2025. The bill will continue to be pushed by NLIHC and its congressional partners in 2026.

The “Federal Disaster Housing Stability Act” (<https://tr.ee/7CUEuW>) would help prevent the displacement of disaster survivors with low incomes through the implementation of emergency rental protections when a disaster occurs. The bill would provide a 120-day moratorium on evictions for nonpayment of rent or other fees, including late fees, in the aftermath of a major disaster. During this time, landlords, lessors, and owners would be unable to issue a notice or require a tenant to vacate a property, nor would they be able to increase the cost of rent. In addition, the bill includes a foreclosure moratorium that would prevent foreclosures on mortgages for six months once the moratorium is declared. The foreclosure moratorium would prevent servicers of a covered mortgage loan from initiating any judicial or non-judicial foreclosure proceedings, scheduling a foreclosure sale, moving for a foreclosure judgment or order of sale, or executing a foreclosure-related eviction or foreclosure sale.

Supply

NLIHC advocates for policy reforms and investments that would expand and preserve the supply of deeply affordable, accessible homes. In particular, NLIHC spotlights several needs often overlooked in the national discourse about housing supply:

- Planning for deep affordability by financing development as well as rent subsidies,
- Targeting or prioritizing investments for low-income families,
- Addressing the failure of private markets to build or modify housing with accessibility features that allow older and disabled individuals to live in the communities of their choice, and

- Prioritizing preservation, including both long-term affordability and rehabilitation or repair.

In 2026, NLIHC will prioritize the follow proposals:

Reform the Low-Income Housing Tax Credit (LIHTC) program so it better serves households with the lowest incomes. As the primary financing mechanism for affordable housing construction, LIHTC is an important tool for increasing the nation's stock of affordable housing. However, on its own, LIHTC often does not build housing deeply affordable enough to reach people with the lowest incomes. The "One Big Beautiful Bill Act" (H.R. 1), passed in July 2025, included provisions to expand the LIHTC program, providing a 12% increase in 9% LIHTC allocation for states and changing rules for developments funded with tax-exempt bonds and 4% LIHTC. It is estimated this expansion will lead to an additional 1.22 million rental units over the next ten years. However, these changes will not help households with extremely low incomes afford the rent on LIHTC properties. Provisions in the bipartisan "Affordable Housing Credit Improvement Act" would reform the credit to make it easier to serve the lowest-income households, and to build affordable housing in rural and Tribal areas. In addition, since most extremely low-income renters in LIHTC properties need rental assistance to make their home affordable, Congress should expand the Housing Choice Voucher Program on a scale that matches LIHTC expansion.

Promote Inclusive Zoning and Land Use Reforms that reverse residential segregation and increase supply. This includes providing best practices to state and local governments, providing incentives for equitable reforms, and tying federal funding, such as transportation funding, to inclusive land use policies.

Expand the National Housing Trust Fund (HTF) to at least \$45 billion annually to build and preserve deeply affordable, accessible rental homes. The HTF is the first new federal housing resource in a generation exclusively targeted to help build, preserve, and rehabilitate housing for people with the lowest incomes. States often use the HTF to develop housing for "special populations," such as elder, disabled, or formerly homeless persons. Several congressional proposals have included appropriations added directly to the HTF.

NLIHC generally supports such proposals provided they maintain the HTF's current mandate to provide housing affordable to ELI households.

Protect the HTF in GSE reform. The Trump administration is pursuing reforming Fannie Mae and Freddie Mac, the Government Sponsored Entities (GSEs); this work includes both the U.S. Department of Treasury, which currently owns shares of the GSEs, and the Federal Housing Finance Agency (FHFA), which has overseen the GSEs since they went into conservatorship in 2008. The main goal of reform is to take Fannie Mae and Freddie Mac out of conservatorship, but there are many important decisions to be made to make this happen. NLIHC has urged Treasury to take a cautious approach and avoid negative impacts to the housing market, including harm to low-income renters and homebuyers.

As GSE reform is under discussion, this may raise the profile of the HTF, which could create both risk and opportunity for the program. NLIHC has documented successes of the program over time and will continue to emphasize the importance of this vital program for extremely low-income rental supply.

Ensure Preservation of Existing Affordable Housing. Congress should provide funding to address the Capital Needs backlog in Public Housing. Public housing plays a vital role in bolstering the supply of deeply affordable housing stock, but decades of federal disinvestment have allowed units to fall into disrepair, exposing residents to unsafe, unhealthy living conditions. Funding is urgently needed to improve the condition of public housing and preserve this asset for future generations. Recent studies estimate the need to preserve public housing to be between \$90 and \$170 billion.

For LIHTC, HOME, and other federal programs that fund construction and preservation, Congress should advance policies that incentivize preservation of existing affordable housing stock as well as new construction.

Accessibility. In light of the housing market's longstanding failure to produce adequate housing that is accessible to households as they age or acquire disabilities, NLIHC supports policies that:

- Incentivize or mandate a greater percentage of units built with accessibility features for mobility, sensory, and other needs;
- Facilitate adoption of additional inclusive design standards in housing;
- Require states, cities, and other recipients of federal funding to plan for and adequately resource reasonable accommodation and home modifications; and
- Incentivize or facilitate pairing support services with subsidized and affordable housing so older and disabled adults can live independently in the communities of their choice.

Conclusion

In this challenging moment, the country faces a stark choice between policies that deepen harm and division and those that expand opportunity, dignity, and housing justice for all. Yet the momentum around housing affordability and growing public recognition of the interconnected crises of democracy, civil rights, and the social safety net creates an opening for sustained, systematic change. By advancing investments that scale to true need, strengthening civil rights protections, and safeguarding the rule of law, we can ensure that new federal initiatives lift up all households, including those with the lowest incomes, rather than reinforce historic patterns of exclusion.

Meeting this moment requires persistent advocacy, broad coalition-building, and a refusal to settle for half-measures that overpromise while leaving millions of our neighbors behind. NLIHC's 2026 agenda reflects this resolve: to protect what works, reform what doesn't, and chart a path toward deeply affordable, accessible homes in every community. If we act with clarity, courage, and an unwavering commitment to equity, we can harness the housing affordability crisis toward a more just and inclusive future.

A BRIEF HISTORICAL OVERVIEW OF AFFORDABLE RENTAL HOUSING

Updated by Kim Johnson, Senior Director of Policy, NLIHC

Affordable housing is a broad and complex subject intertwined with many disciplines, including finance, economics, politics, and social services. Despite this complexity, advocates can learn the essential workings of affordable housing and be prepared to advocate effectively for programs and policies that ensure access to safe, decent, accessible, and affordable housing for all.

This article provides a broad, though not exhaustive, overview of the history of affordable rental housing programs in the United States and describes how those programs work together to meet the housing needs of people with low incomes.

History

As with any federal program, federal housing programs have grown and changed based on the economic, social, cultural, and political circumstances of the times. The programs and agencies that led to the establishment of the federal department now known as the Department of Housing and Urban Development (HUD) began in the early 1930s with construction and financing programs meant to alleviate some of the housing hardships caused by the Great Depression.

In 1934 Congress passed the “National Housing Act” and created the Federal Housing Administration (FHA), which made home ownership affordable for a broader segment of the public by establishing mortgage insurance programs. These programs made possible the low downpayments and long-term mortgages that are commonplace today but were almost unheard of at that time. However, the [FHA openly discriminated against households of color](https://tr.ee/6nlfXa) (<https://tr.ee/6nlfXa>), particularly Black households, in issuing loans and in subsidizing housing construction. FHA further entrenched neighborhood segregation through a process called

“redlining,” refusing to issue mortgages in and near Black neighborhoods, and requiring homes constructed with an FHA subsidy only be sold to white households.

“The Housing Act of 1937” sought to address the shortage of affordable housing for people with low incomes through public housing. The nation’s housing stock at the time was of very poor quality in many parts of the country, and inadequate housing conditions such as a lack of hot running water or dilapidation were commonplace for poor families. Public housing provided significant improvements, but primarily for low-income white families; Black families were confined to lower quality, segregated public housing. The federal government eventually opened all public housing to Black households, while at the same time subsidizing white families moving into more segregated suburbs, leading to disinvestment from urban cities. Federal programs were developed to improve urban infrastructure and to clear “blight,” which often meant the wholesale destruction of neighborhoods and housing occupied by immigrants and people of color. These discriminatory practices were part of the foundation for the racial and social inequities in housing and economic opportunity our country continues to grapple with today.

The cost of operating public housing soon eclipsed the revenue brought in from resident rent payments, a reality endemic to any program that seeks to provide housing or other goods or services to people whose incomes are not high enough to afford marketplace prices. In the 1960s, HUD began providing subsidies to Public Housing Agencies (PHAs) that would help make up the difference between revenue from rent and the cost of adequately maintaining housing. In 1969, Congress passed the Brooke Amendment, codifying a limitation on the percentage of income a public housing resident could be expected to pay in rent. The original figure was 25% of a person’s total income and was later raised to the 30% standard that exists today. These are

sometimes called “Brooke rents,” for Senator Edward W. Brooke, III (R-MA), for whom the amendment is named.

In 1965, Congress elevated housing to a cabinet-level agency of the federal government by establishing HUD, which succeeded its predecessors, the National Housing Agency and the Housing and Home Finance Agency. HUD is not the only federal agency that started housing programs in response to the Great Depression—the U.S. Department of Agriculture (USDA) sought to address the poor housing conditions of farmers and other people living in rural areas with the 1935 creation of the Resettlement Administration, a predecessor to the USDA’s Rural Development programs. USDA’s rural rental and homeownership programs improved both housing access and housing quality for the rural poor.

Beginning in the late 1950s and continuing into the 1960s, Congress created several programs that leveraged private investment to create new affordable rental housing. In general, these programs provided low interest rates or other subsidies to private owners who would purchase or rehabilitate housing to be rented at affordable rates. The growth in these private ownership programs resulted in a boom in affordable housing construction through the 1970s, but once the contracts between HUD and private owners expired, or if owners paid off their subsidized mortgages early, those affordable units were vulnerable to being lost from the stock.

The “Civil Rights Acts” of 1964 and 1968 included housing provisions to prevent discrimination against members of protected classes in public or private housing, banning discrimination on the basis of race, color, national origin, religion, sex (including gender identity and sexual orientation), familial status, and disability. Different administrations have prioritized fair housing provisions to varying extents, but their existence has provided leverage to advocates seeking to expand access to affordable, decent housing, particularly for people of color and other historically marginalized groups.

In January 1973, then-President Richard Nixon issued a moratorium on the construction of new rental and homeownership housing by major HUD programs. The following year, the “Housing and Community

Development Act of 1974” made significant changes to housing programs, marked by a focus on block grants and an increase in the authority granted to local jurisdictions (often referred to as “devolution of authority”). This act was the origin of the tenant-based and project-based Section 8 rental assistance programs, and created the Community Development Block Grant (CDBG) from seven existing housing and infrastructure programs.

Structural changes in the American economy, deinstitutionalization of persons with mental illnesses without adequate supports for community integration and independent living, and a decline in housing and other supports for people with low incomes resulted in a dramatic increase in homelessness in the 1980s. The shock of visible homelessness spurred congressional action and the “McKinney Act of 1987” (later renamed the “McKinney-Vento Act”) created new housing and social service programs within HUD specially designed to address homelessness.

Throughout the 1980s and 1990s, waves of private affordable housing owners opted out of the project-based Section 8 program. Housing advocates, including PHAs, nonprofit affordable housing developers, local government officials, nonprofit advocacy organizations, and low-income renters, organized to preserve this disappearing stock of affordable housing using whatever funding and financing was available.

The Department of Treasury’s Internal Revenue Service (IRS) was given a role in affordable housing development in the “Tax Reform Act of 1986” with the creation of the Low-Income Housing Tax Credit (LIHTC), which provides tax credits to those investing in the development of affordable rental housing. The same act codified the use of private activity bonds for housing finance authorizing their use in housing development intended for homeownership and multifamily rentals.

The “Cranston-Gonzales National Affordable Housing Act of 1990” (NAHA) created the Comprehensive Housing Affordability Strategy (CHAS), obligating jurisdictions to identify priority housing needs and determine how to allocate the various block grants (such as CDBG) they received. CHAS is the statutory underpinning of the current Consolidated Plan

obligation. Cranston-Gonzales also created the HOME program, which provides block grants to state and local governments for housing. In addition, NAHA created the Section 811 program, which provides production and operating subsidies to nonprofits for housing persons with disabilities.

Housing advocates worked for more than a decade to establish and fund the national Housing Trust Fund (HTF), the first new housing resource in a generation. The HTF is highly targeted and is used to build, preserve, rehabilitate, and operate housing affordable to extremely low-income people. HTF was signed into law by President George W. Bush in 2008 as a part of the “Housing and Economic Recovery Act.” In 2016, states received their first allocation of HTF dollars.

Outside of the HTF, no significant federal investment in new housing affordable to the lowest income people has been made in more than 30 years, and the shortage of deeply affordable, available housing has only gotten worse. Federal investments in housing have not increased at pace with the overall increase in the federal budget, and expenditures on housing go overwhelmingly to homeownership, not to rental housing for people with the greatest need. Federal spending caps enacted from fiscal year (FY) 2011 to FY2021 in the “Budget Control Act of 2011” further strained efforts to adequately fund programs, and caps in the “Fiscal Responsibility Act of 2023” have stifled federal housing investments in FY2024 and FY2025.

The coronavirus pandemic underscored the inextricable link between housing and health, and Congress provided nearly \$85 billion in federal funding to help communities respond to the housing needs of low-income renters and people experiencing homelessness during the pandemic. The “Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020” provided more than \$12 billion in funding for HUD programs, including \$4 billion to respond to the needs of people experiencing homelessness through HUD’s Emergency Solutions Grants (ESG) program, \$5 billion for Community Development Block Grants, \$1.25 billion for the Housing Choice Voucher (HCV) program, and \$1 billion for the project-based rental assistance program, among other investments.

An emergency COVID-19 relief package, passed with the omnibus spending package for FY2021, provided \$25 billion in emergency rental assistance to provide families experiencing financial hardship with the assistance needed to pay rent and remain stably housed. The “American Rescue Plan Act of 2021” allocated another \$27.4 billion for emergency rental assistance and \$5 billion for new Emergency Housing Vouchers (EHVs), targeted to people experiencing or at imminent risk of homelessness and survivors of domestic violence, dating violence, sexual assault, stalking, or human trafficking.

Pandemic-era funding was vital to helping people find and maintain stable housing, at a time when public and individual health depended on the ability to stay inside. By December 2022, over 10.7 million emergency rental assistance payments had been distributed to households at risk of housing instability. At its peak, PHAs had leased up around 70,000 EHVs, helping people at immediate risk of or experiencing homelessness find stable housing.

Recent Federal Housing Policy Updates

FY25 COC NOFO

The Trump administration released on November 13 a Fiscal Year (FY) 2025 Continuum of Care (CoC) [Notice of Funding Opportunity](https://www.grants.gov/) (NOFO) making [drastic changes](https://tr.ee/eLU1ie) to how the federal government funds homelessness assistance programs. The NOFO:

- *Was extremely late in the CoC funding cycle, which would cause major funding delays.* Under the NOFO, funding awards would not be announced until May at the earliest. The National Alliance to End Homelessness (Alliance) [warns](https://tr.ee/RLPucm) that approximately one-third of all current CoC funding awards expire between January and June; even if their funding contracts are ultimately selected for renewal, these programs would run out of money before they received new funding, resulting in unpaid rental assistance, a significant decrease in services, and more people experiencing homelessness.

- *Made significant changes to which projects get funding and how much communities can spend on permanent housing, which would have put assistance at-risk for over 170,000 people who had previously been experiencing homelessness.* Typically, about 87% of CoC funding goes toward permanent housing projects, including Permanent Supportive Housing (PSH; <https://tr.ee/TN75FJ>) that provides people experiencing homelessness, including those with severe mental illness or substance use disorder, with housing and voluntary, person-centered, wrap-around services that help ensure long-term housing stability. Rapid Re-Housing (RRH; <https://tr.ee/DWYBrU>), another type of permanent housing project, provides short-term rental assistance and stability services to help people at risk of or who have recently fallen into homelessness quickly move into stable housing. PSH and RRH are [proven to help end homelessness](https://nlihc.org/explore-issues/housing-programs/housing-first) (<https://nlihc.org/explore-issues/housing-programs/housing-first>), including among families, veterans, people with disabilities, and people experiencing chronic homelessness. Rather than continuing these established best practices, the NOFO:

- » *Capped how much funding communities can spend on permanent housing at just 30%.* With 87% of CoC funding currently going toward permanent housing, this cap would require communities to make major changes to the programs they offer, including shifting funding from PSH and RRH to transitional housing, emergency shelter, and street outreach, which are less effective at addressing and ending homelessness.
- » *Changed CoC funding to prioritize competitive “Tier 2” projects over protected “Tier 1” projects.* Tier 1 projects, protected by HUD to ensure the continued operation of CoCs’ most important programs, received 90% of funding in the previous year’s NOFO. The proposed NOFO reduced Tier 1 funding to just 30%, and increased funding for Tier 2 projects from 10% to 70%. Funding for Tier 2 projects is awarded on a competitive basis.
- *Penalized organizations that do not align with the administration’s priorities—including looking into past projects.* Applicants for either Tier 1 or Tier 2 project funding could be rejected if they currently

use or previously used “racial preferences,” utilized harm reduction measures like safe injection sites, or defined “sex” as “other than binary.” Projects serving youth experiencing homelessness, who are more likely to identify as trans or non-binary, would have been especially impacted by this provision. In addition, projects that require individuals to participate in services, that are in places with laws that arrest, ticket, or fine people experiencing homelessness, or that “promote self-sufficiency” would be prioritized for funding under the new NOFO.

Read The Alliance’s full analysis of the NOFO [here](https://tr.ee/OEBcwu) (<https://tr.ee/OEBcwu>), and find out more in the Advocates Guide chapter on the FY25 CoC NOFO.

A legal challenge to the NOFO is ongoing. Stay up-to-date with the latest information on HUD’s CoC program with the National Alliance to End Homelessness: <https://endhomelessness.org/blog/>

One Big Beautiful Bill Act, H.R. 1

On July 4, 2025, President Trump signed the “One Big Beautiful Bill Act” (H.R.1) into law. Republicans in Congress used a legislative process called “budget reconciliation” to pass H.R.1. “Reconciliation” is a legislative process that allows a bill to pass the Senate with a simple majority of 51 votes, rather than the 60 usually required in the chamber. When one party controls the House, Senate, and White House, lawmakers can use reconciliation to pass a bill into law without any bipartisan support. Democrats used the reconciliation process to enact the “American Rescue Plan Act” in 2021.

In exchange for the lower vote threshold, lawmakers are limited in the kinds of provisions that can be included in a reconciliation package. Only policies impacting mandatory spending, revenues (taxes), or the federal debt limit can be included in a reconciliation bill. “Mandatory spending” refers to programs whose funding is determined by rules set in authorizing law, rather than determined through the annual appropriations process. Medicare, Medicaid, Social Security, and the Supplemental Nutrition Assistance Program (SNAP, or food assistance), all receive mandatory funding, and can be impacted through the reconciliation process. Funding for HUD programs

is determined annually through the appropriations process and cannot be cut through reconciliation. Learn more about the reconciliation process [here](https://tr.ee/qh4uGo) (<https://tr.ee/qh4uGo>).

H.R.1 includes a significant LIHTC expansion, permanently increasing LIHTC's 9% allocation and lowering the financed-by threshold for properties financed with private activity bonds. These provisions will help finance the construction of an [estimated](https://tr.ee/jN3Bli) 1.22 million new units of rental housing over the next decade (<https://tr.ee/jN3Bli>). While LIHTC is a vital resource for affordable housing construction, on its own, LIHTC does not produce rental housing deeply affordable enough for people with the lowest incomes to afford; additional financing sources, like funding from HUD programs, are required to ensure the development, maintenance, and operation of deeply affordable housing "pencils out" for housing providers.

H.R.1 also makes significant changes to vital safety net programs that low-income families—including the same families who have or need rental assistance—rely on to help afford the cost of necessities like food and healthcare, cutting over \$1 trillion in federal spending on Medicaid and SNAP. The Congressional Budget Office (CBO) estimates the 10% of households with the lowest incomes will lose an average of \$1,200 per year because of cuts to assistance programs. For households with low incomes already struggling to make ends meet, the additional strain these cuts will place on their budgets will have a devastating impact on their ability to put food on the table and afford medical care, and ultimately whether they will have enough money to afford rent. In contrast, the bill's tax breaks will provide the 10% of households with the highest incomes an additional \$13,600 per year, [on average](https://tr.ee/UNUgBu) (<https://tr.ee/UNUgBu>).

State and Local Housing Programs

State and local governments play a role in meeting the housing needs of their constituents. The devolution of authority to local governments that began in the 1970s means local jurisdictions have greater responsibility for planning and carrying out housing programs. Some communities responded to the decrease in federal housing resources by creating emergency and ongoing rental assistance programs and housing production programs. These programs are important to low-income residents in the communities where they are available, helping fill some of the gaps left by the decline in federal housing investments. Local funding sources, like levy or bond measures, or real estate or document transaction fees, can be targeted to specific income groups or created to meet the needs of a certain population, such as veterans, seniors, or families transitioning out of homelessness. However, state and local investments alone cannot solve the affordable housing crisis; only the federal government can provide the long-term, large-scale investments needed to fully address the housing needs of people with the lowest incomes.

Changes to Medicaid and SNAP financing in H.R. 1 will also put additional burden on states to split more of the cost of administering these programs with the federal government. Like households impacted by SNAP and Medicaid cuts, state and local governments who rely on federal assistance to cover the cost of administering these vital programs will need to figure out how to cover the financing gap created by H.R.1; this could include spending less state and local funding on rental assistance, affordable housing, and homelessness services in order to avoid cuts to healthcare or food assistance.

Federal decision-making also directly impacts how states respond to the shortage of housing affordable to extremely low-income people. For example, in 1999, the U.S. Supreme Court found in *Olmstead v L.C.* that continued institutionalization of people with disabilities able to return to their communities constituted discrimination under the "Americans with Disabilities Act." As a result of the *Olmstead* decision, states should

use federal funding to develop and provide community-based permanent supportive housing—rather than institutionalization—for people with disabilities.

In June 2024, the Supreme Court [ruled](https://johnsonvgrantspass.com/) (<https://johnsonvgrantspass.com/>) in *Grants Pass v. Johnson* that local laws arresting, ticketing, or fining people experiencing homelessness for engaging in life-sustaining activities, like sleeping or camping, in public spaces do not constitute cruel or unusual punishment, even if the city does not have an adequate number of shelter beds. While the ruling does not mandate local governments enact laws criminalizing homelessness, it empowers local decisionmakers who may have already been considering such a law to continue advancing harmful policies.

Developing Affordable Housing at the Local Level

The expense of producing and operating housing affordable to renters with the lowest incomes, and the multitude of funding sources available to finance it, make affordable housing development a complicated task.

Affordable housing developers, including PHAs redeveloping their housing stock, must combine multiple sources of funding to finance housing development or preservation. These funding sources can be of federal, state, or local origin, and can include private lending and grants or donations. Some developers include market-rate housing options within a development to generate revenue and cross-subsidize units set aside for lower-income tenants. Some funding sources may have their own requirements for income or population targeting or oversight. Some may also require developers to meet certain environmental standards or other goals, such as historic preservation or transit-oriented development.

Accessing these many funding sources requires applying for funds, the processes for which may or may not have complimentary timelines. Developers risk rejection for even high-merit project applications due to a shortage of resources and incur costs before the first shovel hits the ground as they plan developments around available funding sources and their associated requirements.

Developers encounter another set of requirements in the communities in which they work and must operate according to local land use regulations. Developers—particularly of affordable housing—sometimes encounter community opposition to a planned project, which can jeopardize funder support. Depending on the needs of the residents, services and supports may be included in the development, ranging from after-school programs to job training to physical or mental health care. This can mean working with another set of federal, state, and local programs, and nonprofit service providers.

The Future of Affordable Housing

The need for affordable housing continues to grow, particularly the need for affordable housing for people with the lowest incomes—those paid 30% or less of area median income or living below the poverty line. Nationally, there are only 31 units of rental housing affordable and available for every 100 extremely low-income households. Federal housing assistance only serves one quarter of those who qualify and special populations, such as people with disabilities, low-income families with children, veterans, or low-income seniors, are increasing in number and need.

At the same time, the existing stock of affordable rental housing is disappearing due to deterioration and the exit of private owners from the affordable housing market. According to the National Housing Trust, our nation loses two affordable apartments each year for each one created. Local preservation efforts have seen success, and resources like the National Housing Preservation Database are helpful, but it is a race against time.

Finally, the funding structure of most affordable housing programs puts them at risk at both the federal and local levels. Most federal housing programs are appropriated by Congress each fiscal year, meaning that the funding amounts can fluctuate or disappear altogether. State and local programs can be similarly volatile, because they are often dependent on revenue from fees or other market-driven sources and are vulnerable to being swept into non-housing uses. Ensuring funding at amounts necessary to maintain programs at their current level of service, much less grow them, is a constant battle.

The Role of Advocates

Affordable housing advocates have a unique opportunity to make the case for affordable rental housing with members of Congress as well as state and local policymakers. As the articles in this resource demonstrate, subsidized rental housing is more cost-effective and sustainable than alternatives, be they institutionalization, criminalization, homelessness, or grinding hardship for people and families with low incomes. More importantly, housing is a human right and no one should struggle to afford housing, or make impossible choices between putting food on the table and keeping a roof over their heads.

After decades of overinvestment in homeownership, the housing market collapse, a pandemic, and the growth of a gaping divide between the resources and prospects of the highest and lowest income people, Congress must significantly expand resources to help end homelessness and housing poverty once and for all.

Those who wish to see an end to homelessness must be unyielding in their advocacy for rental housing that is safe, affordable, available, and accessible to people with the lowest incomes. Over the decades of direct federal involvement in housing, we have learned much about how the government, private, and public sectors can partner with communities to create affordable housing that will improve lives, heal neighborhoods, and help communities flourish. We must take this evidence, and our stories, to lawmakers to show them that this can, and must, be done.

THE NATIONAL NEED FOR HOUSING

By Dan Emmanuel, Director of Federal Research, NLIHC; Raquel Harati, Research Analyst, NLIHC; Esther Colón-Bermúdez, Research Analyst, NLIHC

The United States faces a significant shortage of affordable rental housing for extremely low-income renters, those with incomes at or below the national poverty guideline or 30% of their area's median income (AMI), whichever is higher. According to the 2023 American Community Survey (ACS), only 7.1 million rental homes are affordable for the nation's 10.9 million extremely low-income renter households under the assumption that households should spend no more than 30% of their income on housing costs (unless otherwise

noted, figures are based on the 1-yr 2023 ACS Public Use Microdata Sample). Not all 7.1 million affordable homes, however, are available. Approximately 3.3 million are occupied by higher-income renter households. As a result, just 3.8 million rental homes are affordable and available for extremely low-income renters, leaving a shortage of 7.1 million. In other words, there are just 35 affordable and available rental homes for every 100 of the lowest-income renter households. Extremely low-income renters have the greatest housing needs relative to all other income groups and addressing their needs should be the highest national housing priority (<https://nlihc.org/gap>).



RACIAL EQUITY AND INCLUSION

By Gabby Ross, Manager, IDEAS, NLIHC

Over the past 100 years, federal, state, and local governments have implemented discriminatory housing policies that have intentionally excluded African Americans and communities of color from accessing economic mobility or stability through homeownership or access to decent, accessible, affordable, and safe housing. These policies in turn have effectively underdeveloped BIPOC communities across the country, and the impacts of these policy decisions are still being felt by these communities today. Housing is the foundation for economic, social, emotional, and financial stability for families and individuals. When one's housing stability is shaken, whether through threat of eviction, rising costs, disasters, or other access issues, its impacts are felt throughout all aspects of a person's life. Housing stability impacts health, educational, and economic outcomes. For Black, Indigenous, Latino, and other communities of color, the impacts of housing instability are compounded by the oppressive and patriarchal structures that uphold white supremacy through other harmful policies.

"During the 20th century, federal, state, and local governments systematically implemented racially discriminatory housing policies that contributed to segregated neighborhoods and inhibited equal opportunity and the chance to build wealth for Black, Latino, Asian American and Pacific Islander, and Native American families, and other underserved communities. Ongoing legacies of residential segregation and discrimination remain ever-present in our society. These include a racial gap in homeownership; a persistent undervaluation of properties owned by families of color; a disproportionate burden of pollution and exposure to the impacts of climate change in communities of color; and systemic barriers to safe, accessible, and affordable housing for people of color, immigrants, individuals with disabilities, and lesbian, gay, bisexual, transgender, gender non-conforming, and queer (LGBTQ+) individuals."

-January 26, 2021, Memorandum on Redressing Our Nation's and the Federal Government's History of Discriminatory Housing Practices and Policies, President Joe Biden

This quote from President Biden succinctly describes the legacy of racism in the country's housing system's practices and priorities. Racial, residential segregation, displacement, are historical and current mechanisms to exacerbate racial inequality in housing. Federal, state, and local governments historically systematically and purposefully implemented racially discriminatory housing policies that excluded African Americans and others from equal access to housing and opportunities. The data presented by NLIHC's reports, specifically *The Gap*, which will be discussed more in depth in this article, are concrete evidence of the need to examine the roles of social identities like race and socioeconomic status in housing affordability and stability, and in turn the outcomes across many different sectors like education and health.

The struggle for housing justice and equity is the struggle for liberation. Yet, way the housing system, along with many others that are meant to protect and provide avenues for human needs and rights to be met, were not created with the freedom that Americans strive towards in mind. And neither were they created with the considerations or perspectives of people who have been impacted the most by harmful policy. Rather, they have simultaneously progressed toward a more equitable model while still perpetuating harm in certain communities due to discrepancies in assistance or provided resources. This is demonstrated through the lack of policy to address the shortage of affordable homes, and to address the severe cost burden that renters with extremely low incomes face.

In 2025, there has been a large-scale attempt from the country's leadership to minimize the implications of race and racism in the structures and systems upon which this country is built. There has been an attempt to erase the progress that has been made in recent years toward a more equitable and liberated future

for all Americans and the communities in which we all live and want to see thrive. Fair Housing and civil rights protections have been reduced and HUD’s commitment to upholding those protections has wavered. With these actions, it is essential that advocates, organizers, students, communities, and more are equipped with the knowledge and tools to critically interrogate how the country’s housing system operates, its goals, and what we need in this moment and in the future to ensure that every person, regardless of race, ethnicity, religion, income level, age, gender identity, sexuality, ability, nationality or citizenship status, has access to housing.

To learn more about the government’s role in designing and perpetuating racial inequality in housing, see the article “Furthering Fair Housing” in Chapter 2 of this *Advocates’ Guide*.

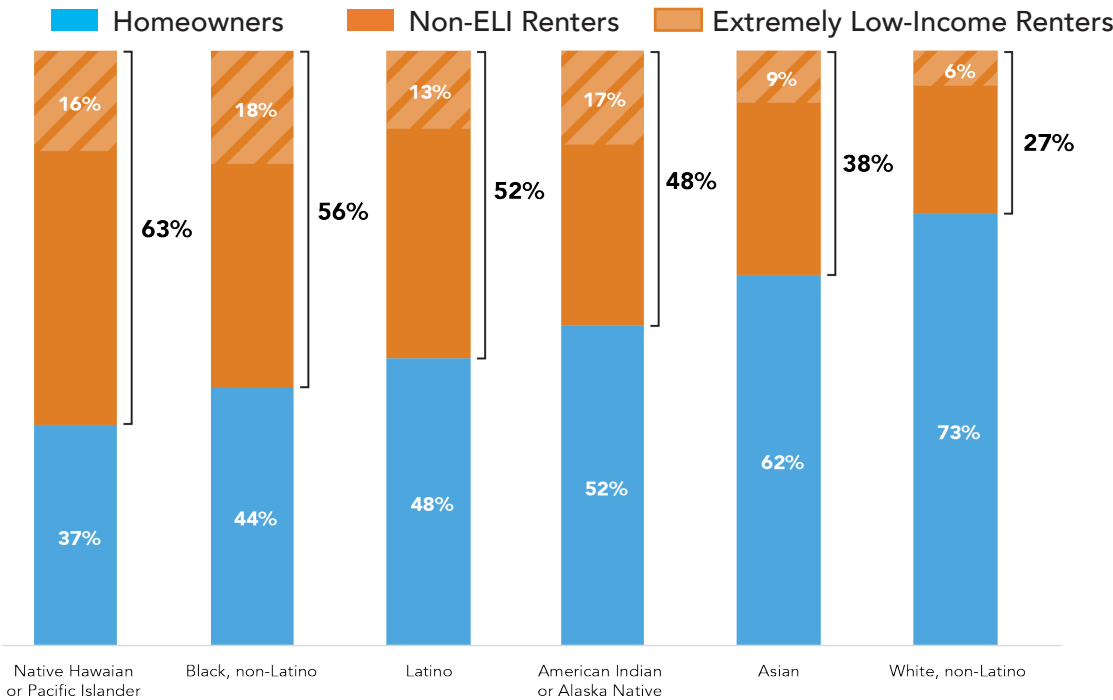
Racial Disparities in Housing

The orchestrated displacement, exclusion, and segregation of people of color by the United States government has exacerbated racial inequality.

According to NLIHC’s *2025 The Gap: A Shortage of Affordable Rental Homes*, Black, Latino, and Native Hawaiian or Pacific Islander, and Alaska Native households are much more likely than white households to be extremely low-income renters who face the most severe shortages of affordable housing. The report finds that 6% of white non-Hispanic households are extremely low-income renters, yet 18% of Black households, 17% of American Indian or Alaska Native households, 13% of Latino households, and 9% of Asian households are extremely low-income renters. As the figure below illustrates, 56% of Black households are renters, 52% of Latino households are renters, 48% of American Indian or Alaska Native households are renters, and 38% of Asian households are renters. In contrast, 27% of white households are renters.

As the figure below illustrates, renters of color are much more likely to be housing cost burdened: 57% of Black renters and 54% of Latino renters are housing cost burdened compared to 46% of white renters. Nearly one-third of Black renters, but only 24% of white renters, are severely cost-burdened, spending more than half of their income on housing.

BLACK HOUSEHOLDS ARE THREE TIMES AND LATINO HOUSEHOLDS ARE TWO TIMES MORE LIKELY THAN WHITE HOUSEHOLDS TO BE RENTERS WITH EXTREMELY LOW INCOMES, 2023



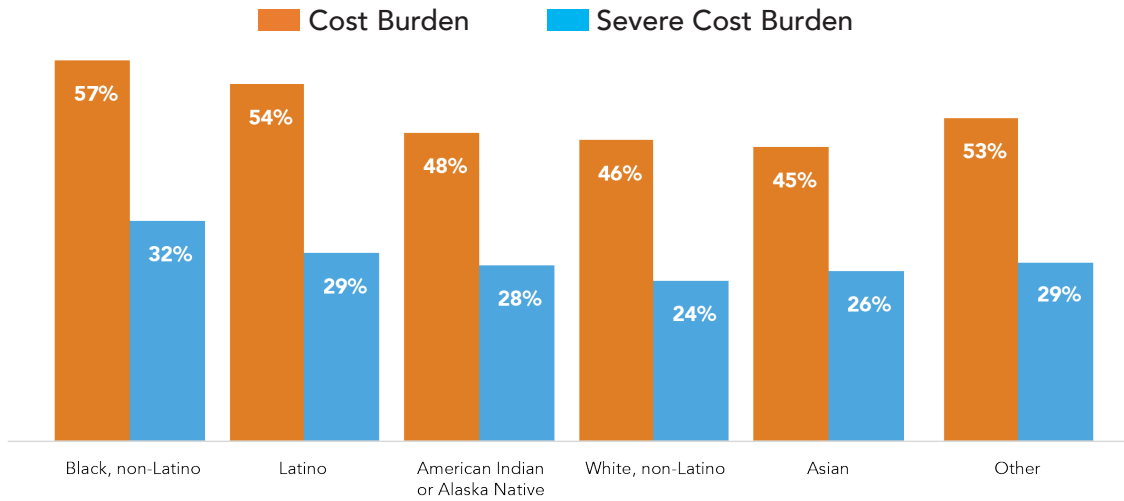
Source: 2023 ACS PUMS.

According to the report, racial disparities in cost burdens can be partially explained by income, as the disparity shrinks when looking only at extremely low-income renters. Extremely low-income renters who are Latino, Black, and white experience housing cost-burdens at rates of 88%, 89%, and 86%, respectively. Black and Latino renters experience severe cost-burdens

at a rate of 75% and 76% respectively, and white renters at a rate of 73%.

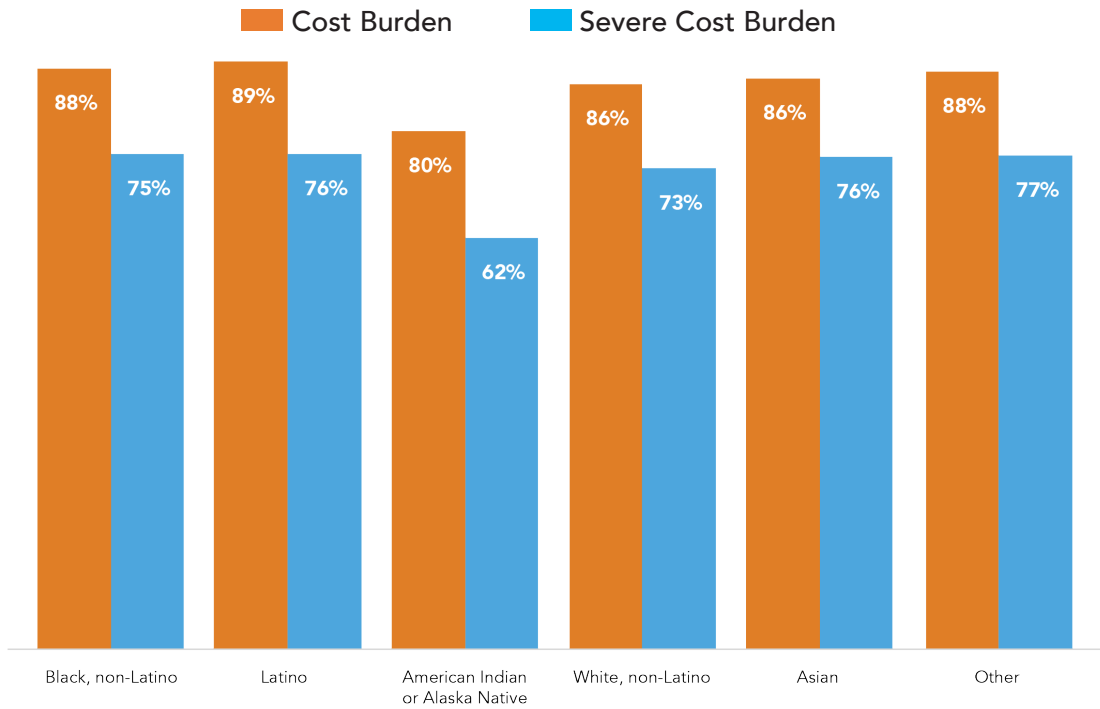
Racial disparities in renter’s cost burdens are the result of historical inequities and racist policies and practices that have engendered higher homeownership rates, greater wealth, and higher incomes among white households.

COST BURDENS AMONG RENTERS BY RACE AND ETHNICITY, 2023



Source: 2023 ACS PUMS.

COST BURDENS AMONG EXTREMELY LOW-INCOME RENTERS BY RACE AND ETHNICITY, 2023



Source: 2023 ACS PUMS.

Structural Racialization

When talking about racism, most people tend to focus on individual beliefs, biases, and actions. However, it is much more systemic. Understanding that racism exists not simply in individuals, but “[in] our societal organization and understandings,” [John O. Calmore, *Race/ism Lost and Found: The Fair Housing Act at Thirty*, 52 U. Miami L. Rev. 1067, 1073 (1998)] is key to developing strategies and solutions to combat it. Our practices, cultural norms, and institutional arrangements help create and maintain racialized outcomes.

Structural racialization (also referred to as structural racism) “is a set of processes that may generate disparities or depress life outcomes without any racist actors” [John A. Powell, *Deepening Our Understanding of Structural Marginalization*, Poverty & Race, Vol. 22, No. 5, (September-October 2013)]. A structural framing allows us to “take the focus off intent, and even off conscious attitudes and beliefs, and instead turn our focus to interventions that acknowledge that systems and structures are either supporting positive outcomes or hindering them” [John A. Powell, *Understanding Structural Racialization*, Journal of Poverty Law and Policy, Vol. 47, Numbers 5-6 (September-October 2013)]. The structural model helps us to understand how housing, education, transportation, employment and other “systems interact to produce racialized outcomes” [John A. Powell, *Structural Racism: Building Upon the Insights of John Calmore*, HeinOnline, 86.N.C.L. Rev. 791 (2007-2008)]. It also helps us to “show how all groups are interconnected and how structures shape life chances” (*Ibid*).

Racial Equity

Race Forward defines racial equity as “the process of eliminating racial disparities and improving outcomes for everyone” (Race Forward, <https://www.raceforward.org/about/what-is-racial-equity-key-concepts>). They further define racial equity as “the intentional and continual practice of changing policies, practices, systems, and structures by prioritizing measurable change in the lives of people of color.” Advocates who want to be more intentional about how they bring a

racial equity lens to their work should strive to do the following:

1. Understand the function of racism,
2. Focus on systemic racism instead of individual instances of racism,
3. Use data to show evidence of housing disparities,
4. Include people of color and others with marginalized identities in the process, and
5. Dismantle racist systems and structures and rebuild them more equitably.

Advocates should inform legislators of the ways through which they can create or lend support for policies that reduce inequities in housing. Policymakers at every level of government must advance anti-racist policies and redress the impacts of decades of intentionally racist housing and transportation policies, including redlining, blockbusting, restrictive covenants, restrictive zoning, and highway systems. Policymakers must work to advance additional anti-racist policies and achieve the large-scale investments and reforms necessary to ensure that the lowest-income and most marginalized renters have a decent, accessible, and affordable place to call home.

Intersectionality

When discussing the connections between structural disparities and identity, it is important to acknowledge and use an intersectional lens to determine the impact policy has had on systematically marginalized groups. Intersectionality is defined as a “critical theoretical framework that highlights how power and privilege are differently structured within and across diverse groups of people at multiple and interlocking demographics. Simply put, intersectionality is the concept that all oppression is linked, and people are often disadvantaged by multiple sources of oppression: their race, class, gender identity, sexual orientation, and religion, just to name a few.” (Intersectionality Research Institute at George Washington University, <https://tr.ee/HezzP2>).

According to the research presented in this article, the lack of policy that effectively addresses the root causes of housing poverty disproportionately impacts communities of color. Historically marginalized identities impacted by racism, homophobia, transphobia, and sexism have experienced the layered effects of racist and inequitable housing policy. These compounding effects have led to a disproportionate amount of pain and barriers when it comes to finding affordable and accessible housing. In the movement for housing and racial justice, it is important to recognize the complexities of intersecting identities and how that plays a role in the oppression of these communities. ¶

For More Information

Visit NLIHC's IDEAS website, www.nlihc.org/ideas

Othering & Belonging Institute, <https://belonging.berkeley.edu/>

Race Forward, www.raceforward.org

Equal Justice Institute, www.eji.org

The Opportunity Agenda, www.opportunityagenda.org

Opportunity Starts at Home, Racial Equity Advocates Are Housing Advocates, <https://www.opportunityhome.org/resources/housing-discrimination-unfinished-business-civil-rights/>

NLIHC, *The Gap: A Shortage of Affordable Rental Homes*, <https://nlihc.org/gap>

Intersectionality Research Institute, <https://intersectionality.gwu.edu/>

Intersectionality and Homelessness: We Need to Take a Deeper Dive, <https://endhomelessness.org/blog/intersectionality-and-homelessness-we-need-to-take-a-deeper-dive/>

Civil Rights Coalition Denounces HUD's Abdication of its Fair Housing Obligations: <https://nationalfairhousing.org/civil-rights-coalition-denounces-huds-abdication-of-its-fair-housing-obligations/>

INCOME TARGETING AND EXPENDITURES FOR MAJOR HOUSING PROGRAMS

Ensuring federal housing programs prioritize extremely low-income (ELI) renter households is a primary policy goal of NLIHC. Federal rental housing assistance is not an entitlement and is only received by one in four eligible households. Income targeting helps ensure scarce federal housing resources reach ELI households who, because of their great need, can be more difficult to serve than higher income groups. Targeting ELI renter households also helps ensure federal housing resources benefit populations impacted by systemic racism, ageism, and ableism.

ELI households have income less than or equal to 30% of area median income (AMI) or the federal poverty guideline, whichever is greater. The nation’s 11 million ELI renter households account for 25% of all renter households. Due to systemic racism, people of color are much more likely to head ELI renter households than white, non-Latino people. Nineteen percent of Black-headed households, 16% of households

headed by American Indians or Alaska Natives, 13% of Latino-headed households, and 9% of Asian-headed households are ELI renter households. Just 6% of households headed by white, non-Latinos are extremely low-income renter households. ELI renter households are also disproportionately headed by seniors and people with disabilities.

ELI renters have the greatest housing needs with a shortage of 7.3 million rental homes affordable and available to them. As a result, 87% of ELI renter households are cost-burdened, spending more than 30% of their income on housing costs. Cost-burdened households have difficulty affording other necessities such as food, health care, and transportation. Seventy-four percent of ELI renter households are severely cost burdened, paying more than half of their income for housing. These severely cost-burdened ELI households account for 69% of all severely cost-burdened renter households in the U.S.

The following table displays income targeting requirements and expenditures for key federal affordable housing programs:

HOUSING PROGRAM	INCOME TARGETING REQUIREMENTS	NATIONAL ANNUAL FUNDING
Public Housing	At least 40% of new admissions during a Public Housing Agency's fiscal year must be households with income less than 30% of area median income (AMI), with the remainder for households earning up to 80% AMI.	\$8.2 billion (FY26 HUD appropriation)
Housing Choice Vouchers	At least 75% of new and turnover vouchers are for households with income less than 30% AMI, with the remainder for households earning up to 80% AMI.	\$34.9 billion (FY26 HUD appropriation)

HOUSING PROGRAM	INCOME TARGETING REQUIREMENTS	NATIONAL ANNUAL FUNDING
Project-Based Rental Assistance	At least 40% of new admissions during a Public Housing Agency's fiscal year must be households with income less than 30% of area median income (AMI), with the remainder for households earning up to 80% AMI.	\$18 billion (FY26 HUD appropriation)
Sections 202 Housing for Elderly and 811 Housing for People w Disabilities	For Section 202 and the 811 Capital Advance/ Project Rental Assistance Contract programs, all units are for households with income less than 50% of AMI. For the 811 Project Rental Assistance program, all units are for households with income less than 30% AMI.	Section 202: \$1.03 billion Section 811: \$287 million (FY26 HUD appropriation)
HOME Investment Partnerships	If used for rental, at least 90% of units assisted by a jurisdiction must be for households with income less than 60% AMI, with the remainder for households with income up to 80% AMI. If more than five HOME-assisted units are in a building, 20% of the HOME-assisted units must be for households with income less than 50% AMI. Assisted homeowners must have income less than 80% AMI.	\$1.25 billion (FY26 HUD appropriation)
Community Development Block Grant	At least 70% of households served must have income less than 80% AMI. Remaining funds can serve households of any income group.	\$3.3 billion (FY26 HUD appropriation)
McKinney-Vento Homeless Assistance Grants	All assistance is for participants who meet HUD's definition of homeless: those who lack a fixed, regular, and adequate nighttime residence.	\$4.4 billion (FY26 HUD appropriation)
Housing Opportunities for Persons with AIDS	All housing is for households with income less than 80% AMI.	\$529 million (FY26 HUD appropriation)

HOUSING PROGRAM	INCOME TARGETING REQUIREMENTS	NATIONAL ANNUAL FUNDING
Low-Income Housing Tax Credit	All units are for households with income less than 50% or 60% AMI, dependent upon whether the developer chooses 20% of units at 50% AMI or 40% of units at 60% AMI. Income averaging was authorized in 2018, allowing households with income up to 80% AMI to receive tax credit as long as the average income is less than 60% AMI.	\$15.1 billion (FY26 estimated tax expenditure, Joint Committee on Taxation)
Native American Block Grant and Competitive Grants	All activities (including new construction, rehabilitation, acquisition, infrastructure, and various support services) are limited to households with income at or less than 80% AMI.	\$1.1 billion and \$125 million (FY26 appropriations)
Native Hawaiian Block Grants	All activities (including new construction, rehabilitation, acquisition, infrastructure, and various support services) are limited to households with income at or less than 80% AMI.	\$22.3 million (FY26 appropriations)
Federal Home Loan Banks' Affordable Housing Program	All units are for households with income less than 80% AMI. For rental projects, 20% of units are for households earning less than 50% AMI.	\$842 million (2025 FHLB assessment)
Section 515 Rural Rental Housing	All units are for households with income less than the U.S. Department of Agriculture (USDA) definition of moderate income, which is 80% AMI plus \$5,500. Households in substandard housing are given priority.	50 million (FY26 USDA appropriation)
Section 521 Rural Rental Assistance	In new projects, 95% of units are for households with income less than 50% AMI. In existing projects, 75% of units are for households with income less than 50% AMI.	\$1.7 billion (FY26 USDA appropriation)
National Housing Trust Fund	At least 90% of funds must be for rental housing, and at least 75% of rental housing funds must benefit households with income less than 30% AMI or poverty level, whichever is greater. Remaining funds can assist households with income less than 50% AMI. Up to 10% may be for homeowner activities benefitting households with income less than 50% AMI.	\$223 million in 2025

National Low Income Housing Coalition, 2026

HOUSING AS A HUMAN RIGHT

By Eric Tars, Senior Policy Director, National Homelessness Law Center

The concept of housing as a fundamental human right is under serious attack at the federal level in the United States (U.S.). The second [Trump administration](https://tr.ee/V8jJdT) (<https://tr.ee/V8jJdT>) came into office on a platform of attacking homeless individuals, proceeding to implement massive budget cuts and increase restrictions on accessing housing benefits. The current administration has also withdrawn from most international human rights [accountability](https://tr.ee/grgooJ) (<https://tr.ee/grgooJ>) mechanisms. These actions undo many of the positive steps taken at the federal level in the preceding years, where the U.S. Interagency Council on Homelessness (USICH) grounded its [Federal Strategic Plan to End Homelessness](https://www.usich.gov/sites/default/files/document/All_In.pdf) (https://www.usich.gov/sites/default/files/document/All_In.pdf) in the principle that housing is a human right. This progress built on earlier statements from the [former president](https://tr.ee/TB0T5G) (<https://tr.ee/TB0T5G>), [vice-president](https://x.com/VP46Archive/status/1105471871238238210) (<https://x.com/VP46Archive/status/1105471871238238210>), and [HUD Secretary](https://tr.ee/qXNJkZ) (<https://tr.ee/qXNJkZ>) affirming “housing should be a right, not a privilege,” and statements and bills from former [Rep. Cori Bush \(D-MO\)](https://x.com/RepCori/status/1466552258120884224) (<https://x.com/RepCori/status/1466552258120884224>), [Rep. Pramila Jayapal \(D-WA\)](https://tr.ee/SGH1vK) and [Rep. Grace Meng \(D-NY\)](https://tr.ee/SGH1vK) (<https://tr.ee/SGH1vK>), and many others.

Despite these current challenges, at the state and local level, the movement for the human right to housing has scored important victories in the past few years: a proposed [amendment](https://calmatters.org/housing/2023/06/right-to-housing-california-constitution/) (<https://calmatters.org/housing/2023/06/right-to-housing-california-constitution/>) recognizing housing as a human right in the California constitution cleared two committee votes in the state legislature, resolutions from [Philadelphia, PA](https://tr.ee/ctPraW) (<https://tr.ee/ctPraW>) to [Hamden, CT](https://hamdenct.portal.civicclerk.com/event/6063/files/attachment/1767) (<https://hamdenct.portal.civicclerk.com/event/6063/files/attachment/1767>) recognized the right, [reparations and land back](https://www.spatialfutures.org/policy-and-program-database) (<https://www.spatialfutures.org/policy-and-program-database>) policies are drawing on human rights principles, and advocates from [New York](https://homelesslaw.org/) (<https://homelesslaw.org/>

[wp-content/uploads/2025/04/NYCUNreport2025.pdf](https://homelesslaw.org/wp-content/uploads/2025/04/NYCUNreport2025.pdf)) to [Miami](https://homelesslaw.org/wp-content/uploads/2025/04/USUNreport2025.pdf) (<https://homelesslaw.org/wp-content/uploads/2025/04/USUNreport2025.pdf>) have actively incorporated human rights strategies into their advocacy. None of these steps should be taken for granted. They are a heartening sign that advocates from coast to coast are actively shifting the conversation, bringing the human right to housing into the political mainstream, and helping to lay a strong basis for legislative campaigns like the [eviction moratorium](https://tr.ee/WvPia4) (<https://tr.ee/WvPia4>) and the [civil right to counsel](https://civilrighttocounsel.org/resources/organizing_around_right_to_counsel/) (https://civilrighttocounsel.org/resources/organizing_around_right_to_counsel/) for tenants risking eviction across the country.

It is at precisely this time that we should be leaning into the concept of housing as a human right, as a [holistic and powerful frame](https://homelesslaw.org/wp-content/uploads/2023/09/ReportCard2023.pdf) (<https://homelesslaw.org/wp-content/uploads/2023/09/ReportCard2023.pdf>) for holding all levels of government accountable, carrying the weight of international law and tapping into our deep cultural understanding of the importance of upholding human and civil rights. The human right to housing frame is necessary because it addresses not only the affordability and basic supply of housing, but interdependent issues such as racial equity, public health, and educational opportunity. Pairing legal standards with the [popular resonance](https://theappeal.org/wp-content/uploads/2020/12/housing_human_right_ca-1-1.pdf) (https://theappeal.org/wp-content/uploads/2020/12/housing_human_right_ca-1-1.pdf) of the call that housing is a human right is how this holistic approach is uniquely able to prevent homelessness and housing instability from recurring in the future.

However, language pertaining to the right to housing can become co-opted. Sacramento Mayor Darrell Steinberg introduced a city ordinance creating a so-called “[right to housing and obligation to use it](https://tr.ee/Y1zjJS)” (<https://tr.ee/Y1zjJS>) that re-defines housing to include tents and shelters and threatens those who refuse to relocate with criminal penalties. This is not a rights-based approach to addressing homelessness and housing insecurity.

While stating that housing is a human right and effectuating it in policy are two different things, changing the rhetorical frame is important to changing the policy. Housing advocates can use the human right to housing framework to reframe public debate, craft and support legislative proposals, supplement legal claims in court, advocate in international fora, and support community organizing efforts. Numerous United Nations (U.N.) human rights experts have recently visited the United States or made [recommendations \(https://invisiblepeople.tv/u-n-calls-for-u-s-to-abolish-laws-criminalizing-homelessness/\)](https://invisiblepeople.tv/u-n-calls-for-u-s-to-abolish-laws-criminalizing-homelessness/) for federal- and local-level policy reforms. In 2026, advocates must work to defend these gains and push for concrete action to accompany the rhetoric.

History

In his 1944 State of the Union address, President Franklin Roosevelt declared that the U.S. had adopted a [Second Bill of Rights \(https://www.ushistory.org/documents/economic_bill_of_rights.htm\)](https://www.ushistory.org/documents/economic_bill_of_rights.htm), including the right to a decent home, which laid the rhetorical basis for many of the New Deal programs that began to implement the right in practice.

In 1948, the U.S. signed the [Universal Declaration of Human Rights \(https://www.ohchr.org/en/universal-declaration-of-human-rights\)](https://www.ohchr.org/en/universal-declaration-of-human-rights) (UDHR), recognizing adequate housing as a component of the human right to an adequate standard of living. The UDHR is a non-binding declaration, so the right to adequate housing was codified into a binding treaty law by the [International Covenant on Economic, Social, and Cultural Rights \(https://tr.ee/LSjWYM\)](https://tr.ee/LSjWYM) (ICESCR) in 1966. Having signed the ICESCR, the U.S. must uphold the “object and purpose” of the treaty, even though the U.S. has not yet ratified it. However, the U.S. ratified the [International Covenant on Civil and Political Rights \(https://tr.ee/RhylUH\)](https://tr.ee/RhylUH) in 1992 and the [International Convention on the Elimination of All Forms of Racial Discrimination \(https://tr.ee/UR2slv\)](https://tr.ee/UR2slv) in 1994. Both recognize the right to be free from discrimination—including in housing—on the basis of race, gender, disability, and other statuses, and emphasize the need for equitable policies to make up for historically discriminatory laws and practices. The U.S. also ratified

the [Convention Against Torture \(https://tr.ee/eFmLi8\)](https://tr.ee/eFmLi8) in 1994, protecting individuals from torture and other cruel, inhumane, and degrading treatment, including the criminalization of homelessness.

At the October 2016 U.N. Conference on Housing and Sustainable Urban Development (Habitat III), the U.S. signed onto the [New Urban Agenda \(https://habitat3.org/the-new-urban-agenda/\)](https://habitat3.org/the-new-urban-agenda/), “commit[ing] to promote national, sub-national, and local housing policies that support the progressive realization of the right to adequate housing for all as a component of the right to an adequate standard of living, that address all forms of discrimination and violence, prevent arbitrary forced evictions, and that focus on the needs of the homeless, persons in vulnerable situations, low-income groups, and persons with disabilities, while enabling participation and engagement of communities and relevant stakeholders in the planning and implementation of these policies including supporting the social production of habitat, according to national legislations and standards.”

In the last decade, the U.S. has hosted several official and unofficial visits (<https://www.latimes.com/local/lanow/la-me-ln-un-monitor-skid-row-20171215-story.html>) from top U.N. human rights officers that garnered significant press, as well as meetings with high-profile federal and state elected officials. In 2019, the National Homelessness Law Center (the Law Center) and others worked with Senator Cory Booker’s (D-NJ) office to host a packed-room [congressional briefing \(https://ushrnetwork.org/news/32/100/USHRN-presents-at-Congressional-Briefing-in-Washington-D.C.\)](https://ushrnetwork.org/news/32/100/USHRN-presents-at-Congressional-Briefing-in-Washington-D.C.) on the U.N.’s [special rapporteur on extreme poverty and human rights report \(https://www.theguardian.com/world/2017/dec/15/extreme-poverty-america-un-special-monitor-report\)](https://www.theguardian.com/world/2017/dec/15/extreme-poverty-america-un-special-monitor-report) on his 2017 mission to the U.S. When [Vice President Harris joined Biden’s ticket \(https://nlihc.org/resource/senator-harris-calls-housing-fundamental-human-right-forum\)](https://nlihc.org/resource/senator-harris-calls-housing-fundamental-human-right-forum), she brought housing as a right framing into his platform.

While advocates chant “[fight fight fight, housing is a human right](https://lbc.current.com/news/2021/03/24/in-photos-housing-is-a-human-right/)” (<https://lbc.current.com/news/2021/03/24/in-photos-housing-is-a-human-right/>) in the streets, the rhetoric has also moved into the political mainstream, with countless local, state, and federal officials stating

their belief that housing is a human right in recent years. What is needed now is to pair that rhetoric with accountability to the full scope of the standards of the human right to adequate housing under international law, as described below.

Issue Summary

The human right to housing, as defined by international law, is a powerful framework that considers the current, imperfect reality of our housing insecurity and homelessness crises, while also setting forth the numerous, interdependent and holistic pieces that are required for the full realization of the right. It promotes racial justice and housing justice and supports other human rights. The right to housing includes negative and positive rights: for example, the government must refrain from imposing cruel punishments, such as punishing individuals for sleeping or sheltering themselves outdoors in the absence of adequate alternatives (negative right) but must also ensure adequate supply of affordable housing and safe living conditions (positive rights).

According to the U.N. Committee on Economic, Social, and Cultural Rights, the human right to adequate housing consists of [seven elements \(https://tr.ee/u4rpFk\)](https://tr.ee/u4rpFk): (1) security of tenure; (2) availability of services, materials, and infrastructure; (3) affordability; (4) accessibility; (5) habitability; (6) location; and (7) cultural adequacy.

In the human rights framework, every right creates a corresponding duty on the part of the government to [respect, protect, and fulfill the right \(https://www.youtube.com/watch?v=JdZZMuVZ5Mg\)](https://www.youtube.com/watch?v=JdZZMuVZ5Mg). Having the right to housing does not mean that the government must build a house for every person in America and give it to them free of charge. It does, however, allocate ultimate responsibility to the government to progressively realize the right to decent, accessible, and affordable housing, whether by devoting resources to maintain public housing stock (and prevent its privatization), universal vouchers, or renters' tax credits; by creating incentives for the private development of affordable housing such as inclusionary zoning or the Low-Income Housing Tax Credit; through market

regulation such as rent control or creating community land trusts; through legal due process protections from eviction or foreclosure, and upholding the right to counsel to enforce those protections and ensuring habitable conditions through housing codes and inspections; or by ensuring homeless persons are not threatened with civil or criminal penalties for sheltering themselves in the absence of adequate alternatives. Contrary to the current framework that views housing as a commodity to be determined primarily by the market, the right to housing framework gives advocates a tool for holding each level of government accountable if any of those elements are not satisfied. Crucially, the human rights framework states clearly that the right to housing includes the right to participate in decisions on housing policy for those directly impacted by those policies. Human rights also actively embrace "special measures" for historically marginalized populations, including affirmatively furthering fair housing, [reparations \(https://tr.ee/9EkiOh\)](https://tr.ee/9EkiOh) for racially discriminatory housing policies, demands for [Land Back \(https://nonprofitquarterly.org/land-back-a-necessary-act-of-reparations/\)](https://nonprofitquarterly.org/land-back-a-necessary-act-of-reparations/), and voluntary [supportive housing \(https://tr.ee/5L3FbX\)](https://tr.ee/5L3FbX) for persons with mental health disabilities.

[France \(https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2209842\)](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2209842), [Scotland \(https://homelesslaw.org/wp-content/uploads/2018/10/Great_Scot.pdf\)](https://homelesslaw.org/wp-content/uploads/2018/10/Great_Scot.pdf), [South Africa \(https://tr.ee/Uvh4IG\)](https://tr.ee/Uvh4IG), and several [other countries \(https://tr.ee/WoeY1y\)](https://tr.ee/WoeY1y) have adopted a right to housing in their constitutions or legislation, leading to improved housing conditions domestically. In Scotland, the "Homelessness Act of 2003" includes the right for all homeless persons to be immediately housed and the right to long-term, supportive housing for as long as needed. The law also includes an individual right to sue if one believes these rights are not being enforced and requires jurisdictions to plan for the development of adequate affordable housing stock. Complementary policies include the right (for tenants) to purchase public housing units and automatic referrals by banks to foreclosure prevention programs to help people remain in their homes. All these elements work together to ensure that the right to housing is upheld. Although challenges remain in the right's implementation, in general, [Scotland's homelessness is brief, rare, and non-recurring \(https://archive.is/ASSI2\)](https://archive.is/ASSI2).

Forecast for 2026

Despite the positive work by advocates over the past decade to grow acceptance of the human right to housing framework, the threat posed by the second Trump administration and Congress is likely to make things far worse before they get better. The “[Big Beautiful Bill](https://tr.ee/yw4lle)” (<https://tr.ee/yw4lle>) creates deep cuts to an already tattered social safety net, and paired with [backwards homelessness policies](https://tr.ee/KTuvcd) (<https://tr.ee/KTuvcd>), will increase homelessness. As more people end up on the streets, calls like those from [President Trump](https://www.newsweek.com/trump-wants-make-homelessness-illegal-1795202) (<https://www.newsweek.com/trump-wants-make-homelessness-illegal-1795202>) and the [Cicero Institute](https://invisiblepeople.tv/the-cicero-institute-makes-homelessness-worse-for-everyone/) (<https://invisiblepeople.tv/the-cicero-institute-makes-homelessness-worse-for-everyone/>) to defund and overhaul affordable housing and create government-run detention camps for unhoused persons will grow louder. It is precisely in this time of ongoing economic hardship that a rights-based approach to budgeting and holistic policy decisions will help generate the resolve to protect basic human dignity first, rather than relegating it to the status of an optional policy without force and effect. The Law Center, together with many other housing and homelessness organizations (including NLIHC), launched the [Housing Not Handcuffs Campaign](https://housingnohandcuffs.org/) (<https://housingnohandcuffs.org/>) in 2016 and the [National Coalition for Housing Justice](https://nchj.org/) (<https://nchj.org/>) in 2020, both of which call for human right to housing policies in the U.S.

The U.S. will be reviewed by the U.N. Human Rights Council under its (delayed) [Universal Periodic Review](https://www.ohchr.org/en/hr-bodies/upr/upr-home) (<https://www.ohchr.org/en/hr-bodies/upr/upr-home>), providing an opportunity for international accountability in 2026. The international soccer governing body, FIFA, has also required host cities for the [2026 World Cup](https://tr.ee/UT2wN7) (<https://tr.ee/UT2wN7>) to create human rights plans, and advocates can use its human rights pledges to fight displacement during Cup events. Housing and homelessness advocates from coast to coast will be using human rights mechanisms to highlight the scope and exigency of their issues, shame federal and local governments for their failure to implement the rights we are beholden to as international law signatories, and build the domestic movement for housing as a human right.

Tips for Local Success

Local groups wishing to build the movement around the human right to housing in the U.S. can use international standards to promote policy change, from rallying slogans to concrete legislative proposals. Groups like the [#Moms4Housing](https://moms4housing.org/) (<https://moms4housing.org/>) use human rights to take direct action, like taking over vacant buildings, and to support broader local and statewide legislative advocacy. The U.N. has created [model guidance](https://tr.ee/rgEtpb) (<https://tr.ee/rgEtpb>) for implementing the human right to housing, including around [mega-events](https://tr.ee/v4DdqV) (<https://tr.ee/v4DdqV>) like the World Cup, and a former U.N. official has created numerous resources to help advocates [Make the Shift](https://make-the-shift.org/) (<https://make-the-shift.org/>) to a rights-based conversation. The town council of [Hamden, CT](https://hamdenct.portal.civicclerk.com/event/6063/files/attachment/1767) (<https://hamdenct.portal.civicclerk.com/event/6063/files/attachment/1767>) passed a resolution in January 2025 recognizing the right in a manner that can be used as a template for other local jurisdictions. Advocates can also hold local government accountable to human rights standards by creating an annual [Human Right to Housing Report Card](https://homelesslaw.org/wp-content/uploads/2023/09/ReportCard2023.pdf) (<https://homelesslaw.org/wp-content/uploads/2023/09/ReportCard2023.pdf>). In devising specific metrics evaluating the breadth and scope of its own adequate housing—and its association to other rights, including (among others) the rights to health, education, food, water, non-discrimination, etc.—a Report Card could be a valuable policy advocacy and data analysis tool. Using international mechanisms (like those described above) can also cast an international spotlight on local issues.

What To Say to Legislators

It is important for legislators and their staff (as well as other advocates) to hear constituents say that housing is a human right and ask for them to say it too, as we work toward policies that support it as such. This helps change the normative framework for all of the housing issues that we work on: “because housing is a human right, we need to create a right to counsel in eviction court,” “because housing is a human right, we need to create a renters’ tax credit,” etc. All this creates momentum for the next time we need to say, “because housing is a human right, we need to [insert your housing priority]”.

The U.S.' origins and acceptance of these rights in Roosevelt's "Second Bill of Rights," polling data, as well as the growing widespread acceptance by political leaders, all emphasize that the concept of a human right to housing is a homegrown idea rather than one imposed from abroad. On a somewhat converse point, using the recommendations made by human rights monitors can also reinforce advocates' messages by lending them international legitimacy.

Numerous national associations, including the [American Bar Association \(https://tr.ee/JRNo92\)](https://tr.ee/JRNo92), [American Medical Association \(https://www.ama-assn.org/system/files/2019-04/a19-bot28.pdf\)](https://www.ama-assn.org/system/files/2019-04/a19-bot28.pdf), [American Public Health Association \(https://tr.ee/XbXTI8\)](https://tr.ee/XbXTI8), and [International Association of Official Human Rights Agencies \(https://docs.wixstatic.com/ugd/a7a927_17083b2eea2b4c3fae1484ea3a66e7eb.pdf\)](https://docs.wixstatic.com/ugd/a7a927_17083b2eea2b4c3fae1484ea3a66e7eb.pdf) have passed resolutions endorsing a domestic implementation of the human right to housing, which local groups are using as tools in their advocacy. In reaching out to religiously motivated communities, it may be helpful to reference the numerous endorsements of the [U.S. Conference of Catholic Bishops \(https://www.usccb.org/resources/letter-congress-fy2020-thud-may-13-2019\)](https://www.usccb.org/resources/letter-congress-fy2020-thud-may-13-2019) in favor of the human right to housing and to point out that [Pope Francis \(https://tr.ee/uglyyX\)](https://tr.ee/uglyyX) called for the human right to housing to be implemented during his 2015 visit to the U.S. All of these can lead us to a future where housing is enjoyed as a right by all Americans.

For More Information

National Homelessness Law Center (formerly the National Law Center on Homelessness & Poverty), 202-638-2535, <https://homelesslaw.org/>

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

CHAPTER 2

ADVOCACY AND ORGANIZING RESOURCES

HOW LAWS ARE MADE

By Kim Johnson, Senior Director of Policy, NLIHC

The federal legislative process can be initiated in either the House of Representatives or the Senate, although revenue-related bills must originate in the House of Representatives. Legislators initiate the lawmaking process by crafting a bill or a joint resolution. There is no practical difference between a bill and a joint resolution; joint resolutions are typically used in proposed amendments to the Constitution, and for continued or emergency appropriations. Although members of Congress introduce bills and help maneuver legislation through the lawmaking process, congressional staff also play an essential role in the process. All members of Congress have staff working in their personal offices, and members who serve as Chair or Ranking Members of committees or subcommittees have separate committee staff as well. Both personal and committee staff have significant input in the legislative process.

The following steps, adapted from the Government Printing Office (GPO), describe the process of enacting a bill into law that is introduced in the House of Representatives. Enacting a joint resolution into law requires the same steps as a bill.

Enacting a Bill into Law

1. When a representative wants to propose a new law, they work with their staff, advocates, legislative counsel, and stakeholders to draft bill text. They sponsor the bill and introduce it by submitting it to the clerk of the House of Representatives, or by placing it in a box called the "hopper." The clerk assigns a legislative number to the bill, with H.R. for bills introduced in the House of Representatives (and S. for bills introduced in the Senate). GPO then prints the bill and distributes copies to each representative.
2. The bill is assigned to a committee by the speaker of the House so that it can be studied. The House has standing committees, each with jurisdiction over bills in certain areas. The standing committee, or often a subcommittee, studies the bill and hears testimony from experts and people interested in the bill. The committee then may release the bill with a recommendation to pass it, or revise the bill and release it, or lay it aside so that the House cannot vote on it. Releasing the bill is called "reporting it out," while laying it aside is called "tabling."
3. If the bill is released, it then goes on a legislative calendar, which is a list of bills awaiting consideration on the House floor. Once on the calendar, the bill may be called for a vote quickly by the House Rules Committee, or the Committee may limit debate on the bill, or may limit or prohibit amendments. Undisputed bills may be passed by unanimous consent or by a two-thirds majority vote if members agree to suspend the rules.
4. The bill then goes to the floor of the House for consideration and begins with a complete reading of the bill. Sometimes this is the only complete reading. A third reading of the title only occurs after any amendments have been added. If the bill is passed by simple majority (218 of 435), the bill moves to the Senate.
5. For a bill to be introduced in the Senate, a senator must be recognized by the presiding officer and announce the introduction of the bill. Sometimes, when a bill has passed in one chamber, it becomes known as an act; however, this term usually refers to a bill that has been passed by both chambers and signed into law.
6. Just as in the House, after introduction, the bill is assigned to one of the Senate's standing committees by the presiding officer. The relevant Senate committee or subcommittee studies and either releases or tables the bill, just like in the House.
7. Once released, the bill goes to the Senate floor for consideration. Bills are voted on in the Senate based on the order in which they come from committees; however, an urgent bill may be pushed ahead by

leaders of the majority party. There is no time limit on debate when the Senate is considering a bill; once debate concludes, Senators vote on the bill. Under regular order, the Senate requires 60 votes to overcome the threat of a filibuster and pass a bill, rather than a simple majority (51 of 100).

8. Having passed both the House and the Senate, the bill now moves to a conference committee, which is made up of members from both the House and Senate. The conference committee works out any differences between the House and Senate versions of the bill. The revised bill is sent back to both chambers for a final vote. Once approved, the bill is printed by the Government Publishing Office (GPO) in a process called “enrolling.” The clerk from the introducing chamber certifies the final version.
9. The enrolled bill is now signed by the speaker of the House and then the vice president, who serves as the president of the Senate. Finally, it is sent for presidential consideration. The president has ten days to sign or veto the enrolled bill; if the president vetoes the bill, it can still become a law if two-thirds of the Senate and two-thirds of the House then vote in favor of the bill, overriding the presidential veto.

For More Information

The Legislative Process, from the U.S. House of Representatives: <https://www.house.gov/the-house-explained/the-legislative-process>

Ben’s Guide to the U.S. Government: <https://bensguide.gpo.gov/how-laws-are-made>

THE FEDERAL BUDGET AND APPROPRIATIONS PROCESS

By Kim Johnson, Senior Director of Policy, NLIHC

Funding the federal government is a two-part process that occurs annually. First, a federal budget resolution is passed, and then funds are appropriated among federal agencies and programs.

Both the administration and Congress participate in the process of developing a federal budget resolution that establishes the overall framework and maximum dollar amount for government spending in a fiscal year (FY). The appropriations process is handled entirely by Congress and establishes the amount of funding for individual activities of the federal government. Although the budget resolution should be completed and funds appropriated before the new FY begins on October 1, Congress has not completed the appropriations processes in advance of the start of the FY since 1997 due to disagreements between the House and Senate over top line budget amounts, among other issues.

Types of Federal Spending and Revenue

There are three categories of spending for which the budget and appropriations process establish limits and define uses: discretionary spending, mandatory spending, and tax revenue.

DISCRETIONARY SPENDING

As the name suggests, government expenditures in the discretionary portion of the budget are subject to annual evaluation by the president and Congress through the annual appropriations process. Although the discretionary portion of the budget represents less than half of total annual expenditures, it is the area of spending that the president and Congress focus on most. Each year, the administration and Congress re-evaluate the need to allocate funds for federal departments, programs, and activities. Discretionary

spending amounts vary annually, depending on administrative and congressional priorities. While the administration puts forward a budget request every year, ultimately how much funding to provide discretionary programs is up to Congress.

MANDATORY SPENDING

Mandatory spending is almost entirely made up of spending on programs with funding authorized in statute, such as Social Security, Medicaid, Medicare, and the Supplemental Nutrition Assistance Program (SNAP). Expenditures for these programs are based on a formula applied to the number of households eligible for a benefit. The amount of funding each year is determined by that formula, rather than set by Congress.

TAX REVENUE

Taxes provide revenue to the government to fund spending priorities. Tax policy includes not just revenues, but also expenditures in the form of deductions, credits, and other tax breaks. These expenditures reduce the total tax amount that could potentially be collected to provide revenue for the federal government. Each year, the administration and Congress decide what tax revenues to collect and what tax expenditures to make by forgoing revenue collection in pursuit of certain policy priorities.

Budget Process

The federal fiscal year (FY) runs from October 1 through September 30; for example, FY26 began on October 1, 2025, and will last until September 30, 2026. Planning for the upcoming FY begins as early as 18 months in advance.

PRESIDENT’S BUDGET REQUEST

The budget process officially commences on the first Monday of February, when the president is required by law to provide a budget request to Congress for all administration activities in the coming FY; however, failure to meet this requirement carries no repercussions, and the president’s budget request is typically released later in February or March.

The president’s budget request to Congress includes funding requests for discretionary programs, mandatory programs, and taxes. Most housing programs are funded through the discretionary portion of the budget. The president’s funding request for discretionary programs varies from year to year to reflect the administration’s evolving policy priorities. While an important tool to signal the administration’s priorities and desires, the president’s budget request does not actually provide any funding—only Congress may appropriate federal funding.

CONGRESSIONAL BUDGET RESOLUTION

Once the president submits a budget to Congress, the House and Senate Budget Committees prepare a budget resolution. The budget resolution sets the overall framework for spending for a one-year fiscal term and includes a top-line spending figure for discretionary activities. The House and Senate Appropriations Committees use this figure as the maximum amount of funding that can be appropriated in the next FY. This new discretionary cap either increases or decreases the overall amount of funding that appropriators have available to allocate to federal programs, including HUD and the US Department of Agriculture (USDA)’s affordable housing activities. Even though the budget resolution establishes the overall spending level for the FY, it does not detail how funding will be allocated. The details are the responsibility of the House and Senate Appropriations Committees, which begin their work after Congress agrees to a budget resolution.

To craft the budget resolution, the House and Senate Budget Committees first hold hearings to hear testimony from administration officials on the White House’s budget request. The Budget Committees each create their own budget resolutions and then attempt to agree on a final budget resolution. Since this is a

resolution and not a bill, it does not have to be signed into law by the president.

Once Congress passes a budget resolution, the appropriations work begins. If Congress does not pass a budget resolution by the statutory deadline of April 15, the Appropriations Committees are free to begin their work without one.

If Congress does not pass its appropriations bills by the start of the new FY on October 1, it must pass a continuing resolution (CR) to provide continued funding for the period after the FY ends and before appropriations bills are passed. A CR extends the previous year’s appropriated level of funding for a designated period, with exceptions or “anomalies” sometimes included for certain programs in need increased funding to maintain services in the interim. If Congress does not pass a CR and appropriations bills have not been enacted, the government shuts down. The most recent government shutdown lasted from October 1 to November 12, 2025, a record-breaking 43 days. Before that, the record for longest shutdown occurred in December 2018 and lasted 34 days.

BUDGET RECONCILIATION

The “Congressional Budget and Impoundment Control Act of 1974” established “budget reconciliation,” an optional, special procedure that expedites Congress’s consideration of legislation impacting federal spending or revenue. To start the process of budget reconciliation, the House and Senate must adopt a budget resolution; without a resolution, Congress cannot trigger the reconciliation process.

The reconciliation process is designed to allow for (relatively) quick consideration of bills, including by limiting debate on the bill to 20 hours, and forgoing the filibuster rule that establishes a 60-vote threshold for legislation to pass the Senate. Instead, under reconciliation a bill only needs a simple majority (51 out of 100 votes) to pass the Senate. While budget reconciliation was originally intended to decrease the federal deficit by forcing committees to identify areas where spending could be cut or taxes could be raised, the procedure has also been used to enact policies that increase the federal deficit through federal spending and tax cuts. Most recently, budget reconciliation has

been used to pass the “Tax Cuts and Jobs Act of 2017,” the “American Rescue Plan Act of 2021,” the “Inflation Reduction Act of 2022,” and the “One Big Beautiful Bill Act of 2025.”

Budget reconciliation is a powerful tool, but there are also limits to the kind of policies that can be enacted through reconciliation. Under the “Byrd Rule,” named after late Senator Robert Byrd (D-WV), permissible policies are limited to those impacting federal spending or revenues – any “extraneous” provisions or amendments are not allowed to be included in a reconciliation bill, unless more than 60 senators vote to waive the rule. For example, a provision that attempts to amend the “Fair Housing Act of 1968” would not be permissible under the Byrd Rule.

The Appropriations Process

The appropriations process—deciding how much funding to provide federal programs—rests entirely in the hands of Congress. After Congress passes a budget resolution, the House and Senate Appropriations Committees divide the top-line figure for discretionary spending—known as a “302(a)” allocation—among 12 subcommittees. These subcommittee allocations are known as “302(b)” levels. Each subcommittee is responsible for drafting their respective appropriations bills for the upcoming fiscal year using the “302(b)” level as their topline.

The two appropriations subcommittees in the House and Senate that provide most funding for federal affordable housing and community development programs are the Transportation, Housing, and Urban Development (THUD) Subcommittee, which funds HUD’s affordable housing, homelessness, and community development programs, and the Agriculture, Rural Development, Food, and Drug Administration Subcommittee, which funds rural affordable housing programs.

Each subcommittee must divide their “302(b)” allocations between the various programs funded in their bill. Each subcommittee must also determine the priority programs within each of their bills and provide sufficient funding for those priorities. To determine their priorities, the subcommittees hold hearings, during which administration officials testify on specific

programs and initiatives included in the president’s budget request. Witnesses in these hearings provide a far greater level of detail on programmatic activity than witnesses testifying at budget committee hearings, which focus on overall proposed spending rather than specific activities.

After appropriations hearings are completed, the subcommittees draft their bills. The subcommittees then hold a review of their drafts, known as a “markup,” vote on their bills, and pass the approved versions to the full Appropriations Committee for consideration. Appropriators hold a full committee markup and vote on each bill, and then send the bills to the full House or Senate chamber for a vote. Once the House and Senate have passed their version of the bills, lawmakers must negotiate and pass final spending bills that reflect an agreement between the two chambers. After these bills are passed by Congress, they are signed into law by the president.

Forecast for 2026

Congress passed and the president signed into law a new FY26 spending bill for HUD programs on February 3, 2026. Overall, the bill provides \$77.3 billion for HUD programs, an over \$7.2 billion increase from the previous year. This significant increase is thanks to the hard work of advocates and members of Congress championing affordable housing and homelessness funding.

The over \$7.2 billion increase provided in the final FY26 spending bill is significantly more than the \$3.3 billion increase for HUD programs provided in the Senate’s FY26 spending bill; the House FY26 bill proposed cutting HUD programs by \$2.2 billion. Key rental and homelessness assistance programs received funding increases, including some of NLIHC’s top priorities:

- \$34.9 billion is provided for renewing Tenant-Based Rental Assistance (TBRA) contracts, including for the Housing Choice Voucher (HCV) program. This level is expected to be sufficient to ensure the renewal of existing TBRA contracts.
- Appropriators provided approximately \$601 million for new Tenant Protection Vouchers (TPVs), a \$264 million increase from the previous year. The bill includes language allowing HUD to use Tenant Protection Voucher

(TPV) funding to ensure no one with an Emergency Housing Voucher (EHV) loses assistance in 2026.

- Homeless Assistance Grants (HAG) programs will receive over \$4.4 billion, a \$336 million increase from the previous year. This includes level funding of \$290 million for the Emergency Solutions Grants (ESG) program, and \$4.01 billion for the CoC program, a \$466 million increase. While this increase is welcome, it is still less than what the National Alliance to End Homelessness estimates will be required to ensure full renewal of existing programs.
- Appropriators maintained funding for the Indian Housing Block Grant (IHBG) program, at just over \$1.1 billion; however, the bill provides slightly less funding for the IHBG-Competitive program, which received \$125 million, a \$25 million decrease from last fiscal year.
- The Eviction Protection Grant Program (EPGP) will receive \$7.5 million.
- Unfortunately, funding for both public housing operations and public housing capital needs decreased by \$477 million and \$210 million, respectively. Public housing operations will receive \$5.02 billion in FY26, and \$3.2 billion will be provided for capital needs in public housing.

Read NLIHC's [full analysis](https://tr.ee/tDamYK) of the final FY26 appropriations bill for HUD (<https://tr.ee/tDamYK>).

Congress was also significantly delayed in enacting a [final FY25 spending bill](https://tr.ee/OXoAGe) (<https://tr.ee/OXoAGe>) for HUD programs. Ultimately, Congress was unable to reach a final agreement on updated FY25 spending bills; instead, lawmakers enacted a year-long continuing resolution (CR) [March 17, 2025](https://tr.ee/DGeKvq) (<https://tr.ee/DGeKvq>). The CR extended FY24 funding levels for the remainder of FY25, cutting domestic spending by about \$13 billion from the previous fiscal year when accounting for inflation; however, HUD programs received an additional \$4.6 billion for key programs, including contract renewals for the Housing Choice Voucher (HCV), Project-Based Rental Assistance (PBRA), Section 811 Housing for People with Disabilities (Section 811), and Section 202 Housing for the Elderly (Section 202) programs, for a total funding level of around \$70 billion in FY25. Because the cost

of housing development and rental assistance rise every year, it is crucial that rental and homelessness assistance programs receive increased annual funding. Flat funding acts as a cut, reducing the number of families assisted by HUD programs.

The delay in finalizing FY25 spending bills also delayed Congress's work on FY26 spending bills. On May 30, 2025, President Donald Trump and HUD Secretary Scott Turner released the full text of their FY26 budget request for HUD programs. [The request](https://tr.ee/BAGCNZ), as indicated in a partial request released by the administration May 2, proposed extensive changes and massive funding cuts to HUD's programs (<https://tr.ee/BAGCNZ>). The budget request proposed combining HUD's five largest rental assistance programs—HCVs, PBRA, Section 202, Section 811, and public housing—into one State Rental Assistance Block Grant program, funded at \$31.79 billion—an unprecedented 43% cut to rental assistance programs. The proposal would also impose unnecessary, bureaucratic barriers to obtaining and maintaining housing assistance, like work reporting requirement and time limits on receiving HUD assistance.

In addition, the Trump administration's FY26 budget request for HUD programs proposed about \$4.02 billion for HUD's Homeless Assistance Grants (HAG) program, a decrease of around \$27 million from FY25. The request reframes the HAG program as "an expanded emergency solutions grants program," specifying that assistance would be used to "assist homeless individuals or those at-risk of homelessness on an emergency, short-term, or medium-term basis," and proposing no additional funding for the Continuum of Care (CoC) or Permanent Supportive Housing (PSH) programs. This would severely limit communities' ability to use HAG funding for permanent housing and supportive services, crucial tools for addressing the long-term housing needs of people who have experienced chronic homelessness and those who require additional support for long-term stability.

The request would also allow HAG grantees to create a preference for assisting "elderly individuals or families, or disabled individuals or families." It would not provide additional funding for the Youth Homelessness Demonstration Program or the National Homeless Data Analysis Project. In addition, the President's FY26 budget request would not provide additional

funding for the Housing Opportunities for Persons with AIDS (HOPWA) program, previously funded at \$505 million in FY25. The budget request argues that “individuals living with HIV/AIDS who are homeless or at-risk of homelessness may be served through the expanded emergency solutions grant program.” Taking into consideration cuts to both HOPWA and HAG funding, the budget request would slash homelessness assistance by \$532 million, or 12% from the previous fiscal year. The proposals would also zero-out funding for the HOME Investment Partnership program, and slash funding for fair housing investigations and enforcement. Read NLIHC’s full analysis of the Trump administration’s FY26 budget request [here](https://tr.ee/Eskkz4) (<https://tr.ee/Eskkz4>).

Overall, neither the House nor Senate took up in their FY26 spending bills the drastic changes and funding cuts proposed by the Trump administration, although the House’s bill made significant cuts to many vital HUD programs. Overall, the House bill would decrease funding for HUD programs by about \$2.2 billion from the previous fiscal year, including a decrease of \$773 million for housing vouchers overall, and flat funding for renewals. The House bill also includes some problematic proposals from the President’s FY26 spending request, including zeroing out funding for the HOME Investment Partnership program, and allowing Public Housing Authorities (PHAs) to implement time limits or work requirements in HUD-assisted housing.

The [Senate’s FY26 spending bill](https://tr.ee/WvQzvl) increases funding for HUD programs by about \$3.3 billion from FY25, and includes increased funding for HCV renewals and other rental assistance (<https://tr.ee/WvQzvl>). The Senate bill does not include the problematic language in the House bill; importantly, however, neither the House nor Senate bills are expected to include enough funding to ensure the renewal of all existing HCV contracts.

What to Say to Legislators

With the final FY26 spending bill finalized, lawmakers have until October 1, 2026, to pass a new bill to fund federal programs through FY27. Advocates should urge their members of Congress to provide robust funding for HUD and USDA affordable housing, homelessness, and community development programs. If members

of Congress do not hear from advocates, they will not know how important these programs are in their districts and states.

Advocates should let their members of Congress know that the low spending caps required by law resulted in the loss of affordable housing opportunities in their states and districts. Budget caps should not be continued into future years, and robust funding is needed to address the severe shortage of housing for people with the lowest incomes.

ADDITIONAL FUNDING REQUIRED FOR VOUCHER RENEWALS

Because the cost of rent rises every year, it is crucial for HUD rental assistance programs to receive increased funding to maintain the number of households receiving assistance. Without sufficient funding, vouchers are lost to attrition—when an assisted household no longer needs their voucher, rather than being reissued to a new household on the waitlist for rental assistance, the voucher is no longer available because there is not enough funding for it to continue helping households. Already, only one in four households eligible for rental assistance receive it, leaving 75% of otherwise qualified households to struggle affording the cost of rent. Losing vouchers through attrition reduces the availability of rental assistance even further. Advocates should also continue fighting for expanded voucher funding to continue ensuring that Emergency Housing Voucher (EHV) holders do not lose their assistance in 2027.

For More Information

NLIHC, 202-662-1530, <https://nlihc.org/federal-budget-and-spending>

NLIHC’s Toolkit, “Opposing Cuts to Federal Investments in Affordable Housing”: <https://tr.ee/aT6Ps0>

FISCAL YEAR 2026 BUDGET CHART

HUD PROGRAMS (IN MILLIONS)	FY25 FINAL	FY26 PRESIDENT	FY26 HOUSE	FY26 SENATE	FY26 FINAL
Tenant Based Rental Assistance	36,048	0	35,268	37,354	38,439
Contract Renewals	32,145	0	32,145	33,974	34,957
Tenant Protection Vouchers	337	0	375	429	601
Administrative Fees	2,771	0	1,975	2,906	2,836
Section 811 Mainstream Vouchers	743	0	743	0	0
Veterans Affairs Supportive Hsg Vouchers	0	0+	0+	15	15
Tribal Veterans Affairs Supportive Housing Vouchers	7.5	10+	10	10	10
Family Unification	30	0	30	30	30
Housing Mobility Services	0	0	0	0	0
Incremental Vouchers	15	0	0	0	0
State Rental Assistance**					
State Rental Assistance Block Grant	N/A	31,787	N/A	N/A	N/A
Foster Youth to Independence Grants	--	25	--	--	--
Public Housing					
Capital Fund	3,410	0	2,286	3,200	3,200
Emergency/Disaster Grants	30	0	30	30	30
Residential Health Hazards Grants	0	0	0	65	50
Operating Fund*	5,501	0	5,000	5,087	5,024
Moving to Work	0	0	0	0	0
Choice Neighborhoods Initiative	75	0	0	40	25
Self-Sufficiency Programs					
Family Self-Sufficiency	141	0	125	156	156
Jobs-Plus Pilot	15	0	15	10	10
NAHASDA					
Indian Housing Block Grant	1,111	872	1,111	1,111	1,111
Competitive Grants	150	0	150	100	125

HUD PROGRAMS (IN MILLIONS)	FY25 FINAL	FY26 PRESIDENT	FY26 HOUSE	FY26 SENATE	FY26 FINAL
Native Haw. Hsg Block Grants	22	0	18	22	22.3
Hsg. Opp. for Persons with AIDS	505	0	505	529	529
Community Development Fund	3,430	0	5,642	4,541	6,995
Formula Grants	3,300	0	3,300	3,100	3,300
Economic Development Initiative (earmarks)	0	0	2,312	1,351	3,615
PRO-Housing Competition	100	0	0	60	50
HOME Investment Partnerships	1,250	0	0	1,250	1,250
PRICE Competitive Grants	10	0	0	10	0
Self-Help Homeownership Opportunity	12	0	9	13	12
Homeless Assistance Grants	4,051 ¹	4,024	4,158	4,530	4,417
Project-Based Rental Assistance	16,890	0	17,127	17,404	18,543
Hsg. for the Elderly (202)	931	0	950	972	1,031
Hsg. for Persons w/ Disabilities (811)	256	0	262	265	287
Housing Counseling Assistance	57.5	0	0	57.5	57.5
Policy Development & Research	119	95	95	131	122.5
Eviction Protection Grant Program	20	0	0	15	7.5
Fair Hsg. & Equal Opportunity	86	26	29	86	86.4
Healthy Homes & Lead Hazard	345	0	296	296	296
USICH	4	0	0	2	3

* The spending proposal includes funding provided through HUD's Operating Fund Formula, plus funding allocated for a need-based grant

¹ Language in the FY25 Continuing Resolution (CR) provides the HUD Secretary the authority to "repurpose funds made available under" the Continuum of Care (CoC) Builds program "to provide additional amounts for the CoC program"

** The Trump administration's FY26 budget request proposes combining the Housing Choice Voucher program, Public Housing, Project-Based Rental Assistance, and the Section 811 and Section 202 programs into the State Rental Assistance Block Grant program

+ The Trump administration's FY26 budget request provides \$10 million, "available until expended, for noncompetitive grants to recipients that received a Tribal HUD-VASH grant in prior years," and transfers control of the VASH program from HUD to the Department of Veterans Affairs for the creation of a new Bridging Rental Assistance for Veteran Empowerment (BRAVE) program, funded at \$1.1 billion. The House FY26 budget would fund the BRAVE program at \$970 million in its FY26 Military Construction & Veteran Affairs spending bill.

CONGRESSIONAL ADVOCACY AND KEY HOUSING COMMITTEES

By Kim Johnson, Senior Director of Policy, NLIHC

Members of Congress are accountable to their constituents, and as a constituent, you have the right to advocate for the issues important to you with the members who represent you. As a housing advocate, you should exercise that right.

Contact Your Members of Congress

To find the contact information for your members of Congress, visit www.govtrack.us, or call the U.S. Capitol Switchboard at 202-224-3121. You can also use NLIHC's Legislative Action Center to look up members of Congress at nlihc.org/take-action.

Meeting with Your Members of Congress

Scheduling a meeting, determining your main "ask" or "asks," developing an agenda, creating appropriate materials to take with you, ensuring your meeting does not veer off topic, and following up afterward are all crucial to holding effective meetings with members of Congress.

For more tips on how to advocate and lobby effectively, see Best Practices and Tips for Advocacy and Lobbying in this chapter.

Key Congressional Committees

The following are key housing authorizing and appropriating committees in Congress:

- The House of Representatives Committee on Financial Services.
- The House of Representatives Committee on Appropriations.
- The House of Representatives Committee on Ways and Means.
- The Senate Committee on Banking, Housing, and Urban Affairs.
- The Senate Committee on Appropriations.
- The Senate Committee on Finance.

See below for details on these key committees. Because committee assignments are subject to change, we recommend visiting the committee websites for the most up-to-date information on committee membership.

House of Representatives Committee on Financial Services

Visit the House Financial Services Committee's website at financialservices.house.gov for an updated list of committee members.

The House Committee on Financial Services oversees all components of the nation's housing and financial services sectors, including banking, insurance, real estate, public and assisted housing, and securities. The Committee reviews laws and programs related to

HUD, the Federal Reserve Bank, the Federal Deposit Insurance Corporation, government sponsored enterprises including Fannie Mae and Freddie Mac, and international development and finance agencies such as the World Bank and the International Monetary Fund.

The Committee also ensures the enforcement of housing and consumer protection laws such the "U.S. Housing Act," the "Truth in Lending Act," the "Housing and Community Development Act," the "Fair Credit Reporting Act," the "Real Estate Settlement Procedures Act," the "Community Reinvestment Act," and financial privacy laws.

The Subcommittee on Housing and Insurance oversees HUD and the Government National Mortgage Association (Ginnie Mae). The Subcommittee also handles matters related to housing affordability, rural housing, community development including Opportunity Zones, and government sponsored insurance programs such as the Federal Housing Administration (FHA) and the National Flood Insurance Program.

House of Representatives Committee on Appropriations

Visit the House Appropriations Committee's website at appropriations.house.gov for an updated list of committee members.

The House Committee on Appropriations is responsible for determining the amount of funding made available to all authorized programs each year.

The Subcommittee on Transportation, Housing and Urban Development and Related Agencies (THUD) determines the amount of government revenues dedicated to HUD and other relevant agencies, including the United States Interagency Council on Homelessness.

House of Representatives Committee on Ways and Means

Visit the Ways and Means Committee's website at waysandmeans.house.gov for an updated list of committee members.

The Committee on Ways and Means is the chief tax writing committee in the House of Representatives and has jurisdiction over taxation, tariffs, many programs including Social Security, Medicare, Temporary Assistance for Needy Families (TANF), and unemployment insurance. The Low-Income Housing Tax Credit falls within its jurisdiction.

Senate Committee on Banking, Housing, and Urban Affairs

Visit the Senate Banking Committee's website at banking.senate.gov for an updated list of committee members.

The Senate Committee on Banking, Housing and Urban Affairs oversees legislation, petitions, and other matters related to financial institutions, economic policy, housing, transportation, urban development, international trade and finance, and securities and investments.

The Subcommittee on Housing, Transportation, and Community Development oversees mass transit systems, general urban affairs and development issues and is the primary oversight committee for HUD. The subcommittee oversees HUD community development programs, the FHA, the Rural Housing Service, Fannie Mae and Freddie Mac, and all issues related to public and private housing, senior housing, nursing home construction, and indigenous housing issues.

Senate Committee on Appropriations

Visit the Senate Appropriations Committee's website at appropriations.senate.gov for an updated list of committee members.

The Senate Committee on Appropriations is responsible for determining the amount of funding made available to all authorized programs each year.

THUD has jurisdiction over funding for the Department of Transportation and HUD, including community planning and development, fair housing and equal opportunity, the FHA, Ginnie Mae, public housing, and indigenous housing issues.

Senate Committee on Finance

Visit the Senate Finance Committee's website at finance.senate.gov for an updated list of committee members.

The Senate Committee on Finance oversees matters related to taxation and other general revenue measures, including health programs under the "Social Security Act" such as Medicare, Medicaid, and the Children's Health Insurance Program, as well as TANF and health and human services programs financed by a specific tax or trust fund. The Low-Income Housing Tax Credit falls within its jurisdiction.

FEDERAL ADMINISTRATION ADVOCACY

By David Gonzalez Rice, Senior Vice President of Public Policy, NLIHC

Not all efforts to shape federal housing policy involve congressional advocacy. Once legislation is enacted by Congress, it must be implemented and enforced by the executive branch.

Opportunities for administrative advocacy generally fall into five categories:

- Providing commentary during the regulatory process,
- Calling for enforcement of existing laws,
- Influencing policy and program implementation,
- Advocating for or against executive orders, and
- Litigating against federal agencies and officials.

These types of advocacy are not considered lobbying by the Internal Revenue Service (IRS); therefore, 501(c)(3) organizations are free to engage in such activities without limit so long as there is no intent to influence legislation. For nonprofits interested in housing advocacy, engaging federal agencies through the regulatory process falls entirely outside the definitions of lobbying.

Numerous federal agencies contribute to the development and implementation of our nation's housing policy. Seven key divisions of the federal government administer affordable housing programs and carry out a variety of functions, such as providing funding to incentivize affordable housing development, managing government sponsored enterprises (GSEs) that have an affordable housing directive, coordinating housing resources of multiple departments, or influencing affordable housing policy. It is important for advocates to weigh in with these agencies as they shape federal affordable housing priorities, determine the level of resources available to reach affordability objectives, and implement housing laws passed by Congress.

Many other parts of the executive branch are also involved in housing and related issues. Important targets for federal administrative advocacy include, but are not limited to:

- The White House
- The U.S. Department of Housing and Urban Development (HUD)
- The Federal Housing Finance Agency (FHFA)
- The Department of Agriculture's Rural Housing Service (USDA RHS)
- The Department of the Treasury
- The Department of Veterans Affairs (VA)
- The Interagency Council on Homelessness (USICH)

The White House

The White House develops and implements housing policy through a variety of means and has multiple councils and offices that are involved with affordable housing.

The Domestic Policy Council (DPC) coordinates the domestic policymaking process of the White House, offers advice to the president, supervises the execution of domestic policy, and represents the president's priorities to Congress. The Office of Faith-Based and Neighborhood Partnerships is part of the DPC and works to build bridges between the federal government and nonprofit organizations, both secular and faith-based, to better serve Americans in need. The Office of National AIDS Policy is also part of the DPC; it coordinates the continuing efforts to reduce the number of HIV infections across the U.S. through a wide range of education initiatives and by coordinating the care and treatment of people with HIV/AIDS. The Office of Social Innovation and Civic Participation, another part of the DPC, is focused on promoting service as a solution and a way to develop community leadership, increase investment in innovative community solutions that demonstrate results, and develop new models of partnership.

The National Economic Council coordinates policy making for domestic and international economic issues, provides economic policy advice for the president, ensures that policy decisions and programs are consistent with the president's economic goals, and monitors the implementation of the president's economic policy agenda.

The Office of Public Engagement (OPE) and Intergovernmental Affairs creates and coordinates opportunities for direct dialogue between the Administration and the public. This includes acting as a point of coordination for public speaking engagements for the Administration and the departments of the Executive Office of the President. Federal agencies, including HUD and USDA, have liaisons that work with the White House OPE. The Office of Urban Affairs is part of the OPE; it provides leadership for and coordinates the development of the policy agenda for urban areas across executive departments and agencies.

The Office of Management and Budget OMB coordinates and oversees federal agencies. It coordinates implementation of the president's management agenda and plays a key role in developing the president's budget. The Office of Information and Regulatory Affairs is a small but influential office within OMB that reviews major federal regulations before they take effect. It checks whether proposed rules are cost-effective, legally sound, and consistent with White House policy. OIRA is often the last stop before a new regulation or rule is finalized. Under Executive Order 12866, members of the public can request a meeting with OIRA to comment on pending regulations it has received from federal agencies for review.

Department of Housing and Urban Development

HUD is the federal government's primary affordable housing agency. The agency administers programs that provide rental and homeownership units that are affordable to low-income, very low-income, and extremely low-income (ELI) households. HUD also manages grants for community development activities and plays a vital role in the administration's efforts to strengthen the housing market. HUD administers a variety of housing programs through the Offices of Public and Indian Housing (PIH), Community Planning and Development (CPD), Housing, Fair Housing and Equal Opportunity, Lead Hazard Control and Healthy Homes, the Federal Housing Administration (FHA), and the Government National Mortgage Association.

PIH, CPD, and the Office of Housing administer HUD's main rental assistance programs for ELI households. PIH administers funds to local public housing agencies to operate public housing units, administer Housing Choice Vouchers, and offer programs that support residents. CPD administers funding for the national Housing Trust Fund (HTF), the McKinney-Vento Continuum of Care Homeless Assistance Grants, the Housing Opportunities for Persons with AIDS program, the HOME Investment Partnerships program, and the Community Development Block Grant program. The Office of Housing oversees a range of programs including Project-Based Section 8, special needs housing programs such as Section 202 Housing for the Elderly and Section 811 Housing for People with Disabilities, and the FHA. FHA provides insurance for mortgage loans to increase private lending interest by reducing institutions' risk. FHA's Mutual Mortgage Insurance Fund provides profits, or receipts, that have been used to offset a portion of HUD's annual costs to operate its other programs.

Federal Housing Finance Agency

The Federal Housing Finance Agency (FHFA) was created in 2008 by the “Housing and Economic Recovery Act” as the successor to the Federal Housing Finance Board. FHFA regulates Fannie Mae and Freddie Mac, which are both GSEs. It also regulates the Federal Home Loan Banks to ensure there is sufficient funding for housing finance and community investments.

The GSEs were taken into conservatorship by FHFA due to financial problems stemming from the housing crisis. Before being taken into conservatorship, the GSEs were to provide a percentage of their book of business to the HTF; these contributions were suspended in 2008. The GSEs were also meant to provide funding for the Capital Magnet Fund (CMF). On December 11, 2014, FHFA Director Mel Watt lifted the suspension so that the GSEs must set aside funds for the HTF and CMF. In 2016, the first HTF dollars were allocated to the states.

Department of Agriculture Rural Housing Service

The USDA RHS administers programs that provide affordable rental and homeownership opportunities in rural areas of the country. Although HUD funding is used in rural areas, USDA’s Office of Rural Development (RD) programs uniquely target the needs of rural communities and supplement HUD funding.

RHS affordable housing programs provide grants, loans, and direct funding for rental housing operations and development. Programs target low-income families, seniors, and farm workers, providing a range of housing options. RD also provides programs to support energy efficiency, economic development, and infrastructure for rural areas.

Department of the Treasury

The Department of the Treasury administers several housing and community development programs including the Low Income Housing Tax Credit (LIHTC) program and Community Development Financial Institutions (CDFI). The CDFI administers the CMF and the New Market Tax Credit. The Treasury has overseen funding for several recent disaster recovery efforts, including special allocations of LIHTCs and other incentives to spur redevelopment. The Treasury also oversees Housing Bonds, which finance the development of rental and homeownership units. The Treasury offers backing to HUD’s FHA Mutual Mortgage Insurance Fund and played a key role in the nation’s housing crisis recovery efforts by purchasing mortgage-backed and debt securities issued by Fannie Mae and Freddie Mac.

Department of Veterans Affairs

The Department of Veterans Affairs (VA) sets policy and administers a range of programs for veterans including homeownership loans and a supportive housing initiative. The VA partners with HUD to provide the Veterans Affairs Supportive Housing Voucher Program. HUD provides an allocation of Housing Choice Vouchers to certain public housing agencies to make units affordable; local VA offices select voucher recipients and provide supportive services to the individual or family prior to and during their housing tenure. Historically, the VA worked cooperatively with the Interagency Council on Homelessness, which helped coordinate resources for veterans through Opening Doors, its plan to end homelessness.

Interagency Council on Homelessness

The Interagency Council on Homelessness (USICH) has a mandate to coordinate homeless policies among 19 federal departments, but USICH's status during the Trump administration has been unclear since most of its staff were placed on indefinite administrative leave. As an agency, USICH has been largely silent during the Trump administration, though the Council's functions are established by statute.

The Council comprises the secretaries and directors of the 19 federal agencies with programs that most directly address the nation's homelessness crisis. The agencies with the largest roles include HUD, the Department of Health and Human Services, the Department of Labor, and the U.S. Department of Veterans Affairs. These agencies rotate responsibility for chairing USICH. The Council last met in December, 2024, before the Trump administration took office.

USICH's main task is developing and implementing the federal government's strategic plan to end homelessness. The Trump administration archived the current plan on taking office, and it has not published a new plan.

Previously, USICH also coordinated with state and local governments on developing and implementing their strategies to end homelessness, though this function has been effectively suspended during the Trump administration.

Contact Federal Agencies

Contact information for the agencies mentioned above, as well as additional key federal agencies and offices, can be found below and online.

White House, 202-456-1414, www.whitehouse.gov

Office of Management and Budget, 202-395-3080, <https://www.whitehouse.gov/omb/>

HUD, 202-708-1112, www.hud.gov

HUD USER, 202-708-1112, <https://www.huduser.gov/portal/home.html> (HUD USER contains valuable statistics for those interested in financing, developing, or managing affordable housing, including HUD-mandated rent and income levels for assisted housing programs and Fair Market Rents)

Department of Agriculture, Rural Development Housing and Community Facilities Programs, 202-699-1533, www.rd.usda.gov

Federal Housing Finance Agency, 202-414-3800, www.fhfa.gov

Department of Health and Human Services, Office of Community Services, 202-690-7000, <https://acf.gov/ocs>

Department of Justice, 202-514-2000, www.usdoj.gov

Department of Transportation, 202-366-4000, www.dot.gov

Department of the Treasury, Community Development Financial Institutions Fund, 202-622-6355, <https://www.cdfifund.gov>

Department of Veterans Affairs, <http://www.va.gov/>

FEMA, 202-646-2500, www.fema.gov

Environmental Protection Agency, 202-272-0167, www.epa.gov

Small Business Administration, 202-205-8885, www.sba.gov

USING FEDERAL DATA SOURCES FOR HOUSING ADVOCACY

By Andrew Aurand, Senior Vice President for Research, NLIHC

The past year has brought significant threats to the quality and even the existence of federal data sources. The United States Department of Agriculture announced that it would cut funding to collect and report their data on food insecurity, the nation's preeminent measure of food hardships, at a time when food insecurity is expected to increase due to federal policy changes; the National Oceanic and Atmospheric Administration will no longer track major weather disasters whose damages exceed \$1 billion, and FEMA removed its Future Risk Index which projected future losses due to major hazards, while the frequency and costs of disasters are increasing; and the Justice Department and Census Bureau have removed or modified questions of gender identity from multiple surveys, including the National Crime Victimization Survey and the Survey on Sexual Victimization, despite trans people being significantly more likely to experience violent crime. Additional threats to the federal data system include a significant reduction in skilled staff to implement national surveys, growing distrust among potential survey participants about the security and confidential nature of their responses, especially among immigrants, and a move to make participation in the American Community Survey (ACS) voluntary rather than mandatory, which could significantly reduce the response rate and quality of the most significant annual snapshot of the U.S. population, including household incomes, housing costs, and housing cost burdens for communities across the country.

Advocates across multiple sectors, including housing, should work to protect the federal data system by speaking to legislators about the importance of specific datasets. Housing advocates have long used federal data to measure, visualize, and communicate their communities' unmet housing needs to inform policy at the national, state, and local levels. Data from the ACS,

for example, allow us to quantify the critical housing shortage for extremely low-income renters and the racial disparities in housing affordability. HUD's Picture of Subsidized Households (<https://tr.ee/N9XRxn>), meanwhile, shows the quantity and geographic distribution of HUD-subsidized housing. Nonprofit organizations also include federal data in accessible third-party public data platforms, like the [National Housing Preservation Database \(https://tr.ee/rw1z1D\)](https://tr.ee/rw1z1D).

The following section provides a brief overview of federal data sources for housing advocacy. Using these sources, NLIHC produces reports like [The Gap \(https://nlihc.org/gap\)](https://nlihc.org/gap) and [Out of Reach \(https://nlihc.org/oor\)](https://nlihc.org/oor), and advocacy materials like housing profiles for each state and congressional district, which help advocates highlight the significant shortages of affordable housing for extremely low-income renters. The profiles can be found at <https://nlihc.org/housing-needs-by-state> by selecting the state and then clicking on the Resources tab.

Housing Need and Supply

COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY DATA

See <https://www.huduser.gov/portal/datasets/cp.html>

The U.S. Census Bureau provides HUD with custom tabulations of ACS data that show housing problems among households of different income levels. The Comprehensive Housing Affordability Strategy (CHAS) data are primarily used by Community Development Block Grant (CDBG)-entitled communities in their HUD-required Consolidated Plans, but they can also be useful for housing advocates in measuring the housing needs in their community. CHAS data use HUD-defined income limits to categorize households as extremely low-, very low-, and low-income. The data also count the number of housing units affordable to each of these

income groups. Therefore, the data provide a count of households at different income levels and the number of housing units affordable to them at the national, state, and local levels. The data also provide important information on cost burdens, overcrowding, and inadequate kitchen and plumbing organized by income level. Further, data can also be broken down by race, elderly/non-elderly status, household size, and disability status.

The most recent CHAS data are from the 2017-2021 ACS. HUD provides a web-based query tool that makes commonly used CHAS data, particularly housing cost burdens, readily available to communities. The CHAS raw data can be downloaded for more detailed analyses.

NLIHC uses CHAS data to estimate the shortage (or surplus) of rental housing by income category for every county and place in the U.S. These estimates can be obtained by contacting the NLIHC research team at research@nlihc.org.

HUD POINT-IN-TIME COUNT AND HOUSING INVENTORY COUNT

See <https://www.hudexchange.info/homelessness-assistance/ahar/#2024-reports> and <https://www.huduser.gov/portal/datasets/ahar.html>

HUD's Point-in-Time (PIT) count is the primary tool for measuring the extent of homelessness in the nation. Continuums of Care (CoC) that provide housing and services to people experiencing homelessness must conduct a count each January of sheltered homeless persons in emergency shelter, transitional housing, and safe havens. A separate count is conducted every other January (every two years) of unsheltered homeless persons whose primary nighttime residence is not ordinarily used as a regular place to sleep, such as a car, park, abandoned building, or bus or train station. Although not required, HUD encourages CoCs to conduct an annual count of unsheltered homeless persons.

PIT count is a labor-intensive task coordinated at the local level. The result is a point-in-time estimate of the number of people experiencing homelessness

in the U.S. and among specific subpopulations, such as individuals, families with children, veterans, unaccompanied youth, and the chronically homeless. These estimates are published in HUD's Annual Homeless Assessment Report to Congress.

The National Alliance to End Homelessness produces a series of research briefs on the state of the homeless, including by race, gender, and geography, using PIT data. These are available at <https://endhomelessness.org/state-of-homelessness/>.

The Housing Inventory Count is an inventory of beds available for the homeless population by program, including emergency shelters, supportive housing, and rapid rehousing.

FAIR MARKET RENTS

See <https://www.huduser.gov/portal/datasets/fmr.html>

Fair Market Rents (FMRs) are published by HUD each year for every metropolitan area and nonmetropolitan county in the U.S. FMRs represent the estimated cost of a modest apartment for a household planning to move. They are used to determine payment standards for Housing Choice Vouchers (HCVs), initial renewal rents for some expiring project-based Section 8 contracts, and initial rents in the Moderate Rehabilitation Single Room Occupancy program. FMRs also serve as rent ceilings for the HOME Investments Partnership program and the Emergency Solutions Grants program.

FMRs are typically set at the 40th percentile of gross rents, which is the top end of the price range that movers could expect to pay for the cheapest 40% of apartments.

SMALL AREA FAIR MARKET RENTS

See <https://www.huduser.gov/portal/datasets/fmr/smallarea/index.html#year2026>

Small Area FMRs reflect rents for U.S. postal ZIP codes, while traditional FMRs reflect a single rent standard for an entire metropolitan region or county. Local public housing agencies in 65 metropolitan areas are required to use Small Area FMRs rather than traditional FMRs to set voucher payment standards that are better aligned

with neighborhood-scale rental markets, resulting in relatively higher subsidies in neighborhoods with more expensive rents and lower subsidies in neighborhoods with lower rents. Small Area FMRs are intended to help households use vouchers in higher opportunity neighborhoods.

AMERICAN COMMUNITY SURVEY (ACS)

See <https://www.census.gov/programs-surveys/acs/data.html>

Tutorials on obtaining and using ACS data are available at <https://www.census.gov/programs-surveys/acs/guidance/training-presentations.html>

The ACS is a nationwide mandatory survey of approximately 3.5 million addresses conducted by the U.S. Census Bureau. The survey is distributed on a rolling basis, with approximately 295,000 housing units surveyed each month. Annual data provide timely information on the demographic, economic, and housing characteristics of the nation, each state, the District of Columbia, and other jurisdictions with at least 65,000 residents.

The sample size from one year of ACS data is not large enough to draw annual estimates for smaller populations. To produce estimates for smaller areas, the Census Bureau combines multiple years of ACS data. Five-year ACS data provide a five-year moving average for all communities, down to census tracts. The five-year data are not as timely as the annual data, but they are more reliable (because of the larger sample) and available for many more communities. ACS data are often used by federal agencies to determine how money is distributed across the country.

The ACS provides housing advocates with important information. For example, the ACS captures data on housing costs and household income, allowing us to calculate the prevalence of housing cost burdens across communities by race and ethnicity. Other important variables in the ACS include household type and employment.

The data also allow us to measure the shortage (or surplus) of housing for various income groups. NLIHC uses the ACS Public Use Microdata Sample (PUMS)

(<https://tr.ee/SMKOSJ>) to produce its annual report, *The Gap: A Shortage of Affordable Homes*, which estimates the shortage of affordable rental housing in each state, DC, and the largest metropolitan areas.

AMERICAN HOUSING SURVEY

See <http://www.census.gov/programs-surveys/ahs.html> (<https://tr.ee/ZHGHhE>).

The national American Housing Survey (AHS) is a longitudinal survey of housing units that provides information on the size, composition, and quality of the nation's housing stock. It is funded and directed by HUD and conducted by the U.S. Census Bureau every odd numbered year. The AHS is unique in that it follows the same housing units over time. The survey includes questions about the physical characteristics and quality of housing units and about their occupants, so users can identify how the price, quality, and occupants of dwellings change over time. The same sample of housing units were followed from 1985 to 2013 with changes to the sample to account for new construction, demolitions, and conversions.

A new national sample of housing units was drawn for the 2015 AHS. The core national sample represents the nation plus its 15 largest metropolitan areas. For the first time in 2015, HUD-assisted units were identified through administrative data and oversampled to produce more reliable comparisons between subsidized and unsubsidized housing. Supplemental samples in the AHS provide data for additional metropolitan areas, contingent upon HUD's budget. HUD planned to draw a new sample of housing units for the 2025 AHS. The agency also announced in 2025 a switch from periodic data collection of typically five months every other year to a continuous model of data collection. Data collection for the 2025 AHS has been delayed to at least 2026.

The AHS includes supplemental questions that rotate in and out of the questionnaire from survey to survey. The 2015 AHS included supplemental questions on food security, healthy homes, housing counseling, and neighborhood arts and culture. The 2017 AHS included supplemental questions on delinquent housing payments, disaster preparedness, and commuting. The 2019 AHS included supplemental questions on

food security, accessibility of homes for persons with disabilities, and post-secondary education. The 2021 AHS included supplemental questions on household pets, secondhand smoke, housing search, wildfire risk, and delinquent housing payments. The 2023 AHS included supplemental questions on housing insecurity, healthy homes, parents' place of birth, power outages, sexual orientation and gender identity, first generation homeowners, heat risk, cooling problems, and disaster related moves.

The AHS is the data source for HUD's Worst Case Housing Needs Report, which is provided to Congress every two years. This report identifies the number of very low-income households in the U.S. who either spend more than half of their income on housing or live in severely physically inadequate housing. The AHS sample is not large enough to calculate estimates for specific states or smaller areas other than the metropolitan areas for which HUD includes a supplemental sample.

Publicly Assisted Housing

HOUSING CHOICE VOUCHER (HCV) DATA DASHBOARD

See <https://www.hud.gov/helping-americans/public-indian-housing-hcv-dashboard>

The HCV Data Dashboard provides budget and unit utilization, spending trends, average per unit costs, reserves, and other information about the HCV program for states and individual Public Housing Authorities.

PICTURE OF SUBSIDIZED HOUSEHOLDS

See <https://www.huduser.gov/portal/datasets/assthsg.html>

HUD's Picture of Subsidized Households provides data on the location and occupants of HUD's federally subsidized housing stock. The programs represented in the dataset are Public Housing, Housing Choice Vouchers, Moderate Rehabilitation, Project Based Section 8, the Rent Supplement and Rental Assistance Project, Section 236, Section 202, and Section 811.

This dataset allows users to examine the income, age, disability status, household type, and racial distribution of occupants in subsidized housing at the national, state, metropolitan area, city, Public Housing Agency, and project level. The data also include the poverty rate and percentage of minorities in census tracts of subsidized developments to examine the extent to which subsidized housing is concentrated in high-poverty or high-minority neighborhoods.

NATIONAL HOUSING PRESERVATION DATABASE

See <http://www.preservationdatabase.org/>

The National Housing Preservation Database (NHPD) was created by NLIHC and the Public and Affordable Housing Research Corporation to provide communities and housing advocates with the information they need to effectively identify and preserve subsidized housing at risk of being lost from the affordable housing stock. NHPD is an online database of properties subsidized by federal housing programs, including HUD Project-Based Rental Assistance, Section 202, Section 811, Public Housing, the National Housing Trust Fund, HOME, USDA Rural Development (RD) housing programs, and the Low Income Housing Tax Credit. This unique dataset includes the earliest date at which a property's subsidies might expire and property characteristics significant in influencing whether the subsidized property might be at risk of leaving the subsidized housing stock, such as neighborhood location and ownership information.

Other Data Sources

HUD EGIS DATA STOREFRONT

See <http://hudgis-hud.opendata.arcgis.com/>

HUD eGIS Data Storefront is a geospatial data portal that provides users with access to multiple HUD datasets, including Community Development activities, HUD-insured multifamily properties, and other rental housing assistance programs. The portal also provides access to HUD's mapping tools.

“HOME MORTGAGE DISCLOSURE ACT” (HMDA) DATA

See <https://ffiec.cfbp.gov/data-publication/>

The “Home Mortgage Disclosure Act” requires many lending institutions to publicly report information about mortgage applications and their outcomes. The information that institutions report includes whether the mortgage application was for a home purchase, home improvement, or refinancing; the type of loan (e.g., conventional, FHA); mortgage amount; the applicant’s race, ethnicity, gender, and age; whether the application was approved; census tract of the property’s location; and other features of the mortgage. These data can help identify discriminatory lending practices and determine the extent to which lenders meet the mortgage investment needs of communities. Small lenders and those with offices only in nonmetropolitan areas are not required to report data.

OTHER SURVEYS

The [Current Population Survey \(CPS\) \(www.census.gov/cps\)](https://www.census.gov/cps) is a joint venture between the Department of Labor and the Census Bureau and is the primary source of labor force statistics for the U.S. population. The CPS Annual Social and Economic Supplement provides official estimates of income, the poverty rate, and health insurance coverage of the non-institutionalized population.

The [Housing Vacancy Survey \(www.census.gov/housing/hvs\)](https://www.census.gov/housing/hvs) is a supplement of the CPS that quantifies rental and homeowner vacancy rates, characteristics of vacant units, and the overall homeownership rate for states and the 75 largest metropolitan areas.

The [Survey of Market Absorption \(www.census.gov/programs-surveys/soma.html\)](https://www.census.gov/programs-surveys/soma.html) is a HUD-sponsored survey conducted by the Census Bureau of newly constructed multifamily units. Each month, a sample of new residential buildings containing five or more units is selected for the survey. An initial three-month survey collects data on amenities, rent or sales price levels,

number of units, type of building, and the number of units taken off the market (absorbed). Follow-up surveys can be conducted at six, nine, and 12 months. The data provide the absorption rate of new multifamily housing.

The Rental Housing Finance Survey (<https://tr.ee/4XihIB>) is a HUD-sponsored survey, first conducted by the Census Bureau in 2012, that collects data on the financial, managerial, and physical characteristics of rental properties nationwide. Data are released triennially. Owners or property managers are surveyed about operating costs and revenue characteristics for the rental housing stock.

What Advocates Should Know and Say to Legislators

High-quality data that accurately reflect the U.S. population requires participation. Housing advocates should encourage everyone to fully participate in the Decennial Census, ACS, and other federal surveys for which they are selected. The accuracy and reliability of the government’s primary data products depend on it.

When speaking with members of Congress, Housing advocates should remind them of the importance of reliable and unbiased data. Specific highlights include:

- ACS and other Census data are used to responsibly allocate trillions of federal dollars to their states and Congressional Districts ([Ross 2023, https://tr.ee/Rlloaw](#)).
- Measuring the needs and challenges of their constituents—like food insecurity, housing cost burdens, and labor market conditions—is more difficult, if not impossible, without reliable and accurate federal data.
- Adequate funding and staff levels for the ACS, AHS, and other federal surveys are imperative for up-to-date, accurate, and reliable data regarding the nation’s housing supply and needs. ACS data are the foundation for HUD’s fair market rents and income-eligibility thresholds.

- Accurate and reliable surveys rely on the participation of a wide range of residents. Distrust in whether participants could be identified and how their data will be used can limit participation and reduce the accuracy of federal data.
- Participation in the ACS needs to remain mandatory. Changing the ACS to a voluntary survey would lower response rates and decrease the reliability of the survey's findings without the Census Bureau spending millions of additional dollars each year to send the survey to a larger number of households and to conduct in-person or phone follow-ups to encourage participation.

For More Information

The [Census Project \(https://tr.ee/4LgYm5\)](https://tr.ee/4LgYm5) is a network of national, state, and local organizations that advocates for sufficient funding and support for an inclusive and accurate U.S. Decennial Census and ACS.

The [Association of Public Data Users \(https://tr.ee/daBhTx\)](https://tr.ee/daBhTx) advocates to strengthen and protect federal statistical agencies and programs.

[HUD's Office of Policy Development and Research \(https://tr.ee/ESJOSM\)](https://tr.ee/ESJOSM) hosts research, publications, and data sets on housing and community development.

INTRODUCTION TO THE FEDERAL REGULATORY PROCESS

By Ed Gramlich, Senior Advisor, NLIHC; updated by
Renee Williams, Senior Advisor for Public Policy, NLIHC

When Congress changes an existing law or creates a new one, federal agencies like HUD often implement the changes or the new law by modifying (or rescinding) an existing regulation or by creating a new one. Federal agencies also sometimes review existing regulations and amend them even when there are no changes to the underlying law. Both the creation of a new regulation and the modification of an existing regulation provide advocates with an opportunity to shape policy.

Congress passes legislation and the president, by signing that legislation, turns it into a law. Usually, these laws spell out the general intent of Congress but do not include all technical details essential to putting Congress' wishes into practice. Regulations add those details and usually present the law's requirements in language that is easier to understand.

Two publications are key to the federal regulatory process. The *Federal Register* (<https://tr.ee/g82Yl6>) is a daily publication that contains proposed rules, final rules, other official notices, presidential documents, and other items. All regulatory text published in the *Federal Register* is eventually gathered ("codified") in the *Code of Federal Regulations (CFR)* (<https://tr.ee/wvxFhJ>). HUD regulations in the CFR are usually updated each April.

The *Electronic Code of Federal Regulations (eCFR)* (<https://tr.ee/AlMK1n>) is updated continuously but is not "an official legal edition of the CFR." However, in addition to providing a more up to date version of federal regulatory text, the eCFR has a feature that allows a user to compare versions of regulations between two points in time, with changes identified. This feature, called "Compare Dates," appears when a user navigates to a particular subpart or individual section, and is located in the gray column to the left of the regulatory text. Using "Compare Dates" can help advocates better identify nuanced changes made to regulatory language over time.

The federal government uses the words "regulation" and "rule" interchangeably; however, technically, a "rule" is a document published in the *Federal Register*, and a "regulation" describes what is codified in the CFR.

Summary of the Regulatory Process

PROPOSED RULES

Federal agencies, like HUD, are charged with implementing laws passed by Congress, which includes writing regulations and enforcing them. When housing law is created or modified, HUD will draft suggested regulations that specify how the law is to be carried out. These are "proposed rules" that include both proposed regulatory text as well as an explanation of what the agency is proposing.

Before publishing proposed rules, HUD must send them to the Office of Management and Budget's (OMB's) Office of Information and Regulatory Affairs (<https://tr.ee/CxvyJ3>) (OIRA), which theoretically has up to 90 days to review the rules' consistency with Executive Order 12866, "Regulatory Planning and Review" (<https://tr.ee/LzMBti>) (although OIRA has been known to hold on to proposed rules for more than 90 days). Rules under review by OIRA and their status are listed on the EO 12866 Regulatory Review (<https://tr.ee/JkwASG>) site. If OIRA judges the proposed rules to be inconsistent, they are sent back to HUD "for further consideration." However, technically, HUD has authority from Congress to issue the rules.

Once cleared by OIRA, HUD must publish a "notice of proposed rulemaking" (NPRM) in the *Federal Register* that contains the proposed language of the regulations and the accompanying explanation (called a preamble). Oftentimes, for rules that are complex or important, the preamble can be many times longer than the proposed regulatory text. The public should be given

an opportunity to submit written comments. Historically, that comment period was often 60 days, but that could vary. However, as discussed below, the second Trump administration has announced its desire to speed up its deregulatory agenda, which could impact the ability of advocates to weigh in.

FINAL RULES

Once the comment period on a proposed rule is closed, HUD must consider comments and may make changes based upon them. Once those changes are complete, and after another review by OIRA, HUD publishes a final rule in the *Federal Register*.

In the introduction (preamble) to the final rule, HUD must discuss all meaningful comments received and explain why each was accepted or rejected. The preamble may be much longer than the final regulatory text. In addition to the actual text of the changed or new regulations, the final rule must state a date when it will go into effect, generally 30 or 60 days in the future. However, before the final regulations go into effect, they are sent to the congressional subcommittee responsible for the subject matter for at least 15 days to ensure that all rules meet, but do not overstep, congressional intent. In practice, this 15-day congressional review seems to simply be a courtesy; Congress seldom weighs in.

It is not unusual for more than a year to pass between publication of a proposed rule and final implementation. It is even possible for proposed rules to be withdrawn. For example, during the Obama administration, proposed changes to the public housing demolition regulations and to the Section 3 employment opportunities regulations were not acted on by the Obama administration for several years and were subsequently removed by the first Trump administration before they could be made final.

OTHER REGULATORY OPTIONS

In addition to proposed and final rules, the regulatory process can include:

- **Advanced Notice of Proposed Rulemaking (ANPR).** HUD can ask for information from the public to help it think about issues before developing proposed

regulations. For instance, in the second year of the first Trump administration, HUD issued an ANPR regarding streamlining the affirmatively furthering fair housing (AFFH) rule and an ANPR regarding streamlining the fair housing disparate impact rule.

- **Interim Final Rules.** HUD can issue regulations that are to be followed as if they are final but ask for continued public comment on some parts of the rules. Subsequent final rules can include changes based on any additional public comment. For example, the National Housing Trust Fund (HTF) program was implemented by an interim rule in 2015. HUD's intention was to allow states and developers to have experience using the new program and then seek input regarding suggested changes before implementing a final rule. On April 26, 2021, HUD requested comments about the HTF Interim Final Rule; as of the date this *Advocates' Guide* went to press, a final rule was not published.
- **Supplemental Notice of Rulemaking.** HUD may seek additional comment on a proposed rule in order to further focus consideration before issuing a final rule.
- **Direct Final Rules.** HUD can issue regulations thought to be minor and uncontroversial but must withdraw them if negative comments are submitted.
- **Negotiated Rulemaking.** This is a seldom-used approach that engages knowledgeable people to discuss an issue and negotiate the language of a proposed regulation, which is then submitted to the *Federal Register*. When HUD sought to change the public housing Operating Fund rule, it engaged in negotiated rule making with public housing agencies and a handful of public housing leaders.
- **Petition for Rulemaking.** This is a process through which anyone can submit suggested regulations along with supporting data and arguments in support of the suggestions. If HUD agrees, it will publish proposed rules; if HUD denies the petition, the denial must be in writing and include the basis for denial. For example, advocates thought the Obama administration was not moving on improvements regarding lead-based paint hazards, so they used the petition for rulemaking process. Although not officially in response to the petition, HUD did move on the proposed changes.

- **Informal Meetings.** HUD has the authority to gather information from people using informal hearings or other forms of oral presentations such as “listening sessions.” The transcript or minutes of such meetings are on file in the Rules Docket. For example, after the first Trump administration effectively suspended implementation of the affirmatively furthering fair housing rule, it conducted five invitation-only listening sessions. More positively, the Biden administration held several listening sessions about restoring the affirmatively furthering fair housing rule.

A very helpful tool called “[The Reg Map](https://tr.ee/ZuMQDI)” (<https://tr.ee/ZuMQDI>) illustrates and describes the rulemaking process. It is currently on the OIRA website (be sure to click on the image of the Reg Map to see the 18-page detailed description).

WHAT IS HUD’S PLAN FOR FUTURE REGULATORY ACTION?

On the [OIRA website](https://tr.ee/0f4EOY) (<https://tr.ee/0f4EOY>) there is a menu item at the top called “Unified Agenda.” Select “Current Unified Agenda and Regulatory Plan,” where you will find “Spring (or Fall) 2025 Unified Agenda of Regulatory and Deregulatory Actions.” Where it says “Select Agency” choose “Department of Housing and Urban Development” which provides a long list of rules in proposed and final stages. Clicking on the “RIN” link will indicate an anticipated date of action on a particular item. However, these dates are not solid; they are aspirational.

THE ROLE OF CONGRESS

Before HUD can publish a rule for comment or publish an interim rule, the rule must be submitted to HUD’s congressional authorizing committees for a review period of 15 calendar days (which does not depend on Congress being in session). Congressional review seems to simply be a courtesy; Congress seldom weighs in.

The “Congressional Review Act” (CRA) requires all federal agencies to submit final rules to Congress and the Government Accountability Office (GAO). The CRA provides an expedited legislative process that allows Congress to overturn a rule if both houses pass a “resolution of disapproval” and the president signs

the joint resolution of disapproval. Senate rules have a timetable for this expedited process of 60 days during which the Senate is in session.

If a joint resolution of disapproval is submitted within the CRA-specified deadline, passed by Congress, and signed by the president, the CRA states that the disapproved rule “shall not take effect (or continue).” The rule would be deemed not to have had any effect at any time, and even provisions that had become effective would be retroactively negated. Furthermore, the CRA provides that a rule may not be issued in “substantially the same form” as the disapproved rule unless it is specifically authorized by a subsequent law. The CRA does not define what would constitute a rule that is “substantially the same” as a nullified rule. Additionally, the statute prohibits judicial review of any “determination, finding, action, or omission under” the CRA.

The first Trump administration made extensive use of the CRA and will likely do so during the second Trump administration. More information about the “Congressional Review Act” can be found in [The Congressional Review Act: Frequently Asked Questions](https://tr.ee/v9T7hx) (<https://tr.ee/v9T7hx>).

How to Find Proposed and Final Rules in the Federal Register

The Government Printing Office (GPO) publishes the *Federal Register* and the Code of Federal Regulations (CFR). Advocates can use the following links:

- Current day’s [Federal Register](https://tr.ee/aw8orH) (<https://tr.ee/aw8orH>) and links to [browse](https://tr.ee/OALqhh) (<https://tr.ee/OALqhh>) back issues.
- A [preview of “tomorrow’s” Federal Register](https://tr.ee/V2VgW5) (<https://tr.ee/V2VgW5>). Note that the “preview” document versions published here are double-spaced with larger font.
- *Federal Register* notices for both proposed and final rules can be tracked by subscribing [to a daily email of the table of contents of the Federal Register](https://tr.ee/4cvPrO) (<https://tr.ee/4cvPrO>).

How to Read the *Federal Register*

Both proposed and final rules are standard features in the *Federal Register*. The opening heading will look like this (with different numbers and topics):

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Part 990

[Docket No. FR-4874-F-08]

RIN 2577-AC51

Revisions to the Public Housing Operating Fund Program

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD

ACTION: Final rule

Below the heading will be the following categories:

SUMMARY: This is a short presentation of what is proposed or implemented and what the related issues and rulemaking objectives are.

DATES: Here is either: “Comment due date,” the date by which comments to proposed rules are due; or “Effective Date,” the date the final rule will go into effect.

ADDRESSES: For proposed rules, this section provides the room number and street address for sending written comments, although it is now preferable to submit comments electronically at Regulations.gov (<https://tr.ee/XiCz8i>).

FOR FURTHER INFORMATION CONTACT: The name of a HUD staff person responsible for the issue is presented, along with a phone number and office address.

SUPPLEMENTARY INFORMATION: This section is often called the “preamble” and can go on for many pages. It contains a detailed discussion of the issues and the rulemaking objectives. The law or sections of a law that give legal authority for the regulations are generally mentioned. With final rules, there must also be a discussion of all of the

significant public comments submitted, along with HUD’s reasons for accepting or rejecting them.

List of Subjects in nn CFR Part nnn: The actual changes (or new provisions) begin at this heading. Key words are presented here.

Next there is a sentence that says “Accordingly, for the reasons described in the preamble, HUD revises [or proposes to revise] nn CFR Part nnn as follows:”

The sections of the regulations subject to change (or that are new) then follow in numerical order.

At the very end, the document is dated and “signed” by the appropriate HUD official.

Sending Comments about Proposed Regulations

YOUR COMMENT LETTER

Be sure to follow the guidance provided in the “ADDRESSES” section of the proposed rule.

For example, regarding proposed changes to the Consolidated Plan rules, one would have addressed comments to:

Regulations Division, Office of General Counsel
Room 10276
Department of Housing and Urban Development
451 Seventh Street, SW
Washington, DC 20410-0500

When possible, advocates should use [Regulations.gov \(https://tr.ee/XiCz8i\)](https://tr.ee/XiCz8i) (discussed below) to submit comments electronically.

Advocates should indicate the docket number in comments; it is also helpful to include the subject title as it appears in the heading of the proposed rule.

Example Subject Line:

RE: Docket No. FR-4923-P-01; HUD 2004-0028 Revisions and Updates to Consolidated Plan

There is no set format for writing comments. Advocates should indicate which of the proposed regulations are

of concern by citing them and commenting on them individually. For example:

ABC Tenant Organization thinks that there are problems with proposed section 91.315(k)(3) because...

We strongly endorse proposed section 91.205(b)(1) because...

Advocates should rely on their experiences to explicitly state why they agree or disagree. When there is disagreement, suggest words that address the concern. Do not just write about the problems; be sure to tell HUD what is beneficial. Declaring support for key provisions is often essential to counterbalance negative comments from those in opposition.

HOW TO SUBMIT COMMENTS VIA REGULATIONS.GOV

It is best to submit comments electronically at [Regulations.gov \(https://tr.ee/XiCz8i\)](https://tr.ee/XiCz8i). There you will see a big blue box that says, "Make a difference. Submit your comments and let your voice be heard," and within the blue box is a white search box that reads "Search for dockets and documents on agency actions."

In the search line, type in either the docket number, the registrant identification number (RIN), or the title of the rule, such as "Affirmatively Furthering Fair Housing." By hitting "Search" that should provide the rule open for comment. If you are submitting a comment on the day comments are due, you can also try, under "Comments Due Soon" - "Today" located at the right column.

Next, below the link for the proposed rule there is a small box to the left with "Comment" in blue letters. Select "Comment." Under "Write a Comment," assuming you have written at least a page of text, it is suggested that you do not type in your comment where it says "Start typing comment here..." Instead, it is recommended that you scroll down a little to where it says, "Attach Files." In the box created by dashed lines where it says, "Drop files here or Browse," click on Browse. There you will have to click on "Choose files." That will open your own computer files. Go to the appropriate folder among your computer files and select your comment letter (as a PDF). Then choose "open" on your computer's system. That should attach

your comment letter in the [Regulations.gov \(https://tr.ee/XiCz8i\)](https://tr.ee/XiCz8i) system.

Enter your email address and opt to receive an email confirmation. Next where it says "Tell us about yourself! I am..." click on one of the three icons that describes you; probably "An Organization." Under "Your Organization Information" select the type from the dropdown menu; probably simply "Organization" and type in your organization's name.

Finally check the reCAPTCHA box to confirm that you are not a robot. Hit "Submit Comment" in the little blue box. Sent!

The public can read and copy comments made by you and others at HUD headquarters or at [Regulations.gov \(https://tr.ee/XiCz8i\)](https://tr.ee/XiCz8i), which also provides all rules open for comment as well as enabling electronic submission of comments. Advocates should be mindful to refrain from including non-public, personally identifiable information in their comments.

The Code of Federal Regulations

All final rules published in the *Federal Register* are eventually collected and placed in the CFR and "codified." To look up a rule that has not changed in the past year, turn to the [CFR \(https://tr.ee/wvxFhJ\)](https://tr.ee/wvxFhJ), which is generally updated each April for HUD-related rules.

The CFR has 50 "titles", each representing a broad topic. HUD-related regulations are in Title 24. Each title is divided into "parts" that cover specific program areas. For example, within Title 24, Part 93 covers the national Housing Trust Fund rules and Part 982 lays out the Housing Choice Voucher program rules.

In addition, the GPO provides the [Electronic Code of Federal Regulations \(eCFR\) \(https://tr.ee/AlMK1n\)](https://tr.ee/AlMK1n). Although it is not an official legal edition of the CFR, it is updated daily. On the eCFR home page select Title 24 from the dropdown box and a list of HUD-related "parts" will appear.

Talking about Regulations

Two levels of regulatory citation have already been mentioned, the “title” and the “part.” Below that comes the “section” that covers one provision of a program rule and then a “paragraph” that provides specific requirements.

For example, the Public Housing Authority Plan regulations are in Title 24 at Part 903, written as 24 CFR 903. Resident Advisory Boards (RABs) and their role in developing the annual PHA Plan are presented in Section 13, cited as 24 CFR 903.13. “Paragraph” (c) specifies that PHAs must consider the recommendations made by the RAB and “subparagraph” (c)(1) goes into more detail by requiring PHAs to include a copy of the RAB’s recommendations with the PHA Plan. This is written as 24 CFR 903.13(c)(1).

Second Trump Administration OMB Guidance

On October 21, 2025, the Office of Management and Budget at the White House issued a memo entitled, [“Streamlining the Review of Deregulatory Actions”](https://tr.ee/asHX2t) (<https://tr.ee/asHX2t>) The memo expresses frustration at the speed of “deregulation” and seeks to hasten it. For example, the memo notes that if an agency considers an existing regulation to be “facially unlawful,” notice and comment to repeal that regulation can be skipped all together.

Advocates will likely see proposed rules move through the regulatory process more quickly than in the past, and should therefore regularly check the *Federal Register* and the OIRA website for updates.

For More Information

[NLIHC](https://tr.ee/waBp0L)
(<https://tr.ee/waBp0L>),
202-662-1530

[Office of Information and Regulatory Affairs](https://tr.ee/CxvyJ3)
(<https://tr.ee/CxvyJ3>)
(OIRA)

[OIRA “Reg Map”](https://tr.ee/ZuMQDI)
(<https://tr.ee/ZuMQDI>)

[National Archives and Records Administration](https://tr.ee/zhgfjj)
[has a good online tutorial](https://tr.ee/zhgfjj)
(<https://tr.ee/zhgfjj>)

The [EO 12866 Regulatory Review site](https://tr.ee/iusxq2)
(<https://tr.ee/iusxq2>) indicating whether rules might be
at OIRA, or that have recently cleared OIRA

[Office of the Federal Register](https://tr.ee/s2BYb3)
(<https://tr.ee/s2BYb3>)

The [Code of Federal Regulations \(CFR\)](https://tr.ee/TWuYFN)
(<https://tr.ee/TWuYFN>) and the
[Electronic Code of Federal Regulations \(eCFR\)](https://tr.ee/AlMK1n)
(<https://tr.ee/AlMK1n>)

USING THE “FREEDOM OF INFORMATION ACT” FOR HOUSING ADVOCACY

*By Ed Gramlich, Senior Advisor, NLIHC; updated by
Renee Williams, Senior Advisor for Public Policy, NLIHC*

Everyone has the right to request federal agency records under the “Freedom of Information Act” (FOIA). Federal agencies, subject to certain exceptions, must provide records when a written request is made. To use FOIA, advocates do not need to have legal training or use special forms. All that is necessary is a written request.

Summary

FOIA allows individuals and groups to access the records and documents of federal agencies such as HUD and the U.S. Department of Agriculture (USDA) Office of Rural Development (RD). Requests must be made in writing. Each agency has its own practices and regulations. HUD’s FOIA regulations are at [24 CFR Part 15 \(https://tr.ee/elwQto\)](https://tr.ee/elwQto). USDA’s regulations are at [7 CFR Part 1 Subpart A \(https://tr.ee/H3SluE\)](https://tr.ee/H3SluE). HUD (<https://tr.ee/Jb9n8B>), RD (<https://tr.ee/4l6bsJ>), and the [Department of Justice \(DOJ\) \(https://tr.ee/o4SvYm\)](https://tr.ee/o4SvYm) have FOIA webpages.

FOIA does not provide access to the records and documents of parts of the White House, Congress, the courts, state and local governments or agencies, private entities, or individuals.

Records include not only print documents, such as letters, reports, and papers, but also photos, videos, sound recordings, maps, email, and electronic records. Agencies are not required to research or analyze data for a requester, nor are they required to create a record or document in response to a request. They are only obligated to look for and provide existing records. Agencies must, however, make reasonable efforts to search for records in electronic form. The term “search” is defined as looking for and retrieving records, including page-by-page or line-by-line identification of information within records. It also includes reasonable

efforts to locate and retrieve information from records maintained in electronic form.

A formal FOIA request might not be necessary. By law and presidential order, federal agencies are required to make a substantial amount of information available to the public. Before considering a FOIA request, advocates should explore the HUD or RD websites and be confident that the information sought is not already available online.

If advocates cannot find the information they seek on an agency’s website, it might be readily available from agency staff in the field, regional, or headquarters’ offices. Rather than invoking the formal FOIA process to obtain records, it could be quicker and easier to start with an informal approach to obtain information. Simply phone or email the agency office and ask for information. Formal, written FOIA requests for records generally trigger a slower, formal, bureaucratic process. In recent years, HUD has been very slow in responding to FOIA requests.

- Some HUD contact information can be found under the [“Contact Us” \(https://tr.ee/gxibtBnt\)](https://tr.ee/gxibtBnt) section on the HUD website. Because information on the HUD website has been removed or relocated, individual contact information may not be that accessible. There is some information included in the [“Principal Directory” \(https://tr.ee/j6UGKJ\)](https://tr.ee/j6UGKJ), but the contact information is scarce. HUD includes information on making a FOIA request for HUD records under the “Making a FOIA Request” section of its [FOIA webpage \(https://tr.ee/guCxue\)](https://tr.ee/guCxue).
- RD state offices [can be located here \(https://www.rd.usda.gov/about-rd/offices/state-offices\)](https://www.rd.usda.gov/about-rd/offices/state-offices), and [state and local offices can be located here \(https://www.rd.usda.gov/browse-state\)](https://www.rd.usda.gov/browse-state). If you are not sure where to submit a FOIA request, send it to the RD FOIA/Privacy Act Officer in Washington, DC (<https://tr.ee/iQJeSa>).
- USDA Service Centers (which might have an RD area office) [can be found at this link \(https://tr.ee/IPdnEq\)](https://tr.ee/IPdnEq).

Making a FOIA Request

If an informal request does not produce the desired information, a formal request for records may be necessary. A formal FOIA request can be simple and short, but it must be in writing. In the letter state that you are making a request under FOIA. Describe what you are looking for in as much detail as possible, including dates, names, document numbers, titles, types of beneficiaries you are concerned about, etc. Specify the format (paper or electronic) in which you would like to receive the requested information.

Request a waiver of any fees for copying or searching, explaining your organization's mission and its nonprofit status in order to demonstrate that you do not have a commercial interest in the information. Explain how this information will:

- Be of interest to more than a small number of people, and how your organization can distribute the information to many people.
- Lead to a level of public understanding of a HUD or RD activity that is far greater than currently exists.

Provide contact information for the individual or organization requesting the information, including mailing address, phone number, and email address. Ask the agency to provide detailed justifications for any information that it refuses to release. Include a statement that the law requires the agency to respond within 20 working days indicating whether the request will be processed.

Formal requests must be written, but they can be made by email, fax, or postal mail.

HUD FOIA REQUESTS:

- To make a FOIA request of documents from a HUD regional office, advocates should locate the appropriate person and address; see the section entitled "FOIA Requester Service Centers and Public Liaisons" on [HUD's FOIA webpage \(https://tr.ee/ieyZsp\)](https://tr.ee/ieyZsp).

- To make a FOIA request of HUD headquarters electronically go to [HUD's FOIA Request \(https://hudpal.foia-host.com/\)](https://hudpal.foia-host.com/) portal or send an email to FOIA@hud.gov.
- To make a FOIA request through the mail write to:

Sandra J. Wright
Chief, FOIA Office
U.S. Department of Housing and Urban Development
451 Seventh Street, SW, Room 10139
Washington, DC 20410-3000
- To appeal a HUD response, denial of a fee waiver, or denial of expedited processing, write to HUDDFOIAappeals@hud.gov. [HUD's FOIA webpage \(https://www.hud.gov/FOIA\)](https://www.hud.gov/FOIA) includes a list of items to include. [FOIA.gov also has a list \(https://tr.ee/5X03aq\)](https://tr.ee/5X03aq) of HUD regional FOIA contacts and FOIA liaisons.

RD FOIA REQUESTS:

- Advocates can make a FOIA request for RD documents at USDA's [Public Access Link \(https://tr.ee/wsWNkS\)](https://tr.ee/wsWNkS). Information can be found on [RD's FOIA webpage \(https://tr.ee/JTr9ah\)](https://tr.ee/JTr9ah).
- [FOIA.gov also includes an entry \(https://tr.ee/5EinDE\)](https://tr.ee/5EinDE) for RD with information.

Timeline

Once a request is made, HUD and RD will log the request and provide a tracking number. The agencies must grant or deny a FOIA request within 20 working days of receipt. This response simply shows whether the agency intends to provide the information. There is no time limit on providing the information; however, USDA's regulations require RD to approximate the date that the information will be provided.

When an agency determines whether to comply with a FOIA request, the "FOIA Improvement Act of 2016" requires the agency to immediately notify the requester of the determination and the reasons for it. The 2016

act also requires the agency to notify the requester that there is a right to seek assistance from the agency's FOIA public liaison.

If there are unusual circumstances, such as large numbers of records to review, staffing limitations, or the need to search for records in another physical location or from another agency, the agency must give written notice and can add an extra ten days, as well as provide the requester with an opportunity to limit the scope of the request so that the request can be processed more quickly. The 2016 act adds that when unusual circumstances exist and an agency needs to extend the time limits by more than ten additional working days, the written notice to the requester must notify the requester of the right to seek dispute resolution services from the Office of Governmental Information Services.

The 2016 act requires agencies to make records available for public inspection in an electronic format that, because of their subject matter, the agency determines have become or are likely to become the subject of subsequent requests for substantially the same records, or that have been requested three or more times.

EXPEDITED REQUESTS

If there is an imminent threat to life or physical safety, or if there is an urgent need to inform the public, advocates can ask for expedited processing. HUD and RD will issue a notification within 10 working days indicating whether a request will get priority and more rapid processing.

REQUEST DENIAL

Information can only be denied if it is exempt. The law lists nine exemptions, such as classified national defense information, trade secrets, personal information, and certain internal government communications. The letter denying a FOIA request must give the reasons for denial and inform the requester of the right to appeal to the head of the agency.

The "internal government communications" exemption might be relevant to housing advocates. The intent of this exemption is to promote uninhibited discussion among federal employees engaged in policymaking. This exemption would apply to unfinished reports, preliminary drafts of materials, and other internal communications taking place as agency staff undertake a decision-making process.

APPEALS

Decisions to deny a fee waiver, deny a request for expedited disclosure, or failure to release the requested information can be appealed. Appeals to HUD should be made within 30 days. A letter should be sent to the HUD official indicated in the denial letter and generally include a copy of the original request, a copy of the denial, and a statement of the facts and reasons the information should be provided. Specific information for appeals pertaining to fees or expedited processing is listed on [HUD's FOIA webpage \(https://tr.ee/xdQDmX\)](https://tr.ee/xdQDmX).

For adverse determinations, the 2016 act requires agencies to give the requester at least 90 days from the date of the adverse determination to file an appeal. In addition, the 2016 act requires agencies to notify the requester that there is a right to seek dispute resolution services from the FOIA Public Liaison or from the Office of Government Information Services.

To appeal an RD denial, advocates can send a letter to the RD official indicated in the denial letter within 45 days. If that appeal fails, advocates can appeal to the RD FOIA Officer. If still not satisfied, advocates should write to the Rural Housing Service Administrator. The agency has 20 working days to decide on an appeal.

Sample FOIA Letter

Date

Agency/Program FOIA Liaison

Name of Agency or Program

Address

RE: Freedom of Information Act Request

Dear [name]:

Under the Freedom of Information Act, I am requesting copies of [identify the records as specifically as possible].

I request a waiver of fees because my organization is a nonprofit with a mission to [state the organization's mission and activities, demonstrating that it does not have a commercial interest in the information]. In addition, disclosure of the information will contribute significantly to public understanding of the operations and activities of HUD/RD.

[Explain how the information is directly related to HUD/RD, how the information will contribute to public understanding of HUD/RD operations or activities, and how you or your organization, as well as a broader segment of the public, will gain a greater understanding of these agencies by having the requested information. Describe the role and expertise of your organization as it relates to the information and how the information will be disbursed to a broader audience].

As provided by law, a response is expected within 20 working days. If any or part of this request is denied, please describe which specific exemption it is based on and to whom an appeal may be made.

If you have any questions about this request, please phone me at _____.

Sincerely,

Your name

Address

For More Information

HUD's FOIA regulations,
[24 CFR Part 15](https://tr.ee/elwQto)
(<https://tr.ee/elwQto>)

USDA's regulations,
[7 CFR Part 1 Subpart A](https://tr.ee/H3SluE)
(<https://tr.ee/H3SluE>)

[HUD FOIA webpage](https://tr.ee/hOKgg7)
(<https://tr.ee/hOKgg7>)

[USDA RD FOIA webpage](https://tr.ee/C5wOZ0)
(<https://tr.ee/C5wOZ0>)

Department of Justice FOIA websites,
the [Office of Information Policy](https://tr.ee/uamyFp) (<https://tr.ee/uamyFp>)
and [FOIA.gov](https://tr.ee/jryYbz) (<https://tr.ee/jryYbz>)

[Public Citizen's "Freedom of Information Act" webpages](https://tr.ee/xFauME)
(<https://tr.ee/xFauME>)

[Reporters Committee for
Freedom of the Press FOIA WiKi](https://tr.ee/Tz8X4l)
(<https://tr.ee/Tz8X4l>)

AVOIDING AND OVERCOMING NEIGHBORHOOD OPPOSITION TO AFFORDABLE RENTAL HOUSING

By Kody Glazer, Chief Legal and Policy Officer, Florida Housing Coalition

Not In My Backyard Syndrome (NIMBYism) in affordable housing connotes objections to new housing development based on fear, prejudice, or misconceptions. Often, NIMBY objections focus on the size, design, or character of a project, but they can also reflect deeper biases about who might live there. This is different from legitimate concerns, such as building next to incompatible land uses like a hazardous facility.

NIMBYism is one of the toughest barriers to building affordable homes. Local officials often face intense community pushback, which can lead to long, hostile public hearings, higher development costs, and delays that prevent communities from meeting local housing needs.

The good news is there are tools advocates can use to avoid or overcome these objections, sometimes to the eventual satisfaction of all parties.

Issue Summary

Local zoning decisions shape what kinds of homes can be built in an area and too often, those decisions have reinforced racial and economic segregation. As Richard Rothstein documents in *The Color of Law* (alongside many other prolific writers), for decades, federal and local policies intentionally separated communities by race and income through discriminatory lending, insurance access, and appraisal practices. Today, NIMBYism often works the same way, even if unintentionally, by keeping people out and maintaining long-standing demographic patterns. When NIMBYism is used to stall or outright ban new residents, it perpetuates the overt intentional segregation of the past.

Local zoning codes that segregate uses by housing type require subjective standards of “compatibility” and rely on discretionary, public reviews that set the stage for NIMBYism to flourish. Exclusionary zoning laws that create predominately single-family-only cities and use a subjective test of “compatibility” and consistency with the “character” or “neighborhood scale” perpetuate homogenous neighborhoods of low-density, single-family homes. These policies create an uphill battle when developers of affordable housing look for sites that will provide desperately needed homes for lower-income households.

Land use decisions are made in a political environment that can be fueled by NIMBYism and NIMTOOism (the Not In My Term Of Office syndrome). NIMBYs are residents determined to maintain homogeneous neighborhoods, “preserve” their property values, and vehemently oppose the development of affordable housing. The NIMTOOs are the local elected officials who may or may not agree with the NIMBYs but will not vote in favor of affordable housing development if it could jeopardize their re-election.

Five Best Practices to Overcome NIMBYism

The best defense to NIMBYism is a good offense. And a good offense means:

1. **Know your legal rights—and make sure local officials know them too.** When opposition crosses into discrimination, based on race, national origin, disability, religion, sex, or other protected categories, it violates the federal “Fair Housing Act” or other civil rights laws. It might also violate state or local fair housing laws which may offer even broader protections.

Litigation is rarely quick enough to save a project that is undergoing intense NIMBY opposition since housing funding cycles are on a tight time clock, and court actions can take years to resolve. But knowing your legal rights and making local government lawyers and elected officials aware of what you know about your rights is often all you need to benefit from fair housing protections. In cases where discrimination is clear and local elected officials act in disregard of that fact, consider reporting the incident to HUD or your state or local fair housing centers. If HUD or the U.S. Department of Justice (DOJ) takes the case, it is a little like standing up to a schoolyard bully—it could make your future dealings with your local government much easier.

Nonprofit developers may be hesitant to challenge a local government over land use issues if they rely on local funding. Establishing good relationships with local legal aid or other local advocates for the public interest is an effective way around the need for the affordable housing developer to cry foul when local government succumbs to neighborhood opposition. Local advocates can make these arguments on behalf of future tenants or residents directly impacted by the land use decision.

2. Strengthen legal protections for affordable housing.

(a) Fair Housing & Due Process

Advocates can push for state or local laws that limit NIMBY influence. For example, in 2000, the “Florida Fair Housing Act” (Fla. Stat. § 760.26 (2025); the state’s substantial equivalent to the federal Fair Housing Act) was amended to make it illegal for local governments to discriminate in a land use or permitting decision on the basis of a proposed development’s source of financing. This law has provided the Florida Housing Coalition and other housing professionals a useful tool to advocate for local government lawyers and commissions to approve affordable homes or face legal challenges. In 2022, an affordable housing developer successfully sued the City of Apopka for prohibiting the use of a parcel of land for affordable housing (*Southwick Commons Ltd. v. City of Apopka*, 2022-CA-005470-O; Fla. 9th Cir. Ct. Nov. 28, 2022). The court cited Section 760.26, Florida Statutes, as

controlling; it would be a violation of the state’s fair housing act for the city to exclude an affordable housing development.

In 2009, North Carolina adopted a similar state law to add affordable housing as a protected class in its fair housing law (N.C.G.S. § 41A-4(g) (2021). Under this statute, it is illegal in North Carolina to discriminate in land-use decisions or in the permitting of development based on “the fact that a development or proposed development contains affordable housing units for families or individuals with incomes below eighty percent (80%) of area median income.”

These laws work only if local government attorneys and elected officials take them seriously. The expansion of the state fair housing act to include affordable housing in Florida, for example, has been successful in keeping local elected officials from succumbing to NIMBY opposition. The success of the law is due to housing advocates ensuring that local government lawyers know about the statute. In Florida, city and county attorneys routinely warn commissioners during hearings when denial of an affordable project may violate state fair housing law—a powerful shield against NIMBY demands. Legal protections for affordable housing provide political cover to elected officials who are sometimes facing an electorate threatening to unseat those officials who vote in favor of affordable development.

(b) Zoning & Land Use

Restrictive zoning gives NIMBYism room to thrive and allows existing patterns of segregation to continue. For communities that do not look all that different from the days of redlining, NIMBYism is a way for the government to perpetuate the overt, intentional segregation of the past. Housing advocates can study their local land development processes and push for reforms that facilitate more integrated communities. It is key to allow as much housing as possible by-right, without requiring case-by-case or discretionary approvals and a public hearing.

Restrictive zoning, particularly single-family zoning, creates a high hurdle for affordable housing. In December 2018, Minneapolis, Minnesota became the

first major city in the United States to allow up to three dwelling units on a single-family lot in areas zoned for single-family-only housing. This change allows duplex and triplex rental housing in what would otherwise be an exclusively single-family homeownership area. In 2019, Oregon passed a law requiring cities with populations of 25,000 or more to allow duplexes, triplexes, townhomes, and other “missing middle” housing types in single-family districts. Cities of 10,000-25,000 in population are required to allow duplexes in single-family zones (Or. Rev. Stat. § 197.758). In 2021, California passed Senate Bill 9 which, among other policies, provides that a proposed duplex within a single-family zone be “considered ministerially, without a discretionary review or a hearing” if the proposal meets statutory requirements (Cal. Gov. Code. § 65852.21 (2021)). California’s AB 2039 passed in 2022 offers statewide mandates for affordable housing in defined commercial areas. The state of Maine passed LD 2003 in their 2022 Session which among other housing reforms requires local governments to allow duplexes save for certain exceptions on all lots in the state and up to four dwelling units per lot depending on if the lot is undeveloped or served by existing infrastructure (30-A M.R.S. § 4364-A). Policies such as these at the state and/or local level remove the obligation for an affordable housing developer to seek land use changes on a case-by-case basis and thereby avoid forums that invite NIMBYism.

Reforming other restrictive zoning policies, beyond just allowing more housing types by right, are gaining traction at the state and local level. Enacting inclusionary housing ordinances, eliminating parking minimums, passing lot design reforms such as reducing setback and maximum lot coverages, and expedited permitting for affordable housing via administrative processes that do not require a public hearing are boons to both allow more housing and prevent opportunities for NIMBY opposition. Another land use reform could be to require a supermajority vote to deny housing development approval. State preemptions and state authorizations of when a local government can deny an affordable housing development can also be helpful to approving more housing.

In 2023, the Florida Legislature passed the “Live Local Act”—a comprehensive set of policy directives, incentives, and mandates to produce affordable housing statewide. One of the components of the act was a new statewide mandate that allows developments that set aside 40% of its units as affordable rental housing on parcels zoned for commercial, industrial, and mixed-use to receive favorable use, density, height, floor area ratio, and administrative approval standards. By requiring local governments to approve affordable housing developments that meet certain criteria, much-needed housing can be expedited by reducing the need for affordable housing developers to secure zoning approval in a public forum. This tool has the potential to facilitate adaptive reuse of vacant and underutilized strip malls, encourage economically sustainable development through mixed-use and mixed-income, and reduce auto-dependence through transit-oriented development.

3. **Educate elected officials.** Once a NIMBY battle ensues, it is often too late to educate. Local elected officials need to understand the importance of affordable housing long before a specific vote comes to their commission; advocates should build relationships with elected officials long before a specific project comes up. It is important to have simple and impactful talking points with key data that tells a story about the need for housing.

Getting good media coverage is also helpful. Whenever possible, invite elected officials to see completed developments and share the credit with them at ribbon cuttings and in news stories. Whether you can meet with your elected officials regarding a future development depends upon the ex parte rules in your jurisdiction. However, if you discover that the community opposition is meeting with elected officials about your development, you certainly should do the same.

4. **Build a broad, visible coalition of supports.** Too often, the only proponents of an affordable housing development are the developers themselves. Whenever possible, have members of the business community, clergy, and like-minded social service

agencies stand up for your development to demonstrate the community value of new affordable homes. The potential beneficiaries of the development (future residents) can also be effective advocates. If possible, recruit a former member of the opposition to speak on behalf of your development.

The media can be an important ally throughout the process of development approval. Whenever you foresee a potential NIMBY problem, it is best to contact the media first so that they understand your development plans and its beneficial public purpose. In this way, neighborhood opposition will have to justify to the media why it makes sense to stop a development that the media already considers an asset for the community. The best defense is a good offense.

Georgia Tech's School of Public Policy found that developments funded by the Low Income Housing Tax Credit (LIHTC) program do not cause harm to the value of surrounding properties. Research like this can help make the argument that affordable housing must be viewed as essential community infrastructure.

If you address all legitimate concerns and the opposition persists, you are now in the enviable position of being able to state with certainty that the opposition is illegitimate—it is, therefore, opposition that would be inappropriate, arbitrary, capricious, or unlawful for the local government to consider in making its land use decision. In other words, you win!

5. Address all legitimate opposition. Some objections are real and deserve serious responses. Key to overcoming NIMBYism is to address all legitimate concerns expressed by the opposition. Those concerns may be, for example, traffic, infrastructure capacity, or project design: issues that may lead you to adjust your proposed development. The developer working in tandem with key government staff should prepare professional traffic studies, infrastructure impact reports, and other important planning documents so that any legitimate concern is addressed. One of the most common objections, albeit not expressed as openly as traffic concerns, is the concern that affordable housing will bring down the value of neighboring properties. There are a multitude of empirical property value studies all reaching the same conclusion: affordable housing does not diminish the value of neighboring properties. A study in April 2022 by the Urban Institute reports that “Although the impact of affordable housing on nearby property values is not the primary reason to build affordable housing, individuals often cite it as a reason to oppose such developments. This analysis adds to the current research on the topic, showing that affordable housing developments in the city of Alexandria, Virginia, not only do not reduce property values but also are associated with a small but statistically significant increase in values.” A 2023 study from

FURTHERING FAIR HOUSING

By Chantelle Wilkinson, Vice President of Strategic Partnerships and Campaigns, NLIHC

The federal government has long recognized the importance of housing to the lives of all Americans. Unfortunately, this recognition has been consistently accompanied by outright complicity in the establishment and perpetuation of residential segregation and the resulting inequities. For over a century, the federal government has carried out, reinforced, or intentionally ignored discriminatory practices and systems in the housing market against racial minorities and low-income households, undermining equal opportunity at every turn. When opportunities to further the cause of fair housing have arisen, often as the result of courageous leadership and progressive legislation, they have been squandered by some combination of political cowardice and haphazard implementation. Until legislators and policymakers finally decide to directly—and sufficiently—address the obstacles that prevent universal access to safe, high-quality, affordable housing, the United States will continue to underdeliver on its promises within this hugely important aspect of American life.

Initial Housing Legislation

As with many issues that involve racial disparities in the United States, the roots of housing segregation can be traced back to the legacy of slavery and the failed promise of Reconstruction. In the aftermath of the Civil War, despite initial promises by governmental actors and widespread political advocacy by Black leaders, African Americans were systematically denied access to private land ownership, beginning a pattern of governmental overpromising and underdelivering around issues of fair access to quality housing that continues to the present day (Von Hoffman, Alexander. *The Origins of the Fair Housing Act*. In Stell, Kelly, Vale & Woluchem, *Further Fair Housing: Prospects for Racial Justice in America's Neighborhoods*, 2021).

Abandoned by federal policymakers, Black Americans took matters into their own hands by participating in the

broader urbanization of American society, a movement known as the Great Migration. By 1920, half of Americans were living in cities, including the first wave of African Americans in Chicago, Los Angeles, Detroit, and New York City. In many cases, private actors and local governments responded with racial hostility and enforced both formal and informal boundaries, but in other cases this mass migration resulted in the country's first integrated neighborhoods. Indeed, during this era, most African Americans moved into neighborhoods that were less than 30% Black ([ProPublica, 2015](https://tr.ee/0bbUsC)) (<https://tr.ee/0bbUsC>).

In the early 1930s, the Great Depression provided the first political opportunity for large-scale government involvement in the housing market. According to housing scholar Bradford Hunt, "High unemployment, the continued presence of slums, and the collapse of new housing construction opened the door to state action." The first major piece of modern federal housing legislation, the "National Housing Act of 1934" was a New Deal program designed to shore up the housing market after catastrophic bank foreclosures. The act aimed to curb private mortgage lending by establishing a public loan insurance program and to motivate new residential construction by increasing available credit. To accomplish these aims, the bill established the Federal Housing Administration (FHA) and the Federal Savings and Loan Insurance Corporation (FSLIC) (Hunt, D. Bradford. *Public Housing in Urban America*. American History, 2018).

As soon as the FHA started insuring loans, however, it began deploying discriminatory practices against Black Americans and households with low incomes. Local governments had already demonstrated their willingness to establish segregated living patterns through the [explicitly racial zoning ordinances](https://tr.ee/UkD9J1) (<https://tr.ee/UkD9J1>) that arose in the 1910s, but then the federal government got involved. The FHA selectively insured mortgages in racialized patterns, thereby directly contributing to housing segregation in cities across America. And while the shaded Home Owners Loan Corporation (HOLC) maps are the most well-

known examples of redlining, the practice of denying coverage to entire neighborhoods based on racial and socioeconomic composition was already in place by the time of their publication and was the default practice for decades to come (Fishback, Price, Rose, Jonathan, Snowden, Kenneth & Storrs, Thomas. *New Evidence on Redlining by Federal Housing Programs in the 1930s*. National Bureau of Economic Research, 2021). FHA underwriting manuals, for example, urged employees not to insure loans in areas that were or could become integrated.

In 1935, another New Deal program, the Public Works Administration, constructed Techwood Homes in Atlanta, GA—the first federal public housing project. This initiative, however, was also marred with discriminatory behavior; the Techwood project displaced hundreds of Black households to establish an all-white public housing community (NLIHC, 2019) (<https://tr.ee/qo2p26>). The PWA later employed a “neighborhood composition rule,” which prevented new projects from changing the racial makeup of an area, thereby preventing racial integration at projects in all-white neighborhoods (Hunt, 2018) (<https://tr.ee/dyqGCn>). In this way, the United States’ first large-scale attempts at improving housing outcomes for all citizens were immediately undermined by its own discriminatory actions, a pattern that would prove recurrent.

The next major housing bill, the “US Housing Act of 1937,” was passed only three years later. The focus now was on a growing list of urban housing challenges, including ‘slum removal’. The presence of unsafe, unsanitary, low-income housing in neighborhoods across the United States was, of course, an entirely predictable outcome of the intentional redlining practices carried out by the FHA but addressing state-sanctioned segregation was not included in the bill’s priorities. The bill did manage to create a United States Housing Authority (USHA) and funded the first large-scale public housing initiative in the country’s history, but these accomplishments were also undermined by discriminatory actions.

Indeed, the segregationist tendencies of federal, state, and local officials continued in full force. In fact, in many cases, federal action made segregation much worse than it had been before. New public housing

and urban renewal initiatives were highly racialized, in effect bulldozing previously integrated neighborhoods and building segregated housing projects. When integrationists such as Frank Horne at the USHA and Elizabeth Wood at the Chicago Housing Authority tried to further fair housing aims, they were met with private and public backlash (Von Hoffman, 2021). This process of government engineered resegregation is a forceful rejoinder to arguments that present-day segregation reflects individual choice and personal preference, rather than intentional policy decisions.

Growing Recognition of Housing’s Importance: The “Housing Act of 1949”

With the federal government’s chosen policies actively contributing to entrenched segregation and concentrated poverty, challenges continued to grow. Recognizing the immense housing challenges facing the country, in 1944 President Roosevelt included the right of every family to a decent home in his ‘Second Bill of Rights.’ Under President Truman, housing issues became a substantial component of his “Fair Deal” program, with the stated goal of “a suitable home for every American.” These efforts to elevate housing’s importance culminated in the passage of the “Housing Act of 1949,” which was accompanied by lofty rhetoric about the importance of housing to daily life.

The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the Nation.

In practice, however, the bill essentially served as an extension of earlier housing policies, just on a larger

scale, with funding going to ‘slum clearance’ and ‘urban renewal’, increased authorization for federal provision of mortgage insurance, and funding for housing research and farm buildings. In the words of housing scholar Alexander von Hoffman (2000): the bill “set lofty goals—to eliminate slums and blighted areas and provide a decent home for every American family—but provided only the limited mechanisms of public housing and urban renewal to meet them.” (Van Hoffman, Alexander. *A Study in Contradictions: The origins and legacy of the housing act of 1949*. Housing Policy Debate, 2000).

Perhaps the most important aspect of the bill—funding for the development of more than 800,000 public housing units—was again undermined by racial and socioeconomic segregation. Congressional Republicans used [southern fears of residential integration \(https://tr.ee/N3p1Qk\)](https://tr.ee/N3p1Qk) to defeat an amendment that would have prohibited segregation, and new housing projects constructed during this time were often segregated. At the same time, the Federal Housing Administration actively contributed to the creation of all-white suburbs, encouraging the use of racially restrictive covenants in newly constructed developments (Rothstein, Richard. *The Color of Law: A Forgotten History of How Our Government Segregated America*. W.W. Norton, 2017). The result was rampant segregation in metropolitan areas across the country. Indeed, Historian Alfred Hirsch has analogized the use of federal housing policy in this era as “domestic containment” of Black Americans, similar to the strategies employed to prevent the spread of communism in Europe.

Finally, Fair Housing Legislation

Over the next twenty years, the booming post-war economy dramatically increased housing construction, especially in the suburbs, but did little to solve the issues arising from the segregated housing patterns that the federal government had helped to create. Momentum had been building for years for a housing component to civil rights legislation passed in the mid-1960s, but a major push by President Lyndon Johnson in 1966 failed to generate sufficient momentum. However, after the dramatic conclusions of the Kerner

Commission (“our nation is moving toward two societies, one black, one white—separate and unequal”) and the assassination of Martin Luther King Jr. on April 4, 1968, Congress finally passed the “Fair Housing Act.”

Reading the statements of the act’s co-sponsors, Walter Mondale and Edward Brooke, one can sense the recognition of housing’s primacy to other social ills and—more importantly—that segregation had continually undermined previous attempts at well-intentioned housing reform. Mondale argued:

But every solution and every plan for the multiple evils in our cities and their ghettos is drastically and seriously affected by racial segregation in housing. With high concentrations of low-income, poorly educated, and unemployed persons in our cities—and without dispersal or balance throughout our communities—our cities will never be able to solve the problems of de facto school segregation, slum housing, crime and violence, disease, blight, and pollution.

Gone were the denials that the federal government had been a major contributor to this intractable problem. In a speech urging the passage of the bill, Senator Brooke [noted \(https://tr.ee/OXAyvW\)](https://tr.ee/OXAyvW) that “the prime carrier of galloping segregation has been the Federal Government. First it built the ghettos; then it locked the gates; now it appears to be fumbling for the key.”

The Fair Housing Act is most well-known for banning discrimination across race, color, religion, or national origin in housing transactions (including mortgage lending and renting). In 1974, sex was added as a protected characteristic, and the 1988 amendments to the bill expanded the list to include familial status (covering households with children) and disability. Most of the enforcement activity that has arisen under the FHA has fallen under this umbrella, with individuals and HUD filing complaints against discriminatory parties.

But the FHA has a second, explicitly stated goal: to reverse housing segregation and promote “truly integrated and balanced living patterns.” Importantly, the FHA included language that required HUD to administer its programs in such a way that affirmatively furthers fair housing (often referred to as AFFH), with accompanying responsibilities for local governments

that received HUD funds. The goal, in other words, was to infuse integrationist, fair housing principles into all HUD programs, including the FHA, public housing, and urban renewal initiatives, among others.

The Fair Housing Act was complemented by the “Housing and Urban Development Act of 1968,” which contained another large expansion of public housing construction as well as the initiation of public-private partnerships designed to increase the supply of housing and reduce rents for low-income households. These were precisely the type of initiatives that were now supposed to be imbued with fair housing principles under the AFFH provision.

In fact, following the passage of the Fair Housing Act, multiple circuit court cases (*Otero vs. NYCHA* 1973, *NAACP Boston vs. HUD* 1987) have ruled that the bill’s language requires government action in pursuit of integrated living patterns, rather than the mere absence of discriminatory practices. However, despite the attempts of advocates such as Senator William Proxmire to incorporate ‘carrot and stick’ provisions into the text of the bill, which would have outlined the specific incentives and penalties behind AFFH mandate, its practical implications were left intentionally vague (Van Hoffman, 2021).

A Pivotal Battle Between Romney and Nixon

For a brief period, it seemed as though policymakers had finally recognized fundamental truths about the importance of housing and the perils of segregation. Indeed, as described more fully in this ProPublica article (<https://tr.ee/nh1csA>), George Romney—Nixon’s HUD secretary and a Republican presidential candidate in 1968—sought to leverage the FHA’s “affirmatively further” language to address suburban segregation almost immediately. Romney, according to ProPublica, “ordered HUD officials to reject applications for water, sewer and highway projects from cities and states where local policies fostered segregated housing.”

In describing his rationale for forceful political action, Romney argued, “The youth of this nation, the minorities of this nation, the discriminated of this nation are not

going to wait for ‘nature to take its course.’ What is really at issue here is responsibility – moral responsibility,” (Lamb, Charles. *Housing Discrimination in Suburban America since 1960: Presidential and Judicial Politics*. 2005). One can see a path towards equitable housing patterns emerging in this moment, emboldened by federal legislation and strong political leadership.

Unfortunately, that path never materialized. Facing pressure from reactionary southern and suburban constituencies, President Nixon stepped in and prevented Romney’s proactive integrationist approach, noting that he was convinced “forced integration of housing or education is just as wrong” as legal segregation. Eventually, he pushed Romney out of his cabinet altogether. In his resignation letter, [Romney](https://tr.ee/yfDIBL) (<https://tr.ee/yfDIBL>) decried politicians’ tendency to “avoid specific positions concerning, and discussion of, ‘life and death’ issues in their formative and controversial stage for fear of offending uninformed voters and thus losing votes.”

With Romney gone, Nixon continued his efforts to undermine substantive progress related to affordable and integrated housing; In 1974, Nixon’s moratorium on the construction of new public housing effectively signaled the end of hopes that such housing would contribute to integrated, rather than segregated, housing patterns. The “Housing and Community Development Act of 1974,” passed in the same year, established the Section 8 voucher program, part of a larger shift from a focus on publicly constructed housing to an emphasis on public-private partnerships.

New Policies, Missed Opportunities

Despite vouchers’ potential as an integrative tool—in a perfect world, low-income individuals and families could use them to access well-resourced, safe neighborhoods they couldn’t otherwise afford—implementation challenges including source-of-income discrimination, underfunding, and a lack of complementary supports have resulted in a situation where vouchers primarily subsidize the cost of living in under-resourced, segregated neighborhoods (DeLuca, Stefanie & Garboden, Phillip. *Segregating Shelter: How Housing*

Policies Shape the Residential Locations of Low-Income Families. 2013 and DeLuca, Stefanie & Garboden, Phillip. Why Don't Vouchers Do A Better Job of Deconcentrating Poverty? Insights from Fieldwork with Poor Families. *Poverty & Race*, 2012).

For example, a recent study found that 9 in 10 voucher holders in Massachusetts were turned away from rental units in high opportunity neighborhoods. As a result of these barriers and others, only around 20% of voucher households lived in low-poverty neighborhoods as of 2010, falling well short of accomplishing significant integrationist aspirations (Collinson, Robert, Ellen, Ingrid, & Ludwig, Jens. *Reforming Housing Assistance*. 2019).

Relatedly, the "Tax Reform Act of 1986" established the Low Income Housing Tax Credit (LIHTC), which allocates tax credits to states on a per capita basis, which states in turn award credits to developers to support the construction and rehabilitation of low-income, rental housing. The LIHTC quickly surpassed public housing and project-based housing as the primary form of affordable housing construction in the United States. While LIHTC has successfully increased the number of affordable units in states across the country, it has failed to improve fair housing outcomes. Studies show that LIHTC units are built in neighborhoods with higher rates of poverty compared to the average rental unit.

Making matters worse, following the passage of the Fair Housing Act, affluent, well-resourced, predominantly white neighborhoods began to turn to ostensibly colorblind single family zoning ordinances to prevent denser housing patterns that might yield more mixed-income, racially diverse communities. These ordinances drove up housing prices for current property owners at the expense of lower income renting households and voucher holders.

In the decades that followed, progress around fair housing policy was halting, and even when new initiatives arrived, they were often held back by a lack of practical measures—especially related to enforcement. For example, in 1988, lawmakers updated the criteria for HUD's largest program, the Community Development Block Grant, mandating that any communities requesting funding submit an 'Analysis of Impediments,'

(AIs) which outlined local barriers to fair housing along with potential solutions. Unfortunately, HUD rarely reviewed these documents and even more rarely withheld funding for non-compliance.

Despite HUD delivering \$137 Billion to local housing authorities between 1972 and 2012, [ProPublica \(https://tr.ee/4WRNCX\)](https://tr.ee/4WRNCX) "could find only two occasions since Romney's tenure in which the department withheld money from communities for violating the Fair Housing Act." Indeed, across the decades, HUD's Office of Fair Housing and Equal Opportunity has remained the smallest of the four major divisions within the agency. Instead, for more than forty-five years after the FHA passed, "affirmatively furthering fair housing" consisted of local governments self-certifying their own compliance every few years, without any formal oversight or review by HUD.

Before the Obama administration, President Clinton's administration was the most ambitious in its approach to fair housing since LBJ. In 1994, Clinton issued Executive Order 12892, which established the President's Fair Housing Council, with the authority to "review the design and delivery of Federal programs and activities to ensure that they support a coordinated strategy to affirmatively further fair housing." Later, under Secretary Henry Cisneros, HUD published the Fair Housing Planning Guide in 1996, which aimed to provide scaffolding for local communities' pursuit of fair housing goals.

Both these initiatives, however, were accompanied by a lack of practical implementation. Insufficient technical assistance was provided for the AI process, and the AIs that were submitted were rarely reviewed and never enforced ([GAO, 2010 \(https://tr.ee/cNS61v\)](https://tr.ee/cNS61v)). Later in Clinton's term, HUD Secretary Andrew Cuomo attempted to provide greater clarity around the AFFH rule but was met with pushback from the Council of Mayors, among other stakeholder groups ([ProPublica, 2015](https://tr.ee/dDU2o5)). Another Clinton-era housing initiative, HOPE VI, which included the demolition of large-scale housing projects in favor of mixed income housing, also fell short of its fair housing potential and in many cases actually reducing the supply of affordable housing and leading to widespread displacement ([NLIHC, 2007 \(https://tr.ee/dDU2o5\)](https://tr.ee/dDU2o5)).

Progress Under Obama, Backsliding Under Trump

Early in Obama's first term, several factors led to an uptick in interest around improving the federal approach to fair housing. First, the housing crisis' disproportionate impacts on highly segregated communities led to an increased sense of urgency around the concentration of poverty and racial disparities in the housing market. Second, HUD conducted an internal review of its fair housing protocols and found them to be severely lacking. Finally, the GAO conducted its own [review \(https://tr.ee/FzTi4A\)](https://tr.ee/FzTi4A) of the AFFH compliance process, and its conclusions were also damning. The GAO report "detailed a lack of clarity for grantees" and noted that HUD had overseen "inconsistent compliance requirements" for decades; more than half of jurisdictions receiving HUD funding could not produce their AIs and those that could were largely out of date (Bostic, Rafael, O'Regan, Katherine, & Pontius, Patrick with Kelly, Nicholas. *Fair Housing from the Inside Out: A Behind-the-Scenes Look at the Creation of the Affirmatively Furthering Fair Housing Rule*. In Stell, Kelly, Vale & Woluchem, *Further Fair Housing: Prospects for Racial Justice in America's Neighborhoods*. 2021).

In response, the Obama administration, led by HUD Secretaries Shaun Donovan and Julian Castro, adopted a much more aggressive interpretation of the AFFH rule. This new policy, published in 2015 after years of internal debate, provided cities and towns applying for HUD funding with an extensive data and mapping tool to analyze demographic trends—including race, disability, familial status, socioeconomic status, and English proficiency—across neighborhoods to identify specific barriers that explain segregated patterns and come up with potential strategies to address them, a process known as Assessment of Fair Housing (AFH). Communities were also required to publish public reports on their progress, and to set and track goals in pursuit of fully integrated housing patterns.

This rule was rolled back by Trump HUD appointee Ben Carson, citing complaints about the burden of reporting, and while the Biden administration has

reimposed some of the language from the Obama rule, it has kept the reporting requirements light to alleviate unnecessary administrative mandates. Even supporters of the more assertive AFFH regulations noted that there were issues with the quality data and mapping tool and that the reporting requirements were unwieldy and hard to navigate without extensive technical support well beyond HUD's current capacity ([Pritchett et al. 2021 \(https://tr.ee/i775lw\)](https://tr.ee/i775lw)). The appropriate resting place in the balancing act between transparency and autonomy is an open question that will continue to be debated in the future. Indeed, the Biden administration has committed to providing an updated rule in the near future.

The Current State of Fair Housing

Since the passage of the Fair Housing Act in 1968, the rate of white homeownership has increased, from 66% of white households owning a home to 71%. During this same time, the Black homeownership rate has remained low—roughly 44%—despite a brief climb to 49% prior to the financial crisis in 2007. Furthermore, while metropolitan areas have, on the whole, become more diverse in the last half century, neighborhood composition tells a different story. In the largest 100 cities in the United States, the average white person lives in a very segregated neighborhood, with over 70% white neighbors. Additionally, suburbs and rural areas are even more segregated than metropolitan areas. This is at least partially due to discrimination—studies have routinely found that minority renters are told about and shown fewer homes and apartments than equally qualified whites (Christensen, Peter & Timmins, Christopher. *The Damages and Distortions from Discrimination in the Rental Housing Market*. National Bureau of Economic Research, 2021).

Even in neighborhoods where integration has increased, it is largely Latino or Asian households moving in, rather than Black households, a trend that indicates the seemingly intractable nature of Black-white racial prejudice in the United States. Nor has the limited racial integration that has occurred led to equivalent rates of socioeconomic integration. Over the last forty years,

the percentage of low-income households living in predominantly low-income census tracts has increased (from 23% to 28%), and so has the level of high-income households in predominantly high-income census tracts (9 to 18%), coming at the expense of middle class and mixed income neighborhoods, which have declined over the same time period ([Pew, 2012](#)) (<https://tr.ee/u5bt8f>).

The FHA's failure to live up to its author's hopes has not been lost on co-sponsor Walter Mondale. In a 2015 [speech](https://tr.ee/oOwanv) (<https://tr.ee/oOwanv>) at HUD, he noted:

"When a Black family with an income of \$157,000 a year is less likely to qualify for a prime loan than a white family with an income of \$40,000 a year, the goals of the Fair Housing Act are not fulfilled. When real estate agents only show integrated schools and suburbs to black and Latino middle-class families, and steer white families away from those same neighborhoods and schools, the goals of the Fair Housing Act are not fulfilled. When the federal and state governments will pay to build new suburban highways, streets, sewers, schools, and parks, but then allows these communities to exclude affordable housing and non-white citizens, the goals of the Fair Housing Act are not fulfilled."

An early [memo](https://tr.ee/Wm36oF) (<https://tr.ee/Wm36oF>) from the Biden administration, Memorandum on Redressing Our Nation's and the Federal Government's History of Discriminatory Housing Practices and Policies, echoes similar challenges, noting—among other concerns—the racial gap in homeownership, persistent undervaluation of properties owned by families of color, a disproportionate burden of pollution and exposure to climate change falling on low-income communities of color, and the presence systemic barriers to safe, decent, accessible, and affordable housing for all. Since the passage of the FHA, the memo notes, "access to housing and creation of wealth through homeownership have remained persistently unequal."

Racial discrimination, such as steering by real estate agents and selective renting by landlords, remains an issue. Perhaps more importantly, however, the rights-based approach that has defined the implementation of the Fair Housing Act neglects the importance of

socioeconomic status in determining access to certain societal benefits. In the words of housing scholar Wendell Pritchett, "In a society in which property ownership provided one of the primary means to achieving middle class status, the use of rights-based strategies was of limited assistance to persons who lacked the financial means to take advantage of newly won rights." Richard Rothstein also notes that following the act's passage, lack of affordability became the primary driver of segregation (Rothstein, 2017). Without concrete measures to enable households with limited financial means the ability to move to well-resourced areas, protection from racial (or any other protected characteristic) discrimination offers little consolation. In other words, to achieve the goal of integrated living patterns, the federal government must fulfill its affirmative duty to further fair housing.

The Need for an Affirmative Agenda

In a speech advocating for passage of the Fair Housing Act in 1968, Senator Phillip Hart argued, "This problem of where a family lives, where it is allowed to live, is inextricably bound up with better education, better jobs, economic motivation, and good living conditions." Exactly 50 years later, in 2018, the National Low Income Housing Coalition launched the *Opportunity Starts at Home* Campaign (OSAH) in recognition of this exact premise: that where one lives dramatically influences all other facets of their life. But as the implementation of the Fair Housing Act has failed to fundamentally address the profound legacy of segregation in our housing patterns, and because those patterns are in many ways more entrenched and damaging today, there is an urgent need to imbue the fair housing effort with new meaning—and new policies.

There are several important legislative proposals that have been introduced in Congress that could make important fair housing contributions. The "Fair Housing Improvement Act," for example, would ban source of income discrimination and discrimination based on veteran status. The "Fair and Equal Housing Act," meanwhile, expands the FHA to cover sexual orientation and gender identity. Finally, the "Housing Fairness

Act of 2021” makes more general improvements to the fair housing programs at HUD. Furthermore, the “Housing Supply and Affordability Act,” the “American Housing and Economic Mobility Act,” and the “Yes In My Backyard Act” focus specifically on zoning reform, but each would make important contributions to advancing the cause of fair housing if enacted because of the discriminatory impact of exclusionary zoning.

Additionally, other pieces of housing legislation make indirect, but important contributions to furthering integration and equalizing access to opportunity. For example, the “Eviction Crisis Act” is a bipartisan bill that would create a fund for short term financial assistance for low-income households experiencing financial shocks, thereby avoiding the catastrophic consequences of an eviction. Because evictions often start a downward spiral that results in moving to neighborhoods with fewer resources, the “Eviction Crisis Act” would likely have significant fair housing consequences.

If implemented, these policies would finally take a much-needed affirmative and resource-intensive approach to promoting integration and addressing the segregated nature of housing that has been embedded in American society throughout the modern era. After nearly a century of missed opportunities, it is time to act on the lessons of our mistakes, time to implement policy that is feasible, sound, and fundamentally right.

ORGANIZING TO BUILD POWER

By Billy Cerullo, Manager of Training and Innovation, NLIHC; Sidney Betancourt, Manager of Inclusive Community Engagement, NLIHC

What is Organizing?

Organizing is building power among a group of individuals to influence people, policies, and outcomes. In organizing, power is defined as the ability to act and achieve purpose. Power is inherently neutral, neither good nor bad. If we want to achieve our goals, we need the power to do so.

Power comes in two forms: money and people. In the context of tenant and community organizing, we are typically trying to build people power (oftentimes being up against money power) by organizing a group of individuals around shared self-interest, relationships, strategies, and issues.

Organizing and advocacy are distinct from one another as tools used to change people's material circumstances. While advocacy is a useful way for one or more individuals to speak on behalf of a community they do not necessarily belong to, organizing is about building collective power among the members of an impacted community.

Why Organize?

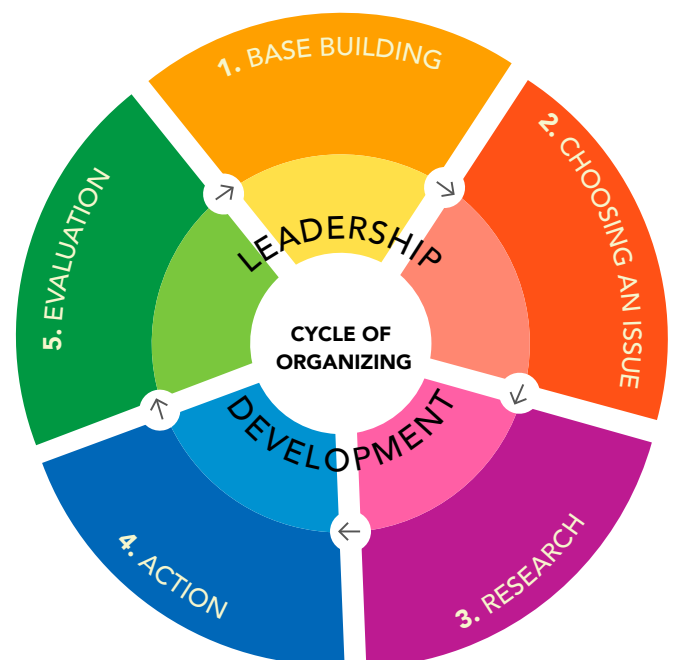
Organizing balances power. When ordinary people come together to take collective action on their own behalf, they have a greater ability to influence people in decision-making positions. Organizing subverts existing oppressive structures to create a more just distribution of power. However, it is also equally important to recognize your own power. Traditional models of organizing may not work for everyone, but there is value in embracing your power by sharing your story and lived experiences with stakeholders. By owning and understanding this power, you can harness it to advocate in space not originally designed to empower low-income people.

Organizing does not stop when an immediate problem is fixed. As a group, individuals can identify systemic problems that appear in their communities and demand long-term solutions.

What is Grassroots Organizing?

Grassroots organizing refers to organizing individuals with lived expertise around a specific issue and strategy. Grassroots organizing often takes place in a particular locality and/or region and is centered on ensuring individuals with lived experience in that locality develop and execute a strategy around a specific issue they communally want to change. Organizers train individuals on how they themselves can organize so that campaigns are led by those most impacted. Meeting with an elected official, giving testimony in front of a governing body, and attending a training on a policy do not necessarily represent grassroots organizing as isolated, one-off events. These events are usually steps in a continuous strategy toward a campaign goal.

The Cycle of Organizing



The cycle of community organizing is a vital roadmap for any successful organizing campaign. Although the cycle might look slightly different between varying organizing traditions, it is typically broken into five phases: base building, issue selection, research, action, and evaluation. Throughout each phase of the cycle, organizers must invest in the leadership development of the individuals being organized. The goal of an organizer is to develop and train impacted people to create a self-sustaining organization of individuals with shared self-interest. A known principle of community organizing is: “organizers teach leaders, leaders organize.”

PHASE 1: BASE BUILDING

Building a base is about asking the question that organizer Ella Baker once asked: “Who are your people?” Building a base requires organizers to clearly understand the community or population they wish to organize. In the context of housing organizing, organizers might seek to organize a group of tenants in a particular building or individuals experiencing housing insecurity throughout a city or region. After identifying the community an organizer wishes to organize (or being invited into said community, which is the ideal), they must then engage in activities to build the core committee of leaders who will drive the prospective

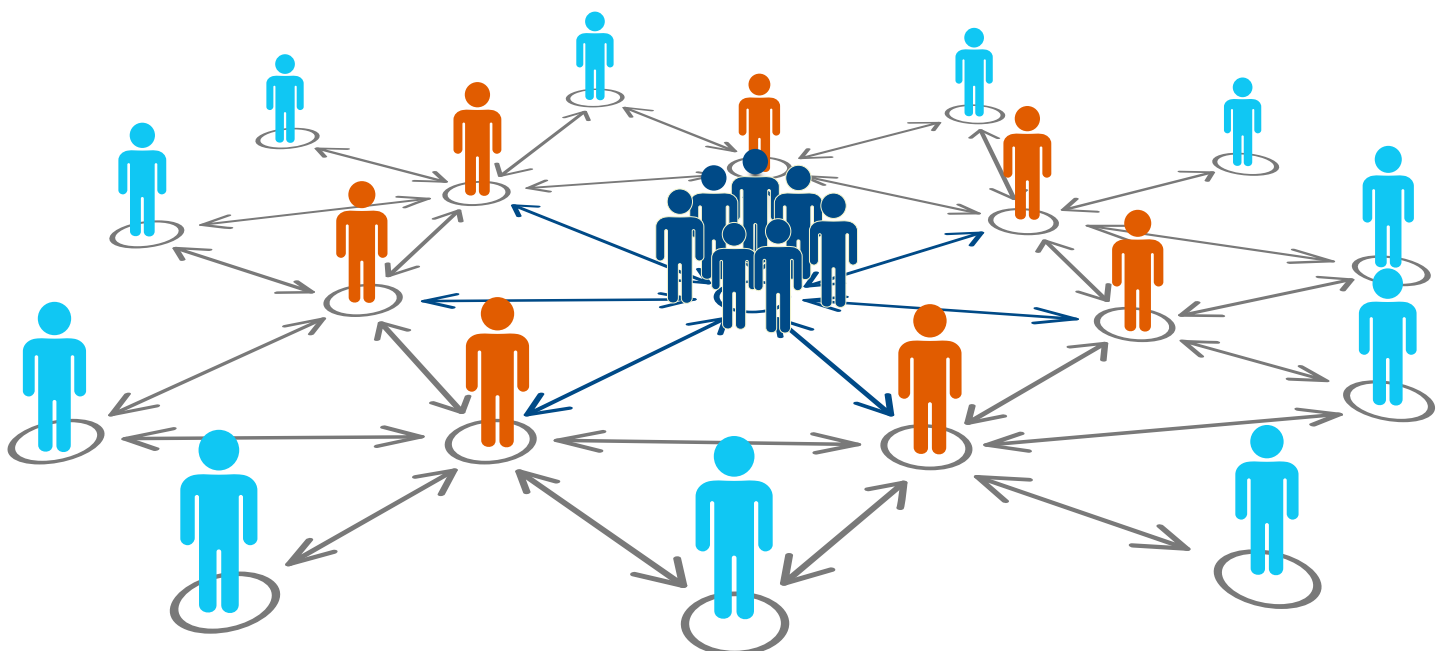
campaign forward. A way to think about building a base is through the “snowflake model” popularized by longtime organizer and lecturer, Marshall Ganz. A strong base cannot be built around one individual, but rather a central committee of numerous leaders who are identified and trained by the organizer. Those leaders are then responsible for identifying other individuals to bring into the work based on strong relationships and shared self-interest. Relationships are built between organizers and leaders, and among leaders themselves, through protracted and strategic individual conversations.

Potential Leadership development opportunity:

Organizers should train individuals on how to conduct strategic one-on-one conversations for the purpose of bringing more people into a given campaign.

PHASE 2: CHOOSING AN ISSUE

A distinction is made in organizing between problems and issues. In the second phase of the organizing cycle, an organizer and their base work together to choose one or more issues to launch a campaign around. Before picking an issue, the base must identify the problem. In an organizing context, problems are vague, overwhelming, and hard to build a campaign around. For example, homelessness is a problem; it



is an overwhelming theme and, in many ways, vague. Launching a campaign to end homelessness would be extremely difficult because there is not one concrete ask or policy change that would immediately solve the problem of homelessness in its entirety. Instead of launching a campaign to end homelessness, organizers must work with their base through a process called “issue slicing.”

Issue slicing is the process by which organizers and their base identify a problem in question and identify specific issues that contribute to the overarching problem. For example, if a lack of tenant protections is a problem, passing legislation to enact just cause eviction in a city or state is an issue by which an organizer and their base can launch a campaign around. Passing just cause legislation would not completely solve the problem of a lack of tenant protections, but it would chip away at that larger problem and possibly give momentum to other issue campaigns like passing habitability standards, eliminating junk fees in leases, eliminating application fees, reforming tenant applicant screening processes, etc. To use an analogy, if a lack of tenant protections is the trunk of the tree and its branches and leaves, an absence of just cause legislation is one of many roots that keep the tree sturdy and entrenched. It is an organizer’s job to cut away at the roots to ultimately topple the tree. Regardless of the issue that an organizer and their base organize around, the issue must be 1) achievable 2) politically relevant and 3) widely and deeply felt by the community in which one is organizing.

Potential Leadership development opportunity: Work with a leader to create and disseminate a survey to canvass other tenants and/or community members to get a better sense of what issues are widely and deeply felt in the community.

PHASE 3: RESEARCH

The primary goals for the research phase are for the base to have a solid understanding of the policy around the issue and who the targets need to be, i.e., who are the people that need to be influenced to win. Now that the base has selected an issue, it is time to learn as much as possible about the issue to develop a winning strategy. Why is this an issue in the first place?

Why haven’t policymakers fixed this issue already? Who are the people that have tried to fix this issue before? Who are the policymakers that hold the most power to give us what we want? How much will it cost to make the change we want to see? Research should also be used to map out who the allies are on an issue and how a strategy can be developed and executed with their help and input. Research meetings are also vital to the development of a strategy and an accurate understanding of who holds the most power over a particular issue.

Research meetings, also called research actions, are planned meetings between a base and a potential target, who is often a policymaker. The goal of the research meeting is to gather as much information as possible from the target to be able to accurately assess where they stand on the issue. Is the person you are meeting with an outspoken ally or a fervent opponent? Can this person be moved and, if so, what leverage is needed to do so? By the end of the research phase, one primary target should be identified, and the base should have a clear understanding of said target’s self-interest and what it will take to influence them. While the primary target is the person who has the most direct authority over your issue, you might also identify secondary targets, those who can be leveraged to influence your primary target. For example, if your primary target is the chair of your city council, a secondary target could be another council member with whom the chair has a close relationship.

Potential Leadership development opportunity: It is an organizer’s job to prepare leaders of a base on how to run a research meeting rather than the organizer leading the meeting. Organizers do not give people voices but rather build the stage and set up the sound system so individuals with lived expertise can share their own voices. During a research meeting there should be roughly ten leaders in the room, and each person should have a role. For example, one leader should chair the meeting while others are prepared to ask preconstructed questions. Other leaders can take notes and keep time. Leaders should also have their own agenda for the meeting that could be sent ahead of time to assert more control over the conversation.

PHASE 4: ACTION

Now that the base has done its research to learn about the policy of an issue, identify targets, and develop a strategy, it is time to take action. It is worth noting that the action phase of the cycle (boycotts, protests, social media campaigns, etc.) comes near the end of the organizing cycle, only after a base is built and strategy devised. When it is time to act, organizers and their base must decide 1) who the target of that action is (either your primary target or a secondary target) and 2) what it would take to influence that target. Targets are never organizations or institutions, but rather a specific individual. For example, planning an action targeting Congress as an institution would not be effective because it is far too vague and not immediately measurable. Instead, an example of a strategic target could be the chair of the congressional committee that could pass or halt a bill you are trying to get passed.

After conducting research to better understand a target's self-interest, organizers can plan actions based on that target's self-interest. Some questions to consider when planning an action are: Is the target a newer member of an elected body? When is the target up for reelection? Will the target have competition in the reelection bid? What is the press saying about the target? Does our base include the target's constituents who might be able to exercise increased influence over them? Planning successful actions takes numerous strategy sessions. Although occasionally our actions might be in reaction to a harmful policy, the ideal is for the organizer and their base to have control over when, where, and how the action takes place.

After executing the action, it is important to look for the target's reaction to measure success. In other words, how did the target respond to our action? Did they make an immediate statement? If they did not respond or react at all, then maybe we do not have the necessary power to influence that target, which means we need a larger base and potentially a broader coalition.

Potential Leadership development opportunity:

Actions are tremendous opportunities for leadership development. Leaders within your base can have positions on the committee to plan the action and should also set individual and group goals for turnout.

Turnout should never be the responsibility of the organizer alone, but a shared responsibility of the group.

PHASE 5: EVALUATION

Although it is critical to consistently evaluate throughout each phase of the organizing cycle, it is equally important to set aside time at the end of a campaign to intentionally look back and evaluate what went well and what needs to change for the next campaign. Regardless of the outcome of a campaign, evaluation and reflection are key to maintaining morale and momentum among a base.

Potential Leadership development opportunity: Leaders can be trained to facilitate evaluation sessions with their peers. They can also take on other roles like notetaker and timekeeper and draft surveys and evaluation forms to gather feedback.

Additional Resources

For additional training in how to plan and launch an effective organizing campaign, please reach out to Billy Cerullo, Manager of Training and Innovation, at wcerullo@nlihc.org. NLIHC provides direct trainings and technical support to its members around each phase of the organizing cycle. If you are not yet a member of NLIHC, you can become one by visiting the following link: <https://nlihc.org/membership>.

CREATING AND PARTICIPATING IN A TENANT GROUP

By Sidney Betancourt, Manager of Inclusive Community Engagement, NLIHC; and Dee Ross, Tenant Leader Fellow, NLIHC

The United States has a rich history of tenant organizing, and to this day, many tenants use their experiences with housing injustice to fuel their organizing. Creating a tenant union is not always easy, but the goal of this article is to equip advocates with useful tools and guidelines on how to start a group and ensure that the work is centered around tenants facing unfair housing conditions. It's important to remember that the purpose of forming a group is not just to create one for its own sake, but to improve the conditions of people's lives, their housing, and uphold their rights. There are various models of tenant-led groups, including tenant unions, tenant associations, resident councils, and many more. While this article will not cover the specific steps for starting each type of group, it will provide some general guidelines on how to create a tenant-led group. The article will also highlight examples of existing groups tenants can join.

Why Tenant Groups Are Important

Addressing issues with your landlord or property manager are often much stronger when done in a group.

On your own:

- If rents are rising, you may have to find a higher paying job or hope that your landlord doesn't cancel your subsidy.
- If your management is neglectful, you can get an attorney or write a complaint.

With a tenant union or other tenant-led groups:

- You can negotiate a multi-year subsidy to keep rent affordable.
- Organize with tenants to keep rents reasonable.
- Organize with the group to present a list of grievances.
- Organize things like protests and media outreach to pressure the landlord.

Recommended Guidelines for Developing a Tenant-Led Group

The steps to develop a tenant-led group will vary depending on the building, location, and state. These differences are influenced by factors such as the issues tenants face, the dynamics among tenants, and other characteristics unique to each community. Here are some helpful guidelines and useful tips for communities hoping to start a tenant-led group. Regardless of where you are in your journey to develop a tenant union, do not let that prevent you from being involved or advocating for tenant rights.

COMMUNITY ENGAGEMENT

Before starting a group, it's important to build relationships with fellow tenants in your community. If you're a tenant, do you know others who live in your building or neighborhood? What issues matter most to them? Building strong relationships is a key part of this process. It's crucial to establish these connections to successfully start and sustain a group. While you don't have to be a current tenant to get started, it is essential to ensure that current tenants are included in the

planning and creation of the group—either by directly involving them or by centering the work around their needs and what they want to see.

RESEARCH

To start, ask yourself the following questions:

- What issues do tenants in your building or community experience?
- Are tenants aware of their rights?
- What are the relevant affordability programs affecting the building such as the National Housing Trust Fund, HOME, or the Low-Income Housing Tax Credit?
- Does the building have a subsidized mortgage?
- Is there a federal rental assistance program in place?
- Are there state or local assistance programs supporting the building or its tenants?
- Who governs and regulates these programs?
- Are there protections in place for the tenants as a result of these programs?
- Are there any tenant protections provided by the local jurisdictions?
- Who are the elected officials representing the area where the building is located?
- What other issues do community members face?

DOOR KNOCKING

Prepare. Make sure you have everything you need to door knock effectively: a clipboard or an electronic tablet that includes both a sign-up sheet where people can share contact information and a place to make notes about the conversations you have with people. Bring a copy of any regulations, federal or local, ensuring your right to organize in case you are confronted by the landlord, property manager, or building security. Bring business cards or information about yourself or any organization you might be affiliated with if you are doing this work through your employers.

Knock on doors. This is the most effective way to find out about the issues facing tenants and how likely they are to organize than by talking to them face to face. It is usually most effective to door knock in the evening, since that is when most people will be home from work.

Identify potential leaders. Use door knocking to identify both problems and potential leaders. Note whether there are any tenants who people seem to defer to, listen to, and respect. Who are the long-time tenants? Who seems enthusiastic about taking action? Don't predetermine leaders; let leaders emerge.

Door-knocking is about listening, observing, and beginning to build trust.

PLANNING AND MEETINGS

Get the group started. After door knocking, engage a small group of tenants who seem the most enthusiastic about addressing the problems facing tenants in the building or community.

Organize one or two smaller meetings. Meetings will likely take place in one of the tenants' apartments. Brainstorm with this small group about the following:

- What are the common issues faced by building residents?
- Who seems to be the decision maker?
- How should things change?
- How can things change?

Determine a goal for the community that has consensus among the small group. Pick a date for a community-wide meeting. Develop an agenda for the big meeting. Delegate roles and tasks among the group:

- Who is going to create, copy, and distribute meeting notices?
- Who is going to facilitate the meeting?
- Who is going to take notes?
- Will you need spoken-language translation or sign-language interpretation?

- If so, what community resources are available to provide translation or interpretation?
- Are there any other accommodations that need to be made for tenants to participate (e.g. childcare)?

Make sure that everyone who wants a responsibility has one. Remember that the role of the organizer is not to lead or even talk much; it is to provide the resources that the tenants need to meet their goals and to facilitate this group's leadership.

Consider a tenant survey. Organizers should consider developing and conducting a tenant needs/satisfaction survey to measure resident perceptions about building maintenance, security, responsiveness of management and maintenance, interest in social activities, etc. Organizers could conduct in-person interviews and/or distribute surveys under tenant doors with return information included.

Once a date is determined, choose a location that is physically accessible to all who may want to attend. Many buildings have a community room, which is a great resource because these rooms don't require people to travel anywhere to get to the meeting. If the building does not have a meeting place, try to find a space in the neighborhood. Public libraries, community centers, or churches often have adequate space that is open to the community.

Create and distribute flyers detailing the logistics of the meeting. Make sure that everyone is aware of the meeting. Not every tenant will come, but everyone should have the opportunity to attend if they choose.

Consider multilingual and sign language needs. Not all residents may speak the same language. Additionally, some residents may be hearing impaired and need sign language interpretation. Therefore, it is important to consider interpreter needs in terms of fliers and translation. A great way to accomplish this is by reaching out to bilingual and hearing-impaired residents for help with translation.

Finalize the agenda. Make sure that everyone who will speak knows their role. Keep the agenda very tight. Address why you are meeting, build consensus around your goal(s), and determine the date for your next

meeting and the next steps that need to happen. Make sure that every action item has a person assigned to it.

DEVELOP AN ACTION PLAN

Once you have determined your goal(s) as a group and have developed some immediate next steps, begin the process of creating an action plan.

Figure out contingency plans. For example, if you are writing the landlord a letter asking them to meet with your group, what are your next steps if they say yes? What are your next steps if they say no? If your city has a tenant advocate or public advocate within the local government, at what point will you involve that office? At what point will you engage your elected and appointed public officials? At what point might you go to the media? How might a combination of your local media and public officials place pressure on your landlord, if your group considers it necessary?

Your action plan will develop and change over the course of your campaign as events unfold, but it is useful to plot out your steps and expectations as a group in advance.

ELECTIONS AND BYLAWS

After you have developed your action plan and taken initial steps in your campaign, it is useful to begin formalizing leadership and decision-making processes.

Determine the group's leadership and bylaws. There are many different leadership structures. Tenants should consider different options and determine what makes the most sense for their group. Do they want a president? Co-chairs? Does a non-hierarchical structure make the most sense? Does a committee structure make the most sense? Tenants must determine the basic functions that need to be fulfilled within their group and then craft a leadership structure that meets those needs. The organization's bylaws document should answer these questions and provide processes for your organization's operation.

Determine the decision-making process. This should be a process that all active members of the group are comfortable with, and one that is formalized in writing.

Without basic rules and regulations in place, a group can fracture, and a fractured group loses power.

Participating in a Statewide Resident Organizing Network

Statewide organizing networks can be created through different methods, but here are some steps:

- To help with capacity building, seek commitment to build a network from a statewide housing/homeless nonprofit organization or service provider.
- Be strategic when deciding who will be in the network and where in the state you will need to work harder to build power.
- Assess organizing capacity by looking at where you need to build relationships and what organizing mode you will need to use.
- Spend time planning how to train and provide leadership development to residents/tenants in your movement.

To learn more about the impactful change facilitated by statewide networks, you can delve into the achievements and contributions of the following organizations:

- Residents United Network (RUN): Established in 2014, RUN is California's statewide resident organizing network that helps advance people-centered housing and homelessness solutions.
- Resident Action Project (RAP): Started in 2015, RAP is a program of the Washington Low Income Housing Alliance that is led by people who live in low-income/affordable housing, and those with lived experience of housing injustice, instability, and/or homelessness.
- Residents Organizing for Change (ROC): Formed in 2020, ROC stands as Oregon's statewide network of residents dedicated to fostering community-driven housing policy initiatives.

- Residents Organized for Housing Louisiana (ROHLA): Launched in 2022, HousingLOUISIANA created the ROHLA program, which includes 9 chapters across the state. Its mission is to catalyze a robust tenant movement and addressing housing challenges in Louisiana.
- Tenants Together: Based in California, Tenants Together is a statewide coalition of tenant-led groups that work to improve and advance tenant rights. New York's Housing Justice For All: Formed in 2017, this group has consistently fought for tenant protections in New York state.

The information in this article has been adapted from several sources including:

- Tenants Together:
<https://www.tenantsaltogether.org/>
- Tenant Union Federation:
<https://tenantfederation.org/>
- ONE DC:
https://www.onedconline.org/tenant_organizing
- National Alliance of HUD Tenants:
<https://www.saveourhomes.org/>
- New York State Tenants & Neighbors' 2008 Organizers' Manual, by Michele Bonan.

OUR HOMES, OUR VOTES: A GUIDE TO NONPARTISAN VOTER ENGAGEMENT FOR THE HOUSING AND HOMELESSNESS FIELD

By Chantelle Wilkinson, Vice President of Strategic Partnerships & Campaigns, NLIHC; and Tia Turner, Project Manager of Our Homes, Our Votes Campaign, NLIHC

Our Homes, Our Votes is NLIHC's nonpartisan campaign to boost voter turnout among low-income renters and elevate housing as an election issue. The campaign empowers the housing and homelessness field—including housing advocates, social services organizations, tenant leaders, and affordable housing providers—to register, educate, and mobilize their communities to vote. To support housing and homelessness organizations, the campaign provides an abundance of resources for launching nonpartisan voter and candidate engagement work. This guide provides an overview of key considerations for planning a nonpartisan voter and candidate engagement campaign. For a comprehensive set of resources, visit www.ourhomes-ourvotes.org/.

Why Engage in Election Work?

The same communities who face the greatest barriers to securing stable, accessible, and affordable homes also face the greatest barriers to voting. Low-income people with less flexible work schedules or lack of transportation face obstacles to accessing their polling places. Polling place closures, voter purges, and other voter suppression tactics disproportionately impact low-income communities and communities of color. In states with restrictive voter ID laws, people experiencing homelessness often lack the documents needed to register and have their votes counted. Returning citizens, who face significant barriers to stable housing, must navigate a patchwork of state-level felony disenfranchisement laws, some of which involve a

complex voting rights restoration process. Many people who have consistently been failed by public policy may feel apathetic toward the process and skeptical that voting is worth their time. Because renters move more frequently than homeowners, they must update their voter registration more often, creating yet another hurdle before casting their ballots. Research shows a direct link between rising eviction rates and declining voter turnout, as those who are displaced from their communities and grappling with the trauma of eviction are less likely to have the time or resources for civic participation.

These obstacles contribute to persistent disparities in voter turnout between renters and homeowners. In the 2022 midterm elections, 58% of homeowners voted, compared to a turnout rate of 37% for renters. High-income people also vote at much higher rates than low-income people. While 67% of people with incomes over \$100,000 voted in 2022, just 33% of people with incomes below \$20,000 voted. This voter turnout gap is one of the root causes of the threadbare social safety net for housing, as elected officials sideline the concerns of the lowest-income renters and pay more attention to their constituents who vote at higher rates. To increase political participation and build the political will for bold housing solutions, housing and homelessness organizations must bring voter engagement to the forefront of their work.

Fortunately, organizations that work directly with low-income renters and people experiencing homelessness are in a strong position to help their communities overcome obstacles and cast their ballots. According to research from Nonprofit VOTE, engagement with nonprofits is proven to significantly increase turnout among voters traditionally overlooked by political campaigns—including low-income voters, first-time voters, voters who move often, and returning citizens.

In 2022, low-income voters engaged by nonprofits had a voter turnout rate of 15 percentage points higher than that of comparable low-income voters who were not engaged by nonprofits. Tenant leaders are also trusted messengers who can empathetically address their neighbors' concerns about voting and help them navigate the barriers they face.

Voter engagement is a powerful way to further the mission of housing and homelessness organizations. Below are some of the primary reasons why nonprofits, tenant associations, and housing providers choose to register, educate, and mobilize voters:

- Residents and clients engage in civic life and learn about the democratic process.
- The issue of homelessness and housing scarcity is elevated in public debate.
- Elected officials learn about low-income housing issues and see renters as a voting bloc with the power to hold them accountable.
- Housing and homelessness organizations build strong relationships with elected officials.
- People with lived experience of homelessness and housing instability develop civic leadership skills.
- Housing programs earn positive press.

Getting Started

Nonprofit organizations can, and should, engage in nonpartisan election-related activity, including voter registration, education, and mobilization. There are, however, legal considerations that are important to understand before getting started on voter and candidate engagement. The basic rule is that 501(c)(3) organizations cannot support or oppose candidates or political parties. 501(c)(3) organizations can register and educate voters, engage with candidates on issues, host election-related public events, and get voters to the polls. While 501(c)(3) nonprofit organizations cannot endorse candidates, they can endorse ballot measures that fit within the organization's mission. Engagement on ballot measures is treated as lobbying on a bill, but with the voters acting as the legislators. Finally, if any

staff member engages in partisan political activities, they must do so without representing the organization or using organizational resources. For detailed legal guidance, consult:

- Nonprofit VOTE, www.nonprofitvote.org.
- Bolder Advocacy, <https://bolderadvocacy.org/>.
- League of Women Voters, www.vote411.org.

In general, federally funded organizations are allowed to organize nonpartisan election activities, and some federally funded agencies are required to offer nonpartisan voter registration assistance. Organizations that receive specific types of federal funding (Legal Services, Community Service Block Grant, Head Start, and AmeriCorps) face some limitations on electoral engagement. After consulting the above resources, organizations with additional legal questions are encouraged to contact an attorney who specializes in election law. It is important to remember that 501(c)(3) organizations cannot consult with campaign staff or political parties, even on simple technical questions.

When developing your voter engagement plan, assess your existing resources to determine the scope of your election activities. Identify potential funding sources for your project or in-kind donations to cover expenses like voter databases, supplies, transportation, training sessions, and community events. Once you know what you would like to accomplish, plan out how to maximize staff and volunteer capacity. Look for opportunities to build and leverage partnerships—for example, student groups may be interested in registering voters as part of a community service project, or a civic group may already coordinate rides to the polls and could include community members in its plans. Remember to partner only with nonpartisan organizations. Consider formalizing a coalition devoted to increasing voter participation among low-income renters, people experiencing homelessness, and other underrepresented communities. A coalition can bring a greater range of resources, volunteers, and audiences into your activities.

Five components of nonpartisan election work commonly involve housing and homelessness organizations: voter registration, voter education,

voter mobilization, candidate engagement, and ballot measure advocacy. These should be considered as a menu of possible activities; your organization's mission and capacity will determine where you should concentrate your efforts. To map out your voter engagement strategy, use the *Our Homes, Our Votes* Engagement Plan, which can be found at: <https://www.ourhomes-ourvotes.org/getting-started>.

Voter Registration

The first step to boost voter turnout among low-income renters and people experiencing homelessness is to ensure that they are registered to vote. Here are some tips for effective voter registration efforts:

- 1. Set goals.** Define who you want to register, and how many people you hope to register. How will you choose which voters to target? Will you target young voters who recently became eligible to vote? How will you identify new residents who just moved into the community? Using voter files is a great way to identify which residents are registered to vote, target voter engagement campaigns, and measure success. Voter data is publicly available and can be obtained from the local elections office, often for a small fee. Many organizers use software such as VAN or PDI to sort their data and target their voter outreach.
- 2. Familiarize yourself with relevant election laws.** Each state has different rules for conducting voter registration drives, hosting polling places or ballot drop boxes, transporting voters to the polls, and assisting with mail-in ballots. Voter registration deadlines, early voting and mail-in voting opportunities, and voter ID requirements also differ by state. Each state's Board of Elections or Secretary of State's office will offer the most comprehensive, up-to-date list of election rules.
- 3. Determine what materials you need.** Forty-three states have online voter registration systems, which enable you to use tablets, smartphones, or laptops to conduct your voter registration activities. Because some eligible voters prefer to complete their registration by hand, you should also make paper forms available. Make sure you have materials available in multiple languages if members of your community primarily speak languages other than English.
- 4. Offer registration training.** Staff and volunteers who plan to register voters will benefit from receiving training on the process. You may want to bring in someone from the local Board of Elections or County Clerk's office who can explain the state's registration requirements and how voter registration forms must be filled out, whether online or on paper. It is also helpful to practice voter registration updates for renters who have recently moved and to know the process for registering voters experiencing homelessness.
- 5. Build voter registration into ongoing programs and processes.** Housing and homelessness organizations can integrate voter registration opportunities into their everyday activities and responsibilities. For example, subsidized housing providers can add voter registration forms to their welcome packets for new residents, which will encourage residents to update their registration when they move into the property. Confirming that renters are registered to vote should also be included in checklists for annual income recertification in subsidized properties. Housing providers may even make calls to residents on their 18th birthdays and help them get registered to vote.
- 6. Display visuals in common spaces.** Housing providers and direct services organizations should display voter registration information in offices, lobbies, or other community spaces that are highly visible to clients and volunteers. Be sure to keep visuals accessible, straightforward, and eye-catching, while conveying key information about voter registration and upcoming elections. Materials should be displayed in multiple languages if some residents' primary language is not English. Some housing providers send voting toolkits directly to their residents with buttons, stickers, and customizable door signs. These materials empower residents to publicly display their commitment to vote and inspire their neighbors to do so, too. *Our Homes, Our Votes* provides sample posters and other graphics at: www.ourhomes-ourvotes.org/downloadable-resources.
- 7. Organize a door-to-door campaign.** Resident leaders can volunteer to receive training and serve as "building captains" or "floor captains" for canvassing in their own buildings. Captains take on responsibility for registering, keeping registration records, and then turning out

vote all the people in their building or on their floor. Residents are trusted messengers who can answer their neighbors' questions and get them excited to vote. Be sure that captains keep well-organized records of all the voters they register so that they can reach out again and help them make a voting plan.

8. Organize voter registration events. Hold social events, like block parties, at which low-income renters are encouraged to register to vote. Consider hosting an event for National Voter Registration Day, an annual nonpartisan civic holiday that celebrates and promotes voter registration opportunities. Signing up as an official civic holidays partner can increase the visibility of these activities and even provide access to funding opportunities. Make sure that events are widely publicized and accessible to all community members. Successful events will have printed materials in multiple languages and onsite translation, which will encourage voter registration among new citizens whose primary language is not English. To ensure that events are accessible to families, make the events kid-friendly or provide childcare. To boost attendance, offer food so that attendees will not need to plan their meal schedules around the event.

9. Positive messaging matters. Many low-income renters may not be registered to vote because they feel that elected officials do not have their interests in mind. Research shows that positive messages can help voters overcome their skepticism towards voting. Connect an individual's personal experience to the democratic process and the potential for social change. Be prepared to share reminders of very close elections where a small number of voters determined the difference. If someone is frustrated with the political process, you might tell them that you share the same concern, which is why you are registering voters to elect new leaders.

10. Explain what is at stake. If you are organizing within public housing or registering low-income renters in subsidized properties, you should encourage them to protect their housing program by voting. Remind them that it's important to vote for leaders who will maintain or increase the budget for subsidized housing programs so they can make needed repairs and

increase the number of community members who have access to affordable housing.

Many organizations encounter questions about voting eligibility for people experiencing homelessness. In every state, people experiencing homelessness have the right to vote. The National Voter Registration Form allows a voter to designate an outdoor place where they regularly stay as their place of residence, for the purpose of determining their voting precinct and which ballot they should receive. Shelters and social services agencies should also consider allowing clients to use their addresses and to receive mail-in ballots at their sites. Each state has its own procedure for processing the registrations of voters without a permanent address; it is always best to confirm the requirements with your local election officials.

The US Interagency Council on Homelessness offers helpful resources for navigating the process of voting while experiencing homelessness: a checklist for voters experiencing homelessness to make sure they have everything they need to register and have their votes counted (www.usich.gov/tools-for-action/step-by-step-voting-guide-for-people-experiencing-homelessness), and a step-by-step guide for homeless service providers (<https://tr.ee/GbDDww>). The National Alliance to End Homelessness and National Coalition for the Homeless also compile helpful resources about engaging voters experiencing homelessness.

Another common misconception is that returning citizens who have been convicted of a felony are permanently barred from voting. In most states, returning citizens have their voting rights restored when their sentence is completed or when they are released. In Vermont, Maine, and the District of Columbia, people convicted of felonies never lose the right to vote and can vote while incarcerated. In other states, returning citizens will need to take specific steps to restore their voting rights. Nonprofit organizations can play a powerful role in helping returning citizens navigate this process and cast their ballots with confidence. For a state-by-state breakdown of these voting rights, see the Brennan Center's map on felony disenfranchisement laws at <https://www.brennancenter.org/our-work/research-reports/can-people-convicted-felony-vote>.

Voter Education

Once voters are registered, the next step is to ensure that they are prepared to vote and know what to expect on their ballots.

Prepare to educate voters about deadlines for voter registration, how to find their polling locations, the logistics of early voting and vote-by-mail, and how to protect their voting rights if they encounter a problem at their polling place. You can always refer them to the Election Protection Hotline—866-OUR-VOTE—if their right to vote is being challenged, if they face voter intimidation, or witness voter misinformation. Make sure voters know that all voters who show up to the polls should cast a ballot. If voters are in line at the time the polls close, they must be allowed to vote. Encourage voters to bring a charged phone, water, or snacks to ensure they are prepared to wait in line. You may consider producing a “What to Bring with You” sheet so voters can gather what they need in advance.

If there is a question about any person’s identification or residency in the jurisdiction where they are voting, the voter should cast a provisional ballot that will be counted after the initial run of results. Provisional ballots should always be completed, especially as protection from “voter caging.” The Brennan Center defines voter caging as, “the practice of sending mail to addresses on the voter rolls, compiling a list of the mail that is returned undelivered, and using that list to purge or challenge voters’ registrations on the grounds that the voters on the list do not legally reside at their registered addresses.” This practice largely targets low-income renters as they change addresses at higher rates than homeowners.

You may also want to educate voters about what to expect on their ballots. [OurHomes.TurboVote.Org](https://www.ourhomes-turbovote.org), NLIHC’s nonpartisan voter registration and information platform, allows voters to enter their address and preview what to expect on their ballots. Consider distributing a voter guide that highlights the candidates’ positions on affordable housing and any relevant ballot measures. *Our Homes, Our Votes* provides a sample voter guide at: www.ourhomes-ourvotes.org/voter-education. Keep in mind that you can only inform voters about candidates’ positions—you cannot endorse a

candidate or present information in a way that favors one candidate over the other. If you do not have the capacity to create a voter guide, consider distributing voter education materials from a trusted, nonpartisan partner organization that shares your organization’s values and priorities.

Bring nonpartisan voter education materials to existing community gatherings, like block parties or resource fairs, and be prepared to answer voters’ questions about elections. Consider planning creative events, such as civic engagement game nights, where organizers can facilitate community conversations about voting. Don’t be afraid to think outside the box!

Voter Mobilization

Voter mobilization, or get out the vote (GOTV), efforts are traditionally focused on Election Day. As vote-by-mail and early voting become increasingly common, it is important to mobilize voters throughout election season and to develop the timeline for your voter engagement efforts accordingly. Here are some tips for getting out the vote:

- **Encourage vote-by-mail and early voting.** Rather than turning out the vote all on one day, encourage voters to request mail-in ballots. Check your state’s laws to determine which voters are eligible to vote by mail. Keep a list of mail-in voters in your network and contact them at least ten days before Election Day to be sure that ballots are being put in the mail in time to be counted. In states where it is available, encourage early voting, which offers more opportunities for people with inflexible schedules or limited transportation options and gives voters time to resolve any issues they face at the polls. Consider participating in Vote Early Day, a nonpartisan Civic Holiday that educates voters about early voting options and builds enthusiasm for early voting.
- **Ask voters to make a plan.** Contact voters in the days leading up to Election Day to ask them how and when they plan to vote, whether they need voter ID assistance, and how they plan to get to their polling place. Voters are more likely to cast their ballots when they have already determined when, where, and how they will vote. Asking voters to express this plan allows

organizers to verify their polling location details and work through transportation obstacles. Calls, texts, and in-person conversations are effective ways to reach voters and help them make their voting plans.

- **Provide childcare on Election Day.** Consider recruiting volunteers to provide childcare for residents who need flexibility to get to polls and cast their ballot.
- **Provide rides to and from polling locations.** Recruit volunteers with cars, or perhaps fundraise to rent vans for Election Day, so that low-income renters with limited transportation options can cast their ballots. Consider partnering with an external, nonpartisan organization to offer rides to the polls.
- **Become a polling location.** Organizations should connect with their local Board of Elections far in advance of Election Day to begin the process of becoming a polling location. Voting will be more accessible to low-income voters if they can vote in a location that they visit frequently, such as an agency's office or the community rooms of their buildings.
- **Organize group voting opportunities.** Many voters are more likely to make it to the polls if they are joined by their neighbors. Resident councils and other tenant-led organizations should consider selecting times when groups of residents can walk or ride to the polls together, making it a community activity. People are more likely to vote when there are others expecting them to do so.

Once renters have made their plan to vote, you may also want to encourage them to sign up with the county as poll workers. This provides an additional, and often paid, way for low-income voters to participate in the democratic process.

Nonprofits can play an important role in making sure that people's rights are protected when they get to the polls. You may want to designate leaders in your voter engagement efforts to be poll watchers who spend Election Day recording and reporting instances of voter harassment or unlawful voter suppression. Poll watchers can identify potential issues in your community and can be on call if anyone experiences problems voting.

Candidate Engagement

Elections are a prime opportunity to get candidates on the record about housing and homelessness. Housing organizations and low-income renters should engage with candidates for two main reasons: to make their concerns heard and hold candidates accountable; and 2) to understand candidates' plans so that voters can make informed decisions.

When engaging with candidates, be sure to stay nonpartisan. To do this, remember:

- Never criticize candidate statements. You can, however, add perspective or correct the record.
- Do not rank or rate candidates. This activity constitutes an endorsement. You can only create legislative scorecards for incumbent legislators; these are distinct from voter guides.
- Even in nonpartisan candidate elections, you cannot endorse candidates or coordinate with campaigns.
- Candidates can visit your organization as public figures (elected officials or field experts), as a candidate, or of their own initiative. If a candidate is visiting your organization as a public official, there should be no mention of their candidacy, although they can discuss their legislative accomplishments. It is also fully legal and acceptable for an elected official to receive an award from your organization for work on housing, however, organizations should be cautious about awarding elected officials who are up for reelection in the immediate leadup to an election.
- If candidates are visiting as part of a campaign, then they should not be fundraising.
- Invite all candidates to events and make an equal effort to get them to attend, otherwise you may be perceived as favoring one candidate.

Candidate engagement can take many forms, including candidate forums, town hall meetings, candidate surveys, and candidate factsheets. Events such as neighborhood block parties, meet-and-greets, candidate forums, and town halls create opportunities for candidates to interact directly with residents or

community members and for voters to understand the candidates' perspectives on the issues affecting their daily lives.

Regardless of the type of event, be sure to (1) choose an accessible location; (2) invite all candidates and make an equal effort to get all candidates to attend; (3) offer enough time for the candidates to discuss their visions and campaigns; and (4) conduct outreach ahead of time to ensure a good turnout. Hosting an effective candidate event requires sufficient planning time. You will want to ensure that both candidates and attendees know about the event far in advance. Bring tenant leaders into the planning process for candidate forums and town hall meetings. Ensure that the program gives tenant leaders the opportunity to speak about their personal connection to the issues that the candidates will discuss. When hosting a forum or town hall meeting, you can further ensure your event is a success by (1) choosing a skilled moderator; (2) setting time limits for responses to questions and giving all candidates a chance to respond; (3) screening audience questions ahead of time, if possible, to get diverse views; (4) setting participation rules for the audience at the start of the event; and (5) offering voter registration forms to attendees.

If you cannot host a meeting yourself, consider promoting nonpartisan candidate forums and town hall meetings that are taking place in your community. Forums tend to be moderator-led discussions, while town halls allow for larger audience participation. To ensure that your priorities are addressed, be sure to submit a question in advance, and share your question on social media before the event using the #OurHomesOurVotes hashtag. Try to sit near the microphone and ask direct questions while including facts. To amplify the candidate's response, record the question and answer, and share the exchange on social media using the #OurHomesOurVotes hashtag.

Another powerful way to engage candidates is through written materials such as letters to the editor, fact sheets, and questionnaires. Candidates often learn what issues are important to voters in the community by reading the Letters to the Editor page of the newspaper. This platform can be used to share personal experiences and

communicate the urgent need to prioritize affordable homes. Consider having low-income renters write letters about issues that are important to them; letters can often be published as a response to a story in which candidates have discussed poverty or housing policy. Sharing fact sheets about housing affordability in your community is another way to educate candidates.

Asking candidates to fill out a questionnaire is a useful way to learn more about candidates' views and to make them aware of the issues that affect low-income renters. Candidate questionnaires should be sent to all candidates and be publicly posted. Provide clear instructions for the word limit, deadline, and how to submit, and share how answers will be used. Keep the survey brief and use open-ended questions to solicit the candidates' opinions on a range of issues. Consider publicizing the candidates' responses on social media or on your organization's website. When publishing candidates' responses, do not modify their answers in any way or express a preference for any candidates' statements.

The *Our Homes, Our Votes* campaign compiles comprehensive candidate engagement resources, such as a template candidate questionnaire and tips for successful candidate events. These resources can be found on the *Our Homes, Our Votes* website at: <https://www.ourhomes-ourvotes.org/candidate-engagement>.

Ballot Measure Advocacy

Elections offer a critical opportunity to take the issue of affordable housing directly to the voters through ballot measures. Recently, voters have approved significant new funding for affordable housing and enacted tenant protections through ballot measures at the state and local levels. Although 501(c)(3) nonprofit organizations can never endorse candidates, they can endorse and campaign for ballot measures, within the usual restrictions that govern 501(c)(3) lobbying activities. Your organization should consider forming or joining a coalition to support housing-related ballot measures in your community—or even working to place a question on the ballot in a future election.

For further guidance on organizing a housing-related ballot measure campaign, refer to NLIHC's ballot measures reports and resources, which can be found at: www.ourhomes-ourvotes.org/ballot-measures.

Build on Your Momentum

Once Election Day is over, take a few days to rest. You deserve it! Then, be sure to celebrate your accomplishments and honor your volunteers. Evaluate your project and discuss what you will do differently in the next election cycle. Use the voter file to track the success of registration and mobilization efforts. By comparing the number of registered voters and actual voters post-election with the numbers before the election and in previous years, organizers can quantify the extent to which their efforts boosted registration and voter turnout.

After evaluating your campaign, report to community members and elected officials on the number of new voters your organization has registered and mobilized, which demonstrates the strength of your constituency. Cultivate relationships with newly elected leaders to further educate them about your priorities and hold them accountable to their campaign promises.

Talk with low-income renters, volunteers, and staff who took on leadership roles in your voter engagement campaign and see who might be interested in running for local office themselves.

Most importantly, treat your voter engagement project as an ongoing effort. Even when the next election feels far away, continue to integrate voter engagement into your organization's day-to-day activities.

Turning Renters into Voters: Lessons Learned in Engaging Low-Income Communities

In 2024, [Our Homes, Our Votes](#) launched the [Pilot Communities](#) initiative to strengthen engagement with low-income renters throughout the electoral

process, foster partnerships with subsidized housing providers, and assess the impact of nonpartisan voter engagement.

Five NLIHC State and Tribal Partners with proven experience in nonpartisan voter engagement were selected: the Michigan Coalition Against Homelessness, the Housing Network of Rhode Island, the Southern California Association of Nonprofit Housing, Georgia Advancing Communities Together, and the Housing Alliance of Pennsylvania. Each received grant funding, technical assistance, and resources to support nonpartisan voter registration, education, and mobilization. In 2025, Prosperity Indiana joined the initiative.

[Turning Renters into Voters: Lessons in Engaging Low-Income Communities](#) (<https://nlihc.org/resource/now-available-our-homes-our-votes-2025-best-practices-report>) is a best practice report summarizing each pilot partner's work and offering actionable insights for housing and homelessness organizations to increase voter turnout.

- [Michigan Coalition Against Homelessness](#) (<https://www.mihomeless.org/>) centered its strategy on in-person outreach that began with listening and empathy. Staff prioritized meeting residents' immediate needs before initiating conversations about voting to establish trust and make engagement work. As a small organization, they amplified their impact through "train-the-trainer" sessions, which prepared more than 600 service providers and community organizers to support nonpartisan outreach and provided grants to partners to give rides to the polls.
- [Housing Network of Rhode Island](#) (<https://housingnetworkri.org/>) focused on connecting voting to affordable housing as a tangible, nonpartisan issue that resonated with residents' daily lives. Staff and volunteers canvassed and called more than 1,800 residents in subsidized housing communities to encourage them to make a plan to vote. Among residents who spoke with canvassers, turnout was 17 percentage points higher than among those not reached.

- [Southern California Association of Nonprofit Housing \(https://www.scanph.org/\)](https://www.scanph.org/) and its Resident United Network of Los Angeles proved that civic education can be joyful and social. Their resident-led “Bingo, Burritos, and the Ballot” events combined food, voter education, and peer leadership to help residents understand how specific local ballot initiatives could impact their lives and encourage participation among first-time voters. This approach showed that when voter education happens in welcoming and familiar social spaces, it makes voting feel approachable and helps new voters take the first step toward lifelong participation.
- [Georgia Advancing Communities Together \(https://georgiaact.org/\)](https://georgiaact.org/) focused on creating accessible, visible, and trusted spaces for low-income renters and communities of color across the state. Their human-centered approach focused on encouragement and avoided shaming or pressuring anyone who had not previously voted. By partnering with property managers to host events in high-traffic common areas, they built trusted civic spaces where residents felt comfortable registering and asking questions.
- [Housing Alliance of Pennsylvania \(https://housingalliancepa.org/\)](https://housingalliancepa.org/) made voter engagement simple and sustainable by integrating it into the daily operations of housing providers across its network. They also provided support to several public housing agencies across the state that carried out nonpartisan voter engagement during the election cycle, including sharing educational materials and expanding registration access. The Alliance developed plug-and-play communications toolkits, distributed *Our Homes, Our Votes* merchandise, and encouraged partners to include TurboVote links in lease renewals, which created interaction opportunities for residents to register or update their information.

Pilot communities have demonstrated that housing organizations, tenant leaders, and service providers can play a pivotal role in strengthening our democracy. Their work shows that when renters are equipped with the resources and encouragement to participate in

elections, they turn out in greater numbers and make their voices heard. Turning Renters to Voters captures these lessons in detail and offers actionable strategies that can be woven into the mission of every organization serving low-income renters to empower them to make their voices heard in the democratic process.

Supplemental Materials

[Our Homes, Our Votes Factsheet on Conducting Nonpartisan Voter Engagement \(https://tr.ee/lQWgqb\)](https://tr.ee/lQWgqb)

[Our Homes, Our Votes Factsheet on TurboVote, Voter Registration Tool \(https://tr.ee/RzOhL3\)](https://tr.ee/RzOhL3)

[Our Homes, Our Votes Factsheet on 24 Lessons from 2024 Election Cycle \(https://tr.ee/j2euUR\)](https://tr.ee/j2euUR)

BEST PRACTICES AND LESSONS LEARNED: BUILDING MULTI-SECTOR COALITIONS TO INFLUENCE HOUSING POLICY

By Chantelle Wilkinson, Vice President of Strategic Partnerships and Campaigns, NLIHC; and Julie Walker, Project Manager, Opportunity Starts at Home

Research clearly demonstrates that housing is inextricably linked to an array of outcomes in other sectors. The consequences of our current housing affordability crisis are spilling over into many other areas of life including education, health, civil rights, economic mobility, food security, criminal justice, and more. It makes sense, then, that stakeholders in these sectors are growing more ready to join in on advocacy efforts to expand affordable housing for the most marginalized people. The work to expand affordable housing solutions cannot be done by housing advocates alone. In the face of an unprecedented housing affordability crisis, along with the undeniable, cross-cutting realities of the research, powerful new constituencies are now possible in ways they have not been before.

About the *Opportunity Starts at Home* Campaign

The *Opportunity Starts at Home* campaign launched in March 2018 with the goal of broadening the affordable housing movement into other sectors. The campaign's Steering Committee represents a wide range of leading national organizations working shoulder-to-shoulder to advance federal policies that expand affordable housing for renters with the lowest-incomes: National Low Income Housing Coalition, National Alliance to End Homelessness, Center on Budget and Policy Priorities, Children's HealthWatch, Catholic Charities USA, Children's Defense Fund, Community Catalyst, Food Research & Action Center, National Association for the Advancement of Colored People, JustLeadershipUSA, National Alliance on Mental Illness, National Association

of Community Health Centers, National Association of Social Workers, National Education Association, National League of Cities, National LGBTQ Task Force, National Women's Law Center, Natural Resources Defense Council, UnidosUS, and National Network to End Domestic Violence. Together, these multi-sector partners are working to advance federal housing policies that: 1) expand rental assistance for every income eligible household, 2) expand the supply of deeply affordable housing, and 3) provide emergency assistance to people experiencing unforeseen economic shocks to avert housing instability and homelessness.

The campaign deploys policy analysis, communications, and advocacy to impact opinion leaders, policymakers, and the public. It has full-time dedicated staff at the national level and is leveraging the capacity of participating organizations. Moreover, the national campaign is providing technical assistance to thirty-one state-based organizations to help the organizations build multi-sector coalitions and to support their advocacy efforts to impact federal policy. The state-based organizations are: Alaska Coalition on Housing and Homelessness, Housing California, Idaho Asset Building Network, Maine Affordable Housing Coalition, Oregon Housing Alliance, Utah Housing Coalition, Coalition on Homelessness and Housing in Ohio, Housing and Community Development Network of New Jersey, Prosperity Indiana, Housing Action Illinois, Partnership for Strong Communities, Colorado Coalition for the Homeless, Minnesota Housing Partnership, North Carolina Housing Coalition, Texas Homeless Network, Hawaii Appleseed, Mississippi Center for Justice, Empower Missouri, Arizona Housing Coalition, Wisconsin Community Action Program Association, Arkansas Coalition of Housing and Neighborhood Growth for Empowerment, Homeless and Housing Coalition of Kentucky, West Virginia Coalition to End

Homelessness, Maryland Center on Economic Policy, African American Clergy Collective of Tennessee, Michigan Coalition Against Homelessness, South Carolina Association of Community Action Partnerships, Virginia Housing Alliance, Housing Action New Hampshire, Housing Alliance Delaware, and Low Income Housing Coalition of Alabama.

The campaign also provides short-term technical assistance to state organizations to advance the campaign's housing solutions in key legislative moments. To date, the campaign provided support to Hawaii Appleseed, Arizona Housing Coalition, and the West Virginia Coalition to End Homelessness.

To further expand the multi-sector network, raise awareness about the intersections of housing and other sectors, and reach a diverse array of new stakeholders, the campaign has a Roundtable. Representatives from over 140 multi-sector organizations, including housing, education, healthcare, civil rights, anti-poverty, seniors, faith-based, anti-hunger, veterans, LGBTQIA+, and more have joined the Roundtable designed to foster cross-sector engagement.

Why Build Multi-Sector Coalitions to Advance Housing Policy?

ENRICH YOUR CONTENT

Multi-sector partners enrich content by adding diversity in expertise. For example, when the campaign began creating a "Fact Sheet" that demonstrated how housing is connected to health, it relied heavily on the knowledge of its health-sector partners to assist with framing, messaging, and research. The healthcare organizations were aware of powerful research unknown to campaign staff and helped incorporate language and messages that they knew would resonate with healthcare professionals. This type of collaboration is simply not possible if multi-sector voices are not at the table. The same process happened in the development of other fact sheets such as education/housing, civil rights/housing, food security/housing, animal welfare/

housing, and more. Having "unusual suspects" in a campaign will also help mainstream communications so that non-housing experts and novices can understand the message.

PIQUE THE INTEREST OF POLICYMAKERS

Non-housing voices advocating for housing policies will pique the interest of policymakers in ways that traditional housing groups cannot do alone. For example, in September 2025, the campaign and over 35 national organizations, including members of the Campaign Steering Committee and Roundtable, endorsed the "Fair Housing Improvement Act of 2025". The support from Children's HealthWatch sends a clear signal to policymakers that it has implications for child health. Similarly, endorsement by the Natural Resources Defense Council highlights impacts on climate and the environment, endorsement by Justice in Aging highlights implications for seniors and older adults, and endorsement by the National Network to End Domestic Violence and the National Domestic Violence hotline highlight implications for survivors. Not only does this grab the attention of policymakers, it also provides housers with new inroads to policymakers. Housing advocates often lament that certain elected officials "just don't care about housing." Chances are, though, that policymakers have prioritized an issue in their agenda to which housing is deeply connected. If a policymaker is, for example, primarily concerned with education, then housers can deploy their education partners to help make the case for why better housing policies will improve educational outcomes. When housers are working alongside educators, doctors, anti-hunger advocates, civil rights attorneys, anti-poverty experts, and faith-based leaders, it enables housers to approach policymakers in new ways.

How to Bring Non-Housing Partners to the Table

BE ARMED WITH FACTS AND RESEARCH

Mountains of research demonstrate how housing is connected to other non-housing sectors, but it is often surprising how little of that research is known to these other sectors. For example, education professionals may not be aware of the research showing that low-income children in affordable housing score better on cognitive development tests than those in unaffordable housing, or the research showing that local inclusionary zoning policies have been proven to dramatically improve the performance of low-income students and narrow the achievement gap between them and their more affluent peers. Fact sheets help make the case: provide hard numbers, infographics, and landmark studies showing that success in their own field of work depends on whether people have access to safe, decent, affordable housing. The national campaign's [Fact Sheets \(https://tr.ee/DH09OA\)](https://tr.ee/DH09OA) are a great resource.

STRESS MUTUAL INTERDEPENDENCIES

Once the facts are established, stress to prospective non-housing partners that you need each other to be successful and that their goals are advanced with better housing policies. It is also important to emphasize that you are more likely to be successful if they add their sector's voice to the mix. The goal is to convince prospective non-housing partners that affordable housing is not simply "nice to have," but rather is a "need to have."

DO YOUR HOMEWORK ON THEIR LANGUAGE

Before you even approach potential non-housing partners, study their work in advance, including their websites, goals, videos, reports, and published works. Learn the language with which they speak and then use their own language when explaining the importance of housing. The reality is that each sector has its own unique language and chances are high that you will talk past each other if you use language comfortable among housers.

BE PATIENT AND HAVE FLEXIBLE "ENTRY POINTS"

Multi-sector work is a long game. Most non-housing organizations are unlikely to pivot overnight to housing issues. It takes persistence. Some organizations have been thinking about the intersections of housing for a while and might be primed to align with housing advocacy efforts quickly, but many will be unsure exactly how they want to approach cross-sector work. Therefore, it is important to have flexible "entry points" through which organizations can participate in advocacy efforts. On the campaign's Roundtable, these flexible "entry points" are possible. Participating in the Roundtable does not indicate endorsement of the campaign's policy goals, but rather a general commitment to ongoing dialogue and engagement. If the commitment you are asking for is too big and too fast, then you run the risk of potential multi-sector partners balking. Many want the space and freedom to learn about the campaign, stay updated on its progress, and occasionally engage in advocacy where it makes sense for them. Even though the Roundtable is a lighter commitment, these types of structures enable advocates to get their foot in the door. Subsequently, you can build meaningful relationships and formalize regular communication channels that eventually blossom into something more robust. It is also important to regularly ask multi-sector partners for feedback about your work; after all, people are more likely to support what they help build.

The Challenges of Building Multi-Sector Coalitions

Building multi-sector coalitions is hard work and time consuming. There are certainly inherent challenges, but they can be navigated successfully.

BANDWIDTH OF MULTI-SECTOR PARTNERS

Organizations that do not specialize in housing will have a myriad of other priority issues and limited bandwidth to expand their focus. They may want to participate and be supportive of your housing work but will have limited capacity to advance your priorities while focusing on their own issues. To overcome this, you must be

prepared to shoulder the workload: provide them with the tools and resources in “bite size” pieces, write the first drafts of every call to action, sign-on letter, and fact sheet, and email simple instructions when the time is right to act.

LACK OF A COMMON LANGUAGE

As mentioned earlier, each sector has its own unique language. For example: housers tend to talk about area median income, anti-hunger advocates tend to talk about the federal poverty level, and educators often talk about free/reduced priced lunch. Language barriers can be mitigated through consistent dialogue and by deeply researching other sectors to learn how they speak.

SECTORS ARE NOT MONOLITHIC

When building your multi-sector table, it is never as simple as having one seat for education, one seat for health, one seat for hunger, and so on. Just like there are different “camps” within the housing sector, there are also different “camps” in other sectors. For example, in the education sector, there are organizations that are pro-charter schools and anti-charter schools, and they each tap into different types of advocacy within their respective sector. Sectors are diverse within themselves, and these realities must be considered and discussed from the outset.

LACK OF RELATIONSHIPS ACROSS SILOES

Housing organization staff might not have deep relationships with staff in other sectors. Those in the same sector tend to flock together, which poses a challenge when building cross-sector tables. You may be able to identify a specific organization from another sector that you would like to engage with, but there is often the practical reality of “who do you email first?” This can be time consuming and requires being intentional about building relationships across sectors.

BALANCING THE WEEDS OF HOUSING POLICY

When building multi-sector coalitions, you will be bringing in organizations that do not have expertise in housing policy. Non-housing organizations will not know the nuances of the Low-Income Housing Tax Credit, the Community Development Block Grant, or Housing Choice Vouchers. Yet the whole point of bringing them to the table is to eventually advocate for specific types of housing policy. This poses an inherent challenge: on the one hand, you must make sure that you do not lose them by getting too deep in the weeds about specific housing policies. Yet, as a houser, you know well that whether a particular housing policy is effective depends on the details. The devil is indeed in the details, but your partners from other sectors will not necessarily be equipped to discuss those details with you. You may have some multi-sector partners that are ready and willing to dive deep into the weeds of housing policy, but chances are that many will have neither the bandwidth nor the interest in becoming housing policy experts. An effective multi-sector coalition does not seek to make everyone an expert on housing policy but rather seeks to leverage the respective expertise already in the room. Your multi-sector partners will eventually get to the point where they defer to you as the housing expert and trust your judgment on which housing policies will be most effective. Also, it can be helpful to identify a smaller working group that is reflective of your broader coalition but specializes in day-to-day policy advocacy work, such as identifying prospective legislative champions and coordinating meetings with policymakers.

ADVOCACY AND LOBBYING TIPS FOR COMMUNITIES AND BEYOND

By Brooke Schipporeit, Senior Director of Field Strategy and Innovation, NLIHC

Advocacy: What It Is, Why It Matters

A core principle of democracy is that elected officials and public agencies must be accountable to the people they represent. Correspondingly, the people strengthen democracy by demanding change when governmental systems are not meeting their needs. Voting is one way to demand change (see Voter Engagement Guide). Advocacy is another. People advocate by raising awareness about issues and building public and political support to drive change. Anyone can advocate, including tenants, community members, and nonprofit organizations. You do not need to be a policy expert to be an effective advocate. Successful advocacy often involves the sharing of lived experiences as a direct result of policies. This sharing provides valuable insight that decision makers need to improve policies and systems.

Advocacy can include a variety of activities, such as talking with elected officials, educating the public, using traditional or social media, convening people, and lobbying. Lobbying is a specific type of advocacy that involves taking a position on a particular piece of legislation. While all lobbying is advocacy, not all advocacy is lobbying. Most nonprofit organizations are allowed to lobby if such lobbying supports their mission and meets legal criteria (see Lobbying: Important Legal Considerations for Individuals and 501(c)(3) Organizations).

Building strong relationships is essential in advocacy. With elected officials and their staff, this can mean meeting regularly, inviting them to community events, sharing reports or stories, or touring affordable housing developments. In working with advocates, building relationships can look like one-on-one or

group meetings, sharing information and updates, asking for input on policies and advocacy activities, providing opportunities for action, and celebrating wins. More broadly, regular engagement on social media or through traditional media, attending or hosting community events, posting flyers, and word of mouth are powerful ways to raise awareness among the general public and draw more people into your advocacy work.

Engaging the Community in Grassroots Advocacy

Grassroots advocacy is advocacy led by people directly affected by the policy or issue at hand. People and communities directly affected by policy can become involved in grassroots advocacy by attending community listening sessions, taking trainings in advocacy and organizing, and forming local advocacy strategy groups. See *Organizing to Build Power* to learn more. Engaging communities through creative avenues also is an option. Using art, spoken word, or film screenings can captivate diverse audiences and spark meaningful dialogue.

Make sure your advocacy is accessible to those you aim to reach. Accessibility considerations include, but are not limited to, an event venue's distance from public transit options, the need for language translation services, the provision of food, and more. Digital tools, like social media or online events, can expand your reach, mobilize supporters, and engage younger audiences.

Advocacy Strategies and Tactics

Start by identifying your issue and your goals: What do you want to achieve and why? An issue in advocacy

is a specific, actionable problem (e.g., lack of rental assistance available and long waitlists) within a broader topic (e.g., affordable housing). The goal here may be to fund an expansion of the Housing Choice Voucher program to reach an additional 100,000 households in the next fiscal year. Work with your base, or your core trusted partners, to shape these goals. Once your goals are clear, identify your targets—the people who can make or influence decisions. For federal legislative actions, targets may include your members of Congress, their staff, or relevant committee members. Targets for executive or regulatory actions may include administration officials or those who have influence over them.

Next, plan your strategies and tactics. Decide what your message is and how you will communicate it. Remember, advocacy can take many forms. Meetings with officials or their staff are effective for building relationships and education about relevant issues. Community events like community conversations, film screenings, or rallies can engage supporters and make advocacy more interactive. Other strategies include emails, phone calls, and letters to elected officials and engaging the media to build awareness, support, and momentum.

Advocates can use a time called congressional recess—or in-district work period—to meet with members of Congress without needing to travel to DC. During a congressional recess, members of Congress leave DC to spend time in their home communities, creating a valuable opportunity for their constituents to connect with them directly. Advocates should use recess to invite their members of Congress to community events or host tours of affordable housing programs. Recess is also a good time to organize teach-ins, film screenings, rallies, or town halls to educate the public and show community support for your issues.

Remember, as political climates shift, organizing and advocacy strategies must adapt. Try new approaches or digital tools and always amplify voices from diverse communities as you respond to new challenges and opportunities. More on some of these strategies and tactics is below.

STORYTELLING

Personal stories can make the case for housing solutions more effectively than facts alone when shared through collective values and vision. Effective storytelling as an advocacy tool connects personal experiences to a clear advocacy goal and combines stories with data points.

Core Principles

Core principles for storytelling include agency, respect, and compensation. Directly impacted people should have full control over if, how, and when their personal stories are told. Stories should be told in holistic ways that focus on strengths and honor a person's full humanity, not focusing solely on their trauma or housing status. When funds allow, people asked to share their personal story in a professional or public setting should be offered fair compensation for their time and expertise.

Elements of an Effective Story

Share your own experience with the issue at hand, such as your own journey with homelessness, the impact of stable housing on you or your community, or your work in the community. Help listeners connect to your story by naming the values that guide you. These values may include safety, dignity, opportunity, and family. End your story with what you want the listener to do with what you shared. If the listener is a lawmaker, do you want them to support a specific program? If the listener is a community member, do you want them to join your advocacy group?

Tips and Reminders:

- Keep it focused and simple.
- Be grounded in truth and your own experience.
- Explain the impact of policies on you and your community.
- Don't speak on behalf of a culture or community that is not your own.
- If you are sharing someone else's story, get permission and respect their voice.

Prompts for People with Lived Experiences

- What does “home” mean to you?
- Describe your home and your living conditions. How did that affect your life?
- Has housing instability or have other housing challenges impacted you, your family, job, education, or health?
- Have you received housing assistance? What changed for you after that?
- What makes you proud to live in the place you call home?
- How would more affordable homes or better protections help your community?
- What are your hopes for the future and how does your home fit into that vision?

Prompts for Housing or Service Providers

- What are the biggest housing challenges your clients or community face?
- How do you see federal affordable housing programs making a difference?
- What stories do you hear that highlight the need for stronger investments?
- What is one moment that made you proud of your work?
- How would more housing assistance improve your ability to serve the community?

MEETINGS

Face-to-face virtual or in-person meetings with members of Congress or their staff are a core advocacy tactic. These meetings help start conversations, educate officials, and build relationships. Below are tips for an effective advocacy meeting. For additional information or support, please contact NLIHC’s field team at outreach@nlihc.org.

Getting Started

- Schedule a meeting through your elected official’s office two to four weeks in advance and confirm details 24 hours before. Find your members’ of Congress contact info at <https://nlihc.quorum.us/officials/> or call the U.S. Capitol Switchboard at 202-224-3121. Identify yourself as a constituent, ask to speak with the scheduler, and indicate what you would like to meet about.
- Recruit other stakeholders to join you if possible.
- Schedule the meeting with staff if the official is unavailable. Staff often have more time for discussion and advise the official on decisions.
- Research the official’s interests, past votes, and committee assignments to connect your issue to them where possible. You can find out how a member of Congress has voted on affordable housing legislation at <https://tr.ee/eCu3nC>.
- Prepare talking points in advance and assign who will cover which topics if others are joining.
- Gather materials you may want to share with the office, also known as leave behind materials, such as NLIHC’s state-level data at <https://nlihc.org/housing-needs-by-state>.
- Look up required and restricted items (e.g., identification; large bags or food) for building security if the meeting is in person or be sure you have login info if the meeting is virtual.

During the Meeting

- Arrive early for security and to find the meeting room if in person, or for tech setup if meeting virtually.
- Stick to a 20-30 minute agenda, including introductions, issue overview, key points, proposed solutions, and a clear ask of the official, such as “Will you support increased funding for Housing Choice Vouchers in this year’s budget?”
- Highlight stories, local impact, and data, connecting your message to the official’s interests whenever possible.

- Ask questions of the official or staff member to keep the conversation engaging and take notes.
- Say you will need to get back to them on questions they ask that you cannot answer—this is perfectly fine and an opportunity to keep the conversation going after the meeting.
- Present any leave behind materials.
- Ask to take a picture and thank them for their time.

After the Meeting

- Send a thank-you email or letter and follow up on anything you promised in the meeting.
- Publicly thank the office on social media with the photo you took, if it makes sense for furthering your advocacy efforts.
- Share top takeaways with your network.
- Share about your meeting and any relevant feedback with NLIHC at <https://tr.ee/Dli5sp>.
- Continue engaging the official and their staff for ongoing relationship building and education.

EMAILS

Email is the most common way to communicate with members of Congress and their staff. Keep messages concise, clearly present affordable housing concerns, and reference specific solutions or bills when possible. Email the dedicated housing staffer when possible. Contact NLIHC's Field Team at outreach@nlihc.org for help identifying the right contact. Email templates for key legislation are available on NLIHC's Advocacy Hub at www.nlihc.org/take-action.

PHONE CALLS

Phone calls are effective, especially when multiple constituents call on the same issue within a few days of each other. Coordinate with others if possible and consider using a script for consistent messaging. When you call, ask to speak to the staffer who handles housing issues, identify yourself as a constituent, and reference specific bills if relevant. Calling just before important votes or hearings is particularly impactful.

Contact your members of Congress directly through NLIHC's Advocacy Hub at www.nlihc.org/take-action. On this page, find the legislation you want to act on and click the "contact your members of Congress" button. This takes you to a new page where you fill out your contact info, select email or call, and personalize your message before calling or sending an email. Note that not all legislation has these actions available. You also can locate phone numbers for your members of Congress at <https://nlihc.quorum.us/officials/>, or call the U.S. Capitol Switchboard at 202-224-3121 and an operator will connect you directly with the office you request. Additionally, members of Congress each have their own website that will list the direct phone numbers for each of their offices, including their local offices.

LETTERS

Mailing written letters is a decreasingly effective tool for advocating with members of Congress and other decision makers because of the extensive security screening that delays delivery. However, they can still be used as an advocacy tool for less pressing matters, such as a hand-written thank you card for visiting your community center or other issues not having to do with immediate decisions. For members of Congress, address the letter to the housing staffer to ensure it ends up in the right hands. Use the following standard address blocks when sending letters to Congress:

Senate

The Honorable [full name of official]
ATTN: Housing Staffer
United States Senate
Washington, DC 20510

House of Representatives

The Honorable [full name of official]
ATTN: Housing Staffer
United States House of Representatives
Washington, DC 20515

Additional Ways to Engage Elected Officials

Meetings, emails, calls, and letters are not the only effective ways to engage with officials about issues that concern you. Other ways to advocate include:

INVITATIONS TO YOUR OWN IN-PERSON AND VIRTUAL EVENT

- Invite an official to speak at your annual meeting or conference (in person or virtually).
- Organize a tour of your organization or affordable housing developments and feature people directly impacted sharing their stories and expertise.
- Hold a public event and invite an official to speak (in person or virtually).
- Host a community discussion and invite an official to participate (in person or virtually).

SOCIAL MEDIA AND TRADITIONAL MEDIA

- Tag officials or comment on their social media posts.
- Get media coverage on your issues and forward the coverage to housing staffers of members of Congress. For example:
 - » Organize a tour for a local reporter or set up a press conference on your issue.
 - » Call in to radio talk shows.
 - » Write letters to the editor of your local paper or submit opinion pieces.
 - » Call local newspaper editorial page editors and set up a meeting to discuss the possibility of the papers' support for your issue.

INFLUENTIAL SUPPORTERS

- Elicit the support of potential allies who are influential with officials, like your city council, mayor, local businesses, unions, or religious leaders. Ask them to speak out publicly about the issue and weigh in with your state's congressional delegation.

For More Information

- For information about NLIHC's policy priorities and opportunities to take action, visit NLIHC's Advocacy Hub at <https://nlihc.org/take-action>.
- For state and local data and other resources, visit <https://tr.ee/E3LubB>.
- Contact NLIHC's Field Team at outreach@nlihc.org.

For information on members of Congress and offices of the administration, see Congressional Advocacy and Key Housing Committees and Federal Administrative Advocacy, and find your members of Congress at <https://tr.ee/yNdnZb>.

NATIONAL HoUSed CAMPAIGN

National HoUSed Campaign

By David Gonzalez Rice, Senior Vice President of Public Policy, NLIHC

NLIHC launched the HoUSed campaign in 2021 to advance antiracist policies and achieve the large scale, sustained investments and reforms necessary to ensure families with the lowest incomes have an affordable and accessible place to call home.

In 2026, in the face of escalating assaults on the social safety net, the rule of law, and the rights of low-income families, NLIHC relaunched the HoUSed Campaign to advocate broadly for policy reforms and investments in the areas of FAIRNESS, SUPPORTS, and SUPPLY.

Working alongside congressional champions and national, state, and local partners, the HoUSed Campaign grounds housing policy in equity, democratic accountability, and the lived expertise of people and families most harmed by decades of federal underinvestment, discriminatory housing policies, and social services systems.

The Campaign is organized around three strategies policymakers must pursue with equal attention to meet the full scale and scope of the housing affordability crisis:

- 1) **FAIRNESS: strengthen and enforce civil rights laws in housing, including robust tenant protections,**
- 2) **SUPPORTS: provide income support, rental subsidies, and supportive services so that every low-income family can thrive in a community of their choice,**
- 3) **SUPPLY: incentivize, permit, and finance at scale the preservation and construction of safe, quality housing that is affordable, available, and accessible to people with the lowest incomes.**

Pursued together, these strategies address rising costs, deteriorating housing stock, increasing rates of homelessness, and the histories of segregation and exclusion that defined housing markets of the

past and neighborhoods of today. If federal policy ignores or deemphasizes any of these strategies, it will merely change the shape of the housing affordability crisis without ending it. The HoUSed campaign unites policymakers and advocates whose work in any of these areas moves the country toward a guarantee that every household without exception has a safe, affordable, and accessible home in the community of their choice.

FAIRNESS: Strengthening and Enforcing Civil Rights in Housing

Affordable, accessible housing is fundamental to a decent and just society, but today the power imbalance between landlords and tenants, especially low-income tenants of color, fuels instability, discrimination, and preventable homelessness. In this political moment, when civil rights enforcement is weakened and discriminatory ideologies resurgent, renter protections are indispensable to housing justice.

Congress should enact a **National Tenants' Bill of Rights**, which includes:

- **Just cause eviction protections**, ensuring renters cannot be displaced arbitrarily.
- **A national right to counsel** so that no tenant faces eviction court alone.
- Strong protections against **source of income discrimination**, enabling voucher holders to access quality homes in neighborhoods of their choice.
- **Expanded Fair Housing protections** to include income source, sexual orientation and gender identity, veteran status, marital status, and more.
- Reforms that **protect** immigrants, people exiting the criminal legal system, and other **marginalized communities** who face systemic exclusion from housing.

Renter protections are foundational to equity, civil rights, and the rule of law. Without them, even the strongest federal investments and market activity will fail to reach the people most harmed by structural racism, discrimination, and exclusion.

Congress must restore the promise of the “Fair Housing Act” by requiring HUD to adequately resource the Office of Fair Housing and Equal Opportunity and to release funds for Fair Housing activities in the states. Further, Congress should use its oversight authority to review:

- HUD’s decision to rescind Fair Housing guidance and resources for households with Limited English Proficiency.
- Internal directives to HUD staff in the office of Fair Housing and Equal Opportunity (FHEO) directing them away from complaints and cases believed not to align with the president’s priorities, contrary to the requirements of the law.

SUPPORT: Expanding Rental Assistance and Stabilizing Households

A central driver of today’s housing crisis is the widening chasm between stagnant wages and soaring rents. In 2026, renters in the U.S. must earn, on average, **\$32.11 an hour** to afford a modest two-bedroom apartment, far out of reach for low-wage workers, seniors on fixed incomes, and people with disabilities. Only **6% of U.S. counties** offer even a one-bedroom home affordable to a full-time minimum wage worker.

As rents rise, homelessness rises with them. A Government Accountability Office study found that a \$100 increase in median rent corresponds with a **9% increase in homelessness**. This pattern has intensified since the pandemic and contributed to the **highest homelessness levels on record**.

Today, **ten million extremely low income and very low-income households** pay more than half their incomes toward rent, leaving too little available for food,

medicine, childcare, or transportation. Generations of discrimination in housing and labor markets ensure that the burden falls disproportionately on Black, Latino, and Native households. Black households represent **13% of all U.S. households**, yet **37% of people experiencing homelessness** and more than **half of all homeless families with children**. These inequities are the predictable result of policy choices.

Despite this overwhelming need, **only one in four eligible households receives housing assistance** due to decades of chronic federal underfunding. Families wait years, sometimes decades, for help. Many never receive it and instead fall into homelessness, institutionalization, or incarceration.

Making rental assistance universally available is foundational to any credible national strategy. Research shows rental assistance improves health, educational outcomes, racial equity, and long-term opportunity, but closing the gap also requires **equitable access** to these tools, such as small area Fair Market Rents, simplified applications, aggressive fair housing enforcement, and strengthened civil rights protections, including protections against discrimination based on income source, sexual orientation, gender identity, and family status.

SUPPORT: Emergency Rental Assistance and Housing Stability Services

Tens of millions of households live one crisis away from the kind of economic shock—unexpected medical bills, a car repair, a temporary drop in income—that can trigger eviction, homelessness, or long-term hardship. Most renter households living in poverty already spend more than half their income on housing; they have no margin for error.

Eviction is not simply a symptom of poverty—it is a cause. Black women renters face the highest rates of eviction filings in the country, and families with children are disproportionately targeted. Eviction can derail

employment, destabilize children's education, and create barriers to future housing.

Emergency rental assistance works: \$46 billion in ERA funds, distributed equitably and efficiently, kept millions of renters safely housed, reaching households of color, women-led households, and extremely low-income families. Congress must build on this success by creating a **permanent emergency rental assistance program** and expanding housing stability services, including mediation, counseling, and legal aid.

Congress should enact the bipartisan "**Eviction Crisis Act**," which would establish a national housing stabilization fund to intervene before eviction and homelessness take hold.

Housing-Related Services should be tailored to the various needs of families, but a few categories stand out as especially impactful:

- Housing navigation includes help finding vacant units, negotiating with landlords, managing paperwork, and moving in.
- Housing counseling includes education about one's options, eligibility, and rights as a tenant or prospective homebuyer.
- Services coordination includes identifying and facilitating enrollment in the home and community-based services a family needs to maintain and thrive in their housing.
- Housing stability services include mediation, advocacy, and direct logistical support to prevent homelessness and eviction.

Crucially, the quality and success of housing-related services are limited by the health of the social safety net in which they operate. Cuts to SNAP, healthcare, employment supports, disability services, and even education directly impact housing stability. Service coordinators and case managers in multifamily housing, public housing, and homeless services cannot replace a tattered social safety net. They need to connect their residents with quality community-based services. The HoUsed Campaign highlights this connection and

mobilizes advocacy for the full array of anti-poverty and social safety net programs necessary for our housing-focused services to work properly.

SUPPLY: Building and Preserving Homes Affordable to the Lowest Income People

A key driver of the housing affordability crisis is the **7.3 million home shortage** for renters with the lowest incomes. For every ten of the lowest income renter households, fewer than **four** affordable homes exist, and no state or congressional district has enough supply to meet the need. This shortage is a direct consequence of intentional public policy, from redlining to exclusionary zoning, that has entrenched segregation and racial inequality for generations.

The impacts are stark. Black, Latino, and Native households are far more likely to have extremely low incomes, pay unsustainable shares of their income toward rent, or experience homelessness. Disabled people face additional barriers due to inaccessible housing, insufficient payment standards, and homes located far from essential services. A person relying solely on Supplemental Security Income can afford just **\$283 per month**, while the average cost of a one-bedroom apartment is **\$1,390**.

The private market cannot and will not produce deeply affordable rental homes without federal investment. Congress must:

- **Expand the National Housing Trust Fund to at least \$45 billion annually** to build and preserve deeply affordable, accessible homes targeted to the lowest income renters.
- **Provide at least \$70 billion** to rehabilitate and preserve public housing, reduce health hazards, modernize energy systems, and protect these critical assets for future generations.

- **Tie federal transportation and infrastructure dollars to inclusive zoning and equitable land use reforms** that end exclusionary practices and reverse residential segregation.
- **Ensure states advance equity by** affirmatively furthering fair housing, building the capacity of community-based organizations, including those led by Black, Native, Asian, and Latino leaders, and prioritizing nonprofit and community land trust ownership to protect long-term affordability.

Expanding the supply of deeply affordable housing not only stabilizes extremely low-income families; it reduces pressure throughout the housing market, freeing up units for higher income households and easing upward rent pressures more broadly.

Priority Legislation

NLIHC works closely with congressional champions to advance legislation that reflects the priorities of the HoUSed campaign, including:

- **“Ending Homelessness Act” (H.R. 4232):** Establishes universal rental assistance, bans Source of Income discrimination, expands housing choice, and invests \$5 billion over five years in the Housing Trust Fund.
- **“Family Stability and Opportunity Vouchers Act” (S.1257, H.R.3776):** Provides 250,000 new vouchers and mobility counseling to help families with young children access neighborhoods of opportunity. The bill is also supported by NLIHC’s *Opportunity Starts at Home* campaign.
- **Eviction Crisis Act (S.2182):** Creates a permanent national housing stabilization fund to help renters weather emergency shocks. The bill is also supported by NLIHC’s *Opportunity Starts at Home* campaign.
- **“American Housing and Economic Mobility Act” (S.1368, H.R.2768):** Invests nearly \$45 billion annually in the Housing Trust Fund, expands Fair Housing protections, and supports public housing preservation.
- **“Fair Housing Improvement Act” (S.1267, H.R.2846):** Prohibits discrimination based on source of income and military or veteran status.

A full list of legislation endorsed by the HoUSed Campaign is available online.

What Advocates Should Do

Advocates should urge the administration and Congress to champion the HoUSed Campaign priorities and cosponsor key legislation that restores fair housing protections, establishes renters’ rights, closes the gap between income and rent, provides a functioning social safety net, and ensures adequate supply of affordable housing where people want to live.

For more information and to join the national HoUSed Campaign, visit www.nlihc.org/housed.

WORKING WITH THE MEDIA

*By Jen Butler, Vice President of External Affairs, NLIHC
and Lisa Marlow, Director of Communications, NLIHC*

Media relations is the process of working with the media with the goal of informing the public of an organization's mission, policies, and practices in a positive, consistent, and credible manner. Cultivating and building strong relationships with the media are important to any organization's ability to advocate effectively. To successfully share key messages and campaigns, strategize and consider the communication tactics that will be the most useful in ensuring that the right audience is reached, and meaningful allies are secured. Consistent and comprehensive communication strategies will lead to deeper audience engagement and an increase in media activation.

Campaign Communication Tools

Working on a campaign can be labor-intensive. Advocates may work for months, even years, to develop and implement a campaign. A campaign may involve researching, branding/messaging, sharing, and measuring success. The success of a campaign could be measured by media engagement, social media metrics, and/or member/network participation. Think through the tools needed for a higher likelihood of success before deciding which to use to help share/amplify your campaign. Tease the campaign for people outside of your network, including the media.

MEDIA TOOLKITS

Develop a media toolkit and share it with your partners and stakeholders. A media toolkit compiles top-line information about your campaign into one document and can be used as a quick and handy guide for consistent messaging. Partners can quickly refer to the toolkit for source information. Share your toolkit ahead of the launch of your campaign and provide guidance for its use. A toolkit may include:

- **National & State/Local Talking Points** – Identify between ten and 15 points of interest that can be referenced in a press release and/or in an interview.
- **Frequently Asked Questions** – Review news stories and social media for what people are talking about related to your campaign. Include popular questions and their answers to assist with messaging control.
- **Social Media Suggestions** – Research shows that reporters and stakeholders use social media as a resource for news. Social media is an important communications tool because it is designed to quickly disseminate information and reach wide audiences. Reporters often use the platform “X” (formerly known as Twitter) to identify possible news stories, and stakeholders often use LinkedIn to share company updates. Include five or six sample posts for “X” and Facebook as these are the most popular platforms for reaching audiences relevant to affordable housing issues. Include a hashtag in your samples so that you and others can track discussions about your issue.
- **Images, Graphs, Factsheets, and Infographics** – Posts with images trend at a higher impression and engagement rate than posts without images. Include approximately three images related to your campaign that may involve a “Coming Soon,” “Now Available,” or creative tagline from your campaign. Also, if any graphs or charts are a part of your campaign, include them in the toolkit with a suggestion to circulate on social media. Use factsheets and infographics to help promote snapshots of your message.
- **Testimonies** – Gather quotes from key leaders and influencers about your campaign. Amplifying the voices of those with lived experience is also impactful and compelling. Testimonials from outside your organization or network are preferred. Suggest including a testimonial in a press release or reference one in an interview with the media. This helps to legitimize your campaign as being relevant beyond your network.
- **Press Release and Op-ed Templates** – Include a press release and op-ed sample/template that includes

quotes from key state and organization leaders. Quotes from partnering national organizations could be included as well. Reporters tend to copy and paste press releases, so including quotes will help the reporter write the story and highlight your message. Include no more than three quotes in the press release from three different sources. Op-eds will help mobilize your campaign and garner more attention and reach, utilizing the media publication's platform.

INTERACTIONS WITH THE MEDIA

Interactions with the media often start with a cold call or email to a specific outlet to pitch (sharing relevant key points of your campaign to garner media interest) a story. The first interaction is often quick. Regardless of the type of interaction, reporters usually devote about 30 seconds to listening to or reading a pitch. Therefore, your initial pitch must be pithy, precise, and honest.

Pitches are sometimes made on "X" to generate an organic buzz around a topic. Pitching on "X" is an effective strategy to increase earned media. This strategy circumvents cold calls or relying on one outlet to show interest in covering your campaign. Pitching on "X" gets your message out using a platform that you control.

When pitching a story:

- Pitch the right news hook: think about current events and how they relate to the campaign. Ask the questions:
 - » Why is this story important right now?
 - » What makes the story or the angle unique?
 - » Why should anyone care?
 - » Is this story the first of its kind?
 - » Is the event or development the largest or most comprehensive of its kind?
- Pitch the right person: use tools like **Muck Rack**, or **Google Alerts** to track and identify the right reporter for the right beat.

- Include a Press Release: circulate a press release to all media contacts using tools like email, Muck Rack, or a wire service about one week before the campaign starts but pitch the press release to key reporters prior to the wide release. Connect with a few key reporters that you've fostered relationships with or reporters who have recently covered your campaign topic. Share an embargoed copy of a report or highlight new data/research discussed in your campaign. On the date the press release is widely distributed, circulate it on "X" and tag a few additional key reporters who are active on "X".

GENERAL TIPS FOR SPEAKING WITH THE PRESS

It is important to foster relationships with appropriate media outlets to increase the opportunity for leading the narrative. This may require tracking coverage of your issue on social media and through media hits. Stay aware of a reporter's beat and track reporters who may be new to covering affordable housing. Shift your communication accordingly and respect a reporter's preferred method of communication. If you are interested in fostering a relationship with a reporter, share relevant new research with that reporter ahead of a wide release.

Media relationships are reciprocal and should generate benefits for both parties. Before initiating any relationship, it will be important to determine your overall goal in reaching out to the press and to identify your key messages around ending homelessness and increasing housing affordability. Gather background on your key press contacts to determine if they are the right press contacts for your campaign. Determine if they are currently on the housing beat and if they work for traditional newspapers, online media, television, or radio. If you encounter difficulty generating national press, utilize your local press to generate interest on a national level.

Once you've successfully managed to schedule a phone or in-person interview with a member of the media, be prepared with talking points, citations, and testimonials. Other tips for an interview are:

- Review your main points before the interview: decide on two to three key messages to convey.
- Remember that everything is on the record.
- Steer reporters toward the big picture: this is a systemic problem.
- Learn to pivot.
- Connect local issues to national problems.
 - » Share affordable housing challenges specific to your community,
 - » Share examples of what life is like for extremely low-income renters in your state, or
 - » Use data to emphasize the importance of state or local housing initiatives and funding.
- Make your points brief and simple and avoid jargon.
- It's ok to say, "I don't know."
- Always end the interview by repeating your key messages or the one key takeaway.

For More Information

The OpEd Project: <https://www.theopedproject.org/>.

PR Tools To Boost And Monitor Media Attention:
<https://bit.ly/40nV4dS>.

Jennifer R. Farmer, *The PR Whisperer*: <https://www.jenniferrfarmer.org/resource/>

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

CHAPTER 3

NATIONAL HOUSING TRUST

THE NATIONAL HOUSING TRUST FUND

By Libby O'Neill, Senior Policy Analyst, NLIHC

Administering Agency: HUD's Office of Affordable Housing Programs within the Office of Community Planning and Development.

History: The trust fund was enacted by the "Housing and Economic Recovery Act of 2008" on July 30, 2008, and was implemented in May, 2016.

Population Targeted: Extremely low-income (ELI) renters, those with income equal to or less than 30% of the area median income (AMI), or equal to or less than the federal poverty line.

Funding: In calendar year 2025, \$223 million was available, an increase from 2024, when \$214 million was available, but down from previous recent years: \$382 million in 2023, \$740 million in 2022, and \$690 million in 2021.

See Also: The National Housing Trust Fund: Funding section of this *Advocates' Guide*.

The national Housing Trust Fund (HTF) was established as a provision of the "Housing and Economic Recovery Act of 2008," which was signed into law by President George W. Bush on July 30, 2008. The primary purpose of the HTF is to close the gap between the number of extremely low-income renter households and the number of homes renting at prices they can afford. NLIHC interprets the statute as requiring at least 90% of the funds to be used to build, rehabilitate, preserve, or operate rental housing (HUD guidance sets the minimum at 80%). In addition, at least 75% of the funds used for rental housing must benefit extremely low-income households. When there is less than \$1 billion made available for the HTF in a fiscal year, a state must use 100% of its HTF annual allocation for the benefit of ELI households.

In the years since enactment of the HTF, the shortage of rental housing that the lowest-income people can afford has remained at around seven million units. [In 2025 that gap was 7.1 million units.](#) The HTF offers the means to prevent and end homelessness if funded at the level advocated by NLIHC.

History and Administration

The HTF was created on July 30, 2008 when the president signed into law the "Housing and Economic Recovery Act of 2008" (HERA), Public Law 110-289, 12 U.S.C 4588. The statute specified an initial dedicated source of revenue to come from an assessment of 4.2 basis points (0.042%) on the new business (this is unrelated to profits) of Fannie Mae and Freddie Mac (the Government-Sponsored Enterprises "GSEs"). Although NLIHC led the National Housing Trust Fund Campaign from 2000 on, promoting the creation of a national HTF using the assessment on the GSEs, ultimately the HTF was to receive only 65% of the assessment, while the unaffiliated and newly minted Capital Magnet Fund (CMF) was to receive 35%. Due to the financial crisis in September of 2008, Fannie Mae and Freddie Mac were placed into a conservatorship overseen by the Federal Housing Finance Agency (FHFA), which placed a temporary suspension on any assessments for the HTF and CMF.

On December 11, 2014, the new FHFA Director Mel Watt lifted the temporary suspension of Fannie Mae and Freddie Mac assessments for the HTF and CMF, directing the GSEs to begin setting aside the required 4.2 basis points on January 1, 2015. Sixty days after the close of calendar year 2015, the amounts set aside were to be transferred to HUD for the HTF and to the Department of the Treasury for the CMF.

On April 4, 2016, HUD announced that there was nearly \$174 million for the HTF in calendar year 2016. On May 5, 2016, HUD published a notice in the *Federal Register* indicating how much HTF money each state and the District of Columbia would receive in 2016. The amounts available in subsequent years were \$219 million (2017), \$267 million (2018), \$248 million (2019), \$323 million (2020), \$690 million (2021), \$740 million (2022), \$382 million for 2023, \$214 million for 2024, and \$223 million for 2025.

HUD published proposed regulations to implement the HTF on October 29, 2010. NLIHC and others provided extensive comments on how the proposed regulations

could be improved. On January 30, 2015, an [HTF Interim Rule](https://www.govinfo.gov/content/pkg/FR-2015-01-30/pdf/2015-01642.pdf) (<https://www.govinfo.gov/content/pkg/FR-2015-01-30/pdf/2015-01642.pdf>) was published in the *Federal Register*. HUD explained that after states gained experience implementing the HTF, HUD would open the Interim Rule for public comment and possibly amend the rule. HUD published a [notice in the Federal Register](https://www.govinfo.gov/content/pkg/FR-2021-04-26/pdf/2021-08529.pdf) (<https://www.govinfo.gov/content/pkg/FR-2021-04-26/pdf/2021-08529.pdf>) on April 26, 2021, inviting public comment about the HTF Interim Rule. [NLIHC's comment letter](https://nlihc.org/sites/default/files/NLIHC-Comment-Letter-HTF-June-25-2021.pdf) (<https://nlihc.org/sites/default/files/NLIHC-Comment-Letter-HTF-June-25-2021.pdf>) supported some features of the interim HTF regulations while urging key improvements. According to communication from HUD staff to NLIHC staff, a final rule is not anticipated in 2025.

The HTF is administered by HUD's Office of Affordable Housing Programs (OAHP) within the Office of Community Planning and Development (CPD). The interim HTF regulations are at [24 CFR part 93](https://tr.ee/33jAVO) (<https://tr.ee/33jAVO>). Where the HTF statute did not require specific provisions, HUD modeled the HTF Interim Rule on the Home Investment Partnerships Program (HOME) regulations.

NLIHC began publishing reports on the HTF in 2017, as states began to draft their allocation plans. Once states began completed projects funded with HTF, NLIHC started publishing reports of completed projects based on the HTF funding year. All of these reports are available on [NLIHC's HTF webpage](https://nlihc.org/explore-issues/projects-campaigns/national-housing-trust-fund) (<https://nlihc.org/explore-issues/projects-campaigns/national-housing-trust-fund>) under "[HTF Resources from NLIHC](https://tr.ee/3UceMg) (<https://tr.ee/3UceMg>):"

- [Housing the Lowest Income People: An Analysis of National Housing Trust Fund Draft Allocations Plans](https://nlihc.org/sites/default/files/NHTF_Allocation-Report_2017.pdf), February 2017 (https://nlihc.org/sites/default/files/NHTF_Allocation-Report_2017.pdf)
- [Getting Started: First Homes Being Built with National Housing Trust Fund Awards](https://nlihc.org/sites/default/files/NHTF_Getting-Started_2018.pdf), September 2018 (https://nlihc.org/sites/default/files/NHTF_Getting-Started_2018.pdf)
- [Supplemental Update to Getting Started](https://nlihc.org/sites/default/files/Updated-Supplement-Getting-Started.pdf) (<https://nlihc.org/sites/default/files/Updated-Supplement-Getting-Started.pdf>)

- [The National Housing Trust Fund: An Overview of 2017 State Projects](https://nlihc.org/sites/default/files/2022-09/nhtf-overview-2017-state-projects.pdf), September 2022 (<https://nlihc.org/sites/default/files/2022-09/nhtf-overview-2017-state-projects.pdf>)
- [The National Housing Trust Fund: A Summary of 2018 State Projects](https://tr.ee/D8wGx6), October 2022 (<https://tr.ee/D8wGx6>)
- [The National Housing Trust Fund: A Summary of 2019 State Projects](https://nlihc.org/sites/default/files/NHTF-Summary2019StateProjects.pdf), January 2025 (<https://nlihc.org/sites/default/files/NHTF-Summary2019StateProjects.pdf>)

Program Summary

The HTF is responsible for the production, rehabilitation, preservation, and operation of rental housing for extremely low-income households (ELI), those with income equal to or less than 30% of the area median income (AMI) or with income equal to or less than the federal poverty line, whichever is greater. It is funded with dedicated sources of revenue on the mandatory side of the federal budget and thus does not compete with existing HUD programs funded by appropriations on the discretionary side of the federal budget.

The HTF is a block grant to states. The funds are distributed by formula to states based on four factors that only consider renter household needs. Seventy-five percent of the value of the formula goes to the two factors that reflect the needs of ELI renters because the HTF statute requires the formula to give priority to ELI renters. The other two factors concern the renter needs of very low-income (VLI) households, those with income between 31% and 50% of AMI.

A state entity administers each state's HTF program and awards HTF to other entities to create or preserve affordable housing. The state designated entity (sometimes referred to as the SDE) might be the state housing finance agency (HFA), a state department of housing or community development, or a Tribally designated housing entity. HUD's list of designated entities and their HTF point of contact is available at <https://www.hudexchange.info/programs/htf/grantees>. NLIHC also attempts to keep the key staff of state designated entities up to date at <https://nlihc.org/explore-issues/projects-campaigns/national-housing-trust-fund/allocations> (scroll down to select a state).

Key Program Details

FUNDING

As a result of the decision by FHFA to lift the suspension on Fannie Mae's and Freddie Mac's obligations to fund the HTF and the CMF, the first funds for the HTF became available for distribution to the states in summer 2016. The amount of funding was determined by the volume of the business conducted by Fannie and Freddie in calendar year 2015, which yielded nearly \$174 million for the HTF for 2016. Based on their total business for 2017, 4.2 basis points provided \$219 million for the HTF in 2017, \$267 million in 2018, \$248 million in 2019, \$323 in million in 2020, \$690 million for 2021, \$740 million for 2022, \$382 for 2023, \$214 million for 2024, and \$223 million for 2025. Due to the Federal Reserve's efforts to tamp inflation between 2022 and 2024 by raising interest rates, fewer homebuyers took out new mortgages or sought to refinance existing mortgages, resulting in the reduction in funds available for the HTF in 2023, 2024, and 2025.

TARGETED TO RENTAL HOUSING

The overview section of the Interim Rule declares that the HTF program will provide grants to states to increase and preserve the supply of housing with primary attention to rental housing for ELI and VLI households. ELI is defined as income equal to or less than 30% of the area median income (AMI) or income equal to or less than the federal poverty line. VLI is generally defined as income between 31% and 50% AMI; the HTF statute adds that for rural areas VLI may also be income less than the federal poverty line. The statute limits the amount of HTF used for homeownership activities to 10%, inferring that at least 90% of a state's annual HTF allocation must be used for rental housing activities. However, the preamble to the Interim Rule interprets the law differently, asserting that only 80% must be used for rental activities.

INCOME TARGETING

The HTF statute requires that at least 75% of each grant to a state be used for rental housing that benefits ELI households, and that no more than 25% may be used to

benefit VLI renter households. For homeowner activities, the statute requires that all assisted homeowners have income equal to or less than 50% of AMI. When there is less than \$1 billion for the HTF in an allocation year, the rule requires that 100% of a state's allocation benefit ELI households.

HTF DISTRIBUTION FORMULA

To distribute HTF dollars, the statute established a formula based on the number of ELI and VLI households with severe rent cost burden (households paying more than half of their income for rent and utilities), as well as the shortage of rental properties affordable and available to ELI and VLI households, with priority for ELI households. The minimum HTF allocation a state (or the District of Columbia) can receive is \$3 million. On December 4, 2009, HUD issued a proposed rule, endorsed by NLIHC, describing the factors to be used in the formula.

Responding to the statute's requirement that the formula give priority to ELI households, HUD's Interim Rule formula assigns 75% of the formula's weight to the two ELI factors. The Interim Rule adds a provision for instances in which there are not sufficient funds in the HTF to allocate at least \$3 million to each state and the District of Columbia; in such a case, HUD will propose an alternative distribution and publish it for comment in the *Federal Register*.

NLIHC has estimated state allocations if the HTF ever reaches \$5 billion, available at https://nlihc.org/sites/default/files/NHTF_State_Allocations_5bill.pdf.

STATE DISTRIBUTION OF HTF MONEY

The statute requires states to designate an entity, such as a housing finance agency, housing and community development entity, Tribally designated housing entity, or any other instrumentality of the state, to receive HTF dollars and administer an HTF program. Each state must distribute its HTF dollars throughout the state according to the state's assessment of priority housing needs as identified in its approved Consolidated Plan (ConPlan). HUD's list of designated entities is available at <https://www.hudexchange.info/programs/htf/grantees> and from NLIHC at <https://nlihc.org/explore->

[issues/projects-campaigns/national-housing-trust-fund/allocations](#) (scroll down to [Select a State](#)). See the Consolidated Planning Process section in Chapter 8 of this *Advocates' Guide*.

ALLOCATION PLANS

The HTF statute requires each state to prepare an Allocation Plan every year showing how it will distribute the funds based on priority housing needs. The Interim Rule amended the ConPlan regulations by adding HTF-specific Allocation Plan requirements to the ConPlan's Annual Action Plan rule.

The Interim Rule gives states the option of passing funds to local governments or other state agencies as "subgrantees" to administer a portion or all of a state's HTF program and in turn provide funds to "recipients" to carry out projects. If a local subgrantee is to administer HTF dollars, then it too must have a local ConPlan containing a local HTF Allocation Plan that is consistent with the state's HTF requirements. Due to the limited amount of funds in the HTF so far, only Alaska and Hawai'i opted to use subgrantees.

A "recipient" is an agency or organization (nonprofit or for-profit) that receives HTF dollars from a state grantee or local subgrantee to carry out an HTF-assisted project as an owner or developer. To be eligible, a recipient must meet four requirements:

- Have the capacity to own, construct or rehabilitate, and manage and operate an affordable multifamily rental development; or construct or rehabilitate homeownership housing; or provide down payment, closing cost, or interest rate buy-down assistance for homeowners.
- Have the financial capacity and ability to undertake and manage the project.
- Demonstrate familiarity with requirements of federal, state, or local housing programs that will be used in conjunction with HTF money.
- Assure the state that it will comply with all program requirements.

A state's or subgrantee's Allocation Plan must describe the application requirements for recipients, and the criteria that will be used to select applications for funding. The statute requires Allocation Plans to give priority in awarding HTF money to applications based on six factors listed in the statute, including:

- The extent to which rents are affordable, especially for ELI households.
- The length of time rents will remain affordable.
- The project's merit. The Interim Rule gives examples: housing that serves people with special needs, housing accessible to transit or employment centers, and housing that includes green building and sustainable development elements.

PUBLIC PARTICIPATION

The statute requires public participation in the development of the HTF Allocation Plan. However, the Interim Rule does not explicitly declare that in order to receive HTF money, states and subgrantees must develop their Allocation Plans using the ConPlan public participation rules. The Interim Rule merely requires states to submit an HTF Allocation Plan following the ConPlan rule, which does have public participation requirements. See the *Consolidated Planning Process* section in Chapter 8 of this *Advocates' Guide*.

PERIOD OF AFFORDABILITY

The statute does not prescribe how long HTF-assisted units must remain affordable. The Interim Rule requires rental units to be affordable for at least 30 years, allowing states and any subgrantees to have longer affordability periods. The 30-year affordability period reflects HUD's prediction that the HTF will be used in conjunction with Low Income Housing Tax Credit (LIHTC) equity. The HTF campaign recommended a 50-year affordability period.

According to their HTF Allocation Plans or RFPs/NOFAs, five states required a longer "affordability period": California (55 years, or 50 years if a project is on Native American lands), Maine (45 years), Maryland (40 years), and Washington (40 years, down from 50 years in the recent past). Pennsylvania underwrites applications for

35 years. Florida requires HTF-assisted units to still be “affordable” at 60% AMI for an additional 20 years after the HTF-required 30-year minimum.

While Vermont requires all of its assisted projects (not just HTF projects) to remain “affordable” in perpetuity, after an HTF project’s first 30 years, the owner can choose to revert to “less restrictive income and rent levels.” Sixteen states either award competitive points or give priority to projects with longer affordability periods.

MAXIMUM RENT

NLIHC recommended that the regulations adopt the Brooke rule so that ELI households would not pay more than 30% of their income for rent and utilities. However, the Interim Rule sets a fixed maximum rent, including utilities, at 30% of 30% AMI, or 30% of the federal poverty level, *whichever is greater*. Consequently, households earning substantially less than 30% of AMI will almost certainly pay more than 30% of their income for rent, unless additional subsidies are available. HUD acknowledged in the preamble to the proposed rule that some tenants will be rent burdened, but that a fixed rent is necessary for financial underwriting purposes.

NLIHC urges advocates to convince their states to have their Allocation Plans require HTF-assisted units have maximum rent set at “the *lesser of*” 30% of 30% AMI or 30% of the poverty line. Wherever the federal poverty guideline is higher than 30% of AMI, renters with household income at 30% of AMI will be cost-burdened by the maximum rent. Households with income around 20% of AMI (approximately the income of households with Supplemental Security Income, SSI) will almost always be severely cost burdened, paying more than 50% of their income.

In 2016, NLIHC alerted HUD to the fact that in 92% of the counties in the nation, 30% of the poverty line was greater than 30% of 30% AMI. Advocates can find the 2016 values for their states and counties at <https://tr.ee/jlT0Bx>.

In 2021, NLIHC took another look at this problem and found that maximum rents are set at 30% of the federal poverty guideline in the vast majority of all HUD Fair Market Rent (FMR) areas for apartments larger than

one bedroom: 87.7% for two-bedroom units, 94.8% for three-bedroom units, and 96.7% for four-bedroom units. Even 49.6% of FMR areas used the federal poverty guideline for one-bedroom units. Maximum rents based on the federal poverty guideline are even more common in non-metro FMR areas than in metro FMR areas. Absent rental assistance, households at 30% AMI renting units with at least two bedrooms will be cost-burdened by maximum HTF rents in most HUD FMR areas.

This is particularly concerning given that the 30% standard of affordability already overestimates what poorer and larger households can afford in terms of housing costs. Using the federal poverty guideline disproportionately impacts larger, poorer households who already have greater difficulty affording rents limited to 30% of their income. The negative impacts, moreover, are most apparent in the poorest communities where the federal poverty guideline is much higher than 30% of AMI. NLIHC included this analysis in response to HUD’s April 26, 2021 request for comments regarding the interim regulation. NLIHC also urged HUD to change the rent HTF-assisted tenants pay to *the lesser of* 30% of AMI or 30% of the poverty guideline in order to minimize tenants paying more than 30% or even 50% of their income for rent.

Although NLIHC is concerned about HTF-assisted households experiencing rent cost burdens, NLIHC also recognizes that underwriting developments with variable Brooke rents (households paying 30% of their actual, adjusted income) can be very difficult. One possible approach to avoid or minimize factors causing HTF-assisted households to be cost-burdened is to give priority to HTF projects that have a mix of units with fixed rents set at 30% of 30% AMI, 30% of 20% AMI, 30% of 15% AMI, and 30% of 10% AMI.

A volunteer Developer Advisory Group prepared two papers addressing [Funding Strategies for Developing and Operating ELI Housing](#) and [HTF Operating Assistance Options and Considerations](#).

TENANT PROTECTIONS AND SELECTION

According to the HTF statute, activities must comply with laws relating to tenant protections and tenants' rights to participate in the decision making regarding their homes. The Interim Rule does not address tenants' rights to participate in decision making. However, the Interim Rule provides numerous tenant protections, including:

- Owners of HTF-assisted projects may not reject applicants who have vouchers or are using HOME tenant-based rental assistance (TBRA).
- There must be a lease, generally for one year.
- Owners may only terminate tenancy or refuse to renew a lease for good cause.
- Owners must have and follow certain tenant selection policies. Tenants must be selected from a written waiting list, in chronological order, if practical.
- Eligibility may be limited to or preference may be given to people with disabilities if:
 - » The housing also receives funding from federal programs that limit eligibility; or
 - » The disability significantly interferes with the disabled person's ability to obtain and keep housing, the disabled person could not obtain or remain in the housing without appropriate supportive services, and the services cannot be provided in non-segregated settings.

The Consortium for Citizens with Disabilities has been trying to convince HUD that these preference provisions might cause states to misinterpret the rule to mean that they can only do single-site permanent supportive housing, not integrated supportive housing.

HOMEOWNER PROVISIONS

As provided by the statute, up to 10% of HTF money may be used to produce, rehabilitate, or preserve homeowner housing. HTF money may also be used to provide assistance with down payments, closing costs, or interest rate buy-downs. As required by the statute, homes must be bought by first-time homebuyers with income equal to or less than 50% of AMI who have had

HUD-certified counseling, and the home must be their principal residence. The affordability period is generally 30 years (see exception below). To date, no state has used HTF for homeowner activities.

Although not in the statute, the Interim Rule requires the assisted housing to meet the HOME program definition of single-family housing, which includes one- to four-unit residences, condominiums and cooperatives, manufactured homes and lots, or manufactured home lots only. Following the statute and echoing the HOME regulations, the value of an assisted home must not exceed 95% of the median purchase price for the area.

As required by the statute, the Interim Rule's homeowner resale provisions echo the HOME regulations. If a homeowner unit is sold during the affordability period, the state or subgrantee must ensure that the housing will remain affordable to a reasonable range of income-eligible homebuyers (as defined by the state or subgrantee). The sale price must provide the original owner a fair return, defined as the owner's original investment plus capital improvements. The Interim Rule added a recapture alternative for states and subgrantees to use instead of a resale provision. The purpose of a recapture option is to ensure that a state or subgrantee can recoup some or all of its HTF investment. It modifies the affordability period based on the amount of the HTF assistance: 30 years if more than \$50,000, 20 years if between \$30,000 and \$50,000, and 10 years if less than \$30,000.

LEASE-PURCHASE

Mirroring the HOME regulations, the Interim Rule allows HTF money to help a homebuyer through a lease-purchase arrangement, as long as the home is purchased within 36 months. Also, HTF dollars may be used to buy an existing home with the intent to resell to a homebuyer through lease-purchase; if the unit is not sold within 42 months, HTF rent affordability provisions apply.

GENERAL ELIGIBLE ACTIVITIES

The Interim Rule echoes the statute by providing a basic list of eligible activities such as the production, rehabilitation, and preservation of affordable rental

homes and homes for first-time homebuyers through new construction, reconstruction, rehabilitation, or acquisition. No more than 10% of a state's annual allocation may be used for homeownership. HTF-assisted units may be in a project that also contains non-HTF-assisted units. Assistance may be in the form of equity investments, loans (including no-interest loans and deferred payment loans), grants, etc. The Interim Rule limits HTF assistance to permanent housing (use of HTF for transitional housing or emergency shelter is not allowed).

MANUFACTURED HOUSING

The Interim Rule allows HTF money to be used to buy or rehabilitate manufactured homes or to purchase the land on which a manufactured home sits. The home must, at the time of project completion, be on land that is owned by the homeowner or on land for which the homeowner has a lease for a period that is equal to or greater than the affordability period.

TIMEFRAME FOR DEMOLITION OR FOR ACQUISITION OF VACANT LAND

Use of HTF money for demolition or for acquiring vacant land is limited to projects for which construction of affordable housing can reasonably be expected to start within one year.

ELIGIBLE PROJECT COSTS

Eligible project costs include property acquisition, relocation payments, development hard costs such as construction, soft costs associated with financing and development, and refinancing existing debt on rental property if HTF is also used for rehabilitation. Operating costs are also eligible project costs.

Development Hard Costs

Development hard costs are the actual costs of construction or rehabilitation, including demolition, utility connections, and site improvements such as onsite roads, sewers, and water connections.

Related Soft Costs

Mirroring the HOME regulations, soft costs associated with financing and/or development include: architectural and engineering services, origination fees and credit reports, builder's or developer's fees, audits, affirmative marketing and fair housing information to prospective occupants, initial operating deficit reserves to meet any shortfall in project income during the first 18 months of project rent-up, staff and overhead of the state or subgrantee directly related to carrying out the project (such as work specs, inspections, loan processing), impact fees, and costs to meet environmental and historic preservation requirements.

Loan Repayments

HTF may be used to pay for principal and interest on construction loans, bridge financing, a guaranteed loan, and others.

Operating Costs and Operating Cost Assistance Reserve

According to the statute, HTF dollars may be used to meet operating costs at HTF-assisted rental housing. The Interim Rule allows HTF resources to be used to provide operating cost assistance and to establish an operating cost assistance reserve for rental housing acquired, rehabilitated, preserved, or newly constructed with HTF money. The Interim Rule strictly defines operating costs as insurance, utilities, real property taxes, maintenance, and scheduled payments to a reserve for replacement of major systems (for example, roof, heating and cooling, and elevators). The purpose of an operating cost assistance reserve is to cover inadequate rent income to ensure a project's long-term financial feasibility.

The Interim Rule caps at one-third of the amount of a state's annual HTF allocation, the amount of HTF that may be used for operating cost assistance and for contributing to an operating cost assistance reserve. The preamble to the rule explains that HUD established the cap because it views the HTF as primarily a production program meant to add units to the supply of affordable housing for ELI and VLI households. HUD assumes that the HTF will be used in combination with other sources to produce and preserve units, mostly in mixed-income projects.

The preamble indicates that states have discretion in how to allocate operating cost assistance. For example, states may decide to limit each development to the one-third cap, or to raise the cap for developments that need more operating cost assistance while lowering the cap for those that do not need as much, as long as no more than one-third of a state's annual HTF allocation is used for operating cost assistance and reserves.

States and subgrantees may provide operating cost assistance to a project for a multiyear period from the same fiscal year HTF grant as long as the funds are spent within five years. An operating cost assistance agreement between a state or subgrantee and a property owner may be renewed throughout the affordability period.

For non-appropriated sources, such as the proceeds from the 4.2 basis point assessments on Fannie Mae and Freddie Mac as called for in the HTF statute, the Interim Rule provides that an operating cost assistance reserve may be funded upfront for HTF-assisted units for the amount estimated to be needed to ensure a project's financial feasibility for the entire affordability period. If this amount exceeds the one-third operating cost assistance cap, it could be funded in phases from future non-appropriated HTF grants. This provision can be very helpful for developers of rental homes at rents that ELI households can afford.

Some general thoughts about using the HTF for operating cost assistance were prepared by NLIHC's volunteer Developer Advisory Group, [HTF Operating Assistance Options and Considerations](https://tr.ee/Zp8Tut) (<https://tr.ee/Zp8Tut>).

Several states wanted to use HTF for operating assistance in 2016 but found that the Interim Rule's limited definition of operating costs rendered the option financially infeasible. These states noted that the Interim Rule's definition did not include components typically considered to be part of operating cost by the development industry, such as property management and personnel costs associated with maintenance. When brought to HUD's attention, HUD indicated a willingness to consider waivers in the future, as well as to modify the rule in its final stage. In response to HUD's April 26, 2021 request for comment regarding the Interim Rule, [NLIHC's](#)

[comment letter](https://nlihc.org/sites/default/files/NLIHC-Comment-Letter-HTF-June-25-2021.pdf) (<https://nlihc.org/sites/default/files/NLIHC-Comment-Letter-HTF-June-25-2021.pdf>) urged HUD to expand the allowable components eligible under the definition of operating costs.

In 2017 Oklahoma awarded HTF funds to one project to fund an operating cost reserve and did so again for two projects in 2019. Since 2018, California has made a number of such awards. As the HTF grows, other states are likely to also use some portion of their annual HTF allocation to fund a project's operating cost reserve.

Administration and Planning Costs

The statute limits the amount of HTF dollars that may be used for general administration and planning to 10% of each state's annual grant. The Interim Rule adds that 10% of any program income (for example, proceeds from the repayment of HTF loans) may also be used for administration and planning. The Interim Rule also provides that subgrantees may use HTF for administration and planning, but subgrantee use counts toward the state's 10% cap.

General Management, Oversight, and Coordination Costs

HTF may be used for a state's or subgrantee's costs of overall HTF program management, coordination, and monitoring. Examples include staff salaries and related costs necessary to ensure compliance with the regulations and to prepare reports to HUD. Other eligible costs include equipment, office rental, and third-party services such as accounting.

Project-Specific Administration Costs

The staff and overhead expenses of a state or subgrantee directly related to carrying out development projects may also be eligible administration and planning costs. Examples include loan processing, work specs, inspections, housing counseling, and relocation services. As with HOME, staff and overhead costs directly related to carrying out projects (as distinct from the HTF program in general) may instead be charged as project-related soft costs or relocation costs and therefore not be subject to the 10% cap. However, housing counseling must be counted as an administration cost as per the statute.

Other Administration and Planning Costs

- Costs of providing information to residents and community organizations participating in the planning, implementation, or assessment of HTF projects.
- Costs of activities to affirmatively further fair housing.
- Costs of preparing the ConPlan, including hearings and publication costs.
- Costs of complying with other federal requirements regarding non-discrimination, affirmative marketing, lead-based paint, displacement and relocation, conflict of interest, and fund accountability.

PUBLIC HOUSING

In general, the Interim Regulation prohibits the use of HTF to rehabilitate or construct new public housing. HTF-assisted housing is also ineligible to receive public housing operating assistance during the period of affordability. The Interim Rule does allow a project to contain both HTF-assisted units and public housing units.

The Interim Rule allows HTF use for two categories of public housing:

- HTF resources may be used to rehabilitate existing public housing units that are converted under the Rental Assistance Demonstration (RAD) to project-based rental assistance. Currently, up to 455,000 public housing units may be converted under RAD, however there are legislative efforts to increase or remove this unit cap. For more about RAD, see the Rental Assistance Demonstration article in Chapter 4 of this *Advocates' Guide*.
- HTF resources may be used to rehabilitate or build new public housing as part of the Choice Neighborhoods Initiative (CNI) and to rehabilitate or build new public housing units that will receive LIHTC assistance. Public housing units constructed with HTF must replace public housing units removed as part of a CNI grant or as part of a mixed-finance development under Section 35 of the "Housing Act of 1937." The number of replacement units cannot be more than the number of units removed. Public housing units constructed or rehabilitated with HTF must receive Public Housing Operating Fund assistance and may receive Public Housing Capital Fund assistance.

NLIHC is extremely concerned about these provisions regarding public housing because using HTF to rehabilitate or build new public housing units to replace demolished units will not increase housing opportunities for ELI households. RAD projects are generally multi-million dollar endeavors (in the range of \$20 million to \$35 million), relying heavily on the LIHTC and other sources such as conventional mortgages. Scarce HTF funds should not be diverted for these very large-scale conversions. In addition, extensive use of HTF for RAD could result in an overall loss of resources for housing if Congress chooses to reduce appropriated resources for public housing due to the availability of HTF resources.

INELIGIBLE ACTIVITIES

Although not in the statute, the Interim Rule prohibits the use of HTF money for a project previously assisted with HTF during the period of affordability, except for the first year after completion. Fees for administering the HTF program are not eligible uses (e.g., servicing or origination fees). However, annual fees may be charged to owners of HTF-assisted rental projects to cover a state's or subgrantee's cost of monitoring compliance with income and rent restrictions during the affordability period. The statute expressly prohibits use of HTF dollars for "political activities, lobbying, counseling, traveling, or endorsements of a particular candidate or party."

HTF Must be Committed Within Two Years

As required by the statute, the Interim Rule requires HTF dollars to be committed within 24 months, or HUD will reduce or recapture uncommitted HTF dollars. "Committed" is defined in the Interim Rule as the state or subgrantee having a legally binding agreement with a recipient owner or developer for a specific local project that can reasonably be expected to begin rehabilitation or construction within 12 months. If HTF is used to acquire standard housing for rent or for homeownership, commitment means the property title will be transferred to a recipient or family within six months. The Interim Rule adds that HTF money must be spent within five years. Notice CPD 18-12 provided guidance to grantees about the commitment and expenditure requirements and explains how HUD

determines compliance. In recent appropriations acts, Congress has suspended the two-year commitment provision for HOME; NLIHC continues to advocate for suspension of the two-year commitment requirement for HTF.

PUBLIC ACCOUNTABILITY

The statute requires each state to submit an annual report to HUD describing activities assisted that year with HTF dollars and demonstrating that the state complied with its annual Allocation Plan. This report must be available to the public. The Interim Rule requires jurisdictions receiving HTF dollars to submit a performance report according to the ConPlan regulations. The HTF performance report must describe a jurisdiction's HTF program accomplishments and the extent to which the jurisdiction complied with its approved HTF Allocation Plan and all the requirements of the HTF rule.

The Interim Rule presents numerous data collection obligations, including actions taken to comply with Section 3 hiring and contracting goals, and the extent to which each racial and ethnic group, as well as single heads of households, have applied for, participated in, or benefitted from the HTF.

HUD has been posting [HTF National Production Reports](https://www.hudexchange.info/programs/htf/htf-national-production-reports/) (<https://www.hudexchange.info/programs/htf/htf-national-production-reports/>) each month showing fairly detailed information. Advocates might be interested in units by: number of bedrooms (page 3), race and ethnicity (page 4), median income, type of rental assistance, and size of household (page 5), and on page 6 the type of household and other unit characteristics (e.g., targeted to special needs populations).

In general, records must be kept for five years after project completion. Records regarding individual tenant income verifications, project rents, and project inspections must be kept for the most recent five-year period until five years after the affordability period ends. Similar language applies to homeowner activities. Regarding displacement, records must be kept for five years after all people displaced have received final compensation payments. The public must have access to the records subject to state and local privacy laws.

Influencing How the National Housing Trust Fund is Used in Your State

Advocates are urged to be actively engaged in HTF implementation at the state level, and perhaps also at the local level.

THE HTF ALLOCATION PLAN

The law requires states to prepare an Allocation Plan every year showing how the state will allot the HTF dollars it will receive in the upcoming year. Action around the HTF Allocation Plan begins at the state level and could then flow to the local level if a state decides to allocate some or all of the HTF to local subgrantees. (To date, only Alaska and Hawai'i use subgrantees.) The state HTF Allocation Plan is woven into a state's ConPlan, and if there is a local subgrantee, then a local government's HTF Allocation Plan will be woven into a locality's ConPlan.

- For advocates only accustomed to ConPlan advocacy at the local level because they have focused on attempting to influence how their local government allocates local Community Development Block Grant (CDBG) and HOME funds, the state HTF process will be an important new experience.
- To better ensure that HTF dollars get to a locality in the appropriate amounts and for the appropriate uses, it will be necessary for advocates to learn how to influence their state Allocation Plan and ConPlan.
- States insert their annual HTF Allocation Plans into their ConPlan Annual Action Plans by responding to a [HUD template](https://tr.ee/YomeaA) (<https://tr.ee/YomeaA>), which is found at the end of most Annual Action Plans at "AP-90 Program Specific Requirements," under "Housing Trust Fund (HTF)." For the most part, these are not very informative, especially for advocates. Some states also develop an actual HTF Allocation Plan separate from and in addition to the HUD template. These tend to be easier to read and are generally much more informative.

- The statute requires states to consider six priority factors. NLIHC asserts that genuine affordability, length of affordability, and merit features of a proposed project warrant greater relative weight or priority than the other three statutory priority factors. Too many states give disproportionate weight to two of the statutory factors: the ability of an applicant to obligate HTF funds and carry out projects in a timely manner, and the extent to which the application makes use of other funding sources. NLIHC thinks these latter two should be threshold factors that ought to be a first-cut consideration before weighing affordability, merit, and length of affordability. If an applicant lacks the capacity to obligate funds and carry out a project in timely fashion, it should not make the initial cut, and given the nature of developing affordable housing, especially housing containing some units affordable to ELI renter households, other sources of funding have always been integral to project financing. See NLIHC's Model Allocation Plan for ideas, https://nlihc.org/sites/default/files/NHTF_Model-Allocation-Plan.pdf.

Advocates should learn which agency in their state administers the HTF program and get to know the person responsible. Indicate interest in being informed about and participating in the process for planning where and how HTF money will be used. HUD's list of state-designated HTF agencies is available at <https://www.hudexchange.info/programs/htf/grantees/>, as well as on the NLIHC HTF webpage at <https://nlihc.org/explore-issues/projects-campaigns/national-housing-trust-fund/allocations> (scroll down to Select a State).

Keep in mind that the amount of HTF your state will receive is based on ELI and VLI households spending more than half of their income on rent and utilities (severely cost-burdened), and on the shortage of rental homes that are affordable and available to ELI and VLI households, with 75% of the formula's weight assigned to ELI factors. See NLIHC's Gap Analysis for information about each state at <http://nlihc.org/research/gap-report>.

Each year it will be important for advocates to work first at the state level, and then perhaps at the local level to:

- Ensure that the agency responsible for drafting the HTF Allocation Plan writes it to meet the genuine, high-priority housing needs of extremely low-income people.
 - » Advocate for HTF-assisted projects that are truly affordable to extremely low-income people, so that households do not pay more than 30% of their adjusted income for rent and utilities. The statute offers advocates a handle because it requires funding priority to be based on the extent to which rents are affordable for ELI households.
 - » Advocate for HTF-assisted projects that will be affordable to extremely low-income households for as long as possible, aiming for at least 50 years. The statute offers advocates a handle because it requires funding priority to be based on the extent of the duration for which rents will remain affordable.
 - » Advocate for projects that have features that give them special merit, such as serving households with income less than 15% AMI, or serving people who have disabilities, are experiencing homelessness, or are re-entering the community from correctional institutions.
 - » Advocate for the types of projects (like new construction, rehabilitation, and preservation) that are most needed.
 - » Advocate for the bedroom size mix that is most needed.
 - » Advocate for the populations to be served that are the ones who most need affordable homes (large families, people with special needs, people who are experiencing homelessness, formerly incarcerated people, youth transitioning out of foster care, senior citizens).
- Make sure that the public participation obligations are truly met and that the state does not just "go through the motions."
- Make sure that HTF-assisted projects affirmatively further fair housing.

Forecast for 2026

GOVERNMENT ACCOUNTABILITY OFFICE (GAO) REPORT

It is important for advocates to continue to educate their senators and representatives about the HTF and the critical role it plays in serving households with the most acute housing needs. Such advocacy is especially important because, periodically, there are members of Congress who seek to eliminate the HTF. Another indication of hostility toward the HTF is the [letter](https://tr.ee/POX0en) (<https://tr.ee/POX0en>) sent to the Government Accountability Office (GAO) in 2021 by Representatives Patrick McHenry (R-NC) ranking member of the House Committee on Financial Services and Steve Stivers (R-OH) ranking member of the House Subcommittee on Housing, Community Development, and Insurance. They asked GAO to analyze the HTF.

Their letter made a number of claims that were ill-informed or outright erroneous. GAO met with NLIHC, giving NLIHC an opportunity to correct the members' misunderstanding and confusion. [NLIHC sent a detailed response to GAO](https://nlihc.org/sites/default/files/NLIHC_Reponse-McHenry-Stivers.pdf) (https://nlihc.org/sites/default/files/NLIHC_Reponse-McHenry-Stivers.pdf). Highlights of NLIHC's response include:

Claim #1: There have been unreasonable delays in awarding HTF allocations.

Reality: While states were delayed in awarding the first round of HTF resources, these delays were reasonable and have largely been resolved.

Claim #2: It costs \$1 million on average to develop each HTF unit.

Reality: According to HUD, the average cost per unit of completed HTF projects at the time cited by McHenry/Stivers was \$113,522, an amount on par with or less than market rate. In subsequent months the average HTF cost per unit decreased to averages between \$95,000 and \$97,000. The November 1, 2023 National Production Report shows the average cost per completed HTF project to be \$108,599.

Claim #3: States are using too many HTF resources for acquisition or rehabilitation, and not enough for new construction.

Reality: HUD requires states to report using its standard Integrated Disbursement and Information System (IDIS) which only offers states three reporting options: new construction, rehabilitation, and acquisition and rehabilitation. However, upon further research NLIHC learned that all but three projects in 2016 and 2017, two projects in 2018, and one project in 2019 indicated as "rehabilitation" preserved scarce affordable housing or created new units. The other projects using HTF kept previous federal investments in Section 8 Project-Based Rental Assistance or USDA Rural Development Section 514 properties from leaving the affordable housing stock. HTF was also used to convert vacant industrial facilities, commercial office spaces, schools, and hospitals into new affordable housing.

The Government Accountability Office (GAO) issued [Affordable Housing: Improvements Needed in HUD's Oversight of the Housing Trust Fund Program](https://www.gao.gov/products/gao-23-105370) (<https://www.gao.gov/products/gao-23-105370>) (GAO-23-105370) on August 18, 2023. The GAO report provided information about 70 HTF completed projects from 12 states. It described information about those HTF projects, such as activity type (new construction, rehabilitation), number of bedrooms, racial/ethnic composition of occupants, targeted populations, per-unit costs, and other funding sources used to develop the projects. Another section of the GAO report discussed weakness in HUD's oversight and monitoring that have little practical bearing on how HTF is used or who it benefits.

The GAO report did not touch on the ill-informed or erroneous assertions made by Mr. McHenry and Mr. Stivers. The closest element in the report dealt with per-unit costs. GAO found that the average overall per-unit development cost (including non-HTF-assisted units as well as HTF-assisted units) of the 70 projects was \$232,000. In addition, nine of 11 HTF-assisted projects that were similar to LIHTC projects in a prior GAO report had per-unit development costs within the range of the LIHTC comparison projects.

WAITING FOR FINAL HTF RULE

HUD published a [notice in the Federal Register](#) on April 26, 2021 requesting comments regarding the Interim HTF rule with the intent to ultimately publish a final HTF rule. IAs of December 2025, HUD has not published a final rule.

[NLIHC's formal comment letter](#) in response to the *Federal Register* notice urged HUD to:

- Change the rent HTF-assisted tenants pay to *the lesser* of 30% of AMI or 30% of the poverty guideline in order to minimize tenants paying more than 30% or even 50% of their income for rent. See the comment letter for a detailed explanation.
- Maintain the income targeting rule requiring 100% of HTF funds be used for households whose income is equal to or less than 30% of the area median income or at or less than the federal poverty line (whichever is greater) when there is less than \$1 billion for the HTF.
- Increase the affordability period to 50 years from 30 years.
- Maintain the limitation on the use of HTF funds for operating cost assistance (including reserves) to one-third of a state's annual grant.
- Modify the definition of operating cost assistance to include other operating costs that match industry standards.
- Modify HTF guidance to indicate that 90% of a state's annual HTF allocation must be used for rental housing activities.
- Modify the final HTF rule to establish as threshold requirements, rather than factors subject to a point system when states set priorities for awarding HTF to projects: an applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner, and the extent to which an application makes use of other funding sources.
- Adopt many of the technical changes suggested by the Technical Assistance Collaborative in order to better serve people with disabilities.

GSE REFORM

The Trump administration is pursuing reforming Fannie Mae and Freddie Mac, the Government Sponsored Entities (GSEs); this work includes both the U.S. Department of Treasury, which currently owns shares of the GSEs, and FHFA, which has overseen the GSEs since they went into conservatorship in 2008. The main goal of reform is to take Fannie Mae and Freddie Mac out of conservatorship, but there are many important decisions to be made to make this happen. NLIHC has urged Treasury to take a cautious approach and avoid negative impacts to the housing market, including harm to low-income renters and homebuyers.

As GSE reform is under discussion, this may raise the profile of the HTF, which could create both risk and opportunity for the program. NLIHC has documented successes of the program over time and will continue to emphasize the importance of this vital program for extremely low-income rental supply.

OPPORTUNITIES FOR EXPANSION

NLIHC will work with legislators on bills to expand funding for the HTF and ensure that the program continues to be focused on extremely low-income supply and the well-being of ELI renters. There have not been any bills introduced yet in the 119th Congress.

For More Information

NLIHC's HTF webpage is at www.nhtf.org.

NLIHC's formal [comment letter](https://nlihc.org/sites/default/files/NLIHC-Comment-Letter-HTF-June-25-2021.pdf) (<https://nlihc.org/sites/default/files/NLIHC-Comment-Letter-HTF-June-25-2021.pdf>) in response to the *Federal Register* notice on April 26, 2021.

Information from NLIHC about each state such as key personnel and draft and final HTF Allocation Plans is at <https://nlihc.org/explore-issues/projects-campaigns/national-housing-trust-fund/allocations>.

NLIHC's interim report on how states planned to award their 2016 HTF allocations is at https://nlihc.org/sites/default/files/NHTF_Getting-Started_2018.pdf, and a supplement to that report is at <https://nlihc.org/sites/default/files/Updated-Supplement-Getting-Started.pdf>

NLIHC's report on how states planned to award their 2017 HTF allocations is at https://nlihc.org/sites/default/files/2022-09/nhtf-overview-2017-state-projects_0.pdf.

NLIHC's report on how states planned to award their 2018 HTF allocations is at <https://tr.ee/foZPjo>.

A five-part video series about the Interim Rule regarding implementation of the NHTF is at <https://nlihc.org/issues/nhtf/videos>.

PowerPoint slides highlighting the key features of the NHTF law and regulations is at https://nlihc.org/sites/default/files/NHTF_Getting-to-Know-NHTF_0617.pdf.

Key features of the NHTF law and interim regulations presented in 15 short papers broken down by topics is at <https://tr.ee/qCqgPw>.

The Interim Rule is at <https://www.govinfo.gov/content/pkg/FR-2015-01-30/pdf/2015-01642.pdf>.

HUD's NHTF webpage is at <https://www.hudexchange.info/htf>.

NATIONAL HOUSING TRUST FUND: FUNDING

By NLIHC Policy Team

The national Housing Trust Fund (HTF) is the first new federal housing resource in a generation primarily targeted to help build, preserve, rehabilitate, and operate housing affordable to people with the lowest incomes. Since first receiving funding in 2016, nearly \$3.5 billion has been invested in the HTF. This is an important first step, but with a national shortage of 7.3 million affordable, available homes for renters with the lowest incomes, far greater investments are necessary to meet the current need for affordable housing. NLIHC is committed to working with Congress and the administration to expand the HTF to serve more families with the greatest needs.

About the Housing Trust Fund

The HTF was established in July 2008 as part of the “Housing and Economic Recovery Act of 2008” (HERA). This law requires Fannie Mae and Freddie Mac to set aside 4.2 basis points of their volume of business each year for the national HTF and Capital Magnet Fund (CMF), of which the HTF receives 65%, and the CMF receives the remaining 35%. The first \$174 million in HTF dollars was allocated to states in 2016.

The HTF is the only federal housing production program exclusively focused on providing states with resources targeted to serve households with the clearest, most acute housing needs. The HTF is a block grant program that can be used to address both rental housing and homeownership needs. By law, at least 90% of HTF dollars must be used for the production, preservation, rehabilitation, or operation of affordable rental housing. Up to 10% may be used to support homeownership activities for first-time homebuyers, such as producing, rehabilitating, or preserving owner-occupied housing, as well as providing down payment assistance, closing costs, and interest rate buydowns.

The HTF is the most highly targeted federal rental housing capital and homeownership program. By law, at least 75% of HTF dollars used to support rental housing must serve extremely low-income households earning no more than 30% of the Area Median Income (AMI) or the federal poverty limit. All HTF dollars must benefit households with very low incomes earning no more than 50% AMI. In comparison, most other federal housing programs can serve families up to 80% of AMI.

The HTF is designed to support local decision making and control. Because the HTF is administered by HUD as a block grant, each state has the flexibility to decide how to best use HTF resources to address its most pressing housing needs. States decide which developments to support.

Moreover, the HTF operates at no cost to the federal government because it is funded outside of the appropriations process. By statute, the initial source of funding for the HTF is a slight fee (0.042%) on Freddie Mac and Fannie Mae activity, 65% of which goes to the HTF.

Since first receiving funding, the amount of money collected for the HTF has grown: in 2016, the HTF received \$174 million; in 2017, \$219 million; in 2018, \$267 million; in 2019, \$248 million; in 2020, \$323 million; in 2021, \$690 million; in 2022, \$740 million; in 2023, \$382 million; in 2024, \$214 million, and in 2025, \$223 million.

Opportunities to Expand the HTF

See also: *Fannie Mae, Freddie Mac and Housing Finance Reform*

HERA expressly allows Congress to designate other “appropriations, transfers, or credits” to the HTF and CMF, in addition to the assessment on Fannie Mae and

Freddie Mac. Securing permanent, dedicated sources of revenue for the HTF is one of NLIHC's top priorities, whether through housing finance reform or other opportunities.

LEGISLATIVE OPPORTUNITIES

Several bills have been introduced to greatly expand the HTF.

"Housing Crisis Response Act": Introduced by Representative Waters (D-CA) and several other members of Congress, this bill provides \$15 billion in the HTF, alongside \$65 billion to fully address the capital needs to repair public housing, \$25 billion for rental assistance, and many other investments. This bill is similar to the housing title of the "Build Back Better Act" advanced by House Democrats in the 117th Congress.

"Ending Homelessness Act": Introduced by Representative Waters (D-CA), Emanuel Cleaver (D-MO), and several other members of Congress, the bill would establish a universal housing voucher program, ban source of income discrimination, increase housing choice, and invest \$5 billion over 5 years in the national Housing Trust Fund.

"American Housing and Economic Mobility Act": This bill was introduced by Senators Warren (D-MA), Gillibrand (D-NY), Markey (D-MA), Sanders (I-VT), Hirono (D-HI), and Merkley (D-OR), along with Representatives Cleaver (D-MO), Lee (D-CA), Moore (D-WI), Khanna (D-CA), Norton (D-DC), Garcia (D-IL), Cohen (D-TN), Schakowsky (D-IL), Pressley (D-MA), and Bonamici (D-OR). If enacted, this ambitious proposal will help end housing poverty and homelessness in America by directly addressing the underlying cause of the affordable housing crisis—the severe shortage of affordable rental homes for people with the lowest incomes—through a robust investment of nearly \$45 billion annually in the National Housing Trust Fund. The bill would also create new incentives for local governments to reduce barriers that drive up the cost of housing, thereby encouraging the private sector to do more to address the housing needs of middle-income renters.

How Advocates Can Take Action

Advocates should be actively engaged in the process of HTF implementation in their states to ensure that the initial rounds of funding are successful and urge members of Congress to cosponsor and enact the bills listed above.

For More Information

NLIHC works to document the impact of HTF investments. Learn more about how states use HTF resources to invest in the construction, maintenance, and preservation of deeply affordable housing:

- Getting Started: First Homes Being Built with National Housing Trust Fund Awards: https://nlihc.org/sites/default/files/NHTF_Getting-Started_2018.pdf
 - » Supplemental Update to Getting Started: <https://nlihc.org/sites/default/files/Updated-Supplement-Getting-Started.pdf>
- The National Housing Trust Fund: An Overview of 2020 State Projects: <https://nlihc.org/resource/nlihc-releases-report-state-projects-funded-national-housing-trust-fund-2020>
- Learn more about the National Housing Trust Fund: www.nhft.org

FANNIE MAE, FREDDIE MAC, AND HOUSING FINANCE REFORM

By the NLIHC Policy Team

See Also: For related information, refer to the *National Housing Trust Fund: Funding* section of this guide.

Issue Summary

Fannie Mae and Freddie Mac are two federally-chartered companies—created in 1938 and 1970, respectively—that provide a secondary market for residential mortgages. They play an important role in stabilizing the overall mortgage market, which includes ensuring the mortgage market serves the entire country and not just the most profitable regions. They are also vital to the Housing Trust Fund, which is funded by a very small percentage of each company's transactions.

The “Housing and Economic Recovery Act of 2008” (HERA) established an independent agency, the Federal Housing Finance Agency (FHFA), to serve as a regulator and significantly strengthen federal oversight of Fannie Mae and Freddie Mac. HERA also created the National Housing Trust Fund (HTF) and the Capital Magnet Fund (CMF) and gave the FHFA power to take the companies into conservatorship.

FHFA exercised this power almost immediately, taking the companies into conservatorship on September 7, 2008, after the foreclosure crisis precipitated a global financial meltdown. As of 2026, the companies remain under the control of the federal government. As a result, it is unknown how exactly the GSEs would function out of conservatorship with HERA providing regulation and oversight apart from its role as conservator.

Because Fannie Mae and Freddie Mac provide the dedicated source of funding for the HTF, their status and viability are of particular interest to low-income housing advocates. NLIHC supports housing finance legislation that would provide significant new funding for the HTF.

What are Fannie Mae and Freddie Mac?

The Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) are government sponsored enterprises, known as GSEs. Congress established the GSEs to provide liquidity and create a secondary market for both single-family (one to four units) and multifamily (five or more units) residential mortgages. Although Fannie Mae and Freddie Mac were created at different times and for different purposes, they have had effectively identical charters and responsibilities since 1992. Before September 7, 2008, when they were placed in conservatorship, they were privately owned and operated corporations. They are required by law to remain separate entities, a “duopoly,” to ensure competition and avoid a monopoly.

Fannie Mae and Freddie Mac do not provide mortgage loans directly to individual borrowers. Rather, they facilitate the secondary mortgage market by buying loans from banks, savings institutions, and other mortgage originators. Lenders then use the sale proceeds to engage in further mortgage lending. For the most part, the GSEs purchase single-family, 30-year fixed rate conventional mortgages that are not insured by the federal government. They also play a major role in financing the multifamily housing market.

The GSEs either hold the mortgages they purchase in their portfolios or package them into mortgage-backed securities (MBSs), which are sold to investors. When the GSEs securitize a mortgage, they are guaranteeing that those investors receive timely payment of principal and interest. The GSEs charge mortgage lenders a guarantee fee (g-fee), generally in the form of monthly payments, to cover projected credit losses if a borrower defaults over the life of the loan.

The GSEs raise money in the capital markets to fund their activities. Their incomes come from the difference between the interest they receive on the mortgages they hold and the interest they pay on their debt, and from g-fees and income earned on non-mortgage investments.

Role in Private Mortgage Markets

Single-family mortgages must meet certain criteria set by the GSEs to be packaged and sold as securities. Since they have a large market share (together Fannie Mae and Freddie Mac cover more than 40% of U.S. home mortgages), the two GSEs set the lending standards for the conventional, conforming loan single-family mortgage market. This standardization increases the liquidity of mortgages meeting GSE guidelines, thereby decreasing the interest rates on these mortgages and lowering costs for homebuyers. Generally, the GSEs provide support for 30-year fixed-rate mortgages on single-family homes. This function of the GSEs amounts to a significant, federal policy intervention in support of single-family homeowners.

The GSEs also purchase mortgages on multi-family properties. These mortgages are generally held in portfolio, but they can be securitized and sold to investors. The GSEs also play a significant role in supporting the Low-Income Housing Tax Credit market, both through equity investments and loan purchases on developments financed with LIHTC.

Housing Goals

As GSEs, Fannie Mae and Freddie Mac are required to achieve social goals as well as assure safety and soundness in the housing finance system. Congress requires that the GSEs meet statutorily based “housing goals” to help assure affordable homes in the U.S. The GSEs are required to purchase a certain number of mortgages on properties with specific characteristics to ensure that low- and moderate-income, underserved, and special affordable markets are served. FHFA updates these goals periodically.

Substantial partisan disagreement remains over the affordable housing goals and the role of the federal government in the housing market. Progressives believe the goals are necessary to ensure that people with low incomes and people of color have access to mortgage markets. Others argue the goals caused the GSEs to participate in overly risky business practices that triggered the foreclosure crisis.

Importantly, the multifamily side of the GSEs’ business did not sustain losses during the 2008 financial crisis. At the same time, the GSE multifamily goals have not measurably ensured a supply of rental housing affordable to families with extremely low incomes.

FHFA updates the housing goals every three years, with the current three-year cycle being 2025 through 2027. However, in 2025 FHFA published a [proposed rule \(https://tr.ee/WacdoS\)](https://tr.ee/WacdoS) proposing a mid-cycle change to the goals, lowering the single family low-income and very low-income loan purchase goals. The proposed rule also collapses the now-separate “Low-Income Census Tracts Home Purchase Subgoal” and the “Minority Census Tracts Home Purchase Subgoal” into one new combined subgoal. This change could decrease mortgage access in minority communities. The multifamily loan purchase goals remain unchanged in the proposed rule. Comments on the proposed rule were due November 3, 2025.

Duty To Serve

HERA also established a “Duty to Serve” for the GSEs, which requires them to lead the industry in developing loan products and flexible underwriting guidelines for manufactured housing, affordable housing preservation, and rural markets. FHFA published its final rule in December 2016, which outlines the GSEs’ Duty To Serve.

The final rule requires the GSEs to submit plans for improving the “distribution and availability of mortgage financing in a safe and sound manner for residential properties that serve very low-, low-, and moderate-income families.” Each GSE is required to submit to FHFA a three-year Duty To Serve plan detailing the activities and objectives it will use to meet the rule’s

requirements. The final rule gives the GSEs Duty to Serve credit for eligible activities that facilitate a secondary market for residential mortgages that originated in underserved markets. The GSEs also receive Duty to Serve credit for qualifying activities that promote residential economic diversity in underserved markets. The rule establishes the manner in which the GSEs would be evaluated for their efforts. FHFA is required to report evaluation findings to Congress annually.

The GSE's Duty to Serve plan for 2025-2027 went into effect January 1, 2025.

Fannie Mae, Freddie Mac, and the Housing Trust Fund

In HERA, Congress established that Fannie Mae and Freddie Mac would serve as the initial sources of funding for the HTF and the CMF. Fannie Mae and Freddie Mac are required to set aside an amount equal to 4.2 basis points (0.042%) for each dollar of total new business purchases. Note that the assessment is on their volume of business, not their profits. Of these amounts, 65% is dedicated to the HTF and 35% to the CMF.

Lawmakers reasoned that requiring Fannie Mae and Freddie Mac to set aside funds for the HTF was consistent with the GSEs' mission responsibilities under their charters. In addition to their affordable housing goals, which could be met through the regular course of business, funding the HTF allowed the GSEs to support housing that extremely low-income renters could afford, which was not possible through any other business product.

HERA allows FHFA to temporarily suspend the requirement that the GSEs fund the HTF and the CMF under circumstances related to threats to their financial health. In November 2008, at the height of the financial crisis, the FHFA director suspended this obligation before the GSEs even began setting aside funds. In 2014, FHFA Director Mel Watt lifted the suspension and directed both companies to begin setting aside the required amount starting on January 1, 2015. Since

2016, more than \$3 billion has been invested in the HTF. This is an important start, but more HTF resources are needed to begin to address the shortage of 7.3 million decent, accessible, and affordable, homes for households with the lowest incomes.

Fannie Mae and Freddie Mac in Conservatorship

Before the financial crisis, Fannie Mae and Freddie Mac had never received any federal funds to support their operations. However, both companies incurred financial losses because of the foreclosure crisis. This prompted Congress to place the companies in conservatorship under the FHFA. Today, FHFA has all the authority of each company's directors, officers, and shareholders. Until the conservatorship ends, FHFA operates the companies through appointed management in each company. During conservatorship, the GSEs remain critically important to the housing finance system by providing liquidity for new mortgages and supporting the multifamily market.

Under an agreement between the Department of the Treasury and FHFA, the GSEs together were allowed to draw up to \$200 billion to stay afloat, which bolstered the U.S. housing market. In exchange, the U.S. government became the owner of the companies' senior preferred stock.

In 2012, Fannie Mae and Freddie Mac returned to profitability and began to make dividend payments to Treasury. Under the conditions of the conservatorship agreement between Treasury and FHFA, all of Fannie Mae and Freddie Mac's profits outside of a \$3 billion buffer were "swept" into the U.S. Treasury. In the final days of the first Trump administration, FHFA agreed to allow the GSEs to retain a combined \$45 billion worth of earnings before making dividend payments to Treasury. The GSEs' dividend payments now far exceed the \$188 billion drawdown.

State of Play in 2026

The Trump administration renewed discussions about whether to remove the GSEs from conservatorship after the president indicated he would like to issue a public offering.

In 2025, NLIHC participated in roundtables hosted at the U.S. Department of Treasury where housing advocates elevated the role the GSEs play in stabilizing the housing market as well as the importance of the Housing Trust Fund, affordability goals, and other mechanisms whereby the GSEs make good on their mission.

As of 2026, it appears the Trump administration will move to issue a public offering or similar investor opportunity without taking the GSEs out of conservatorship. In comments on the administration's proposals, NLIHC has emphasized that the administration should preserve the role of FHA as a regulator, whether the GSEs remain in conservatorship or not. The administration has also floated proposals to lower the affordability goals, and NLIHC objects to those proposals in particular. Congress has not demonstrated much appetite for legislative action on the GSEs this year.

What To Say to Legislators

Fannie Mae and Freddie Mac play important roles in both the single-family and the affordable multifamily markets. These functions, as well as the contributions to the HTF, need to be considered in any reform of the GSEs. The HTF must be retained and fully funded in any future arrangement.

If Congress takes up GSE reform proposals, advocates should urge their legislators to:

- Oppose any legislation that would eliminate or prohibit funding for the HTF, weakens the role of FHA as a regulator of the GSEs, or weakens the GSE's affordable housing goals.
- Support legislation that provides robust funding for the HTF, maintains FHA's role as a regulator of the GSEs, or strengthens the GSE's affordable housing goals.
- Support housing finance reform legislation that assures access to the market for all credit worthy borrowers, assures compliance with federal fair housing laws, and supports deeper affordability in the housing market generally.

For More Information

Federal Housing Finance Agency, www.fhfa.gov

Federal Home Loan Mortgage Corporation,
www.fanniemae.com

Federal National Mortgage Association,
www.freddiemac.com

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

CHAPTER 4

RENTAL HOUSING PROGRAM FOR THE LOWEST INCOME HOUSEHOLDS

VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) VOUCHERS

By Spencer Bell, Policy Analyst, National Coalition for Homeless Veterans; Updated by Alayna Calabro, Senior Policy Analyst, NLIHC

Administering Agency: HUD's Office of Public and Indian Housing (PIH) and the Department of Veterans Affairs (VA)

Year Started: Formally in 1992; most active since 2008

Number of Persons/Households Served: More than 200,000 veterans since 2008

Population Targeted: Homeless veterans meeting VA health care eligibility, with a focus on chronic homelessness.

Funding: Congress has provided HUD \$5 million in FY25 for additional HUD-VASH vouchers, with an additional \$10 million for supports and case management funding provided through VA.

See Also: For related information, refer to the *Housing Choice Voucher Program*, *Veterans Housing*, *Homeless Assistance Programs*, and *Interagency Council on Homelessness* sections of this guide.

Introduction

The HUD-Veterans Affairs Supportive Housing Program (HUD-VASH) combines Housing Choice Voucher rental assistance for homeless veterans with case management and clinical services provided by VA. It is a key program in the effort to end veteran homelessness. To date, this program has helped more than 200,000 homeless veterans, many of whom were chronically homeless, achieve housing stability.

Since 2008, over 115,000 HUD-VASH vouchers have been allocated by HUD each year to support the ongoing Federal effort to end homelessness among veterans. The number can fluctuate due to yearly rescissions of project-based vouchers. As of September

2025, over 91,500 veterans and their family members were permanently housed through the HUD-VASH Program (see [HUD's HCV Data Dashboard, https://tr.ee/9c7T6O](https://tr.ee/9c7T6O)). Nationwide, more than 750 Public Housing Authorities (PHAs) participate in the program.

In 2015, Congress created a set-aside pilot program to encourage HUD-VASH Vouchers to be used on Tribal lands, thereby filling an important gap in our service delivery system. This program, also known as Tribal HUD-VASH, began with \$1 million in funding in FY16 and has grown to over \$10 million awarded to 29 grant recipients in FY24. In April 2025, HUD announced \$2.2 million in new available funding for the Tribal HUD-VASH program. The expansion comes from unspent FY17 funds.

Additionally, HUD has released a series of project-based competitions to help spur development of new affordable housing units in high-cost markets with limited affordable housing stock with the last competition occurring in FY 2016.

The HUD-VASH program is jointly administered by VA and HUD's Office of Public and Indian Housing (PIH). The [PIH HUD-VASH Handbook \(https://tr.ee/yGmuAO\)](https://tr.ee/yGmuAO) is updated periodically to incorporate eligibility and program updates. The vouchers are allocated to local Public Housing Agencies (PHAs), although veteran referrals usually come from the nearest VA Medical Center (VAMC). Administration of HUD-VASH is conducted by the PHA, and clinical services are provided by the VAMC, or a designated party.

History

As of January 2024, HUD estimates that 32,882 veterans were homeless on a given night. This number represents a 55.2% decline in veteran homelessness since 2009. Major declines in veteran homelessness have occurred among the unsheltered population thanks in large part to the HUD-VASH program and national efforts to

end homelessness for all people, including veterans. Numbers remained steady, plateauing for the four years preceding a small uptick in FY20. FY24 data showed a record low in veteran homelessness since data collection began in 2009.

Congress began funding these special purpose vouchers in earnest in the “Consolidated Appropriations Act of 2008” (Public Law 110-161) with an allocation of \$75 million for approximately 10,000 vouchers. Since FY08, Congress has allocated fewer and fewer dollars to HUD for new “additional” vouchers each year, with the exception of a \$50 million award in FY11 and FY22, and a \$60 million award in FY16, having plateaued at \$40 million awards in FY17, FY18, FY19, FY20 and FY21. The rising cost of housing has resulted in the amount allocated toward vouchers covering fewer each year, with between 3,500 and 4,000 depending on locality requests now being funded per \$40 million for additional vouchers.

In the early 2000s, advocates approximated that 60,000 chronically homeless veterans were in need of the comprehensive services offered through a HUD-VASH Voucher. These advocates encouraged Congress and the administration to set this as a target for the number of vouchers on the street. This target has since been revised upwards, as additional target populations beyond veterans experiencing chronic homelessness have received assistance through HUD-VASH due to high need and limited alternative options. With the estimated 13,851 unsheltered homeless veterans on a given night in FY24, many chronically homeless and otherwise vulnerable veterans still need this vital resource.

Program Summary

HUD-VASH is a cornerstone in the efforts to end veteran homelessness, providing a particularly effective resource because it combines both housing and services into one housing-first oriented resource. PHAs are required to register their interest in vouchers with HUD in consultation with their local VA Medical Center to be considered for vouchers. When vouchers become available in a community, VA personnel, in consultation with community partners, determine which veterans

are clinically eligible for and in need of the program before making referrals to local PHAs which then must verify eligibility based on HUD regulations. Recent regulations prohibit HUD and permanent supportive housing operators with LIHTC-funded properties from the discriminatory practice of counting VA disability compensation payments for purposes of program eligibility.

Veterans who receive tenant-based HUD-VASH vouchers rent privately owned housing and generally contribute up to 30% of any income toward rent. VA case managers foster a therapeutic relationship with veterans and act as liaisons with landlords, PHAs, and community-based service providers. In some instances, these case management services are contracted through service providers who have already established relationships with participating veterans. When a veteran no longer needs the program’s support or has exceeded its income limits, these vouchers become available for the next qualifying veteran. By providing a stable environment with wrap-around services, veterans and their families can regain control of their lives and ultimately reintegrate into society.

As additional target populations have been identified for HUD-VASH, the need for this resource has grown. These target populations include homeless female veterans, homeless veterans with dependent children, and homeless veterans with significant disabling and co-occurring conditions. In the last longitudinal study in 2014, some 71% of veterans admitted to the HUD-VASH program met chronic homeless criteria and 91% of allocated vouchers resulted in permanent housing placement. Targeting HUD-VASH to chronically homeless veterans has dramatically positive results: lease-up rates have improved, and the time it takes to lease up vouchers has dropped significantly across the country. VA has acknowledged the need to improve staffing of HUD-VASH case management at VAMCs to better support voucher execution and utilization at the local level. VA has been making strides in recent years toward better levels of case management staffing at many VAMCs, through recent authorities granted by the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020, (Public Law 116-315).

Historically, the requirement for VA health care eligibility meant that many veterans were not eligible for the program due to their military discharge status. VA and HUD worked to pilot a program called HUD-VASH continuum that would pair HUD-VASH vouchers with non-VA case management funded separately in a handful of communities. Recent legislative developments opened program eligibility up to include veterans with other-than-honorable (OTH) discharge statuses. Project-Based Vouchers (PBV) are needed for service-enriched multifamily developments in areas with a large concentration of chronically homeless veterans and in high-cost, low-vacancy markets. PHAs may designate a portion of their total HUD-VASH allocation as project-based vouchers based on local need. HUD has established PBV set-asides to competitively award several thousand project-based HUD-VASH vouchers, most recently in November 2016, when HUD awarded \$18.5 million to 39 local public housing agencies for approximately 2,100 veterans experiencing homelessness. These recent PBV awards were concentrated in high-need areas, including throughout the State of California.

Eligible Participants and Voucher Allocation

To be eligible, a veteran must:

- Be VA-health care eligible if not in the HUD-VASH Continuum program;
- Meet the definition of homelessness as defined by the “McKinney Homeless Assistance Act” as amended by S. 896, the “Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009” (HEARTH Act), The “National Defense Authorization Act” for fiscal year (FY) 2021 (PL 116-283) included provisions expanding eligibility for HUD-VASH to veterans who received an “Other Than Honorable” (OTH) discharge; and
- Need case management services for serious mental illness, substance use disorder, or physical disability.

Veterans with high vulnerability are prioritized, but veterans must be able to complete activities of daily living and live independently in their community.

Although the program follows a Housing First orientation, VA case management is provided for and also a requirement of a veteran’s participation in HUD-VASH.

Three major data sources help drive local voucher allocations once the Housing Authority and VAMC register interest, including: HUD’s point-in-time data, performance data from both PHAs and VAMCs, and data from the VAMCs on their contacts with homeless veterans. In some communities, HUD-VASH staff work with the local Continuum of Care through the coordinated intake process to ensure that veterans who have high needs profiles on the By-Name List are connected to HUD-VASH.

Funding

In FY08 through FY10, and FY12 through FY15, HUD was awarded \$75 million for 10,000 vouchers, and VA was awarded case management dollars to match those vouchers. In FY11, \$50 million was provided for approximately 7,500 vouchers. In FY16, HUD was awarded \$60 million for 8,000 new vouchers. In FY17, 18, 19, 20 and 21 HUD was awarded an additional \$40 million for approximately 5,500 new vouchers annually. For FY22 & 23, HUD was awarded \$50 million for between 4,500 to 5,000 new HUD-VASH vouchers, the first increase for additional vouchers since the program’s inception. In FY24, HUD received \$5 million for new vouchers and \$10 million for incentives to assist PHAs in effective lease up activities.

As *Advocates’ Guide* went to press, Congress had not passed an FY26 appropriations act. A short-term continuing resolution maintains FY25 funding for the program until further congressional action. In FY25, Congress appropriated a total of \$15 million for HUD-VASH, including \$5 million for new vouchers and \$10 million for additional administrative fees.

HUD announced in July 2025 the availability of approximately \$34 million for HUD-VASH (see [Notice PIH 2025-21](#), <https://tr.ee/7RDI73>). Of the \$15 million appropriated by Congress in FY25, \$5 million was made available under Notice PIH 2025-21. The additional \$29 million provided under the notice was made available from carryover funds from prior HUD-

VASH appropriations. HUD announced it would make the remaining \$10 million for HUD-VASH additional administrative fees in a forthcoming notice.

For FY26, the Senate proposed \$15 million for HUD-VASH. Neither the House FY26 bill nor the president's budget proposal would continue the HUD-VASH program. Instead, they propose moving vouchers for veterans into a new Bridging Rental Assistance for Veteran Empowerment (BRAVE) program that would be administered by the VA. Members of Congress and advocates pushed back against the proposal, warning that reallocating federal funding from HUD-VASH to a new program would destabilize a proven housing assistance program that veterans rely on nationwide.

HUD-VASH voucher renewals are lumped into the general Section 8 tenant-based rental assistance account, and Congress has provided sufficient funding in recent years to renew all existing HUD-VASH vouchers. Congress has gone as far as to provide veterans access in the FY21 appropriations to the special population set aside for general section 8 vouchers which allowed veterans with discharge status issues, in addition to the "Other Than Honorable" population's new eligibility provided in FY21's "National Defense Authorization Act" (NDAA - PL 116-283).

VA's funding for, and ability to hire case management has not always kept pace with funding allocated for new vouchers due to the timing of standalone appropriations legislation in the last several years. 2025 efforts are best focused on ensuring that VA identifies and eliminates remaining barriers to full voucher utilization above and beyond vouchers set aside for project basing.

Congress needs to pursue several actions. The first would be to direct VA to provide a new budgetary projection for case management of all its vouchers to properly identify and address its qualified case management provider recruitment backlog if it is unable to properly contract out for those positions. Second, VA should be encouraged to conduct proactive outreach to veterans who have previously applied for a voucher but had been denied due to OTH discharge statuses and to

currently homeless veterans would allow these vouchers to have maximum impact as we still await updated eligibility guidance nearly a year after this eligibility change became law. Third, Congress should conduct a review of report data requested in the FY21 and FY22 program appropriations for HUD-VASH to assist in the management contracting expansion in H.R. 7105 (P.L. 116-315), the Johnny Isakson and David P. Roe, M.D. "Veterans Health Care and Benefits Improvement Act of 2020" better known as Isakson/Roe. If VA can effectively continue to address case management staffing issues, more opportunities will exist to improve voucher utilization as the program is modernized. Fourth, Congress should pursue legislative options such as codifying the removal of veteran disability payments from income calculations for HUD-VASH eligibility and voucher payments or passing further eligibility expansions to other vulnerable veteran groups as proposed in the "End Veteran Homelessness Act."

Forecast for 2026

HUD-VASH Vouchers are an incredibly important resource in ending veteran homelessness. Congress should continue to provide adequate funding in the tenant-based Section 8 account to renew all existing HUD-VASH vouchers, as well as continue to provide new HUD-VASH vouchers to house all chronically homeless veterans as most regions' vouchers remain fully utilized while recapturing and reallocating unused vouchers.

VA must ensure that case management funding follows the vouchers by maintaining adequate funding that retains the special purpose designation as it distributes funds to Medical Centers. VA and local service providers have identified additional priority groups for service through HUD-VASH, though the program is configured for a subset of homeless veterans, themselves a subset of veteran eligibility for the HCV set-aside, further complicating attempts to uncouple the program from VA's need for case management for the original intended population. VA set a target of 65% of HUD-VASH voucher recipients being chronically homeless, with the remaining 35% of vouchers being available

for other vulnerable high-priority groups including veterans with families, women, and Operation Enduring Freedom/Operation Iraqi Freedom/Operation New Dawn (or post 9/11 veterans). As we move to end all homelessness, Congress, along with interested community partners and homeless advocates, will need to reassess what resources are needed to end homelessness for both chronically homeless as well as other homeless veterans with high needs.

Tips for Local Success

Continue working with VA to increase referrals and coordinate targets for the HUD-VASH program, so the most in need veterans are connected to this vital resource. Expand efforts to find additional resources for move-in costs and landlord incentives like lease up fees, initial sums for first and last month's rent, also continue to enhance pairing resources with the Supportive Services for Veteran Families (SSVF) and Grant and Per Diem (GPD) programs. Encourage your local VAMC to get creative with HUD-VASH staffing incentives and offers, especially for the most remote locations, and to include peer support services and housing navigators. Work with PHAs to support landlord outreach and engagement to improve lease-up rates and time. Encourage your PHA to apply for extraordinary administrative fees, when available, to help with these types of outreach and engagement efforts. Evaluate the need for contracted case management in your area. Evaluate if, due to exceptionally expensive or tight rental markets, your local PHA should consider project basing additional HUD-VASH vouchers rather than letting allocated vouchers go un or underutilized due to lack of affordable housing stock. HUD also provides for the [Voluntary Reallocation or Recapture of HUD-VASH Vouchers](https://tr.ee/Gg6Z4B) (<https://tr.ee/Gg6Z4B>).

What to Say to Legislators

Advocates may find success in discussing the need for resources to end veterans' homelessness with policymakers who have previously been found to be difficult to approach for support on broader affordable housing and homelessness issues.

Advocates should push back against any attempts by the administration and Congress to reallocate federal funding from HUD-VASH to a new program. Share stories with your members of Congress about how HUD-VASH vouchers are critical to reducing homelessness in your community.

Advocates should speak to senators and representatives, particularly if they are on the Appropriations, Senate Banking, House Financial Services, or either Veterans Affairs Committees, and urge them to provide HUD \$50 million for additional HUD-VASH vouchers and additional appropriations for VA to better align case management for unutilized (non-project-based) vouchers. Additional appropriations for HUD-VASH vouchers will go a long way toward helping end homelessness among veterans while fully funding all existing vouchers through the regular Section 8 account.

Advocates should urge their lawmakers to support the "Housing for All Veterans Act" ([S.3137](#) in the 119th Congress, <https://tr.ee/MBslPO>), which would guarantee access to a housing voucher for all veterans who need it.

Advocates should highlight the role that case management plays in housing stability for these veterans and should urge members of Congress to hold VA accountable for ensuring each VAMC has sufficient funding and access to appropriate levels of staffing, in-house or through contracting with service providers, to provide appropriate levels of case management for these veterans.

Advocates should emphasize the need for novel programs to prevent homelessness as housing programs are housing veterans at record rates. Programs that would provide additional, non-traditional rental assistance support for veterans. Legislative efforts could include a Veteran Rental Assistance Guarantee, like the Veteran Home Loan Guarantee, that would provide upstream prevention through both landlord incentives and a one-time allotment for a veteran household's first and last month's rent, maintaining veteran housing being by far more cost effective than a veteran household becoming homeless.

Advocates should also highlight to Congress how well HUD-VASH works with the other veteran homelessness relief programs, including SSVF and the Grant and Per Diem Program. Data regarding the prevalence of homeless veterans is available in HUD's [Annual Homeless Assessment Report \(https://tr.ee/q2HrH2\)](https://tr.ee/q2HrH2), through the U.S. Interagency Council on Homelessness, or from the National Center on Homelessness Among Veterans.

For More Information

National Coalition for Homeless Veterans,
202-546-1969, www.nchv.org

Corporation for Supportive Housing,
212-986-2966, www.csh.org

National Alliance to End Homelessness,
202-638-1526, www.endhomelessness.org

PUBLIC HOUSING

By Ed Gramlich, Senior Advisor, and Libby O'Neill,
Senior Policy Analyst, NLIHC

Administering Agency: HUD's Office of Public and Indian Housing (PIH)

Year Started: 1937

Number of Persons/Households Served: According to PIH's [Data Dashboard \(https://www.hud.gov/helping-americans/public-housing-dashboard\)](https://www.hud.gov/helping-americans/public-housing-dashboard), as of December 1, 2025, 1,525,147 residents lived in public housing (525,267 of which are children), down approximately 3% from December 2024. The number of residents has been slowly and steadily decreasing as PIH continues public housing "repositioning." The number of residents decreased by 5% between 2022 and 2023 and decreased by 4% between 2023 and 2024. According to "Picture of Subsidized Housing" (https://www.huduser.gov/portal/datasets/assthsg.html#query_2009-2022) posted by HUD's Office of Policy Development and Research (PD&R), there were 1,604,633 residents living in public housing based on 2023 Census data. Since last year's *Advocates' Guide*, PIH no longer posts data via the [Resident Characteristics Report \(https://www.hud.gov/helping-americans/public-indian-housing-systems-pic-50058-resources#4\)](https://www.hud.gov/helping-americans/public-indian-housing-systems-pic-50058-resources#4).

Population Targeted: All households must have income less than 80% of the area median income (AMI); at least 40% of new admissions in any year must have extremely low income, income less than 30% of AMI or the federal poverty level, whichever is greater. According to "Picture of Subsidized Housing," 73% of the households had extremely low incomes.

Funding: For fiscal year (FY) 2026, the Trump administration's budget request proposed zeroing out both the Capital Fund and Operating Fund. The Trump administration's budget proposed combining several housing programs, including Public Housing a new "State Rental Assistance Block Grant."

For FY26, the House's Transportation, Housing and Urban Development (THUD) spending bill would

provide \$2.286 billion for the Capital Fund and \$5 billion for the Operating Fund; the Senate would provide \$3.2 billion for the Capital Fund and \$5.087 billion for the Operating Fund. As of this article's writing, Congress has yet to finalize an FY26 spending bill for HUD programs.

Congress appropriated \$3.410 billion for the Capital Fund and \$5.501 billion for the Operating Fund in FY25, part of a continuing resolution (CR) that maintained FY24 funding levels; as such, in FY24 Congress provided \$3.410 billion for the Capital Fund and \$5.501 billion for the Operating Fund; Congress provided \$3.380 billion for the Capital Fund and \$5.134 billion for the Operating Fund in FY23; and \$3.388 billion for the Capital Fund and \$5.064 billion for the Operating Fund in FY22; \$2.9 billion for the Capital Fund and \$4.9 billion for the Operating Fund in FY21; and \$2.9 billion for the Capital Fund and \$4.5 billion for the Operating Fund in FY20.

See Also: For related information, refer to the *Rental Assistance Demonstration*, *Public Housing Repositioning*, and *Public Housing Agency Plan* sections of this guide.

Summary

The nation's dwindling number of public housing units, 865,449 (Data Dashboard), down from 1.1 million in previous years, still serves 1,525,147 residents (down from nearly 2 million in previous years). Public housing is administered by a network of 2,667 local public housing agencies (PHAs) that have 6,194 developments (Data Dashboard). Funding for public housing consists of residents' rents and congressional appropriations to HUD. Additional public housing has not been built in decades.

Public housing encounters many recurring challenges. For instance, PHAs face significant federal funding shortfalls each year, as they have for decades. In addition, policies such as demolition, disposition, and the former HOPE VI program have resulted in the loss of public housing units—approximately 10,000 units each year, according to HUD estimates. [Picture](#)

of Preservation 2024 (<https://tr.ee/JVXb3w>) from NLIHC and PAHRC found that approximately 267,000 public housing homes (30%) were in public housing developments that failed their most recent Real Estate Assessment Center (REAC) physical inspection and likely require immediate investment—twice the number that failed in 2019. One in five public housing homes were in developments that have also failed two or more of their latest REAC scores, up from 9% in 2019.

HUD's aggressive "Public Housing Repositioning" campaign is speeding up the pace of demolition, disposition, and conversion of public housing to either Project-Based Vouchers (PBVs) or Project-Based Rental Assistance (PBRA) through the [Rental Assistance Demonstration \(RAD; https://www.hud.gov/hud-partners/rad\)](https://www.hud.gov/hud-partners/rad). See the *Repositioning of Public Housing* and the *Rental Assistance Demonstration* sections of this guide.

Congress authorized the expansion of the mis-named [Moving to Work \(MTW\) Demonstration \(https://www.hud.gov/program_offices/public_indian_housing/programs/ph/mtw\)](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/mtw) in 2016. MTW is fundamentally a scheme to deregulate public housing that can reduce affordability, deep income targeting, resident participation, and program accountability, all aspects of public housing that make it an essential housing resource for many of the lowest income people (see the *Moving to Work and Expansion* section in Chapter 4 of this guide).

HUD's attempt to address the aging public housing stock through the [Choice Neighborhoods Initiative \(CNI; https://www.hud.gov/program_offices/public_indian_housing/programs/ph/cn\)](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/cn) renovation program enables limited CNI implementation funds to be used for privately owned, HUD-assisted multifamily properties as well as broader neighborhood improvements. Both the administration and the House requested no funding for this program in FY26; the Senate requested \$40 million. As if this article's writing, a final FY26 agreement for HUD programs has not been enacted. Congress approved only \$75 million for CNI in FY24, down from \$350 million in FY23; consequently, all FY24 appropriation was devoted to CNI planning grants and none was made available for CNI implementation grants.

History

The "Housing Act of 1937" established the public housing program. President Nixon declared a moratorium on public housing in 1974, shifting the nation's housing assistance mechanism to the Section 8 programs (both new construction and certificate programs) intended to engage the private sector. Federal funds for adding to the public housing stock were last appropriated in 1994, but little public housing has been built since the early 1980s.

In 1995, Congress stopped requiring that demolished public housing units be replaced on a unit-by-unit, one-for-one basis. In 1998, the "Quality Housing and Work Responsibility Act" (QHWRA) changed various aspects of public housing, including public housing's two main funding streams, the operating and capital subsidies. Federal law capped the number of public housing units at the number each PHA operated as of October 1, 1999 ([the Faircloth cap, https://www.hud.gov/helping-americans/public-indian-housing-capfund](https://www.hud.gov/helping-americans/public-indian-housing-capfund)).

Today, units are being lost by the cumulative impact of decades of underfunding and neglect of once-viable public housing units. HUD officials have repeatedly stated for years that more than 10,000 units of public housing leave the affordable housing inventory each year due to underfunding. As a response, HUD has promoted its "[Public Housing Repositioning" \(https://www.hud.gov/helping-americans/public-indian-housing-repositioning\)](https://www.hud.gov/helping-americans/public-indian-housing-repositioning) policy, which has three components, all of which reduce the stock of public housing: [Section 18 demolition and disposition \(sale\) \(https://tr.ee/qneYaE\)](https://tr.ee/qneYaE) of units; [Section 22 voluntary \(https://www.hud.gov/helping-americans/public-indian-housing-sac/repositioning-options#6\)](https://www.hud.gov/helping-americans/public-indian-housing-sac/repositioning-options#6) and [Section 33 mandatory \(https://tr.ee/L6clQZ\)](https://tr.ee/L6clQZ) conversion of public housing to voucher assistance; and the [Rental Assistance Demonstration \(https://www.hud.gov/hud-partners/rad\)](https://www.hud.gov/hud-partners/rad). See the *Repositioning of Public Housing* and the *Rental Assistance Demonstration* sections of this guide.

According to HUD testimony, between the mid-1990s and 2010, approximately 200,000 public housing units were demolished, while about only 50,000 units were

replaced with new public housing units and another 57,000 former public housing families were given vouchers instead of a public housing replacement unit. Another nearly 50,000 units of non-public housing were incorporated into these new developments, but they serve households with income higher than those of the displaced households and do not provide deep rental assistance like that provided by the public housing program.

Program Summary

According to [PIH's Data Dashboard \(https://www.hud.gov/helping-americans/public-housing-dashboard\)](https://www.hud.gov/helping-americans/public-housing-dashboard), as of December 1, 2025, there were 865,449 public housing units (18,428 fewer units than the same period in 2024). According to the Data Dashboard, 44% of public housing residents were elderly or disabled, while ["Picture of Subsidized Households" \(https://www.huduser.gov/portal/datasets/assths.html\)](https://www.huduser.gov/portal/datasets/assths.html) indicates that in 2024, 29% of heads of households were non-elderly disabled, 40% of heads of households were elderly, and 34% were households with children. The Data Dashboard indicates that the average annual income of a public housing household was \$17,815. Further, "Picture of Subsidized Households" indicates that of all public housing households, 73% were extremely low-income. Sixty-six percent of public housing households had income less than \$20,000 a year. The Data Dashboard indicates that 29% had wage income.

The demand for public housing far exceeds the supply. In many large cities, households may remain on waiting lists for decades. Like all HUD rental assistance programs, public housing is not an entitlement program; rather, its size is determined by annual appropriations and is not based on the number of households that qualify for assistance.

NLIHC's report from October of 2016, [Housing Spotlight: The Long Wait for a Home \(https://nlihc.org/resource/housing-spotlight-volume-6-issue-1\)](https://nlihc.org/resource/housing-spotlight-volume-6-issue-1), describes public housing and Housing Choice Voucher (HCV) waiting lists. An NLIHC survey of PHAs indicated that public housing waiting lists had a median wait time of nine months and 25% had a wait time of at least 1.5 years. Public housing waiting lists had an average size

of 834 households. "Picture of Subsidized Households" showed an average public housing waiting list period of 19 months in 2024.

ELIGIBILITY AND RENT

Access to public housing is means tested. All public housing households must be low-income, (have income less than 80% of the area median income, AMI), and at least 40% of new admissions in any year must have extremely low incomes, defined as income less than 30% of AMI or the federal poverty level (each adjusted for family size), whichever is greater. According to "Picture of Subsidized Households," 73% of public housing households in 2024 had extremely low incomes. The FY14 HUD appropriations act expanded the definition of "extremely low-income" for HUD's rental assistance programs by including families with income less than the poverty level to better serve poor households in rural areas. PHAs can also establish local preferences for certain populations, such as elderly people, people with disabilities, veterans, full-time workers, domestic violence victims, or people who are experiencing homelessness or who are at risk of becoming homeless.

As in other federal housing assistance programs, residents of public housing pay the highest of: (1) 30% of their monthly adjusted income; (2) 10% of their monthly gross income; (3) their welfare shelter allowance; or (4) a PHA-established minimum rent of up to \$50. The Data Dashboard indicated that the average public housing household paid \$379 per month toward rent and utilities in 2025. Public housing Operating and Capital Fund subsidies provided by Congress and administered by HUD's Office of Public and Indian Housing (PIH) contribute the balance of what PHAs receive to operate and maintain their public housing units.

With tenant rent payments and HUD subsidies, PHAs are responsible for maintaining the housing, collecting rents, managing waiting lists, and carrying out other activities related to the operation and management of public housing. Most PHAs also administer the Housing Choice Voucher Program (see the *Housing Choice Vouchers* section of this guide).

Most PHAs are required to complete five-year PHA Plans, along with annual updates, which detail many aspects of their housing programs, including waiting list preferences, grievance procedures, plans for capital improvements, minimum rent requirements, and community service requirements. PHA Plans represent a key tool for public housing residents, voucher households, and community stakeholders to participate in a PHA's planning process (see the *Public Housing Agency Plan* section of Chapter 8 of this guide).

RESIDENT PARTICIPATION

Resident Advisory Boards

QHWRA created Resident Advisory Boards (RABs) to ensure that public housing and voucher-assisted households can meaningfully participate in the PHA Plan process. Each PHA must have a RAB consisting of residents elected to reflect and represent the population served by the PHA. Where residents with Housing Choice Vouchers make up at least 20% of all assisted households served by the PHA, voucher households must have “reasonable” representation on the RAB.

The basic role of the RAB is to make recommendations to the PHA and assist in other ways with drafting the PHA Plan and any significant amendments to the PHA Plan. By law, PHAs must provide RABs with reasonable resources to enable them to function effectively and independently of the PHA. Regulations regarding RABs are in the PHA Plan regulations, 24 CFR Part 903. See the Public Housing Agency Plan section of this guide for more information about the PHA Plan.

Part 964 Resident Participation Regulations

A federal rule provides public housing residents with the right to organize and elect a resident council to represent their interests. This regulation, [24 CFR Part 964 \(https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-964?toc=1\)](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-964?toc=1), spells out residents' rights to participate in all aspects of public housing development operations. Residents must be allowed to be actively involved in a PHA's decision-making process and to give advice on matters such as maintenance, modernization, resident screening and selection, and recreation. The rule defines the obligation of HUD and

PHAs to support resident participation activities through training and other activities.

A resident council is a group of residents representing the interests of residents and the properties they live in. Some resident councils are made up of members from just one property, so a PHA could have a number of resident councils. Other resident councils, known as jurisdiction-wide councils, are made up of members from many properties. A resident council is different from a RAB because the official role of a RAB is limited to helping shape the PHA Plan. Resident councils can select members to represent them on the RAB.

Most PHAs are required to provide \$25 per occupied unit per year from their annual operating budget from PIH to pay for resident participation activities. A minimum of \$15 per unit per year must be distributed to resident councils to fund activities such as training and organizing. Up to \$10 per unit per year may be used by a PHA for resident participation activities. A PHA may choose to distribute the full \$25 per unit per year to resident councils. On May 18, 2021, PIH issued [Notice PIH 2021-16 \(hud.gov/sites/dfiles/PIH/documents/PIH2021-16.pdf\)](https://www.hud.gov/sites/dfiles/PIH/documents/PIH2021-16.pdf) updating guidance on the use of tenant participation funds (previously provided by Notice PIH 2013-21 issued on August 23, 2013).

Notice PIH 2021-16 echoes Notice PIH 2013-21, but in general has more details. Key changes include:

- PHAs and Resident Councils (RCs) are encouraged to develop written agreements that establish a collaborative partnership, provide flexibility, and support RC leaders' autonomy. The Notice provides four minimum provisions that must be in a written agreement. It also has eight recommended best practices.
- If there is no duly elected RC, PHAs are encouraged to inform residents that tenant participation (TP) funds are available. Also, PHAs are encouraged to use up to \$10 per unit to carry out tenant participation activities, including training and building resident capacity to establish and operate an RC.
- A new section officially sanctions what has always been practice—that a PHA may fund an RC above the \$15 minimum.

- Any TP funds remaining in RC-controlled accounts at the end of a calendar year may remain in those accounts for future RC expenses.
- Public housing residents in mixed-income communities are eligible to use TP funds.

More information is on NLIHC's Public Housing webpage, <https://nlihc.org/explore-issues/housing-programs/public-housing>, including an outline of key Part 964 features, <https://tr.ee/z15wf0>.

24 CFR Part 964, Tenant Participation and Tenant Organizing in Public Housing Regulations, is at <https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-964?toc=1>.

Resident Commissioners

The law also requires every PHA, with a few exceptions, to have at least one person on its governing board who is either a public housing or voucher resident. HUD's rule regarding the appointment of resident commissioners, at Part 964, states that residents on boards should be treated no differently than non-residents.

PUBLIC HOUSING CAPITAL FUND AND OPERATING FUND

PHAs receive two annual, formula-based grants from congressional appropriations to HUD, the Operating Fund and the Capital Fund. As *Advocates' Guide* went to press, Congress had not passed an FY26 appropriation's act; a short-term CR keeps public housing funding at FY25 levels until further congressional action. Congress appropriated \$3.410 billion for the Capital Fund and \$5,501 billion for the Operating Fund in FY25 as part of a year-long CR that maintained FY24 funding levels. Congress appropriated \$3.380 billion for the Capital Fund and \$5.134 billion for the Operating Fund in FY23; \$3.388 billion for the Capital Fund and \$5.064 billion for the Operating Fund in FY22; \$2.9 billion for the Capital Fund and \$4.9 billion for the Operating Fund in FY21; and \$2.9 billion for the Capital Fund and \$4.5 billion for the Operating Fund in FY20.

A 2010 national Public Housing Needs Assessment commissioned by HUD showed that \$26 billion

was needed to address the funding backlog. In a [2023 report \(https://www.nahro.org/wp-content/uploads/2023/07/NAHRO360Report2023.pdf\)](https://www.nahro.org/wp-content/uploads/2023/07/NAHRO360Report2023.pdf), the National Association of Housing and Redevelopment Officials (NAHRO) found that this estimate would have increased to approximately \$90 billion since the initial estimate. Most recently, in October 2025, the Council of Large Public Housing Authorities (CLPHA) [released a report \(https://tr.ee/SCyWoQ\)](https://tr.ee/SCyWoQ) that estimated that nearly \$170 billion is needed to address the capital needs of the nation's public housing. The authors of these studies used different methodologies to develop their estimates; it is clear that substantial investment is needed, and ongoing costs to preserve public housing properties can continue to be evaluated.

Picture of Preservation 2024 (<https://tr.ee/n1frds>) from NLIHC and PAHRC finds that approximately 267,000 public housing homes (30%) were in public housing developments that failed their most recent Real Estate Assessment Center (REAC) physical inspection and likely require immediate investment—twice the number that failed in 2019. One in five public housing homes were in developments that have also failed two or more of their latest REAC scores, up from 9% in 2019.

The Capital Fund can be used for a variety of purposes, including addressing deferred maintenance, modernization, demolition, resident relocation, development of replacement housing, and carrying out resident economic self-sufficiency programs. Up to 20% can also be used to make management improvements. The annual capital needs accrual amount (estimated in 2010 to be \$3.4 billion each year) makes clear that annual appropriations for the Capital Fund are woefully insufficient to keep pace with the program's needs. A statutory change in 2016 (HOTMA, see "Statutory and Regulatory Changes Made in 2016" below) now allows a PHA to transfer up to 20% of its Operating Fund appropriation for eligible Capital Fund uses.

The public housing Operating Fund is designed to make up the balance between what residents pay in rent and what it actually costs to operate public housing. Major operating costs include routine and preventative maintenance, a portion of utilities, management, PHA employee salaries and benefits, supportive services, resident participation support, insurance, and security.

Other operating costs include recertification of residents' income, annual unit inspections, and planning for long-term capital needs to maintain properties' viability. Since 2008, HUD's operating formula system, called "Asset Management," has determined a PHA's operating subsidy on a property-by-property basis (called an Asset Management Project, AMP), rather than on the previous overall PHA basis. In advance of the FY25 budget, HUD stated (https://archives.hud.gov/budget/fy25/2025_CJ_Program_-_Public_Housing_Fund.pdf) that \$5.1 billion it requested for FY25 is projected to be sufficient to meet 90% of all public housing operating expenses. However, HUD claims that \$5.1 billion should be sufficient if paired with existing PHA reserves and \$178 million in shortfall funding it requested from Congress to protect PHAs with low operating reserves. For its FY26 budget request, the Trump administration proposed combining funding for several HUD rental assistance programs, including the Public Housing Capital and Operating Funds, into a "State Rental Assistance Block Grant," and slashed funding for the program by over 43% but did not provide details of how funding would be allocated among states.

Programs Affecting Public Housing

DEMOLITION AND DISPOSITION

Since 1983, PIH has authorized PHAs to apply for permission to demolish or dispose of (sell) public housing units. This policy was made significantly more damaging in 1995 when Congress suspended the requirement that PHAs replace, on a one-for-one basis, any public housing lost through demolition or disposition. In 2016, HUD reported a net loss of more than 139,000 public housing units due to demolition or disposition since 2000. [Demolition and disposition](https://www.hud.gov/helping-americans/public-indian-housing-sac/repositioning-options#1) (<https://www.hud.gov/helping-americans/public-indian-housing-sac/repositioning-options#1>) policy is authorized by Section 18 of the Housing Act with regulations at [24 CFR part 970](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-970) (<https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-970>) and various PIH Notices.

A PHA must apply to PIH's [Special Applications Center \(SAC\)](https://www.hud.gov/helping-americans/public-indian-housing-sac) (<https://www.hud.gov/helping-americans/public-indian-housing-sac>) to demolish or dispose of public housing under Section 18. The application must certify that the PHA has described the demolition or disposition in its Annual PHA Plan and that the description in the application is identical. Advocates should challenge an application that is significantly different. PHAs should not re-rent units when they turn over while PIH is considering an application. The information in this article is primarily from the regulations 24 CFR 970.

In 2012, after prodding from advocates, PIH under the Obama administration clarified and strengthened its guidance ([Notice PIH 2012-7](https://www.hud.gov/sites/documents/12-07pihn.doc), <https://www.hud.gov/sites/documents/12-07pihn.doc>) regarding demolition and disposition in an effort to curb the decades-long needless destruction or sale of the public housing stock. The 2012 Notice served as a reminder to residents, the public, and PHAs of PHAs' obligations regarding resident involvement and the role of the PHA Plan regarding demolition/disposition.

In 2018, the Trump administration eliminated Notice PIH 2012-07 from 2012 that included modest improvements suggested by advocates. The replacement, [Notice PIH 2018-04](https://www.hud.gov/sites/dfiles/OCHCO/documents/18-04pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/18-04pihn.pdf>), downplayed the role of resident consultation, making it easier to demolish public housing. In addition, the administration withdrew proposed regulation changes drafted in 2014 that would have reinforced those modest improvements.

PIH began allowing 25% of the units in a RAD project to convert to PBVs under Section 18 in [Notice PIH 2018-11](https://www.hud.gov/sites/dfiles/OCHCO/documents/18-11pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/18-11pihn.pdf>) on July 2, 2018, the beginning of the "RAD/Section 18 Blend." On January 19, 2021, PIH posted [Notice PIH 2021-07](https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-07pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-07pihn.pdf>), which superseded Notice PIH 2018-04. The primary change was to the "RAD/Section 18 Blend," allowing a PHA to apply to SAC for approval to dispose of public housing "because it is not in the best interests of the residents and the PHA" to keep the property as public housing. In short, the drastically changed provision allowed a PHA to convert anywhere

from 40% to 80% of the units in a RAD project to PBVs under Section 18. [Notice PIH 2024-40](https://www.hud.gov/sites/dfiles/OCHCO/documents/2024-40pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/2024-40pihn.pdf>) issued on December 26, 2024, replaced Notice PIH 2021-07 and modified the percentage of units in a RAD/Section 18 Blend project that could be Section 18 PBV units from 30% to 90%. The percentage of units eligible for disposition within a RAD project is based on the “hard construction costs” of the proposed rehabilitation or new construction.

These RAD/Section 18 Blend Notices further accelerate PIH’s public housing “repositioning” policy (see the *Rental Assistance Demonstration* article for more about RAD/Section 18 Blends).

Although NLIHC and other advocates have urged PIH during the Biden administration to restore key elements of Notice PIH 2012-7 as well as improve fair housing review prior to approving Section 18 demolition/disposition actions, PIH did not indicate an intent to issue improved demolition/disposition regulations similar to those proposed by the Obama administration.

However, in the closing days of the Biden administration (December 26, 2024), PIH issued [Notice PIH 2024-40](https://www.hud.gov/sites/dfiles/OCHCO/documents/2024-40pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/2024-40pihn.pdf>), which made a number of changes that included several urged by NLIHC and the National Housing Law Project. There are major improvements regarding resident consultation and resident relocation, and consideration of the “commensurate public benefit” provision so that it better targets truly low-income people. The new Notice also adds references to vacant land, which is also subject to Section 18 disposition.

For more information about demolition and disposition, see the *Repositioning of Public Housing* entry in this guide.

RENTAL ASSISTANCE DEMONSTRATION

As part of its FY12 HUD appropriations act, Congress authorized the [Rental Assistance Demonstration](https://www.hud.gov/hud-partners/rad) (RAD, <https://www.hud.gov/hud-partners/rad>), which allowed HUD to approve the voluntary conversion of up to 60,000 public housing and Section 8 Moderate

Rehabilitation Program units into either Section 8 Project-Based Rental Assistance contracts (PBRA) or Project-Based Vouchers (PBV) by September 2015. Since then, Congress has increased the cap three times, first to 185,000 units, then to 225,000, and now to 455,000 units. The deadline for making conversions has been extended periodically, now set at September 30, 2029, by the “FY24 Appropriations Act.” The Senate FY23 appropriations bill and HUD’s budget request to Congress proposed removing the 455,000-unit cap as well as the sunset date, but it did not pass.

The Obama, first Trump, and Biden administrations, along with many developer-oriented organizations, have been urging Congress to remove the cap and allow all public housing units to undergo RAD conversion, even though the “demonstration” has yet to adequately demonstrate that the resident protection provisions in the statute and RAD implementation Notices are being fully realized. Many residents whose public housing properties have been approved for RAD complain that PHAs, developers, and HUD have not provided adequate information, causing many to doubt that the resident protections in the enabling legislation and RAD implementation Notices will be honored by PHAs and developers or monitored by HUD. NLIHC strongly opposes increasing or eliminating the cap until this “demonstration” has convincingly shown that HUD will rigorously monitor PHA and owner compliance with all tenant protections written into the RAD statute and RAD Notice. See the *Rental Assistance Demonstration* section of this guide for more information.

The “ROAD to Housing Act of 2025,” comprehensive bipartisan housing legislation introduced in 2025, includes a provision to remove the cap on RAD conversions, along with language intended to ensure that tenant protections and rights of residents in properties converted under RAD remain in full effect. The monitoring and enforcement of tenant protections has been one of the main reasons NLIHC has opposed expanding RAD, so this will be an area to monitor as work on the legislation continues.

MOVING TO WORK

A key public housing issue is the so-called [Moving to Work \(MTW\) demonstration](https://www.hudexchange.info/programs/mtw/) (<https://www.hudexchange.info/programs/mtw/>) that provides a limited number of housing agencies flexibility from most statutory and regulatory requirements. Because the original demonstration program has not been evaluated, particularly regarding the potential for harm to residents, NLIHC has long held that the MTW demonstration is not ready for expansion or permanent authorization. Various legislative vehicles have sought to maintain and expand the current MTW program. The original MTW involved 39 PHAs. The MTW contracts for each of these 39 PHAs were set to expire in 2018, but in 2016 HUD extended all of them to 2028.

The three MTW statutory goals are:

1. Reducing costs and increasing cost-effectiveness,
2. Providing incentives for resident self-sufficiency, and
3. Increasing housing choices for low-income households.

PHAs granted MTW status (“MTW agencies”) must meet five statutory requirements:

1. Ensure that 75% of the households they assist have income at or less than 50% of area median income (AMI),
2. Establish a reasonable rent policy,
3. Assist substantially the same number of low-income households as a PHA would without MTW funding flexibility,
4. Assist a mix of households by size comparable to the mix a PHA would have served if it were not in MTW, and
5. Ensure that assisted units meet housing quality standards.

In practice, HUD’s enforcement of these requirements for the original 39 MTW agencies has been highly permissive.

The FY16 appropriations act expanded the MTW demonstration by a total of 100 PHAs over the course of a seven-year period. Of the 100 new PHA MTW sites,

no fewer than 50 PHAs must administer up to 1,000 combined public housing and voucher units, no fewer than 47 must administer between 1,001 and 6,000 combined units, no more than three can administer between 6,001 and 27,000 combined units, and five must be PHAs with portfolio-wide awards under RAD. PHAs were to be added to the MTW demonstration by cohort (groups), each of which is to be overseen by a research advisory committee to ensure the demonstrations are evaluated with rigorous research protocols. Each cohort of MTW sites were to be directed by PIH to test one specific policy change.

The cohorts are:

- “MTW Flexibilities,” the first cohort announced in January 2017, involves smaller PHAs that have a combination of 1,000 or fewer public housing units and vouchers. This cohort allows PHAs to use any of the regulatory waivers in the Final MTW Operations Notice (see below) in order to evaluate the overall effects of MTW flexibility on a PHA and its residents. Thirty-one PHAs were selected.
- “MTW Flexibilities II,” the last cohort announced in August 2023, will involve additional smaller PHAs that have 1,000 or fewer combined units of public housing and vouchers. These MTW PHAs will test the overall effects of using various MTW “flexibilities,” with a focus on “administrative efficiencies.” Fourteen PHAs were selected on March, 29 2024.
- “Rent Reform/Stepped and Tiered Rent” involves 10 PHAs testing “rent reform” ideas of using “stepped rents” or “tiered rents,” which PIH claims is designed to “increase resident self-sufficiency and reduce PHA administrative burdens.” Stepped rent is a form of time limit; it is a scheme that increases a household’s rent on a fixed schedule in both frequency and amount, starting at 30% of gross income and growing each year. “Tiered rents” involve a household paying a fixed amount for rent if their income is in a set range, which could result in rent burden. Only PHAs with a combination of at least 1,000 non-elderly and non-disabled public housing residents and voucher households were eligible. NLIHC and other advocates urged PIH not to implement this cohort because of its serious potential to impose cost burdens on residents. NLIHC has a [summary](https://) (<https://>

nlihc.org/sites/default/files/Cohort_2_Rent_Reform_Notice.pdf) of the MTW Rent Reform cohort.

- “Landlord Incentives” explores ways to increase and sustain landlord participation in the Housing Choice Voucher program. Twenty-nine PHAs were selected. NLIHC has prepared a [summary of key provisions \(https://nlihc.org/sites/default/files/Cohort-4-Landlord-Incentives-Notice.EG..pdf\)](https://nlihc.org/sites/default/files/Cohort-4-Landlord-Incentives-Notice.EG..pdf) of the landlord incentives Notice.
- “Asset Building” experiments with policies and practices that help residents build financial assets and/or build credit. For the purpose of this cohort, asset building is defined as activities that encourage the growth of assisted residents’ savings accounts and/or that aim to build credit for assisted households. Eighteen PHAs were selected. NLIHC has prepared a [“Summary of the Key Features of the MTW Asset Building Cohort.” \(https://nlihc.org/sites/default/files/Summary-of-MTW-Cohort-.pdf\)](https://nlihc.org/sites/default/files/Summary-of-MTW-Cohort-.pdf)
- “Work Requirements” was rescinded in June 2021. NLIHC and other advocates vehemently opposed this proposed cohort.

A [final Operations Notice \(https://tr.ee/epMeXD\)](https://tr.ee/epMeXD) providing overall direction to all MTW Expansion PHAs was published on August 28, 2019. It allows an Expansion MTW PHA to impose a potentially harmful work requirement, time limit, or burdensome rent “MTW Waiver” without securing HUD approval and without the rigorous evaluation called for by the statute. See NLIHC’s [Summary of Key Provisions of the MTW Demonstration Operations Notice \(https://tr.ee/L5qbv6\)](https://tr.ee/L5qbv6) for more information.

Other important features of the MTW Expansion include:

- Expansion MTW agencies must submit an “MTW Supplement” to the Annual PHA Plan. So-called “Qualified PHAs,” those with fewer than 550 public housing units and vouchers combined, will be required to submit an MTW Supplement each year even though they do not have to submit a regular PHA Plan. The MTW Supplement must go through a public process along with the Annual PHA Plan, following all of the Annual PHA Plan public participation requirements.

- An Expansion MTW PHA agency must implement one or multiple “reasonable rent policies” during the term of its MTW designation. PIH defines a reasonable rent policy as any change in the regulations on how rent is calculated for a household, such as any Tenant Rent Policies in Appendix I.
- Expansion MTW PHAs will maintain MTW designation for 20 years, with the MTW waivers expiring at the end of the 20-year term.
- An Expansion MTW PHA MTW program applies to all of the Expansion MTW PHA’s public housing units, tenant-based HCV assistance, project-based HCV assistance (PBV), and homeownership units.
- An Expansion MTW PHA may spend up to 10% of its HCV Housing Assistance Payment (HAP) funding on “local, non-traditional activities,” as described in Appendix I of the MTW Expansion Operations Notice, without prior HUD approval. Examples include providing shallow rent subsidies, rent subsidies to supportive housing programs to help households experiencing homelessness, services to low-income people who are not public housing or voucher tenants, and gap-financing to develop Low-Income Housing Tax Credit (LIHTC) properties. An Expansion MTW PHA may spend more than 10% by seeking PIH approval through a Safe Harbor Waiver. NLIHC urged PIH to remove this option because it has the effect of reducing the number of HCVs a PHA could use to house residents.

Legislation to expand MTW is also included in the Senate’s “ROAD to Housing Act” ([S. 2651, https://www.congress.gov/bill/119th-congress/senate-bill/2651](https://www.congress.gov/bill/119th-congress/senate-bill/2651)). The provision would add 25 PHAs to the existing 100 Expansion PHAs and original 39 MTW PHAs. The provision does prohibit PHAs in the new cohort from implementing some of the harmful MTW policies such as time limits, work requirements, and rent increases, however other policies and provisions allowed by the bill could burden residents. In addition, it is unclear whether PHAs could request waivers of “safe harbor” provisions from HUD that could skirt the prohibition of work requirements, time limits, and increased rents. The Senate and House continue to negotiate provisions of the “ROAD to Housing Act,” and NLIHC will continue to work with Congress to advocate for positive outcomes for low-income renters.

For much more information about the MTW demonstration, see the *Moving to Work and Expansion* article in this guide.

CHOICE NEIGHBORHOODS INITIATIVE

The [Choice Neighborhoods Initiative \(CNI, https://www.hudexchange.info/programs/choice-neighborhoods/\)](https://www.hudexchange.info/programs/choice-neighborhoods/), created in FY10, was HUD's successor to the HOPE VI Program. Like HOPE VI, CNI focuses on severely distressed public housing properties, but CNI expands HOPE VI's reach to include HUD-assisted, private housing properties and entire neighborhoods. Although unauthorized, CNI has been funded through annual appropriations bills and administered according to the details of HUD Notices of Fund Opportunity (NOFOs). HUD proposed eliminating CNI in FY19, FY20, and FY21, but Congress has continued to approve funding for CNI, approving \$150 million in FY19, \$175 million in FY20, \$200 million in FY21, and \$350 million for FY22 and FY23. The Biden administration proposed \$185 million for FY24, while the Senate proposed \$150 million and the House proposed zero, with the final appropriation being only \$75 million. For FY25, the Biden administration proposed \$140 million, while the Senate proposed \$100 million, and the House again proposed zero. The final appropriation was \$75 million.

For FY26, the Trump administration and House both proposed zero funding for CNI, and the Senate proposed \$40 million.

HUD states that CNI has three goals:

1. Housing: Replace distressed public and HUD-assisted private housing with mixed-income housing that is responsive to the needs of the surrounding neighborhood.
2. People: Improve employment and income, health, and children's education outcomes; and
3. Neighborhood: Create the conditions necessary for public and private reinvestment in distressed neighborhoods to offer the kinds of amenities and assets, including safety, good schools, and commercial activity, that are important to families' choices about their community.

In addition to PHAs, grantees can include HUD-assisted private housing owners, local governments, nonprofits, and for-profit developers. The CNI Program awards both large implementation grants and smaller planning grants. CNI planning grants are to assist communities in developing a comprehensive neighborhood revitalization plan, called a Transformation Plan, and in building the community-wide support necessary for that plan to be implemented. One hundred and forty-four planning grants totaling approximately \$70 million were awarded through September 2024. Information and resources on the grants, including awardees, were once available on the HUD website and have been removed. The [FY 24 planning grants NOFO \(https://grants.gov/search-results-detail/353452\)](https://grants.gov/search-results-detail/353452) was posted on April 9, 2024, announcing up to \$10 million for awards, with a maximum award of \$500,000. HUD announced [13 FY24 planning grants \(https://archives.hud.gov/news/2024/pr24-231.cfm\)](https://archives.hud.gov/news/2024/pr24-231.cfm) totaling \$6,500,000 on September 10, 2024. In FY25, Congress approved \$75 million for CNI. As of publication, a FY25 CNI planning grant NOFO has not yet been released.

CNI implementation grants are intended primarily to help transform severely distressed public housing and HUD-assisted private housing developments through rehabilitation, demolition, and new construction. HUD also requires applicants to prepare a more comprehensive plan to address other aspects of neighborhood distress such as violent crime, failing schools, and capital disinvestment. Funds can also be used for supportive services and improvements to the surrounding community, such as developing community facilities and addressing vacant, blighted properties. Fifty-nine implementation grants (generally at \$50 million) totaling more than \$2 billion were awarded through July 2024. HUD posted the FY23 NOFO on September 6, 2023, announcing \$259 million available for awards of up to \$50 million each. Congress only approved \$75 million for CNI in FY24, therefore HUD did not issue a separate FY24 CNI NOFO, instead focusing on planning grants. HUD awarded seven new FY23/FY24 CNI implementation awards amounting to approximately \$306 million. HUD released the [FY25 CNI Implementation Grant NOFO \(https://tr.ee/Mc3kQF\)](https://tr.ee/Mc3kQF) on December 16, 2025, with applications due March 9, 2026. The estimated total program funding is \$75

million, with four grants expected to be awarded.

Although each NOFO has been different, key constant features include:

- One-for-one replacement of all public and private HUD-assisted units.
- Each resident who wishes to return to an improved development may do so.
- Residents who are relocated during redevelopment must be tracked until the transformed housing is fully occupied.
- Existing residents must have access to the benefits of the improved neighborhood.
- Resident involvement must be continuous, from the beginning of the planning process through implementation and management of the grant.

The Lead Applicant must be a PHA, a local government, or a Tribal entity. If there is also a Co-Applicant, it must be a PHA, a local government, a Tribal entity, or the owner of the target HUD-assisted housing (e.g., a nonprofit or for-profit developer).

Statutory and Regulatory Changes Made Since 2016

HOTMA CHANGES

On July 29, 2016, President Obama signed into law the “Housing Opportunity Through Modernization Act” (HOTMA). This law made changes to the public housing and voucher programs. The major public housing changes were:

Income Determination and Recertification (HOTMA Section 102)

- For residents already assisted, rents must be based on a household’s income from the prior year. For applicants for assistance, rent must be based on estimated income for the upcoming year.
 - » A PHA may determine a household’s income, before applying any deductions, based on income determination made within the previous 12-month

period using the income determination made by other programs, such as Temporary Assistance for Needy Families (TANF), Medicaid, the Supplemental Nutrition Assistance Program (SNAP), the Supplemental Nutrition Program for Women, Infants, and Children (WIC), the Earned Income Tax Credit (EITC), Supplemental Security Income (SSI), and the Low Income Housing Tax Credit (LIHTC).

- A household may request an income review any time their income or deductions are estimated to decrease by 10%.
 - » A PHA has the discretion to set a lower percentage threshold.
 - » Rent decreases are to be effective on the first day of the month after the date of the actual change in income—meaning the rent reduction is to be applied retroactively.
- A PHA must review a household’s income any time that income with deductions is estimated to increase by 10%, except that any increase in earned income cannot be considered until the next annual recertification.

Income Deductions and Exclusions (HOTMA Section 102)

- The Earned Income Disregard was eliminated; it was used to disregard certain increases in earned income for residents who had been unemployed or were receiving welfare.
- When determining income:
 - » The deduction for elderly and disabled households increased to \$525 (up from \$400) with annual adjustments for inflation (this became effective January 1, 2024).
 - » The deduction for elderly and disabled households for medical care (as well as for attendant care and auxiliary aid expenses for disabled members of the household) used to be for such expenses that exceeded 3% of income. HOTMA limits the deduction for such expenses to those that exceed 10% of income.
 - » The dependent deduction remains at \$480 but will be indexed to inflation; it applies to each member

of a household who is less than 18 years of age and attending school, or who is a person 18 years of age or older with a disability (became effective January 1, 2024).

- » The deduction of anticipated expenses for the care of children under age 12 that are needed by a caretaker to seek or maintain employment or education is unchanged.
- » Any expenses related to aiding and attending to veterans is excluded from income.
- » Any income of a full-time student who is a dependent is excluded from income, as are any scholarship funds used for tuition and books.
- » If a household is not able to pay rent, a PHA has the discretion to establish policies for determining a household's eligibility for general hardship relief for the health and medical care expense deduction and for the childcare expense hardship exemption.
- » PHAs may adopt additional deductions (called "permissive deductions") for public housing residents.

Over-Income Limit (HOTMA Section 103)

If a household's income exceeds 120% of AMI for two consecutive years, a PHA must either:

- Terminate the household's tenancy within six months of the household's second income determination, or
- Charge a monthly rent equal to the greater of the Fair Market Rent (FMR) or the amount of the monthly operating and capital subsidy provided to the household's unit.

Asset Limits (HOTMA Section 104)

- To be eligible for public housing assistance, a household must not own real property that is suitable for occupancy as its residence or have assets greater than \$100,000 (adjusted for inflation each year). However, PHAs have the discretion to not enforce these asset limits.
- » There are a number of things that do not count as "assets" and instead are considered "necessary

personal property" such as a car needed for everyday use, furniture, appliances, personal computer, etc.

- » So-called "non-necessary personal items that have a combined value less than \$50,000 are excluded from calculating household assets.
- » Also exempt are retirement savings accounts.
- » A household may self-certify that it has assets less than \$50,000 (adjusted for inflation each year).

Other Provisions

- A PHA may transfer up to 20% of its Operating Fund appropriation for eligible Capital Fund uses.
- PHAs may establish replacement reserves using Capital Funds and other sources, including Operating Funds (up to the 20% cap), as long as the PHA Plan provides for such use of Operating Funds.

HUD issued a [final rule on July 26, 2018](https://www.govinfo.gov/content/pkg/FR-2018-07-26/pdf/2018-15941.pdf) (<https://www.govinfo.gov/content/pkg/FR-2018-07-26/pdf/2018-15941.pdf>) implementing the 120% over-income limit. HUD issued [Notice PIH 2018-19](https://tr.ee/VTopmt) (<https://tr.ee/VTopmt>) implementing HOTMA's minimum heating standards on November 2, 2018. On September 17, 2019, HUD [proposed HOTMA implementation regulations](https://tr.ee/mXviWk) (<https://tr.ee/mXviWk>) and NLIHC [summarized](https://tr.ee/BPPWbB) (<https://tr.ee/BPPWbB>) key provisions of the proposed changes.

A final rule (<https://www.govinfo.gov/content/pkg/FR-2023-02-14/pdf/2023-01617.pdf>) implementing the income and asset provisions was published in the *Federal Register* on February 14, 2023. [Notice PIH 2023-27/H 2023-10](https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-27pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-27pihn.pdf>) was posted on September 29, 2023 and revised on February 2, 2024, providing detailed guidance for implementing the final rule provisions. [Notice PIH-2023-03](https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-03pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-03pihn.pdf>) provides more guidance on implementing the over income provisions, detailing the notifications that a PHA must provide to households if they are about to be over income or have continued to be over income after 12 months and after 24 months.

On September 18, 2024, PIH sent an [email to PHAs](#).

(<https://nlihc.org/sites/default/files/September-18-2024-Blom-Email.pdf>) informing them that they would not have to comply with the income and asset provisions of HOTMA on January 1, 2025 because PIH's new Housing Information Portal (HIP) was not ready (HIP is intended to replace PIH's IMS/PIC system to accommodate HOTMA changes). The email informed PHAs that PIH will issue guidance on additional HOTMA provisions that can be implemented, and that in the meantime, PHAs should refer to [FAQs \(https://tr.ee/o78Lox\)](https://tr.ee/o78Lox) for provisions that currently may be implemented and guidance related to updating Admission and Continued Occupancy Policies (ACOPs) and Administrative Plans.

The National Housing Law Project updated its "[Quick Reference Guide to Implementation of Title I of the Housing Opportunity Through Modernization Act \(HOTMA\)](https://www.nhlp.org/wp-content/uploads/HOTMA-Reference-Guide.pdf)" (<https://www.nhlp.org/wp-content/uploads/HOTMA-Reference-Guide.pdf>) on November 19, 2024.

THE NATIONAL STANDARDS FOR PHYSICAL INSPECTION OF REAL ESTATE (NSPIRE)

The National Standards for Physical Inspection of Real Estate (NSPIRE) is a protocol intended to align, consolidate, and improve the physical inspection regulations that apply to multiple HUD-assisted housing programs ([24 CFR part 5 Subpart G, https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-G?toc=1](https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-G?toc=1)). NSPIRE replaces the Uniform Physical Condition Standards (UPCS) developed in the 1990s, and it absorbs much of the Housing Quality Standards (HQS) regulations developed in the 1970s. NSPIRE physical inspections focus on three areas: the housing units where HUD-assisted residents live, elements of their building's non-residential interiors, and the outside of buildings, ensuring that components of these three areas are "functionally adequate, operable, and free of health and safety hazards."

NSPIRE applies to all HUD housing previously inspected by HUD's Real Estate Assessment Center (REAC), including Public Housing and Multifamily Housing programs such as Section 8 Project-Based Rental Assistance (PBRA), Section 202 Supportive Housing for

the Elderly, Section 811 Supportive Housing for Persons with Disabilities, and FHA Insured multifamily housing. NSPIRE also applies to HUD programs previously inspected using the Housing Quality Standards (HQS) regulations: the HCV program (including Project-Based Vouchers, PBVs) and the programs administered by the Office of Community Planning and Development (CPD) – HOME Investment Partnerships (HOME), national Housing Trust Fund (HTF), Housing Opportunities for Persons with AIDS (HOPWA), Emergency Solutions Grants (ESG), and Continuum of Care (CoC) homelessness assistance programs.

HUD published a [final rule \(https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf\)](https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf) implementing the National Standards for Physical Inspection of Real Estate (NSPIRE) in the *Federal Register* on May 11, 2023. The new inspection protocol started on July 1, 2023 for public housing and on October 1, 2023 for the various programs of HUD's Office of Multifamily Housing Programs, such as PBRA, Section 202, and Section 811. The Housing Choice Voucher (HCV) and Project-Based Voucher programs will not need to implement the NSPIRE changes until February 1, 2027, (postponed from October 1, 2025, after previously being postponed from October 1, 2024), although a PHA could voluntarily implement NSPIRE before then.

HUD has published three "Subordinate Notices" that supplement the final rule addressing NSPIRE "standards," "scoring," and "administration." The intent of issuing the subordinate notices instead of incorporating their content in regulation is to enable HUD to more readily provide updates as appropriate.

For more information about NSPIRE, see the *National Standards for Physical Inspection of Real Estate (NSPIRE)* article in this *Advocates' Guide*.

STREAMLINING RULE

A final “streamlining rule” (<https://www.govinfo.gov/content/pkg/FR-2016-03-08/pdf/2016-04901.pdf>) was published on March 8, 2016, implementing provisions of the “FAST Act.” Key public housing provisions include:

- PHAs have the option of conducting a streamlined income determination for any household member who has a fixed source of income (such as Supplemental Security Income, SSI). If that person or household member with a fixed income also has a non-fixed source of income, the non-fixed source of income is still subject to third-party verification. Upon admission to public housing, third-party verification of all income amounts will be required for all household members. A full income reexamination and redetermination must be performed every three years. In between those three years, a streamlined income determination must be conducted by applying a verified cost of living adjustment or current rate of interest to the previously verified or adjusted income amount.
- PHAs have the option of providing utility reimbursements on a quarterly basis to public housing residents if the amounts due were \$45 or less. PHAs can continue to provide utility reimbursements monthly if they choose. If a PHA opts to make payments on a quarterly basis, the PHA must establish a hardship policy for tenants if less frequent reimbursement will create a financial hardship.
- Public housing households may now self-certify that they are complying with the community service requirement. PHAs are required to review a sample of self-certifications and validate their accuracy with third-party verification procedures currently in place.
- Many of the requirements relating to the process for obtaining a grievance hearing and the procedures governing the hearing were eliminated.

SMOKE FREE PUBLIC HOUSING

A final “smoke free” rule (<https://www.govinfo.gov/content/pkg/FR-2016-12-05/pdf/2016-28986.pdf>) was published on December 5, 2016. PHAs had to design and implement a policy prohibiting the use of tobacco products in all public housing living units and interior

areas (including but not limited to hallways, rental and administrative offices, community centers, daycare centers, laundry centers, and similar structures), as well as outdoor areas within 25 feet of public housing and administrative office buildings (collectively referred to as “restricted areas”). PHAs may, but are not required to, further limit smoking to outdoor designated smoking areas on the grounds of the public housing or administrative office buildings to accommodate residents who smoke. These areas must be outside of any restricted areas and may include partially enclosed structures. PHAs had until August 2018 to develop and implement their smoke-free policy.

CARBON MONOXIDE DETECTORS

“The Consolidated Appropriations Act of 2021” required Carbon Monoxide (CO) alarms or detectors to be installed in each public housing unit, as well as other HUD-assisted properties, by December 27, 2022. HUD issued joint Notice PIH 2022-01/H 2022-01/OLHCHH 2022-01 clarifying that it will enforce this requirement. PHAs may use either their Operating Funds or Capital Funds to purchase, install, and maintain CO alarms or detectors. In addition, the act provided a set-aside in the Capital Fund Program that PHAs can compete for to secure additional funds for CO alarms or detectors.

Recent Rulemaking

PIH published (<https://www.govinfo.gov/content/pkg/FR-2024-11-04/pdf/2024-25469.pdf>) on November 4, 2024, proposed changes to the Public Housing Assessment System (PHAS) regulations ([24 CFR part 902, https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-902?toc=1](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-902?toc=1)). PHAS is a tool PIH uses to assess how public housing agencies (PHAs) manage their public housing. The preamble to the proposed rule states that the proposed changes would revise the weight of the PHAS “indicators” to emphasize the importance of public housing occupancy, financial condition, and physical assessments. However, it is not clear how greater weight might be given for the importance of physical assessments. PIH specifically requested comments on ten topics. See NLIHC [November 12, 2024 Memo to Members article \(https://tr.ee/TdyVnf\)](https://tr.ee/TdyVnf) for a summary. NLIHC submitted

comments (https://nlihc.org/sites/default/files/NLIHC_Comment_Letter_PHAS.pdf) on January 3, 2025. At the time of this *Advocates' Guide* publication, HUD has not issued a final rule.

Forecast for 2026

During its first year back in office, the second Trump administration made and proposed changes in HUD that would negatively impact public housing residents. Between January and May 2025, around 23% of HUD staff left their positions; more have left since, and during the October 1–November 12 government shutdown in 2025, the Trump administration attempted to fire another 442 employees who had been furloughed during the shutdown. At a broad level, the staffing cuts at HUD will make it more difficult to effectively operate and maintain public housing. Cuts have included staff that coordinate and manage physical inspections for federally assisted housing, including public housing.

Additionally, there will likely be several proposed rules in 2026 that could have a negative impact on public housing residents. Advocates will have the opportunity to weigh in on these rules through the public comment process and other means.

MIXED STATUS LEAKED PROPOSED RULE

In September 2025, *ProPublica* published a leaked proposed rule for HUD programs that would impact “mixed-status families” receiving HUD assistance. “Mixed-status families” refer to households with at least one member who is a citizen of the United States or an eligible immigrant, living with one or more household members who are not eligible for HUD assistance based on their immigration status. Current rules allow mixed-status families to live together in HUD-subsidized housing if the housing assistance covers eligible (U.S. citizen or eligible immigrant) members only. Family members who do not claim to have HUD-eligible immigration status do not receive assistance, but they can continue to live with family members who do receive HUD housing assistance.

In 2019, under the first Trump administration, HUD proposed a mixed-status rule that would have forced impacted households to choose between separating as a family to keep their subsidy or face eviction and potentially homelessness. The final rule was never published and finally withdrawn during the Biden administration in 2021. HUD’s leaked draft proposed mixed-status rule repeats the Trump administration’s 2019 efforts to break up or evict mixed-status families in HUD-assisted housing. Features of the draft rule include:

- Eliminating a family member’s right to contend eligibility, meaning that every family member in a household under age 62 would need to be of eligible immigration status under Section 214 for the family to receive HUD housing assistance.
- Eliminating prorated assistance for mixed-status families.
- Requiring all HUD-assisted tenants, regardless of age, to verify their eligible immigration status.

A proposed rule has not yet been published in the *Federal Register*. When a proposed rule is published, advocates will have the opportunity to submit comments.

For more information about mixed-status families and immigrants’ access to housing, see the *Housing Access for Immigrant Households* article in this *Advocates' Guide*.

WORK REQUIREMENTS AND TIME LIMITS LEAKED PROPOSED RULE

The same *ProPublica* report leaking HUD’s “Mixed-Status” rule also leaked the text of a proposed rule that would increase barriers to accessing and maintaining housing by implementing work reporting requirements and time limits for households receiving housing assistance, including those living in public housing. The proposed rule would not mandate work requirements and time limits but would instead permit PHAs to implement these policies at their discretion. Residents

could be required to work up to 40 hours a week, and time limits could be as short as two years.

Proposals like work requirements and time limits for housing and other programs like the Supplemental Nutrition Assistance Program (SNAP) and Medicaid are often proposed with the idea of encouraging self-sufficiency. However, rather than promoting self-sufficiency, proposals like time-limits and work requirements [impose unnecessary, bureaucratic barriers \(https://tr.ee/2Hx8jd\)](https://tr.ee/2Hx8jd) to obtaining and maintaining housing assistance, making it more difficult for individuals and families to find safe, stable housing, and more difficult to find and maintain employment.

A proposed rule has not yet been published in the *Federal Register*. When a proposed rule is published, advocates will have the opportunity to submit comments.

PUBLIC CHARGE RULE

The U.S. Department of Homeland Security (DHS) released a [proposed “public charge” rule \(https://public-inspection.federalregister.gov/2025-20278.pdf\)](https://public-inspection.federalregister.gov/2025-20278.pdf), published to the *Federal Register* on November 19, 2025, with a 30-day comment period ending December 19, 2025. The rule does not explicitly list the services that could be considered in a public charge test when applying for a visa or green card; in failing to do so, the rule creates a chilling effect, stoking fear that stops eligible households from applying for essential resources like housing, healthcare, and food assistance. Until the DHS rule is finalized, the Biden administration’s 2022 public charge rule remains in effect. NLIHC submitted a comment on the proposed rule on December 19, 2025.

The U.S. Citizenship and Immigration Services (USCIS) uses the “public charge” test to determine admission into the U.S. or approval for a green card. An individual is deemed a “public charge” if they are identified as someone likely to depend on government benefits as their main source of support, which is grounds for them to be denied entry or green card status. Under

the [Biden \(https://public-inspection.federalregister.gov/2022-18867.pdf\)](https://public-inspection.federalregister.gov/2022-18867.pdf) public charge rule, implemented in 2022, use of several health and social services is not considered in a public charge determination, including housing assistance programs such as public housing, Housing Choice Vouchers, and Project-Based Rental Assistance (PBRA).

In 2019, the first Trump administration attempted to include these benefits in the public charge test through a proposed rule, which received pushback from advocates and was ultimately reversed. Now, the second Trump administration’s proposed public charge [rule \(https://tr.ee/ba0Rdr\)](https://tr.ee/ba0Rdr) aims to consider “all factors and information relevant to an alien’s likelihood at any time of becoming a public charge.” The rule allows critical services to be considered—without specifying the programs under consideration—and removes the 2022 regulatory provisions. If finalized, this rule would harm immigrant families’ access to key services, including housing, by creating a culture of inaccessibility and fear.

NLIHC will monitor the *Federal Register* in 2026 for updates. For more information about the history of public charge, see the Housing Access for Immigrant Households article in this *Advocates’ Guide*.

What to Say to Legislators

Advocates should ask members of Congress to:

- Reinstatement and maintain adequate staffing at HUD to effectively run public housing and other HUD programs.
- Maintain and increase funding for the public housing Operating and Capital Funds.
- Support public housing as a way to end all types of homelessness.

For More Information

NLIHC, 202-662-1530, www.nlihc.org

NLIHC's Public Housing webpage, <https://nlihc.org/explore-issues/housing-programs/public-housing>

National Housing Law Project, 415-546-7000, <http://nhlp.org/resourcecenter?tid=34>

Center for Budget and Policy Priorities, 202-408-1080, <http://www.cbpp.org/topics/housing>

HUD's Public Housing homepage, https://www.hud.gov/program_offices/public_indian_housing/programs/ph

HUD's Public Housing Data Dashboard, https://www.hud.gov/program_offices/public_indian_housing/programs/ph/PH_Dashboard

PD&R's Picture of Subsidized Housing, <https://www.huduser.gov/portal/datasets/assthsg.html>

PIH's HOTMA homepage, https://www.hud.gov/program_offices/public_indian_housing/hotmaresources

HUD's HOTMA webpage on HUD Exchange, https://www.hudexchange.info/programs/hotma/?utm_medium=email&utm_source=govdelivery

HOTMA Resident Fact Sheets on HUD Exchange website, <https://www.hudexchange.info/programs/hotma/hotma-income-and-assets/#resident-resources>

The National Housing Law Project's updated "[Quick Reference Guide to Implementation of Title I of the Housing Opportunity Through Modernization Act \(HOTMA\)](#)"

NLIHC's Summary of September 17, 2019, proposed HOTMA implementation regulations, <https://bit.ly/2kr70dt>

HUD's Public Housing Occupancy Guidebook, https://www.hud.gov/program_offices/public_indian_housing/programs/ph/mod/guidebook

HUD's Rental Assistance Demonstration homepage, <https://www.hud.gov/RAD>

HUD's Public Housing Repositioning homepage, https://www.hud.gov/program_offices/public_indian_housing/repositioning

HUD's Moving to Work expansion page, <https://www.hudexchange.info/programs/mtw/>

HUD's Choice Neighborhoods homepage, <https://www.hudexchange.info/programs/choice-neighborhoods/>

RENTAL ASSISTANCE DEMONSTRATION

By Ed Gramlich, Senior Advisor, NLIHC, with additional updates by Renee Williams, Senior Advisor for Public Policy, NLIHC

Administering Agency: HUD's Office of Multifamily Housing Programs, Office of Recapitalization (Recap)

Year Started: 2012

Number of Persons/Households Served: Initially, 60,000 public housing units were allowed to convert. This number was expanded to 185,000 units in fiscal year (FY) 2015, 225,000 units in FY17, and 455,000 units in FY18. The **first component** of the Rental Assistance Demonstration (RAD) involves public housing. As of October 1, 2025, 188,493 public housing units were converted, 63,826 units had preliminary approvals (CHAPs), and 131,309 units were in reserve (as part of a large "portfolio" of units to be converted over time), leaving 71,372 units available under the cap. The **second RAD component** involves private, HUD-assisted housing; there is no cap for this component. All 28,860 Rent Supp and RAP units were converted in 2018 and 2019. As of October 1, 2025, 11,970 Section 8 Mod Rehab units were converted while 785 units were undergoing conversion, and 1,810 units were expecting conversion. The "FY18 Appropriations Act" allowed Section 202 PRAC units to convert, resulting in 4,810 units converted, 2,180 units undergoing conversion, and 15,560 units expecting to convert.

Funding: HUD's proposed budget for FY26 did not address RAD. Neither the Senate nor the House appropriations bills propose providing funding for RAD.

See Also: For related information, refer to the *Public Housing*, *Project-Based Rental Assistance*, *Project-Based Vouchers*, and *Public Housing Agency Plan* sections of this guide.

As part of the "FY12 HUD Appropriations Act," Congress authorized the Rental Assistance Demonstration (RAD) to help preserve and improve low-income housing. RAD allows public housing agencies (PHAs) and owners of private, HUD-assisted housing to leverage Section

8 rental assistance contracts in order to raise private debt and equity for capital improvements. RAD has two components. The **first component** pertains to public housing and the Moderate Rehabilitation (Mod Rehab) Program. The **second component** pertains to the following programs: Rent Supplement (Rent Supp), Rental Assistance Program (RAP), Moderate Rehab, Moderate Rehab/McKinney-Vento Single Room Occupancy (SRO), and Section 202 Supportive Housing for the Elderly Project-Rental Assistance Contract (PRAC).

The intent of RAD is to help preserve and improve HUD-assisted low-income housing by enabling PHAs and owners of private, HUD-assisted housing to leverage Section 8 rental assistance contracts to raise private debt and equity for capital improvements. RAD does not provide any new federal funds for public housing. There are no RAD regulations, but RAD conversions must comply with formal RAD Notices. For public housing, the [current RAD Notice is H-2019-09/PIH 2019-23 \(REV4\) as amended by RAD Supplemental Notice 4B and Supplemental Notice 4C \(https://tr.ee/9lw9h6\)](https://www.federalregister.gov/documents/2019/09/23/2019-09-23-rev4), as well as [Notice H 2016-17/PIH 2016-17 \(https://tr.ee/vdqlg6\)](https://www.federalregister.gov/documents/2016/17/PIH-2016-17).

This article focuses on the public housing first component but first also offers a brief presentation of the key features of the second component.

History

Throughout 2010 and 2011, HUD consulted with public housing resident leaders through the Resident Engagement Group (REG). HUD sought to create a demonstration program that would bring in non-federal resources to address insufficient congressional funding for the public housing Capital Fund. HUD also wanted to avoid the many harmful effects the HOPE VI program had on residents. Over time, HUD presented three proposals to the REG, and each time the REG would point out a resident-oriented problem. In response, HUD went back to the drawing board to present a modified proposal. The final proposal, the Rental

Assistance Demonstration (RAD), addressed some of the REG's concerns.

Congress created RAD through the "[FY12 HUD Appropriations Act](https://tr.ee/jW3IKI)" (<https://tr.ee/jW3IKI>) to help preserve and improve low-income housing. HUD's Office of Recapitalization (Recap) published PIH Notice 2012-32 implementing RAD on July 26, 2012. A set of revisions were made July 2, 2013, with technical corrections on February 4, 2014, and significant revisions on June 15, 2015, and again on January 12, 2017 (Notice PIH-2012-32/H-2017-03 REV3). Still more significant revisions were published on September 5, 2019 with [Notice H-2019-09/PIH-2019-23 REV4 \(REV4\)](https://tr.ee/my2McS) (<https://tr.ee/my2McS>). On July 27, 2023, HUD issued Notice H-2023-08/PIH-2023-19 "[Supplemental Notice 4B](https://tr.ee/5OhfZ)" (<https://tr.ee/5OhfZ>), supplementing REV4 with improved resident engagement provisions, new climate resiliency requirements, changes to RAD/Section 18 Blend provisions, and Faircloth-to-RAD features (all discussed below). On January 16, 2025, HUD posted joint Notice H-2025-01/PIH-2025-03, "[Supplemental Notice 4C](https://tr.ee/X9q95Z)" (<https://tr.ee/X9q95Z>) further amending REV4 by adding better resident-oriented lease requirements. HUD also issued [Notice H 2016-17/PIH 2016-17](https://tr.ee/sVRdXX) (<https://tr.ee/sVRdXX>) on November 10, 2016, providing guidance regarding fair housing and civil rights as well as resident relocation statutory and regulatory requirements under RAD.

The "FY14 Appropriations Act" extended the time for second component conversions to December 31, 2014, from September 30, 2013, and the "FY15 Appropriations Act" removed the second component deadline altogether. The "FY15 Appropriations Act" raised the number of public housing units that could convert under the first component from 60,000 to 185,000 and extended the first component deadline to September 30, 2018. The "FY15 Appropriations Act" made several other changes that are explained in the rest of this article. The "FY17 Appropriations Act" further raised the cap to 225,000 units by September 30, 2020. The "FY18 Appropriations Act" raised the demonstration's cap to 455,000 units with a deadline of September 30, 2024. The "FY24 Appropriations Act" extended the deadline to September 30, 2029. The Obama, first Trump, and Biden administrations sought

to remove the cap and allow all public housing units to convert under RAD. The second Trump administration has not directly addressed RAD publicly; however, it proposed slashing funding for all HUD rental assistance programs, such as Project-Based Vouchers (PBVs) and Project-Based Rental Assistance (PBRA), and combining all rental assistance programs into a vaguely defined State Rental Assistance Block Grant (SRABG) program. HUD would develop a formula to allocate rental assistance funds to states, prioritizing maintaining assistance for people with disabilities and older adults already receiving rental assistance. It is not clear how this would affect public housing units already converted to PBVs or PBRA.

Brief Summary of the Second Component

The second RAD component allows owners of properties previously assisted through the Rent Supplement (Rent Supp), Rental Assistance Program (RAP), [Moderate Rehabilitation \(Mod Rehab\)](https://tr.ee/N1FFeY), [Mod Rehab McKinney-Vento Single Room Occupancy \(SRO\)](https://tr.ee/maKfVQ) (<https://tr.ee/N1FFeY>), and [Section 202 Supportive Housing for the Elderly PRAC](https://tr.ee/maKfVQ) (<https://tr.ee/maKfVQ>) programs to convert to long-term Section 8 contracts—either project-based vouchers (PBVs) or project-based rental assistance (PBRA). All Rent Supp and RAP properties have converted. There was no limit to the number of units that could be converted under the second component and there was no competitive selection process for it.

The "FY15 Appropriations Act" permanently extended the ability to convert under the second component. The "FY15 Appropriations Act" also allowed projects to convert to PBRA (before then the only option was PBV), and allowed projects assisted under the Mod Rehab McKinney-Vento Single Room Occupancy (SRO) program to apply for RAD conversion. The "FY18 Appropriations Act" added the Section 202 Supportive Housing for the Elderly PRAC program. All 249 Rent Supp properties closed at the end of 2018 and all 106 RAP properties closed at the end of 2019. As of October 1, 2025, 11,970 Section 8 Mod Rehab units were converted, while 785 units were undergoing conversion,

and 1,810 units were expecting conversion. The “FY18 Appropriations Act” allowed Section 202 PRAC units to convert, resulting in 4,810 units converted, 2,180 units undergoing conversion, and 15,560 units expecting to convert.

Owners of properties with program contracts that had not expired or terminated could enter into a 20-year PBV housing assistance payment (HAP) contract with a public housing agency (PHA) or enter into a 20-year PBRA HAP contract administered by HUD’s Office of Multifamily Housing Programs. Owners with contracts that had already expired or terminated and whose residents started receiving tenant protection vouchers (TPVs) on or after October 1, 2006, could only enter into a 20-year PBV HAP contract with a PHA (before April 2017, PBV contracts had a maximum term of 15 years).

Owners had to notify residents of an intent to convert, follow resident participation, and adhere to the resident protection provisions as described below pertaining to the first component.

Detailed Summary of the Public Housing First Component

Since the “FY18 Appropriations Act,” RAD’s [first component \(https://tr.ee/llwQnY\)](https://tr.ee/llwQnY) has allowed up to 455,000 units of public housing and Mod Rehab Program units to compete for permission to convert their existing federal assistance to project-based Housing Choice Vouchers (PBVs) or to Section 8 Project-Based Rental Assistance (PBRA) by September 30, 2024 (the “FY24 Appropriations Act” extended the deadline to September 30, 2029). RAD is a voluntary demonstration program. There is no new funding for RAD. Once converted under RAD, the amount of the public housing Capital Fund and Operating Fund a specific development has been receiving is used instead as PBV or PBRA.

PHAs considering RAD can choose to convert public housing units to one of two types of long-term, project-based Section 8 rental assistance contracts:

1. **Project-Based vouchers (PBV).** These are Housing Choice Vouchers that are tied to specific buildings; they do not automatically move with tenants as regular “tenant-based” vouchers do. However, under RAD, if a RAD resident chooses to move from the property after one year, the resident can request a regular tenant-based voucher and goes to the top of a PHA’s voucher waiting list (see Choice Mobility below).

If public housing units are converted to PBV, the initial contract must be for 20 years (before April 2017 the minimum was 15 years and the maximum was 20 years) and must always be renewed. HUD’s Office of Public and Indian Housing (PIH) would continue to oversee the units. Most of the current PBV rules ([24 CFR part 983 \(https://tr.ee/ZHG2IB\)](https://tr.ee/ZHG2IB)) would apply.

2. **Project-Based Rental Assistance (PBRA).** If units are converted to PBRA, the initial contract must be for 20 years and must always be renewed. HUD’s Office of Multifamily Programs would take over monitoring. Most of the current PBRA rules ([24 CFR parts 880 to 886 \(https://tr.ee/jZ2H0K\)](https://tr.ee/jZ2H0K)) would apply.

Unlike regular PBRA, under RAD, if a RAD resident chooses to move from the property after two years, the resident can request a regular tenant-based voucher and goes to the top of a PHA’s voucher waiting list (see Choice Mobility below).

[Supplemental Notice 4C \(https://tr.ee/XztGTy\)](https://tr.ee/XztGTy) added more explicit language to reinforce the requirement that PBV and PBRA contracts must be renewed and provided guidance for determining rents for the next HAP Contract.

As of November 19, 2025, 1,208 projects with 112,714 units have converted to PBV and 430 projects with 48,728 units are converting to PBV. Another 642 projects with 77,143 units have converted to PBRA, and 121 projects with 13,672 units are in the process of converting to PBRA. Overall (counting converted and converting units), 64% entail PBVs.

Voluntarily converting some public housing to Section 8 might be good because Congress continues to underfund public housing. That underfunding leads

to deteriorating buildings and the loss of units through demolition. HUD has estimated that 10,000 public housing units are lost each year. If a long-term rental assistance contract is tied to a property, private institutions might be more willing to lend money for critical building repairs. (A 20-year Section 8 contract is a relatively reliable stream of revenue to pay back loans.) Congress is more likely to provide adequate funding for existing Section 8 contracts (whether PBV or PBRA) than for public housing. Therefore, some units that were public housing before conversion are more likely to remain available and affordable to people with extremely low and very low incomes because of the long-term Section 8 contract.

Recap has 15 RAD Resident Fact Sheets explaining the Rental Assistance Demonstration [here \(https://tr.ee/Yk5ADS\)](https://tr.ee/Yk5ADS). Unfortunately, they are only available in English; the Trump administration removed fact sheets in other languages.

RESIDENT PROTECTIONS AND RIGHTS

The RAD Notice implementing the statute includes the statutory resident protections sought by the Resident Engagement Group, as well as additional protections. However, it is up to residents to try to get Recap, PHAs, developers, and owners to comply. Some of the protections and rights for residents include (others are described later):

- Displacement: Permanent involuntary displacement of current residents may not occur as a result of a project's conversion. If a household does not want to transition to PBV or PBRA, they may move to other public housing if an appropriate unit is available.
- Tenant Rent: Existing PBV and PBRA rules limit resident rent payment to 30% of income, or minimum rent, whichever is higher. Any rent increase solely due to conversion that amounts to 10% or \$25, whichever is greater, is phased in over three to five years.
- Rescreening: Current residents cannot be rescreened when they return if they were temporarily relocated while their development was rehabilitated or if their development was demolished and new units were built.
- Right to Return: Residents have a right to return if they were temporarily relocated while their development was rehabilitated or if their development was demolished and new units were built. If while they are temporarily relocated their income increases and they would otherwise be over income, a resident household still has the right to return.
- Renewing the Lease: PHAs must renew a resident's lease, unless there is "good cause" not to do so. Supplement 4C (January 16, 2025) added lease provisions:
 - » Lease terms, provisions, addendums, and reference documents (e.g., House Rules) must be reasonable, use plain language, be available in multiple languages, and be accessible to people with disabilities.
 - » Occupants at the time of RAD conversion cannot be required to pay a new security deposit.
 - » Occupants at the time of RAD conversion cannot be prohibited from keeping their pets.
 - » Leases and House Rules should not be "onerous" or difficult to understand and should not impose overly restrictive rules about what residents may or may not do in their homes (such as some HOPE VI House Rules).
 - » A PHA or owner must provide a resident at least 30 days' advance written notice for nonpayment of rent (up from 14 days).
- Grievance Process: The RAD statute requires tenants of converted properties to have the same grievance and lease termination rights they had under Section 6 of the "Housing Act of 1937" (public housing). For instance, PHAs must notify a resident of the PHA's reason for a proposed adverse action and of their right to an informal hearing assisted by a resident representative.

Advocates think that Recap has not adequately implemented this statutory requirement. The public housing regulations have long-established processes that residents can use to question a PHA's actions or failure to take action regarding a lease or any

PHA regulation that adversely affects a resident's rights, welfare, or status. Recap's RAD provisions restrict residents' grievance rights because instead of using the well-developed public housing grievance process, residents will only have the limited grievance rights under either the PBV regulations or the PBRA regulations.

RESIDENT INVOLVEMENT

Before A PHA Applies to Recap to Convert Public Housing Under RAD

Notice to Residents and Required Meetings

Before submitting a RAD application to Recap, a PHA must notify in writing any "duly elected resident organizations" of a project proposed for conversion. (Many public housing developments do not have a duly elected resident council. The term "duly elected resident organization" is tied to Section 964 of the public housing regulations. See the Public Housing entry of this *Advocates' Guide*.) Recap "encourages" PHAs to partner with "resident leaders" to inform all residents of a development planned for conversion. The PHA is not required to notify the Resident Advisory Board (RAB) or residents of other developments.

Since January 2017, the form of notice must be a written [RAD Information Notice \(RIN\)](https://tr.ee/Mx0WeR) (<https://tr.ee/Mx0WeR>) that indicates, among other things:

- The PHA's intention to convert the units through RAD.
- A general description of the conversion (whether it will be rehab, new construction, etc.) that will be discussed at upcoming resident meetings.
- A way for residents to contact Recap.
- Resident relocation protections if relocation is involved.
- Residents' rights under RAD (including the right to remain in the project after conversion, the right to return to the project if there is temporary relocation, the right to relocation benefits, and the right to not be re-screened upon returning).

RINs must be:

- Delivered to each unit or by U.S. mail to each head of household.
 - Posted in a conspicuous place at the converting property.
 - Available at the management office during normal business hours for residents and the general public to read and copy.
1. In addition, a [General Information Notice \(GIN\)](https://tr.ee/G0P1P2) (<https://tr.ee/G0P1P2>) must be provided informing each resident about "Uniform Relocation Act" (URA) protections if URA is triggered. A GIN might be provided at the same time as a RIN if a PHA knows RAD conversion will involve acquisition, rehabilitation, or demolition.

No less than one week after a RIN is issued and within the six months before a PHA applies for RAD, a **PHA must conduct at least two meetings** with residents of projects proposed for conversion. At these meetings the PHA must:

- Describe all RAD resident rights (including the right to remain in the project after conversion, the right to return to the project if there is temporary relocation, the right to relocation benefits, and the right to not be re-screened upon returning).
- Discuss conversion plans, explaining:
 - » Scope of work to be done and any potential relocation.
 - » Estimated timeline for conversion.
 - » The major differences between public housing and PBV or PBRA after conversion.
 - » Any change in the number of units or unit sizes or any other change that might make it difficult for a household to re-occupy the property.
 - » Any demolition of units that have been vacant for more than 24 months (see "One-for-One Replacement" below).

- » Any plans to partner with an entity other than an affiliate or instrumentality of the PHA, and if so, whether such a partner will have a general partner or managing member ownership interest in the proposed project owner.
- » Any plans to transfer the PBV or PBRA to another property, meaning residents would have to permanently move to another location.
- Give residents a chance to comment.
- After these meetings the PHA must write responses to residents' comments.

PHA Must Send Materials to Recap Along with RAD Application

A PHA must send the following to Recap along with a RAD application:

- Certification (pledge) that the PHA provided all residents the RIN and meeting notices.
- A summary of who attended meetings (e.g., sign-in sheet, list of registrants or participants on calls or online meetings).
- A description of the PHA's efforts to promote resident participation at meetings, including:
 - » Dates and times of meetings "to accommodate a variety of [resident] schedules."
 - » Efforts to accommodate residents with disabilities.
 - » Efforts to accommodate residents with limited English proficiency.
 - » The meeting format (in-person, electronic, or both).
 - » The location of in-person meetings.
 - » Efforts to overcome resident technical barriers to participation on virtual meetings.
 - » Other efforts, such as providing childcare.
- Meeting agendas and copies of any handouts or presentation materials.
- A summary of residents' questions and comments at meetings and submitted in writing.

- The PHA's responses to residents' questions and comments.
- Information about how residents who were unable to attend meetings could get materials and submit questions and comments.
- Materials provided to residents about RAD resident protections, such as Recap's Residents' Rights brochure, Recap's resident fact sheets, Recap's RAD video, and other materials.
- Contact information for at least one elected leader of a "duly elected resident organization" – if one exists.

If Your Development is Chosen for Conversion

Resident Engagement Before a "Concept Call"

After a RAD application has received preliminary Recap approval, called a "CHAP" (Commitment to enter into a Housing Assistance Payment contract), but before a PHA requests a "Concept Call" with Recap (see below), the **PHA must have at least two meetings with residents** to discuss updated conversion plans and ask for feedback regarding the proposed improvements, management changes, services, or other items.

The two (at least) meetings should cover the topics listed above about the meetings after a RIN is issued and should be spaced to provide meaningful updates regarding the application's progress. Recap encourages PHAs to have these meetings every three months, and before each meeting PHAs should provide written progress descriptions. Residents should be able to provide input and raise questions or concerns. A summary of residents' questions and comments from the meetings, and the PHA's response provided to residents, must be submitted as part of the RAD Financing Plan. A Financing Plan is a document demonstrating that the project can be physically and financially sustained for the term of the Section 8 Housing Assistance Payment (HAP) contract.

Additional resident meetings might be required by Recap after the Concept Call if Recap determines they are needed to provide residents with up-to-date information.

The Concept Call is relatively new, first required after September 5, 2019. It requires a PHA to request a call with Recap before submitting a “Financing Plan” to show that the plan is far enough along for Recap to review it.

Resident Engagement Before RAD “Closing”

After Recap has issued a RAD Conversion Commitment (RCC) and before project “closing,” (closing is the final step in executing a real estate transaction) the PHA must notify residents in writing that the RAD application has been approved. The PHA must hold an additional resident meeting after residents have been notified. The written notice and meeting must address: the anticipated timing of the conversion; the anticipated duration of the rehab or new construction; the revised terms of the lease and “house rules” (allowable and prohibited activities in housing units and common areas listed in an attachment to a lease); procedures for signing a new lease; any anticipated relocation; and opportunities to and procedures for residents to exercise the RAD “choice mobility” option (discussed below). The PHA must provide access to or copies of the new lease form and any house rules. Recap requires evidence that notice was provided and the meeting was held.

Additional RAD Meetings

The “required meetings” must discuss any “substantial change” to RAD conversion plans compared to key elements of the conversion plan from previous meetings. The required meetings are the two meetings after a RIN is issued, two meetings after a PHA receives a CHAP and before the Concept Call, and one meeting after Recap issues an RCC.

Additional meetings with residents are required if one of the “required meetings” does not take place within a reasonable time (about 3 months) after there is a substantial change to the RAD conversion plan. A substantial change includes: a change in the number of units or unit sizes that could make it difficult for a household to re-occupy the property; demolition of units that have been vacant for more than 24 months; the PHA plans to partner with another entity that will have an ownership interest in the project; or if RAD transfers the PBV or PBRA to another property, meaning residents would have to permanently move to another location.

Practices to Improve Resident Participation at Meetings

PHAs must provide adequate notice of meetings (Recap does not define “adequate”). PHAs should reduce barriers to resident participation in meetings. They should conduct meetings in places that foster participation and consider the timing of resident meetings (e.g., times of day, days of the week, including weekends) to encourage participation by residents who have a variety of schedules. PHAs should offer meetings in person, electronically (e.g., Zoom), and/or a hybrid of both. For virtual meetings, PHAs should consider residents’ computer and internet access and take reasonable measures to address technological barriers. PHAs must make meeting notices and meeting materials available in the management office and on their website. Relevant staff from the PHA or the project owner should be available at meetings to respond to residents’ questions or comments. PHAs may not restrict attendance at the meetings.

All Communications and Meetings Must Be Accessible

The PHA must: use effective means of communication for people with hearing, visual, and other communication-related disabilities; hold meetings in places physically accessible for people with disabilities; and provide meaningful access to its programs and activities for people who have a limited ability to read, speak, or understand English.

Recap Considers RAD Conversion a “Significant Amendment” to the PHA Plan

A Significant Amendment to the PHA Plan requires Resident Advisory Board (RAB) involvement, PHA-wide notice, broad public outreach, and a public hearing. A RAD conversion Significant Amendment must describe the units to be converted, including the number of units, the number of units by bedroom size, and type of units (e.g., family, elderly, etc.). It must also indicate any waiting list preferences and indicate any change in the number of units or units with different numbers of bedrooms, as well as any change in policies regarding eligibility, admission, selection, and occupancy of units.

Although Recap considers RAD conversion to be a Significant Amendment, Recap does not require a Significant Amendment process to begin until late in the

RAD conversion application process, which could be as late as five months after Recap has issued a preliminary approval (CHAP) for RAD conversion of a specific development. (See Chapter 8 of this *Advocates' Guide* for information about the *Public Housing Agency (PHA) Plan*.)

A PHA only has to have the RAD Significant Amendment completed in time for a PHA to submit its RAD Financing Plan, which is a document sent to Recap showing that a PHA has buttoned down all the necessary financing. The RAD Financing Plan must include a letter from Recap approving the Significant Amendment. Financing Plans are due six months after Recap has issued a CHAP—a preliminary approval for RAD conversion.

By this time a PHA will have invested too much effort to respond to resident and community input. Decisions about whether to apply for RAD conversion, and if so, which developments should be converted, ought to be discussed as a Significant Amendment by all PHA residents and the surrounding community before a RAD application is sent to Recap—not close to the time when a PHA has all of its financing and construction plans approved and is ready to get started with the RAD conversion.

\$25 Per Unit for Resident Participation

Whether a property is converted to PBV or PBRA, each year a PHA or owner must provide \$25 per occupied unit at the property for resident participation. Of this amount, at least \$15 per unit must be provided to the legitimate resident organization to be used for resident education, organizing around tenancy issues, and training activities. If there is no legitimate resident organization, residents and PHAs/owners are encouraged to form one. A PHA may use the remaining \$10 per unit for resident participation activities; however, some PHAs distribute the entire \$25 per unit to the resident organization.

Resident Participation Provisions

Residents have the right to establish and operate a resident organization. If a property is converted to PBRA, then the current multifamily program's resident participation provisions apply; the so-called "[Section 245](https://tr.ee/A9XZoh)" (<https://tr.ee/A9XZoh>) provisions. If a property is converted to PBV, instead of using public housing's

so-called "[Section 964](https://tr.ee/jOxFL5)" (<https://tr.ee/jOxFL5>) provisions, the RAD Notice requires resident participation provisions similar to those of Section 245.

Section 245-like RAD Resident Participation Rights: Legitimate Resident Organizations

PHAs/owners must recognize legitimate resident organizations, which are established by residents, represent a development's residents, meet regularly, operate democratically, and are completely independent of the owner. Owners must allow residents and resident organizers to assist residents in establishing and operating resident organizations. A resident organizer is a resident or non-resident, but is not an employee or representative of the owner.

Section 245-like RAD Resident Participation Rights: Protected Activities

Owners must allow residents and resident organizers to conduct reasonable activities related to the establishment or operation of a resident organization. Owners must allow residents and resident organizers to distribute leaflets in lobbies and common areas and place leaflets at or under residents' doors, as well as post information on bulletin boards. They must be able to contact residents and conduct door-to-door surveys, help residents participate in the organization's activities, hold regular meetings on site, and respond to a PHA's request to increase rent, reduce utility allowances, or make major capital additions. Management staff may not attend resident meetings unless invited.

Properties converted to PBRA are no longer required to meet PHA Plan requirements. In addition, PBRA residents can no longer be on the RAB, be a PHA commissioner, or be on a jurisdiction-wide resident council unless the PHA voluntarily agrees.

Recap used to have on its website a slide deck about resident organization after RAD conversion and still has [Fact Sheet #8, Resident Organizing and Funding](https://tr.ee/ynFDd8) (<https://tr.ee/ynFDd8>) (but now only in English, per the Trump administration's moves to eliminate non-English materials from HUD's website). An archived version of the slide deck is available [here](https://tr.ee/NfRnT0) (<https://tr.ee/NfRnT0>), but is provided for historical purposes only (archived October 2, 2024).

ONE-FOR-ONE REPLACEMENT

Although the RAD Notice does not use the term “one-for-one replacement,” Recap’s informal material says there will be one-for-one replacement. However, there are exceptions. PHAs can reduce the number of assisted units by up to 5% or five units, whichever is greater, without seeking HUD approval (known as Section 18). Recap calls this the *de minimis* exception. Furthermore, RAD does not count against the 5% or five unit *de minimis*: any unit that has been vacant for two or more years; any reconfigured units, such as efficiency units made into one-bedroom units; or any units converted to use for social services. Consequently, the loss of units can be greater than 5%. NLIHC has long been concerned about not counting units that have been vacant for two or more years because PHAs have been known to purposefully keep units vacant for years, which could enable them to minimize the need to comply with the one-for-one replacement provision.

A PHA must demonstrate that any reduction of units better serves residents, will not result in involuntary permanent displacement, and will not discriminate. If a PHA proposes changes that will result in, for example, fewer three-bedroom units, the PHA must demonstrate that it will not result in involuntary displacement or discrimination.

CHOICE MOBILITY

Recap states that one of the major objectives of RAD is to test the extent to which residents have greater housing choice after conversion. PHAs must provide all residents of converted units with the option to move with a regular Housing Choice Voucher (HCV). For PBV conversions, after one year of residency, a tenant can request an HCV, and one must be provided if available; if a voucher is not available, the resident gets priority on the waiting list. If because of RAD, a PHA’s total number of PBV units (regular PBVs and RAD PBVs) is greater than 20% of the PHA’s authorized number of HCVs, the PHA would not be required to provide more than 75% of its turnover HCVs in any single year to residents of RAD projects.

For PBRA conversions, a resident has the right to move with an HCV after two years if one is available. A PHA

could limit Choice-Mobility moves in a PBRA property to one-third of the PHA’s turnover vouchers, or to 15% of the assisted units in a property.

Recap posted [RAD Choice Mobility Guidebook: Effective Implementation of Residents’ Choice-Mobility Rights in RAD Conversions, A Best Practices Guide for PHAs and Owners \(https://tr.ee/PXqqID\)](https://tr.ee/PXqqID) written by the Policy & Race Research Action Council (PRRAC). Recap also has [Fact Sheet #12, Choice Mobility \(https://tr.ee/YEP7mJ\)](https://tr.ee/YEP7mJ) now only in English).

RELOCATION AND CIVIL RIGHTS REVIEW GUIDANCE

HUD issued [Notice H 2016-17/PIH 2016-17 \(https://tr.ee/0sWrDX\)](https://tr.ee/0sWrDX) on November 10, 2016, providing guidance regarding resident relocation and fair housing and civil rights statutory and regulatory requirements under RAD.

Relocation Provisions

Regarding relocation provisions, this Notice added several new features, some in response to advocates. The Notice requires PHAs or project owners to prepare a written relocation plan for all transactions that involve permanent relocation or that involve temporary relocation expected to be longer than 12 months.

Notices

For any temporary or permanent relocation, public housing residents must receive a [RAD Information Notice \(RIN\) \(https://tr.ee/OcpM26\)](https://tr.ee/OcpM26) before the first required resident meetings to tell residents that the PHA intends to convert through RAD, and to describe project plans (such as new construction or rehabilitation) and residents’ rights under RAD (see discussion earlier in this article). In addition, residents must receive a [General Information Notice \(GIN\) \(https://tr.ee/QoSabU\)](https://tr.ee/QoSabU) within 30 days after a CHAP is issued. The GIN must inform residents that they might be displaced, and if so, that they will receive relocation assistance and 90 days’ advance notice before having to move. Owners must provide a Notification of Return to the Covered Project indicating: a date or estimated date of return, whether the PHA or some other entity will be responsible for

managing the return, that out-of-pocket expenses will be covered, that the PHA or another entity will give residents 90 days' advance notice of return, and options available to residents who decide not to return.

Temporary Relocation

For moves within the same building or complex, or for moves elsewhere for one year or less, a PHA must give residents 30 days' notice and reimburse residents for out-of-pocket expenses.

If temporary relocation is expected to be for more than one year, a PHA must give residents 90 days' notice and offer residents the choice of temporary housing and reimbursement for out-of-pocket expenses related to the temporary relocation, or permanent relocation assistance and payments at "[Uniform Relocation Act](https://tr.ee/efnXVo)" (<https://tr.ee/efnXVo>) levels. Residents must have at least 30 days to decide between temporary and permanent relocation assistance. A PHA cannot use any tactics to pressure residents to give up their right to return or to accept permanent relocation assistance and payments.

PHAs must maintain a "Resident Log" that tracks resident status through completion of rehabilitation or new construction, including re-occupancy after temporary relocation. The Resident Log must have detailed data regarding each household that will be relocated, including the address of temporary housing and key dates of notices and moves. Unfortunately, Recap will not make a redacted or aggregate summary of the Resident Log available to advocates wishing to monitor the relocation process.

Permanent Relocation

If proposed plans for a project would prevent a resident from returning to a RAD project, the resident must be given an opportunity to comment and/or object to such plans. If the resident objects to such plans, the PHA must alter project plans to accommodate the resident in the converted project. Advocates are not aware that any RAD project has been altered as a result of resident objections.

If a resident voluntarily agrees to permanent relocation, a PHA must obtain informed written consent from the resident that also confirms that the resident agrees

to end the right to return and that confirms that the resident understands permanent relocation assistance and payments will be provided consistent with the "Uniform Relocation Act." Replacement housing options for residents who voluntarily relocate permanently include providing other public housing, a project-based voucher, a regular tenant-based voucher, and homeownership housing.

Fair Housing and Civil Rights Provisions

[Notice H 2016-17/PIH 2016-17 \(https://tr.ee/Nq67m2\)](https://tr.ee/Nq67m2) provides:

- An outline of conditions under which HUD will conduct a front-end review to determine whether a site is in an area of minority concentration relative to the site's housing market area;
- Guidance on the concepts of "area of minority concentration" and "housing market area" that are reviewed when determining whether a site is in an area of minority concentration; and
- Information about what HUD will consider and what PHAs should provide evidence of in order for a proposed site to meet exceptions that permit new construction in an area of minority concentration. This includes:
 - » An explanation of the presumptions necessary for meeting the "sufficient comparable opportunities" exception; and
 - » A description of the factors that HUD may consider in evaluating the "overriding housing needs" exception.

WHO WILL OWN THE CONVERTED PROPERTIES?

Many residents worry about their developments becoming "privatized." Theoretically, this potential problem is covered by the RAD statute requiring ownership or control by a public or nonprofit entity. However, legal services attorneys worry that there could be loopholes. Legal services attorneys recommend that if a PHA does not directly keep ownership that the PHA at least has a long-term ground lease ensuring direct control.

The June 15, 2015, revision of the RAD Notice (PIH-2012-32 REV-2) refined the meaning of “ownership and control” of post-conversion projects.

For conversions that do not involve the Low-Income Housing Tax Credit (LIHTC), a public or nonprofit entity must meet one of the following:

- Hold fee simple interest in the real property (holding title to the land and any improvements, such as buildings).
- Have direct or indirect legal authority to direct the financial and legal interests of the project owner (through a contract, partnership share, agreement of an equity partnership, voting rights, or other means).
- Own 51% or more of the general partner interests in a limited partnership or own 51% or more of the managing member interests in a Limited Liability Company (LLC).

As of January 19, 2017, due to the REV 3 RAD Notice, the following options were added:

- Lease the ground to a project owner (but the Notice does not indicate how long the lease should last).
- Own a lesser percentage of the general partner or managing member interests and hold certain control rights approved by Recap.
- Own 51% or more of all ownership interests in a limited partnership or LLC and hold certain control rights approved by Recap.

Recap may allow ownership of a project to be transferred to a LIHTC entity controlled by a for-profit entity (or since the FY18 appropriations act, a nonprofit) to enable the use of LIHTC assistance, but only if Recap determines that the PHA preserves sufficient interest in the property. Preservation of a PHA's sufficient interest in a project using LIHTCs could include:

- The PHA, or an affiliate under its sole control, is the sole general partner or managing member.
- The PHA retains fee ownership, leasing the real estate to the LIHTC entity as part of a long-term ground lease.

- The PHA retains control over project leasing, such as exclusively maintaining and administering the wait list for the project, including performing eligibility determinations that comply with the PHA Plan.
- The PHA enters into a Control Agreement by which the PHA retains consent rights over certain acts of the owner (for example, leasing, selecting the management agent, setting the operating budget, making withdrawals from the reserves, and disposition of the project), and retaining certain rights over the project, such as administering the waiting list.

Whether or not the property is owned by a LIHTC entity, the National Housing Law Project asserts that only two options will preserve the long-term affordability of a property:

- The PHA or an affiliate under its sole control is the general partner or managing member.
- The PHA retains fee ownership and leases the real estate through a long-term ground lease.

If there is a foreclosure, then ownership or control of the property will go first to a public entity, and if there is not a public entity willing to own the property, then to a private entity that could be for profit.

BREACH OF CONTRACT

HUD can remove a PBV or PBRA Housing Assistance Payment (HAP) contract if an owner is in serious noncompliance. In such a situation, the RAD Notice states that new tenants would be allowed to have income greater than the income of most public housing residents—80% of the area median income (for example, \$86,350 for a three-person household in Chicago in 2025). Rents could be higher—30% of 80% of AMI (for example, \$2,160 per month for a three-person household in Chicago).

LIMITS ON PBVS PER DEVELOPMENT

For projects that closed after January 19, 2017, there is no limit on the number of PBVs that can be attached to a property.

RAD Supplemental Notice 4B from July 2023 clarifies that PBVs in a RAD-converted property (including for example “regular” RAD PBVs and RAD/Section 18 Blend PBVs, described below) that replace public housing units that existed at the time of RAD conversion do not count against the 20% cap on the number of vouchers a PHA can project base.

Pre-January 2017 RAD Projects

For projects that closed before changes were made on January 19, 2017, RAD limited to 50% the number of units in a public housing development that could be converted to PBVs. However, the 50% cap could be exceeded if the other units were “exception units,” those occupied by an elderly head of household or spouse, a disabled head of household or spouse, or a household with at least one member participating in a supportive service program.

For those pre-2017 RAD projects, a public housing household whose development was converted could not be involuntarily displaced as a result of this 50% cap. In other words, any household living in a development at the time of RAD conversion (pre-2017) that did not meet one of the exception criteria (e.g., elderly, disabled, supportive service) and did not want to move, could not be terminated from PBV and could not be required to move, even if they caused the development to exceed the 50% PBV + exception unit cap. However, once one of those original households (non-elderly, non-disabled, non-supportive services) left, causing the property to exceed the 50% PBV + exception unit cap, that unit could only be assisted with PBV if it was rented to a household that met one of the three exception categories (elderly, disabled, or supportive services). What this means is that some PHAs might have urged half of the households to move to other developments, if available, but a resident’s decision to relocate must be voluntary.

MIXING RAD AND “SECTION 18” DISPOSITION

A new provision was added on July 3, 2018 through [Notice PIH 2018-04 \(https://tr.ee/XgoS8Y\)](https://tr.ee/XgoS8Y) which was primarily about Section 18 demolition and disposition applications and was added to the RAD Notice REV-4 (September 5, 2019). Up to 25% of the public housing units at a RAD project could be “disposed” (sold or transferred) under Option (c) of the “Section 18” Disposition regulations option that requires the disposition to be in the “best interest of residents and the PHA.” This is termed the “RAD/Section 18 Blend.” For more information about Section 18 disposition, see the “Repositioning of Public Housing” entry in this chapter of the *Advocates’ Guide*.)

The purpose of RAD/Section 18 Blends is to allow a public housing property to undergo RAD conversion for one portion of a property’s units while remaining units use the Section 18 Disposition program’s Tenant Protection Vouchers (TPVs) that are converted to PBVs. The primary reason for using the RAD/Section 18 Blend is to improve a project’s financing—PBVs generally provide greater rent revenue than RAD formula rent amounts. The PBV HAP contract at a RAD/Section 18 Blend project may be renewed as many times as necessary in order to keep the PBV units in the RAD project affordable (according to PIH Special Application Center emails to NLIHC).

For RAD/Section 18 Blend projects, Supplemental Notice 4C (January 16, 2025) stated that HUD will automatically convert TPVs issued for the Section 18 units to PBVs or PBRAs, depending on which program a PHA chose to convert to under RAD. The project will then have a single RAD form of HAP Contract that is subject to a single RAD Use Agreement. Supplemental Notice 4C also stated that the units in a RAD/Section 18 Blend that generate TPVs will not reduce a PHA’s Faircloth Limit.

The Faircloth Amendment to the “Housing Act of 1937” states that HUD cannot fund the construction or operation of new public housing units with Capital or Operating Funds if the construction of those units would result in a net increase in the number of public housing units a PHA owned, assisted, or operated as of October 1, 1999.

A PHA may not provide different relocation rights and benefits to residents of a project on the basis of whether they live in a RAD unit or a RAD/Section 18 Blend unit. All RAD resident protection provisions must apply to residents of RAD/Section 18 Blend units, including: resident notice and meeting requirements, right to return, no rescreeing, no denial based on income eligibility or income targeting, relocation assistance, grievance and lease provisions, right to establish and operate a resident organization, and \$25 per unit to be used for resident participation activities. These protections were most clearly laid out in “RAD-Section 18 (75/25) Blend FAQs” that is no longer on HUD’s website (a version, dated March 2020 and archived in January 2022, is available [here \(https://tr.ee/5YmlCy\)](https://tr.ee/5YmlCy) for historical purposes only and may not contain updated information). Notice PIH 2024-40 issued on December 26, 2024 reinforced the above, stating “All residents shall be treated uniformly and in accordance with RAD requirements, including the civil rights requirements and reviews described in the [RAD Fair Housing, Civil Rights, and Relocation Notice PIH 2016-17” \(https://tr.ee/cXAxry\)](https://tr.ee/cXAxry).”

Another Section 18 notice, [Notice PIH 2021-07 \(https://tr.ee/sWVQXv\)](https://tr.ee/sWVQXv) issued on January 19, 2021 replaced Notice PIH 2018-04. The percentage of units eligible for disposition within a RAD project as a result of Notice PIH 2021-07 could then be based on the “hard construction costs” of a proposed rehabilitation or new construction. Hard construction costs include overhead and profit, payment and performance bonds, and “general requirements.”

- For high-cost areas, defined as those where Hard Construction Costs exceed 120% of the national average, a PHA may convert up to 80% of the units in a RAD project to PBVs under Section 18.
- If hard construction costs are equal to or greater than 90% of Housing Construction Costs published by HUD for the given market area, a PHA may convert up to 60% of the units in a RAD project to PBVs under Section 18.
- If hard construction costs are equal to or greater than 60% but less than 90% of Housing Construction Costs published by HUD for the given market area, a PHA may convert up to 40% of the units in a RAD project to PBVs under Section 18.

- If hard construction costs are equal to or greater than 30% but less than 60% of Housing Construction Costs published by HUD for the given market area, a PHA may convert up to 20% of the units in a RAD project to PBVs under Section 18.

[Notice PIH 2024-40 \(https://tr.ee/D3ialH\)](https://tr.ee/D3ialH) issued on December 26, 2024 replaced Notice PIH 2021-07, modifying the percentage of units in a RAD/Section 18 Blend project that could be Section 18 units, increasing the percentage to 90% (with only 10% of the units being straight RAD units) if the project entailed:

- Rehabilitation with hard construction costs exceeding 90% of the area’s Housing Construction Costs (HCC), as determined by PIH), or
- Demolition and redevelopment, or
- The transfer of public assistance to a new site under RAD.

If rehabilitation with hard construction costs exceeded 60% of the area’s HCC, then 60% of the units could be Section 18 units (with 40% of the units being straight RAD units). If rehabilitation with hard construction costs exceeded 30% of the area’s HHC, then 30% of the units could be Section 18 units (with 70% of the units being straight RAD units).

Notice PIH 2021-07 also provides that Small PHAs, those with 250 or fewer public housing units, may convert up to 80% of the units in a RAD project to PBVs under Section 18. However, to be eligible for the Small PHA RAD/Section 18 Blend, a PHA must submit a feasible repositioning plan that removes all of a PHA’s public housing Annual Contributions Contract (ACC) units, reflecting that the PHA will not develop additional public housing units under otherwise available Faircloth authority, and will not transfer that Faircloth authority to another PHA.

Units in a RAD/Section 18 Blend property must be substantially rehabbed or be newly constructed, and the project must not use 9% Low-Income Housing Tax Credit (LIHTC) financing (see Chapter 5 of this *Advocates’ Guide* for information about LIHTC). The PHA must show that disposition is necessary so that all the units in a development can use PBVs. HUD will provide Tenant Protection Vouchers that will convert to PBVs for these units.

HUD will not approve a RAD conversion that would include disposition under Section 18 regulations option (b) or (c) if the Section 18 units would not be replaced one-for-one. Option (b) is disposition that will allow a PHA to buy, rehab, or build other properties that will be “more efficient or effective”.

HUD reports that as of November 19, 2025, 208 closed projects with 20,674 units used RAD-Section 18 blends (188 projects with 18,857 units used PBVs and 20 projects with 2,017 units used PBRA). Another 49 projects active projects (with either a CHAP or a Financing Plan) with 5,966 units used RAD-Section 18 blends (39 projects with 4,689 units used PBVs and 11 projects with 1,286 units used PBRA).

SECTION 3 APPLIES

Section 3 preferences for resident training, employment, and contracting opportunities have always been required until a public housing development had completed RAD conversion.

The September 2019 RAD Notice (REV-4) elaborated on earlier notices by stating that pre-development conversion costs remain subject to regular Section 3 public housing provisions. After RAD Closing (which takes place before final conversion), any housing rehabilitation or new construction required by the conversion is subject to Section 3 provisions for housing and community development activities—except that first priority for employment and other economic opportunities must be given to residents of public housing or Section 8-assisted housing. If funding comes from CDBG or HOME, then first priority is given to low-income residents in the project’s neighborhood.

In response to an inquiry by NLIHC, Recap clarified by email that Section 3 applies to the entire RAD scope of work. That is, under RAD, related non-housing work such as a parking lots, sidewalks, landscaping, etc., are considered a part of “housing construction” and covered by Section 3.

Recap continues to avoid extending RAD employment opportunities after conversion for PHA staff who had performed various tasks at the public housing development, such central office employees, painters, grounds crews, etc.

OTHER KEY FEATURES IN REV 4

Projects Needing Significant Renovations No Longer Prioritized

RAD Notice REV-4 deleted the priority categories for approving RAD applications. Instead, HUD accepts applications on a first-come, first-served basis. This formalized HUD practices in which HUD approved RAD applications that entailed little or no rehabilitation for 27% of completed RAD conversions and 36% of projects undergoing rehabilitation, according to the [Government Accountability Office \(https://tr.ee/vduDoD\)](https://tr.ee/vduDoD). The original intent of RAD was to address Congress’ underfunding of public housing capital needs that resulted in accelerated deterioration of properties. The appropriations act establishing RAD stated that the purpose is to “preserve and improve” public housing. The initial RAD Notice and each subsequent revision prior to REV-4 reiterated this intent and added that the goal is to “address immediate and long-term capital needs.”

RAD Projects in Opportunity Zones

HUD will provide extra rent revenue of up to \$100 per unit per month to a public housing project located in an Opportunity Zone that converts to Section 8 project-based rental assistance (PBRA)—not Project-Based Vouchers (PBV)—provided the project needs extra revenue to be financially viable. The RAD conversion must entail either new construction or substantial rehabilitation. HUD will approve requests on a first-come-first-served basis. A HUD [FAQ \(https://tr.ee/w70lbA\)](https://tr.ee/w70lbA) defines “substantial rehabilitation” and describes how HUD will determine whether an infusion of additional rent revenue is necessary.

Two New Items Added in 2021

RAD COMPLAINT PROCESS FOR RESIDENTS

Residents, advocates, and others can complete this online [form asking questions or registering a complaint \(https://tr.ee/qAXEJZ\)](https://tr.ee/qAXEJZ) regarding “resident rights or impacts during a RAD conversion.” Advocates should note that an earlier link to the complaint form is no longer operational and should use the above link instead. A now-deleted one-page “RAD Complaint Process” PDF form listed steps that Recap staff will take when they receive a complaint, including:

- Communicating with residents to obtain additional information.
- Gathering information from the PHA, property manager, and RAD Transition Manager (the process does not explicitly include talking with legal services or other resident-oriented third parties).
- Determining whether Recap or another HUD office could facilitate communication between residents and the other party.
- Providing residents with a written response that includes actions taken and recommended next steps.

An archived version of the FAQ is available [here \(https://tr.ee/uPcgfp\)](https://tr.ee/uPcgfp), provided for historical purposes (archived September 2, 2024).

The complaint process did not include an appeals process if residents are unhappy with Recap’s written response, nor does it indicate that Recap will undertake ongoing monitoring to ensure that suggested actions are carried out.

FAIRCLOTH-TO-RAD/RESTOREREBUILD

Recap formally announced in April 2021 a new “Faircloth-to-RAD” option for PHAs to create deeply affordable homes. Faircloth refers to a congressional limit on the number of public housing units a PHA can own, assist, or operate. The Faircloth-to RAD option is designed to establish a long-term, reliable rental subsidy contract to help PHAs and their development partners more readily finance the construction of new deeply affordable units. In November, 2024 Recap rebranded “Faircloth-to-RAD” as “RestoreREBUILD” and created a [RestoreREBUILD webpage \(https://tr.ee/CaNqMm\)](https://tr.ee/CaNqMm).

When first introduced in 2021, Recap indicated that many PHAs operate fewer public housing units than their Faircloth limit. According to [“Report of Available Faircloth Units by PHA” \(https://tr.ee/yYn1jr\)](https://tr.ee/yYn1jr) on the [RestoreREBUILD webpage \(https://tr.ee/S5GsJ5\)](https://tr.ee/S5GsJ5), as of December 31, 2024, 278,345 units of public housing could be developed and 180,786 units had already converted through the Faircloth-to-RAD process.

Congress established a limit on the number of public housing units the federal government would support in 1998. The Faircloth Amendment to the “Housing Act of 1937” prohibits HUD from funding the construction or operation of new public housing units with Capital or Operating funds if construction would result in a net increase in the number of public housing units a PHA owned, assisted, or operated as of October 1, 1999. This is referred to as the “Faircloth Limit,” named after Lauch Faircloth, a North Carolina senator who championed the limit.

One reason PHAs with available Faircloth units have been unable to construct new public housing units is because there is no new federal funding for their initial construction. The new option is intended to enable PHAs with Faircloth unit availability to develop public housing units on a temporary basis using HUD’s public housing [Mixed-Finance program \(https://tr.ee/kidOld\)](https://tr.ee/kidOld) with pre-approval to convert the property under RAD

to a long-term Section 8 contract once construction is complete. By providing early-stage RAD conversion approvals, specifically the revenue certainty and the market-familiarity of a Section 8 contract that these RAD approvals represent, HUD gives lenders and investors the information they need to underwrite the construction of new public housing.

Recap posted an updated [RestoreREBUILD guide](https://tr.ee/li7rLz) (<https://tr.ee/li7rLz>) replacing the former Faircloth-to-RAD guide. On September 20, 2023 Recap hosted a webinar on Faircloth-to-RAD; the webinar slides are at <https://tr.ee/KYm27s> and a Q&A from the webinar is at <https://tr.ee/VXDEbC>.

Resident Engagement Requirements in a Faircloth-to-RAD Conversion

RAD Supplement Notice 4B (Notice H-2023-08/PIH-2023-19) introduced special resident engagement requirements for PHAs undertaking Faircloth-to-RAD Conversions. These resident engagement requirements follow those of regular RAD conversions, except some technical terms used in the Faircloth-to-RAD process are substituted.

In addition, if tenants are admitted to a property in the period after an RCC is issued and before “closing,” a PHA must, before executing a lease: give residents a RIN so that they know the PHA intends a RAD conversion and so that they are aware of their rights under RAD; give residents a written explanation of leasing and occupancy changes that come with conversion to PBV or PBRA; and meet with each household to discuss the conversion, explain the written materials, and enable them to ask questions.

The main RAD Notice REV-4 includes Attachment 1A, “Financial Plan Requirements.” Existing paragraph R required a PHA to submit dates of meetings held with residents after a CHAP was issued. It also required a PHA to include its responses to comments made by residents at the meetings. Supplement 4B expanded paragraph R to require a PHA to send to Recap along with its RAD application the materials mentioned in the “PHA Must Send Materials to Recap Along with RAD Application” portion of this article.

Tips for Local Success

For residents of developments given preliminary or final RAD approval, make sure that the PHA or private, HUD-assisted housing owner is complying with all resident participation and protection provisions. Once HUD issues a formal RCC, a PHA must notify each household that the conversion has been approved, inform households of the specific rehabilitation or construction plan, and describe any impact conversion will have on them.

Be on the lookout for any substantial change in a conversion plan. A substantial change includes: a change in the number of assisted units, a major change in the scope of work, a transfer of assistance to a different property or owner, or a change in the eligibility or preferences for people applying to live at the property. If there is a substantial change in the conversion plan, the PHA must have additional meetings with the residents of the converting property and carry out the PHA Plan Significant Amendment process with the RAB and all PHA residents and hold a public hearing.

For public housing residents at PHAs with RAD projects that are still in process or for those with projects on the Applications Under Review list, seek commitments from the PHA and any developers working with the PHA to keep residents fully informed throughout the process. Reports from residents at PHAs indicate that their PHAs, developers, and local HUD offices do not provide residents with sufficient information. Make sure to fully understand the differences between PBVs and PBRAs so that you can influence the best option for residents.

Use the online RAD [Resident Inquiries or Complaints](https://tr.ee/3kQLpR) (<https://tr.ee/3kQLpR>) form and be persistent if you are not happy with initial responses. The Trump administration deleted the Recap staff directory that included staff whose responsibility was to directly respond to resident questions and complaints.

Funding

HUD's proposed budget for FY26 did not address RAD. Neither the Senate nor the House appropriations bills propose providing funding for RAD.

Forecast for 2026

There is great uncertainty about whether Congress or the second Trump administration will make policy changes related to RAD. The administration has not directly addressed RAD; however, it proposed slashing funding for all HUD rental assistance programs, such as Project-Based Vouchers (PBVs) and Project-Based Rental Assistance (PBRA), and combining all rental assistance programs into a vaguely defined State Rental Assistance Block Grant (SRABG) program. HUD would develop a formula to allocate rental assistance funds to states, prioritizing maintaining assistance for people with disabilities and older adults already receiving rental assistance. It is not clear how this would affect public housing units already converted to PBVs or PBRA.

In 2025, a bipartisan housing bill, the "Renewing Opportunity in the American Dream (ROAD) to Housing Act of 2025" included a provision (Section 201) that would remove the cap for the number of public housing units that can convert under RAD. Currently, the cap is 450,000 units. While NLIHC endorsed ROAD for its many other provisions, NLIHC opposes removing the cap on the number of public housing units that can undergo RAD conversions and worked closely with Congress and partners to mitigate potential harm to tenants from this provision. As of press time, the ROAD to Housing legislation has not become law. In 2026, advocates should continue to monitor legislative proposals that would eliminate the RAD cap.

What to Say to Legislators

Tell Members of Congress not to lift the cap on the number of public housing units that may convert until this "demonstration" has convincingly shown that Recap will rigorously monitor PHA and owner compliance with all tenant protections written into the RAD statute and RAD Notice. Ask members of Congress to ensure that Recap, as required by statute, prepares, conducts, and publishes a detailed assessment of the impact of conversion on public housing residents to ensure that further conversions do not adversely impact residents.

Such an assessment should ask whether residents had a genuine role during and after conversion, were evicted just prior to conversion, were able to remain after conversion if that is what they wanted or were inappropriately re-screened. An assessment should also determine whether Section 6 resident protections, such as grievance procedures, were fully honored and whether residents of converted properties were able to participate on resident councils and RABs. Was there compliance with the one-for-one replacement requirement? Are PHAs truly owning or controlling converted properties? Are conversions to PBRA consuming too many scarce tenant protection vouchers at the expense of other tenant protection voucher needs?

Congress must prioritize funding for public housing preservation programs and activities while guiding HUD on how best to spend such investments by strengthening HUD's oversight and proper implementation of RAD and by eliminating health and safety hazards.

For instances requiring public housing demolition, disposition, or voluntary conversion to vouchers, Congress should direct HUD to require a market analysis and civil rights assessment to determine whether there are other affordable housing units available in the community, and whether residents will be able to use issued vouchers in opportunity neighborhoods.

For More Information

National Low Income Housing Coalition (<https://tr.ee/G1QCkO>), 202-662-1530

National Housing Law Project's RAD resource webpage (<https://tr.ee/MnDO5K>)

NLIHC's RAD: Key Features for Public Housing Residents (<https://tr.ee/DfvvSw>) is on NLIHC's Public Housing webpage (<https://tr.ee/7CsSPo>)

HUD's RAD pages for residents (<https://tr.ee/XjSEIU>)

RAD Notice H-2019-09 PIH-2019-23 (REV4) (<https://tr.ee/wP3upE>) as amended by Supplemental Notice 4B and Supplemental Notice 4C

RAD Supplemental Notice 4B (<https://tr.ee/aqJVhR>)

RAD Supplemental Notice 4C (<https://tr.ee/HqMlnS>)

RAD Fair Housing, Civil Rights, and Relocation Notice H 2016-17/PIH 2016-17 (<https://tr.ee/4BOUhT>)

HUD's RAD website (<https://tr.ee/XnvZC7>)

RAD Complaint form (<https://tr.ee/SEgIJ8>)

HUD's 15 RAD Fact Sheets for residents (now only available in English) (<https://tr.ee/9caBk2>)

HUD's "RAD Residents' Rights in Public Housing" YouTube video (<https://tr.ee/ft1F6y>)

HUD's "RAD Resident Engagement Video" (<https://tr.ee/9tT3xl>)

HUD's "RAD Rents and Leases Video" (<https://tr.ee/Geugbm>)

Notice PIH 2018-04 about RAD/Section 18 Blended Projects (<https://tr.ee/4ty8lc>)

Notice PIH 2021-07 on demolition and disposition of Public Housing under Section 18 (<https://tr.ee/DARC1d>)

Notice PIH 2024-40 about demolition and/or disposition of public housing property, eligibility for tenant-protection vouchers, and associated requirements (<https://tr.ee/DARC1d>)

Recap's RestoreREBUILD webpage (<https://tr.ee/rsYlxX>)

REPOSITIONING OF PUBLIC HOUSING (DEMOLITION/DISPOSITION, VOLUNTARY CONVERSION TO VOUCHERS, AND RAD)

Ed Gramlich, Senior Advisor, NLIHC, with additional updates by Renee Williams, Senior Advisor for Public Policy, NLIHC

Administering Agency: HUD's Office of Public and Indian Housing (PIH) and its Special Applications Center (SAC)

Year Started: The term "repositioning" was introduced November 13, 2018, although components have been available for many years

See Also: For related information, refer to the *Public Housing, Rental Assistance Demonstration*, and *PHA Plan* sections of this guide

HUD's Office of Public and Indian Housing (PIH) [sent a letter \(https://tr.ee/ip4o7Y\)](https://tr.ee/ip4o7Y) to public housing agency (PHA) executive directors dated November 13, 2018. The term "repositioning" was used to describe HUD's intent to remove itself from public housing program administration. HUD's goal at the time was to "reposition" 105,000 public housing units before September 30, 2019.

Because Congress has failed to provide adequate appropriations for the public housing Capital Fund for many years, HUD pointed to a backlog in capital needs (major repairs) as the reason to provide PHAs with "additional flexibilities" so that PHAs can "reposition" public housing. There is no official estimate of public housing capital needs, however it has been estimated to be well over \$70 billion.

The PIH's Repositioning website (<https://tr.ee/mod9tX>) contains a number of papers supporting repositioning, including "Repositioning for Residents" (<https://tr.ee/ki4FdW>). The the SAC has a "Repositioning" webpage (<https://tr.ee/7TaFtp>) and a page devoted to

"Information for Public Housing Residents" (<https://tr.ee/uMNma4>) covering a variety of repositioning topics. Advocates should note that because of ongoing reorganization and removal of information from HUD's website, navigating to resources from the HUD home page can be extremely difficult without an existing direct link to a page or resource; additionally, links provided in this article may eventually become non-operational.

Public housing can be "repositioned" via:

1. Demolishing or disposing of (selling) public housing (Section 18)
2. Voluntary conversion of public housing to vouchers (Section 22)
3. The Rental Assistance Demonstration (RAD)

While these were already available to PHAs before 2018, repositioning is meant to make things easier. Each strategy is discussed in this article.

Demolition/Disposition

HUD APPROVAL OF DEMOLITION AND/OR DISPOSITION APPLICATIONS

A Brief History

Since 1983, PIH has authorized PHAs to apply for permission to demolish or dispose of (sell) public housing units under [Section 18 \(https://tr.ee/YXncia\)](https://tr.ee/YXncia) of the "Housing Act." This policy was made significantly more damaging in 1995 when Congress ended the requirement that PHAs replace, on a one-for-one basis, public housing lost through demolition or disposition. In 2016, PIH reported a net loss of more than 139,000

public housing units due to demolition or disposition since 2000, not including all of the public housing units lost as a result of the HOPE VI program (funded from 1993 to 2023).

The demolition/disposition law (Section 18) and regulations ([24 CFR 970](https://tr.ee/NG0JG9)) (<https://tr.ee/NG0JG9>) require a PHA to apply to PIH's Special Applications Center (SAC) for approval to demolish or dispose of (sell) public housing/and or vacant land.

The application must certify that the PHA has described the demolition or disposition in its Annual PHA Plan and that the description in the application is identical. (For more about the PHA Plan, see the Public Housing Agency Plan article in Chapter 8 of this *Advocates' Guide*.) Advocates should challenge an application that is significantly different. PHAs should not re-rent units when they turn over while SAC is considering an application. The information in this article is primarily from the regulations [24 CFR 970](https://tr.ee/NG0JG9) (<https://tr.ee/NG0JG9>) and [PIH Notice 2024-40](https://tr.ee/6jlmW8) (<https://tr.ee/6jlmW8>).

In 2012, after prodding from advocates, PIH under the Obama administration clarified and strengthened its guidance ([Notice PIH 2012-7](https://tr.ee/oc4hNj)) (<https://tr.ee/oc4hNj>) regarding demolition and disposition in an effort to curb the decades-long needless destruction or sale of the public housing stock. This guidance clarified the demolition and disposition process in a number of ways. For example, the guidance unequivocally stated that a proposed demolition or disposition must be identified in the PHA Plan or in a significant amendment to the PHA Plan, and that PHAs must comply with the existing regulations' strict resident consultation requirements for the PHA Plan process, the demolition or disposition application process, and the redevelopment plan. That guidance also reminded PHAs that HUD's Section 3 requirement to provide employment, training, and economic opportunities to residents applied to properties in the demolition and disposition process. The review criteria for demolition applications had to meet clear HUD standards, and no demolition or disposition was permissible prior to HUD's approval, including any phase of the resident relocation process.

In 2018, the Trump administration eliminated the modest improvements to PIH's demolition/disposition guidance that advocates helped PIH to draft in 2012 (Notice PIH 2012-7) and replaced it with [Notice PIH 2018-04](https://tr.ee/W1iFDL) (<https://tr.ee/W1iFDL>) in order to make it far easier to demolish public housing and to do so without resident input or protections. In addition, the Trump administration withdrew proposed regulation changes drafted in 2014 under the Obama administration that would have reinforced those modest improvements. All of this was a part of the PIH's "repositioning" of public housing through demolition and voluntary conversion of public housing to vouchers. Its goal at the time was to reposition 105,000 public housing units in fiscal year (FY)19 alone by streamlining the demolition application and approval process.

Although NLIHC and other advocates urged PIH during the Biden administration to restore key elements of Notice PIH 2012-7 as well as improve fair housing review prior to approving Section 18 demolition/disposition actions, PIH did not indicate an intent to issue improved demolition/disposition regulations similar to those proposed by the Obama administration.

However, in the closing days of the Biden administration (December 26, 2024), PIH issued [Notice PIH 2024-40](https://tr.ee/G3QnRg) (<https://tr.ee/G3QnRg>), which made a number of changes that included several urged by NLIHC and the National Housing Law Project. The changes provide major improvements regarding resident consultation and resident relocation, as well as consideration of the "commensurate public benefit" provision so that it better targets truly low-income people. The new Notice also adds references to vacant land which is also subject to Section 18 disposition.

Current HUD Approval Provisions

A PHA cannot take any action to demolish or dispose of public housing without HUD approval.

- No “material changes” may be made once SAC approves an application. Material changes require a new application. Material changes include:
 - » Modification of the method of a disposition
 - » A public bid sale for less than 80% of the appraised fair market value (FMV)
 - » Revised terms of “commensurate public benefit” (explained below) for dispositions less than FMV
- A PHA should not re-rent units when they turn over while SAC is considering an application.

An application must certify (promise) that the PHA has described the demolition or disposition in its Annual PHA Plan, that the action is consistent with the PHA Plan, and that the description in the application is identical to that in the PHA Plan. (For more about the PHA Plan, see the *Public Housing Agency Plan* article in Chapter 8 of this *Advocates’ Guide*.)

The application must also certify that the application was developed in consultation with residents, resident groups, and local government officials. A PHA must also comply with the resident consultation requirements in the PHA Plan regulations, including discussing with its Resident Advisory Board (RAB) the proposed repositioning or redevelopment. SAC will not approve an application that is not consistent with a PHA Plan or that was not developed in consultation with residents, resident groups, and officials. Advocates should challenge an application that is significantly different.

RESIDENT PARTICIPATION

A PHA must prepare a demolition/disposition application “in consultation” with tenants and any tenant organization at a project, as well as with any PHA-wide tenant organization and the Resident Advisory Board (RAB). Consultation must also include public housing residents living in units not proposed for removal at the same project as the property proposed for removal (units or vacant land) and/or residents living in any

of a PHA’s other public housing units. A PHA must discuss the proposed demolition or disposition at a public hearing as required by the PHA Plan regulations. Communications and materials must be accessible to people with disabilities, and PHAs must take reasonable steps to provide meaningful access to people with Limited English Proficiency (LEP).

A PHA must allow residents and their representatives to submit written comments regarding the PHA’s proposed demolition/disposition and must consider these comments. The demolition/disposition application ([form HUD-52860](https://tr.ee/jA7q7j)) (<https://tr.ee/jA7q7j>) must include any written comments made by residents, resident organizations, or the RAB and indicate in writing how the PHA responded to comments.

Along with a narrative of its resident consultation process, a PHA must attach to its application, evidence of consultation, such as sign-in sheets, dates, and meeting agendas. Notice PIH 2024-40 adds as a “best practice,” conducting two meetings with residents before submitting an application, two meetings with residents after SAC accepts the demolition/disposition, and one meeting before finally removing the property.

RESIDENT RELOCATION PROVISIONS

The demolition or disposition application must have a relocation plan stating:

- Demolition or disposition cannot start until all residents are relocated.
- Residents will receive 90 days’ advance notice before being relocated.
- Each household must be offered comparable housing that meets housing quality standards (HQS) and that is in an area that is not less desirable.
 - » Comparable units might be other public housing, project-based vouchers (PBVs), or tenant-based Housing Choice Vouchers (HCVs), or other housing run by or assisted by the PHA that have rents comparable to the rent paid by a household at the public housing development.

- » The comparable housing must be offered on a nondiscriminatory basis, “without regard to race, color, religion, creed, national origin, disability, age, familial status, or gender, in compliance with applicable Federal and state laws.”
- » For people with disabilities displaced from a unit with reasonable accommodations, comparable housing should include similar accommodations. A PHA is required to pay for actual and reasonable relocation expenses of each resident to be displaced, including residents requiring reasonable accommodations because of disabilities.
- The PHA must pay for residents’ actual relocation expenses, however the “Uniform Relocation Act” (URA), does not apply.

Tenant Protection Vouchers (TPVs) are not automatically provided—a PHA must apply for TPVs. Read more about TPVs in the *Tenant Protection Vouchers* section of this *Advocates’ Guide*. Depending on how much Congress has appropriated for TPVs, and depending on PIH’s priorities for the year (indicated in a PIH Notice), there might not be enough TPVs for residents.

PIH Notice 2024-40 limited the maximum TPV awards to 25% of the units occupied in the last 24 months for disposition justified under the “efficiency or effectiveness” option (explained below).

A PHA must provide any necessary counseling for residents who are displaced. When a PHA is relocating families with Housing Choice Vouchers (HCVs), including TPVs, PIH encourages the PHA to provide households with mobility counseling.

If a PHA intends to build or otherwise provide affordable replacement housing for the public housing units proposed for removal, PIH recommends the PHA give the residents who are relocated from the public housing units the first right to occupy the new replacement units.

Advocates may find [“Section 8 Assistance for Public Housing Relocation/Replacement”](https://tr.ee/2rK1qk) (<https://tr.ee/2rK1qk>) helpful. A webpage entitled “Section 8 Assistance for Public Housing Relocation/Replacement” is no longer accessible on the HUD website but here is an archived

version (<https://tr.ee/RgqadA>) (archived March 13, 2025; note that this provided for historical purposes only and that information may not be current).

DEMOLITION APPLICATIONS

Is the public housing obsolete? For demolition applications, PHAs must certify that a development is “obsolete,” either physically or in terms of location, and therefore no longer suitable as housing, and there is no cost-effective way to correct the obsolescence.

Physically obsolete means that there are structural deficiencies that cannot be corrected at a reasonable cost. Structural deficiencies include faulty structural design, settlement of floors, and severe erosion. “Reasonable” cost is defined as less than 62.5% of total development costs (TDC) for buildings with elevators and 57.14% for other buildings. If a project’s rehab costs are between the 62.5% or 57.14% thresholds and 90% of total development cost (TDC), a PHA can apply to demolish or dispose of public housing. If rehab costs exceed 90% TDC, the public housing must be demolished or disposed. SAC periodically updates TDC limits; however, the Trump administration deleted SAC’s Demolition/Disposition (Section 18) webpage, so it is difficult to know what the latest TDCs are.

To show that a development is physically obsolete, a PHA can submit a Physical Needs Assessment (PNA), government inspection, and/or an independent architect’s or engineer’s report. A PHA must submit a detailed scope of work that should describe the major systems needing repair or replacement, the need to remove lead-based paint or asbestos hazards, or the need to make accessibility improvements (the last sentence is based on Notice PIH 2021-07, which is no longer on PIH’s website).

An obsolete location means that the surrounding neighborhood is too deteriorated or has shifted from residential to commercial or industrial use. It can also mean environmental conditions make it unsuitable for residents. If the cost to address the harmful conditions exceeds the 62.5%/57.14% thresholds, a location makes the public housing obsolete.

"Other factors" can also be considered, such as things that "seriously affect the marketability or usefulness" of a development. If the cost to address the harmful conditions exceeds the 62.5%/57.14% thresholds, the "other factor" makes the public housing obsolete.

"De Minimis" Demolition. PHAs do not have to apply to SAC to demolish fewer than five units or 5% of all units over a five-year period. The units being demolished must either be beyond repair or make room for services such as a childcare facility, laundry, or community center. The Trump administration removed information from SAC about *de minimis* demolition.

If a PHA proposes a demolition-only application, it must conduct a new consultation with residents if the PHA submits a disposition-only application for the same vacant land after demolishing a development.

Advocates should consider challenging the "location" factors and "other" factors because they are vague and leave the possibility for PHAs inappropriately relying on those factors.

DISPOSITION APPLICATIONS

A PHA must certify that keeping the development is not in the best interest of residents or the PHA for one of three reasons:

1. Conditions in the area surrounding the public housing development, such as commercial or industrial activity, have a negative impact on the health and safety of residents or have a negative impact on a PHA's operation of the project. A negative impact on a PHA's operation of a project could mean a lack of demand for the units. If so, a PHA would have to show high long-term vacancy rates due to factors such as declining population in the area or due to the property being located in an isolated area cut off from transportation and access to community amenities such as stores and schools. Advocates should consider challenging the accuracy of any claims that commercial or industrial activities cause significant harm to residents.
2. Sale or transfer of the property will allow a PHA to buy, develop, or rehab other properties that can be more efficiently operated as low-income housing. For example, the replacement units should be energy

efficient; in better locations for transportation, jobs, or schools; or reduce racial or ethnic concentrations of poverty. Low-income housing is limited to other public housing, project-based vouchers (PBVs), or Section 8 project-based rental assistance (PBRA) units. A PHA must demonstrate that sufficient replacement low-income housing units will be provided.

3. Sale of the property is "appropriate" for reasons consistent with the PHA's goals, the PHA Plan, and the purpose of the "Public Housing Act" (a vague option). Notice PIH 2024-40 provides four examples of situations for which disposition might be appropriate:
 - » Public housing is physically "obsolete" (see definition above).
 - » Very small PHAs with 50 or fewer public housing units that no longer want to operate public housing.
 - » A PHA demonstrates that it can redevelop low-income housing on-site to better meet the affordable housing needs of the community.
 - » For scattered site units, a PHA demonstrates that the distance between units and lack of uniformity of systems (e.g., utilities, HVAC) makes it challenging to operate and maintain units.

When a PHA disposes of public housing property it must receive fair market value (FMV). However, it is possible to dispose property at less than FMV if there is a "commensurate public benefit." Commensurate public benefit generally means the disposed property is to be used or redeveloped as "low-income housing," which is public housing and project-based Section 8 housing (including through a Faircloth to RAD transaction—see the RAD article in this *Advocates' Guide*). If low-income housing is not feasible, disposition proceeds can be used for other "affordable" housing serving low-income households, those with income equal to or less than 80% of the area median income (AMI). PIH encourages PHAs to give public housing residents priority for occupying "affordable housing." PIH also requires a "use restriction" to ensure compliance with the commensurate benefit obligation and provides criteria a use restriction must meet.

More demo/dispo information is also on [NLIHC's public housing \(https://tr.ee/mwKGKc\)](https://tr.ee/mwKGKc) webpage and "[Demolition and Disposition](https://tr.ee/dv82yU)" document (<https://tr.ee/dv82yU>).

RAD/Section 18 Blends

As part of public housing repositioning under the Rental Assistance Demonstration (RAD), a relatively new scheme called RAD/Section 18 Blends was added in 2018. PIH began allowing 25% of the units in a RAD project to convert to PBVs under Section 18 in [Notice PIH 2018-11 \(https://tr.ee/Ju9JtV\)](https://tr.ee/Ju9JtV) on July 2, 2018, the beginning of the "RAD/Section 18 Blend." On January 19, 2021, PIH posted [Notice PIH 2021-07 \(https://tr.ee/vSIYY8\)](https://tr.ee/vSIYY8), which superseded Notice PIH 2018-04. The primary change was to the "RAD/Section 18 Blend," allowing a PHA to apply to SAC for approval to dispose of public housing "because it is not in the best interests of the residents and the PHA" to keep the property as public housing. In short, the drastically changed provision allowed a PHA to convert anywhere from 40% to 80% of the units in a RAD project to PBVs under Section 18. Notice PIH 2024-40 issued on December 26, 2024, replaced Notice PIH 2021-07, modifying the percentage of units in a RAD/Section 18 Blend project that could be Section 18 PBV units from 30% to 90%. The percentage of units eligible for disposition within a RAD project is based on the "hard construction costs" of the proposed rehabilitation or new construction. These RAD/Section 18 Blend Notices further accelerate PIH's public housing "repositioning" policy.

RAD is briefly explained at the end of this article. See the *Rental Assistance Demonstration* entry in this *Advocates' Guide* for more about RAD/Section 18 Blends.

The Trump administration removed HUD's RAD/Section 18 Blends webpage and SAC's RAD/Section 18 Blends webpage.

Voluntary Conversion to Vouchers

A PHA may convert any public housing development to vouchers under Section 22 of the "Housing Act of 1937." Voluntary conversion is a two-step process. First a PHA must send HUD a "conversion assessment" and then it must send a "conversion plan." A special PIH office is in charge, the Special Applications Center (SAC), which had a Voluntary Conversion (Section 22) webpage. The Trump administration deleted these resources. The regulations for voluntary conversions are [24 CFR 972 Subpart B. \(https://tr.ee/VjgQZ4\)](https://tr.ee/VjgQZ4). Section 33 is about "required" conversions of public housing that has high vacancy rates and would be too expensive to repair over the long run. *Advocates' Guide* does not discuss Section 33 required conversions because it is not a part of repositioning.

CONVERSION ASSESSMENT

The first step a PHA must take to voluntarily convert public housing to vouchers is to conduct an assessment that is sent to SAC as part of a PHA's next Annual PHA Plan, except for two categories of PHAs:

- So-called "[Qualified PHAs \(https://tr.ee/Hc4Nwp\)](https://tr.ee/Hc4Nwp)" do not have to submit a conversion assessment with their PHA Plan, but they do eventually have to submit one to SAC. Qualified PHAs have 550 or fewer public housing units and/or vouchers combined. PIH [lists Qualified PHAs \(https://tr.ee/JsdSLT\)](https://tr.ee/JsdSLT) based on the calendar quarter their program begins. There are nearly 2,700 Qualified PHAs, out of a total of approximately 3,300 PHAs.
- As of April 1, 2019, so-called "small PHAs" – those with fewer than 250 public units that want to convert all their units – do not have to conduct an assessment. See [Notice PIH 2019-05 \(https://tr.ee/VN64bP\)](https://tr.ee/VN64bP).

For the remaining PHAs, their conversion assessment must address five factors:

1. **Cost.** What is the cost of providing vouchers compared to the cost of keeping units as public housing for the remainder of a property's useful life?

2. **Market Value.** What is the market value before rehabilitation if a property is kept as public housing, compared to conversion to vouchers, and what is the market value after rehabilitation if a property is kept as public housing compared to conversion to vouchers?
3. **Rental Market Conditions.** Will residents be able to use a voucher? A PHA must consider:
 - a. The availability of decent, safe, and sanitary homes renting at or less than the PHA's voucher payment standard.
 - b. The recent rate of households' ability to rent a home with a voucher (the "success rate"). Many landlords will not accept a voucher and in many areas market rents are greater than the Housing Choice Voucher payment standard, making a potential rental unit unaffordable to a household.
 - c. Residents' characteristics that might affect their ability to find a home and use a voucher; for example, homes accessible to people with a disability, or the availability of homes large enough for families.
4. **Neighborhood Impact.** How would conversion impact the availability of affordable housing in the neighborhood and what effect would conversion have on the concentration of poverty in the neighborhood?
5. **Future Use of the Property.** How will the property be used after conversion?

Three Conditions for SAC Approval of Conversion Assessment

The assessment must show that converting to vouchers:

1. Will not cost more than continuing to use the development as public housing.
2. Will principally benefit the residents, the PHA, and the community. The PHA must consider the availability of landlords willing to accept vouchers, as well as access to schools, jobs, and transportation. The PHA must hold at least one public meeting with residents and the resident council at which the PHA explains the regulations and provides draft copies of the conversion assessment. Residents must be given time to submit comments. The assessment sent to SAC must summarize residents' comments and the PHA's responses.
3. Will not have a harmful impact on the availability of affordable housing.

CONVERSION PLAN

The second step is for the PHA to prepare a conversion plan that has six parts:

1. Description of the conversion and future use of the property.
2. Analysis of the impact on the community.
3. Explanation showing how the conversion plan is consistent with the assessment.
4. Summary of resident comments during plan development and the PHA's response.
5. Explanation of how the conversion assessment met the three conditions needed for SAC approval (as listed above).
6. Relocation plan that:
 - a. Indicates the number of households to be relocated by bedroom size and by the number of accessible units.
 - b. Lists relocation resources needed, including:
 - i. The number of vouchers the PHA will request from PIH. PIH will give the PHA priority for "tenant protection vouchers" (see the *Tenant Protection Vouchers* section of this *Advocates' Guide*).
 - ii. Public housing units available elsewhere.
 - iii. The amount of money needed to pay residents' relocation costs.
 - c. Includes a relocation schedule.
 - d. Provides for a written notice to residents at least 90 days before displacement. The notice must inform residents that:
 - i. The development will no longer be used as public housing and that they might be displaced.

- ii. They will be offered comparable housing that could be a tenant-based voucher (Housing Choice Voucher) or a project-based voucher (PBV), or other housing assisted by the PHA.
- iii. The replacement housing offered will be affordable, decent, safe, and sanitary, and chosen by the household to the extent possible.
- iv. If residents will be assisted with vouchers, the vouchers will be available at least 90 days before displacement.
- v. Relocation and/or mobility counselling might be provided.
- vi. Residents may choose to remain at the property with a voucher if the property is used for housing after the conversion.

Resident Participation

The conversion plan must be sent to SAC as part of a PHA's next Annual PHA Plan within one year after sending the conversion assessment. The conversion plan can be sent as a Significant Amendment to an Annual PHA Plan. A PHA can send the plan and assessment with the same Annual PHA Plan (For more information about PHA Plans, see the *Public Housing Agency Plan* article in this *Advocates' Guide*).

In addition to the public participation requirements for the Annual PHA Plan, a PHA must hold at least one meeting about the conversion plan with residents and resident council of the affected development. At the meeting, the PHA must explain the regulations and provide draft copies of the conversion plan. In addition, residents must have time to submit comments and the PHA must summarize resident comments and the PHA's responses.

Conditions Needed for SAC Approval of Conversion Plan

A PHA cannot start converting until SAC approves a conversion plan. Conversion plan approval is separate from PIH approval of an Annual PHA Plan. SAC will provide a PHA with a preliminary response within 90 days. SAC will not approve a conversion plan if the plan

is "plainly inconsistent" with the conversion assessment, if there is information or data that contradicts the conversion assessment, or if the conversion plan is incomplete or fails to meet the requirements of the regulation. Residents should let SAC know if they think that the conversion plan is "plainly inconsistent" with the conversion assessment or if there is information that contradicts the assessment.

More voluntary conversion information is also on [NLIHC's public housing webpage \(https://tr.ee/SkwfB8\)](https://tr.ee/SkwfB8), particularly "[Voluntary Conversion of Public Housing to Vouchers](https://tr.ee/tF3jhW)" (<https://tr.ee/tF3jhW>).

Rental Assistance Demonstration (RAD)

More details are in the *Rental Assistance Demonstration* section of this *Advocates' Guide*.

Beginnings

Throughout 2010 and 2011, HUD consulted with public housing resident leaders through the Resident Engagement Group (REG). HUD sought to create a demonstration program that would bring in non-federal resources to address insufficient congressional funding for the public housing Capital Fund. HUD also wanted to avoid the many harmful effects the HOPE VI program had on residents. Over time, HUD presented three proposals to the REG, and each time the REG would point out a resident-oriented problem. In response, HUD went back to the drawing board to present a modified proposal. The final proposal, the Rental Assistance Demonstration (RAD), addressed some of the REG's concerns.

Congress established RAD through the "FY12 HUD Appropriations Act" to help preserve and improve low-income housing. RAD does not provide any new federal funds for public housing. There are no RAD regulations, but RAD conversions must comply with formal RAD Notices, PIH Notice 2012-32—updated currently by H-2019-09/PIH 2019-23 (REV4), including [Supplemental Notice 4C \(https://tr.ee/HMalyx\)](https://tr.ee/HMalyx)—and the relocation Notice, [Notice H 2016-17/PIH-2016-17 \(https://tr.ee/XNXM6q\)](https://tr.ee/XNXM6q).

WHAT IS RAD?

RAD allows PHAs to voluntarily convert public housing units to either Project-Based Vouchers (PBVs) or to Project-Based Rental Assistance (PBRA). Both are forms of project-based Section 8 rental contracts. At first only 60,000 units would be allowed to convert under the “demonstration,” but without demonstrating that RAD was realizing the resident protections won by the Resident Engagement Group, Congress approved increases to the cap three times. Currently, 455,000 public housing units are allowed to convert to PBVs or PBRA. The Obama, first Trump, and Biden administrations all sought to remove the cap and allow all public housing units to convert through RAD—a position NLIHC opposes unless HUD’s Office of Recapitalization (Recap), which administers RAD, more rigorously monitors and enforces RAD’s resident rights and protections. As of the date this *Advocates’ Guide* was drafted, the cap remains at 455,000 units, though there is legislation (discussed below) that seeks to lift the cap.

Once converted under RAD, the amount of public housing Capital Fund and Operating Fund formerly received by a specific public housing development is used instead as PBV or PBRA. PBVs are Housing Choice Vouchers tied to specific buildings; they do not move with tenants the way regular “tenant-based” vouchers do. If public housing units are converted to PBV, the initial contract must be for 15 years (20 years for projects pre-approved in 2017 and thereafter) and must always be renewed. PIH continues to oversee the units and most of the current PBV rules (24 CFR 983) apply. If units are converted to PBRA, the initial contract must be for 20 years, must always be renewed, and HUD’s Office of Multifamily Programs takes over monitoring. Most of the current PBRA rules (24 CFR 880 to 886) apply.

MIGHT CONVERTING SOME PUBLIC HOUSING TO SECTION 8 BE DESIRABLE?

Converting some public housing to Section 8 might be helpful since Congress continues to underfund public housing, resulting in deteriorating buildings and the loss of units through demolition. Congress is more likely to provide adequate funding for existing Section

8 contracts than for public housing, and if a long-term rental assistance contract is tied to a property, private institutions might be more willing to lend money for critical building repairs. Therefore, some units that were public housing before conversion are more likely to remain available and affordable to people with extremely low- and very low-incomes because of the long-term Section 8 contract.

WHAT ARE THE RESIDENT PROTECTIONS IN RAD?

The language in the appropriations act and HUD’s formal rules for RAD include most of the protections sought by the REG. However, it is up to residents to try to get Recap, PHAs, developers, and owners to comply, something resident leaders have identified as a problem from the very beginning of RAD that frequently continues today.

Displacement. Permanent involuntary displacement of current residents cannot take place. If a household does not want to transition to PBV or PBRA, they may move to other public housing if an appropriate unit is available.

Right to Return. Residents temporarily relocated while rehabilitation is conducted have a right to return once rehabilitation and/or new construction is completed.

Rescreening. Current residents cannot be rescreened.

Tenant Rent. Existing PBV and PBRA rules limit resident rent payment to 30% of adjusted income, or minimum rent, whichever is higher. Any rent increase of 10% or \$25 (whichever is greater) due to conversion is phased in over three to five years.

Good Cause Eviction. An owner must renew a resident’s lease unless there is “good cause” not to.

Grievance Process. The RAD statute requires tenants to have the grievance and lease termination rights described under Section 6 of the “Housing Act of 1937.” For instance, PHAs must notify a resident of the reason for a proposed adverse action and of their right to an informal hearing assisted by a resident representative. Legal aid advocates think that HUD has not adequately implemented this statutory requirement.

OTHER RESIDENT-ORIENTED PROVISIONS IN RAD

The \$25 per Unit for Tenant Participation Remains.

Whether a property is converted to PBV or PBRA, the owner must provide \$25 per unit annually for resident participation. Of this amount, at least \$15 per unit must be provided to any “legitimate resident organization” to be used for resident education, organizing around tenancy issues, or training activities. The PHA may use the remaining \$10 per unit for resident participation activities.

Resident Participation Rights. Residents have the right to establish and operate a resident organization. If a property is converted to PBRA, then the current Section 8 Multifamily program’s “Section 245” resident participation provisions apply.

If a property is converted to PBV, instead of using public housing’s “Section 964” provisions, the RAD Notice requires resident participation provisions similar to those of Section 245 used by the Section 8 Multifamily program. For example, PHAs must recognize legitimate resident organizations and allow residents to establish and operate resident organizations. Resident organizers must be allowed to distribute leaflets and post information on bulletin boards, contact residents, help residents participate in the organization’s activities, hold regular meetings, and respond to an owner’s request to increase rent, reduce utility allowances, or make major capital additions.

One-for-One Replacement. Although the RAD Notice does not use the term “one-for-one replacement,” HUD’s informal material describes one-for-one replacement. However, there are exceptions. PHAs can reduce the number of assisted units by up to 5% or by five units, whichever is greater, without seeking HUD approval. HUD calls this the “de minimis” exception. However, RAD does not count against the 5%/five unit de minimis: units that have been vacant for two or more years; any reconfigured units, such as combining two efficiency units into a one-bedroom unit; or any units converted for use by social services. Consequently, the loss of units can be greater than 5%.

TWO ADDITIONAL KEY FEATURES OF RAD

Resident Participation Features. The RAD Notice requires PHAs to provide residents with various information notices and at least five meetings with residents at different stages of the RAD process. Details are presented in the Rental Assistance Demonstration section of this guide.

Temporary or Permanent Relocation. Relocation requirements are described in separate HUD guidance, [Notice H 2016-17/PIH-2016-17 \(https://tr.ee/TtSRVr\)](https://tr.ee/TtSRVr). Details are presented in the Rental Assistance Demonstration section of this guide.

More RAD information is also on [NLIHC’s webpage \(https://tr.ee/w8pf67\)](https://tr.ee/w8pf67), particularly [RAD: Key Features for Public Housing Residents \(September 2025\) \(https://tr.ee/KEhJaR\)](https://tr.ee/KEhJaR).

Advocates can also visit [HUD’s RAD website \(https://tr.ee/BVs9gX\)](https://tr.ee/BVs9gX).

Funding

RAD, demolition or disposition, and voluntary conversion to vouchers do not have specific funding. However, PIH/SAC must estimate how much it should request from Congress for Tenant Protection Vouchers for demolition, disposition, or conversion.

Forecast for 2026

PIH continues to actively promote public housing repositioning as demonstrated by its [Repositioning website \(https://tr.ee/1XvhYg\)](https://tr.ee/1XvhYg) containing a number of papers supporting repositioning. There is great uncertainty regarding whether Congress or the Trump administration will make policy changes related to public housing repositioning.

In 2025, a bipartisan housing bill, the “Renewing Opportunity in the American Dream (ROAD) to Housing Act of 2025” included a provision (Section 201) that would remove the cap for the number of public housing units that can convert under RAD. Currently, the cap is 450,000 units. While NLIHC endorsed ROAD for its

many other provisions, NLIHC opposes removing the cap on the number of public housing units that can undergo RAD conversions and worked closely with Congress and partners to mitigate potential harm to tenants from this provision. As of press time, the ROAD to Housing legislation has not become law. In 2026, advocates should continue to monitor legislative proposals that would eliminate the RAD cap.

HUD's RAD Notice H 2019-09/PIH 2019-23 (REV 4), including [Supplemental Notice 4C \(https://tr.ee/kWqzqZ\)](https://tr.ee/kWqzqZ)

HUD's RAD [Relocation Notice H 2016-17/PIH-2016-17 \(https://tr.ee/4kjDFD\)](https://tr.ee/4kjDFD)

What to Say to Legislators

- Do not eliminate or raise the number of public housing units that can convert under RAD beyond the current cap of 455,000 units because RAD has yet to demonstrate Recap's ability to monitor and enforce resident protections and rights.
- Monitor HUD's repositioning activity to ensure that demolition, disposition, and voluntary conversion of public housing to vouchers is only conducted in ways that truly benefit residents.

For More Information

NLIHC (<https://nlihc.org/>), 202-662-1530 NLIHC's public housing [webpage \(https://tr.ee/mYxich\)](https://tr.ee/mYxich)

PIH's Repositioning [webpage \(https://tr.ee/NcpPcP\)](https://tr.ee/NcpPcP) includes handouts and FAQs such as "Repositioning Options: Summary of Key Characteristics" (<https://tr.ee/3l346d>) and "Repositioning for Residents" (<https://tr.ee/cEqOjd>)

PIH's Special Applications Center (SAC) [webpage \(https://tr.ee/flMOkH\)](https://tr.ee/flMOkH)

SAC's Repositioning [webpage \(https://tr.ee/JmjNOU\)](https://tr.ee/JmjNOU)

SAC's Demolition/Disposition [webpage \(https://tr.ee/rFks0T\)](https://tr.ee/rFks0T)

SAC's Voluntary Conversion [webpage \(https://tr.ee/xo5k2j\)](https://tr.ee/xo5k2j)

HUD's RAD [website \(https://tr.ee/r3s98J\)](https://tr.ee/r3s98J)

MOVING TO WORK DEMONSTRATION AND EXPANSION

By Libby O'Neill, Senior Policy Analyst, NLIHC

Administering Agency: HUD's Office of Public and Indian Housing (PIH)

Year Started: 1996 for the original 39 public housing agencies (PHAs), 2021 for the Expansion PHAs.

Population Targeted: Public Housing and Housing Choice Voucher (HCV) residents

Funding: No new funding. Funding for Moving to Work (MTW) is drawn from a PHA's existing public housing Capital Fund, Operating Fund, and HCV funds.

See Also: For related information, refer to the Public Housing and Housing Choice Vouchers sections of this *Advocates' Guide*.

Summary

The Moving to Work Demonstration (MTW) is a voluntary HUD public housing agency (PHA) program that provides selected PHAs with enormous flexibility because the enabling statute allows HUD to waive nearly all provisions of the "United States Housing Act of 1937" and accompanying regulations. The waivers can include most of the main rules and standards governing Housing Choice Vouchers (HCV) and public housing, although civil rights, labor, and environmental laws cannot be waived. MTW PHAs are also allowed to shift public housing Capital and Operating Funds and HCV assistance, including HCV Administrative Fees and Housing Assistance Payment (HAP) funds, to purposes other than those for which these funds were originally appropriated—referred to as "fungibility." No matter how funds are mixed, they are called "MTW Funds." MTW flexibilities can significantly affect residents by increasing their rent, imposing work requirements, or limiting how long they can remain in public housing or receive HCV assistance. In addition, fungibility has the potential of shifting HCV funds out of the voucher

program, resulting in fewer households receiving housing assistance. There are 39 "original" MTW PHAs and 100 "Expansion" MTW PHAs.

Because the original demonstration program has not been evaluated, particularly regarding the potential for harm to residents, NLIHC has long held that the MTW demonstration is not ready for expansion or permanent authorization. Various legislative vehicles have sought to maintain the original 39 MTW PHAs. The MTW contracts for each of these 39 PHAs were set to expire in 2018, but in 2016 HUD extended all of them to 2028. In 2024, the contracts were extended again to 2038 via the "Consolidated Appropriations Act of 2024."

History

The MTW "demonstration" was initially created by the 1996 appropriations act, which allowed 30 PHAs to apply for MTW flexibilities. Between 1996 and 2013, various appropriations acts authorized additional PHAs to participate in MTW, while some MTW PHAs ran their course and ended their MTW participation. As of the close of 2013, 39 PHAs had MTW status, including four designated in December 2012. These "original" 39 MTW PHAs operated 12% of all public housing and HCV units, yet the impact of their MTW flexibilities were never subject to meaningful evaluation, rendering the term "demonstration program" meaningless. The MTW Collaborative, an organization that advocates on behalf of MTW PHAs, maintains a list of [current MTW PHAs](https://www.mtwcollaborative.org/mtw-agencies) (<https://www.mtwcollaborative.org/mtw-agencies>).

The "Consolidated Appropriations Act of 2016" authorized HUD to expand the MTW demonstration to an additional 100 high-performing PHAs over a seven-year period ending in 2022 (although PIH was still seeking additional participants in 2023). PHAs were to be added to the MTW demonstration in groups (called "cohorts"), each of which was to be overseen by a research advisory committee to ensure

that each cohort was evaluated with rigorous research protocols and quantitative analysis, using comparisons with control groups of comparable PHAs that did not have MTW “flexibilities.” Each year’s cohort of MTW Expansion PHAs would be directed by PIH to test one specific policy change. MTW Expansion PHAs could use additional “MTW Waivers” beyond the specific policy change of their cohort, as long as those waivers did not conflict with or interfere with their cohort study.

Program Summary

As stated in Section 204 of the “Omnibus Consolidated Rescissions and Appropriations Act of 1996,” the purpose of MTW is to give PHAs and HUD the flexibility to design and test various approaches to providing and administering housing assistance that:

1. Reduce costs and achieve greater cost-effectiveness in federal expenditures.
2. Provide incentives to households with children in which the household head is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that help people to obtain employment and become economically self-sufficient.
3. Increase housing choices for low-income households.

In addition, that statute requires PHAs granted MTW status (“MTW PHAs”) to meet five statutory requirements:

1. A PHA must have at least 75% of the households it assists be very low-income households, those with incomes equal to or less than 50% of the area median income (AMI).
2. A PHA must establish a reasonable rent policy, which must be designed to encourage employment and self-sufficiency—rent policies such as excluding some or all of a household’s earned income for purposes of determining rent.
3. A PHA must continue to assist substantially the same total number of eligible low-income households as would have been served had the amounts of public housing Capital and Operating funds and/or HCV funds

not been combined. Low income is defined as income equal to or less than 80% of AMI.

4. A PHA must maintain a comparable mix of households (by household size) as would have been provided had the amounts of public housing Capital and Operating funds and/or HCV funds not been used under MTW.
5. A PHA must ensure that housing assisted under MTW meets PIH Housing Quality Standards.

These statutory requirements apply to the MTW Extension PHAs as well as to the original 39 MTW PHAs.

In practice, PIH’s enforcement of these requirements for the original 39 MTW PHAs has been highly permissive. For example, the Center on Budget and Policy Priorities (CBPP) notes (<https://tr.ee/U9KF50>) that some of the original MTW PHAs have been allowed to implement policies that serve many thousands fewer households than they could have served if the MTW PHAs used public housing or HCV funds for their original purposes. MTW PHAs have also been permitted to charge extremely low-income households rent well above amounts they could reasonably be expected to afford.

PHAs selected to participate in MTW can seek waivers from most statutes and regulations governing public housing and HCVs. For example, they can seek PIH approval to merge public housing Capital Funds, public housing Operating Funds, and HCV funds (administrative fees and HAP funds) into a block grant—referred to as “fungibility.” Waivers can harm residents if MTW PHAs are allowed to charge rents greater than 30% of a household’s income, impose work requirements, or limit how long a household can receive housing assistance.

Critique of Original MTW Program

WAIVERS OF KEY TENANT PROTECTIONS

The Center on Budget and Policy Priorities (CBPP) wrote that one set of concerns about MTW affecting the original 39 MTW PHAs is that MTW allowed waivers of policies that protect low-income households and make rental assistance effective. For example, MTW PHAs are

permitted to raise rents above those permitted under the Brooke Rule (which generally caps rent and utility payments at 30% of a household's adjusted income). All MTW PHAs admitted to the program before 2021 modified their rent rules in some manner and the majority raised "minimum rents" or instituted other policy changes that charge households who have little or no income more than they would pay under the regular rules—sometimes hundreds of dollars a month more.

MTW PHAs also implemented numerous other policies that risk exposing households to hardship or limiting their access to opportunity. CBPP wrote that a 2018 analysis found nine MTW PHAs instituted work requirements and a 2014 study found eight MTW PHAs placed time limits on assistance. A significant number of MTW PHAs also imposed restrictions on the right of HCV households to move to a community of their choice.

Such policies are particularly problematic because (with very limited exceptions) PIH has not required that they be rigorously evaluated, or even that the impact on affected families be monitored. For example, a 2018 [report \(https://tr.ee/fxxTYj\)](https://tr.ee/fxxTYj) by the Urban Institute concluded that "although some MTW PHAs had been implementing work requirement policies for more than a decade, no systematic evaluation or attempt had been made to analyze what the impact has been on residents' work engagement, incomes, or housing instability, or on PHA's administrative costs." A 2018 [report \(https://www.gao.gov/assets/gao-18-150.pdf\)](https://www.gao.gov/assets/gao-18-150.pdf) by the Government Accountability Office (GAO) similarly found that due to limitations in PIH's monitoring and evaluation process, it cannot assess how MTW's rent, work requirement, and time limit policies affect low-income tenants.

DIVERSION OF VOUCHER FUNDS AND REDUCTION IN THE NUMBER OF FAMILIES ASSISTED

Another major adverse effect of MTW noted by CBPP is that MTW has caused many fewer families to receive rental assistance than could be assisted with available funds. MTW allows a PHA to divert money out of its HCV program and provide voucher funds through

MTW block grant formulas that, unlike the regular formula used at non-MTW PHAs, provides no incentive for PHAs to put HCV funds to use assisting extremely low-income households. From 2014 to 2018, MTW PHAs shifted about \$530 million a year in voucher funds (19% of their total) to other purposes or left the HCV funds unspent, as a result providing vouchers to 55,000 fewer households annually. MTW PHAs used diverted HCV funds to provide housing assistance to about 10,000 families through so-called "local programs" (for example, shallow rental subsidies), but that still left a large net cut in the number of households assisted.

MTW PHAs have used funds shifted out of the voucher program for a variety of purposes, including supplementing their administrative budgets, maintaining or renovating public housing, and developing "affordable" housing. Federal policymakers should provide more adequate funding for these purposes directly; allowing MTW PHAs to divert voucher funds is the wrong way to address the need for more funds for public housing maintenance or the development of "affordable" housing (which is not necessarily affordable to extremely low-income renters). Vouchers reduce overcrowding and housing instability and are an effective way to cut homelessness among families with children. Vouchers can also allow households to move to neighborhoods with lower poverty rates, which raises children's educational and earnings achievement later in life.

MTW PHAs have generally sought to allocate transferred funds to potentially beneficial purposes, but the funds often do less to help low-income people than they would if used for vouchers. A 2017 [report \(https://www.cbpp.org/sites/default/files/atoms/files/10-30-17hous2.pdf\)](https://www.cbpp.org/sites/default/files/atoms/files/10-30-17hous2.pdf) commissioned by PHAs was able to show only modest evidence of benefits in areas where diverted funds were used, and none that came close to offsetting the sharp reduction in the number of households with rental assistance. Moreover, some MTW PHAs used funds in ways that had little or no benefit for low-income people, such as paying unusually high staff salaries, accumulating large amounts of unspent voucher funds, and otherwise wasting or misusing funds.

EARLIER STUDIES SHOWING MTW PROBLEMS

Previous NLIHC *Advocates' Guide* articles summarized studies that concluded that the original MTW program was not designed to enable a meaningful demonstration and lacked a data system that could lead to an assessment of MTW's impact—especially on residents.

An Urban Institute [June 2004 report \(https://tr.ee/q4637l\)](https://tr.ee/q4637l) concluded that MTW was not designed as a rigorous research demonstration, and due to PIH systems, critical data on the characteristics of public housing and HCV residents had not been collected from the MTW PHA sites in a consistent and uniform fashion. That left much of what is known about MTW's impacts to anecdotes and piecemeal information gathering. The report also found that there was no way to determine with certainty whether individual MTW programs achieved the goal of increased work and self-sufficiency for residents.

HUD's Office of the Inspector General (OIG) issued an [April 12, 2005 report \(https://archives.hud.gov/offices/oig/reports/internal/ig500001.pdf\)](https://archives.hud.gov/offices/oig/reports/internal/ig500001.pdf) finding that PIH did not design the MTW demonstration to collect data. Consequently, PIH could not cite statistics showing MTW activities could be used in the future at other PHAs as models for reducing costs and achieving greater cost-effectiveness, promoting resident employment and self-sufficiency, or increasing choice for low-income households. In addition, GAO concluded that PIH could not provide comparative analyses showing the impact of MTW activities or the importance of individual policy changes.

A Government Accountability Office (GAO) [report from April 2012 \(https://www.gao.gov/assets/gao-12-490.pdf\)](https://www.gao.gov/assets/gao-12-490.pdf) found PIH did not identify quantifiable, outcome-oriented MTW performance data that would be needed to assess the results of similar MTW activities or MTW as a whole. The shortage of such data and analyses hindered comprehensive evaluation efforts, although such evaluations are key to determining the success of any demonstration program. Further, while PIH identified some lessons learned, it had no systematic process for identifying them and thus relied primarily on

ad hoc information. The absence of a systematic process for identifying lessons learned limited PIH's ability to promote useful practices that could be more broadly implemented to address the purposes of the MTW program.

GAO also found that PIH had not taken key monitoring steps to ensure MTW PHAs were complying with the MTW statute. Nor did PIH carry out annual assessments of MTW program risks despite its own requirement to do so. PIH did not have policies or procedures in place to verify the accuracy of key information that MTW PHAs self-reported, consequently PIH could not be sure that self-reported information was accurate.

The Congressional Research Service (CRS) published a [report on June 7, 2012 \(https://tr.ee/bDsdmb\)](https://tr.ee/bDsdmb) and [updated it on January 3, 2014 \(https://www.congress.gov/crs-product/R42562\)](https://www.congress.gov/crs-product/R42562), repeating observations by the Urban Institute, OIG, and GAO that there had been no systematic evaluation of the outcomes of the policies adopted by MTW PHAs in achieving MTW goals. In addition, the report noted that as a result of both data collection issues and the program's design, PIH was unable to measure and compare the results of different PHAs' MTW policies, limiting PIH's ability to evaluate specific policies implemented by MTW PHAs.

CRS also noted that PIH suggested that MTW PHAs provided a greater number of assisted housing units than they would have been able to provide under the traditional assistance programs. CRS states, however, that the ability of MTW PHAs to assist a greater number of households may be a result of MTW PHAs reducing the assistance provided to current recipients, rather than due to savings from administrative streamlining. For example, some MTW PHAs implemented policies that reduced the amount of rental assistance that a household received, requiring tenants to pay rent above the affordability standard of 30% of their income.

CRS reported that 52% of MTW PHAs adopted higher minimum rents, 27% used flat rents (which do not vary with changes in tenant income), and 21% used stepped rents (which increase rent over time and not in relation to income). CRS writes that there was no systematic data to evaluate the assertions by MTW PHAs that the alternative rent structures they adopted led to increased

tenant earnings. In addition, the CRS report showed that 30% of the MTW PHAs implemented work requirements and 15% had time limits for residents ranging from three to seven years, yet there was no means to evaluate the impact of these policies on residents.

For HCV, 39% of the MTW PHAs conducted housing quality standard (HQS) inspections less frequently than annually, while 21% allowed private landlords to self-certify that they were meeting HQS. CRS noted that a full evaluation was not conducted to assess whether the alternative HQS inspection procedures were either more or less effective than the traditional annual inspection procedures in ensuring the quality of HCV-assisted rental units.

Another OIG [report from September 27, 2013](https://www.hudoig.gov/sites/default/files/documents/2013-PH-0004.pdf) (<https://www.hudoig.gov/sites/default/files/documents/2013-PH-0004.pdf>) concluded that PIH's oversight of MTW was inadequate because it had not: (1) implemented program wide performance indicators, (2) evaluated MTW PHAs' programs according to each MTW PHA's Standard MTW Agreement policies, (3) evaluated MTW PHAs' compliance with key statutory program requirements, (4) verified MTW PHAs' self-reported performance data, and (5) performed required annual program risk assessments.

MTW Expansion

The "Consolidated Appropriations Act of 2016" authorized HUD to expand the MTW demonstration to an additional 100 high-performing PHAs over a seven-year period ending in 2022. Of the 100 new Expansion MTW PHA sites, no fewer than 50 PHAs must administer up to 1,000 combined public housing and voucher units, no fewer than 47 must administer between 1,001 and 6,000 combined units, no more than three can administer between 6,001 and 27,000 combined units, and five must be PHAs with portfolio-wide awards under the Rental Assistance Demonstration (RAD). PHAs were to be added to the MTW demonstration in groups (called "cohorts"), each of which was to be overseen by a research advisory committee to ensure the demonstration of each cohort was evaluated with rigorous research protocols and quantitative analysis, using comparisons with control groups of comparable

PHAs that did not have MTW "flexibilities." Each year's cohort of Expansion MTW PHAs would be directed by HUD to test one specific policy change. Expansion MTW PHAs could also use additional "MTW Waivers" beyond the specific policy change of their cohort, as long as those waivers did not conflict with or interfere with their cohort study. For each cohort, separate PIH Notices were issued.

Legislation to expand MTW is also included in the Senate's "ROAD to Housing Act" ([S. 2651; https://www.congress.gov/bills/119th-congress/senate-bill/2651](https://www.congress.gov/bills/119/congress/senate/bills/2651)). The provision would add 25 PHAs to this existing 100 Expansion PHAs and original 39 MTW PHAs. The provision does prohibit PHAs in the new cohort from implementing some of the harmful MTW policies such as time limits, work requirements, and rent increases; however other policies and provisions allowed by the bill could burden residents, and, it is unclear whether PHAs could request waivers of "Safe Harbor" provisions from HUD, which could be used to skirt the prohibition of work requirements, time limits, and increased rents. NLIHC will continue to work with Congress to strengthen tenant protections in MTW agencies and mitigate any potential harm to tenants living in MTW properties.

COHORT #1, "MTW FLEXIBILITIES FOR SMALL PHAS"

[Notice PIH-2018-17 \(https://www.hud.gov/sites/dfiles/OCHCO/documents/18-17pihn.pdf\)](https://www.hud.gov/sites/dfiles/OCHCO/documents/18-17pihn.pdf) on October 11, 2018 invited PHAs to apply for a slot in Cohort #1, "MTW Flexibilities for Small PHAs." Cohort #1 was limited to PHAs with a combination of 1,000 or fewer public housing units and vouchers. PIH selected 31 Cohort #1 PHAs on January 7, 2021 (see [MTW Collaborative's list; https://www.mtwcollaborative.org/mtw-agencies](https://www.mtwcollaborative.org/mtw-agencies)) for current MTW PHAs in this cohort). This cohort allows PHAs to use any of the regulatory waivers in the Final MTW Operations Notice (see below) which enables Expansion MTW PHAs to impose work requirements, time limits, and increased rents on residents—policies that do not address the three MTW statutory objectives. These Expansion MTW PHAs will test the overall effects of using various MTW "flexibilities" on the small PHAs and their residents. PIH will compare outcomes related

to the three MTW statutory objectives between the Expansion MTW PHAs and PHAs assigned to a control group. Applicant PHAs were assigned by lottery to be Expansion MTW PHAs, waitlist PHAs, or control group PHAs.

“MTW FLEXIBILITIES FOR SMALLER PHAS COHORT II”

[Notice PIH 2023-20](https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-20pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-20pihn.pdf>) announced “MTW Flexibilities II,” the last cohort, announced in August 2023. It does not go by a cohort number. It will involve additional smaller PHAs that have 1,000 or fewer combined units of public housing and vouchers. As with Cohort 1, this last cohort will allow PHAs to use any of the regulatory waivers in the Final MTW Operations Notice (see below) which enables Expansion MTW PHAs to impose work requirements, time limits, and increased rents on residents—policies that do not address the three MTW statutory objectives. These Expansion MTW PHAs will test the overall effects of using various MTW “flexibilities,” with a focus on “administrative efficiencies.” On March 29, 2024 PIH named 14 smaller PHAs to participate in this cohort (see [MTW Collaborative’s list](https://www.mtwcollaborative.org/mtw-agencies) (<https://www.mtwcollaborative.org/mtw-agencies>) for current MTW PHAs in this cohort).

COHORT #2, “STEPPED AND TIERED RENT” (RENT REFORM)

[Notice PIH-2019-04](https://www.hud.gov/sites/dfiles/OCHCO/documents/19-04pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/19-04pihn.pdf>) on March 14, 2019 invited PHAs to apply for a slot in Cohort #2, “Stepped and Tiered Rent” (Rent Reform), designed to test “rent reform” ideas to “increase resident self-sufficiency and reduce PHA administrative burdens.” Cohort #2 was limited to PHAs with a combination of at least 1,000 non-elderly and non-disabled public housing residents and voucher households. PIH published [Notice PIH-2020-21](https://www.hud.gov/sites/dfiles/OCHCO/documents/2020-21pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/2020-21pihn.pdf>) on August 28, 2020, with alternate rent policies different from those Notice PIH-2019-04. PIH announced on May 7, 2021 that 10 PHAs were selected to participate in Cohort #2 (see [MTW Collaborative’s list](https://www.mtwcollaborative.org/mtw-agencies) (<https://www.mtwcollaborative.org/mtw-agencies>) for current MTW PHAs in this cohort).

Each Cohort #2 Expansion MTW PHA will implement one alternative rent policy:

1. Four Expansion MTW PHAs will test “tiered rents” (also known as “income bands”). PIH set 13 tiers at \$2,500 increments. Within each tier a household’s rent is fixed, based on 30% of income at the midpoint of the tier. All households in a tier will pay the same rent. Household income will be recertified every three years. A household’s rent will not change in between triennial recertifications even if their income decreased to a point that would place them in the tier below. Similarly, if a household’s income increased, their rent would not increase to a point that would place them in the next higher rent tier. In either situation, a household’s rent would not decrease or increase until after their triennial income recertification. The minimum rent will be \$50.
2. Five Expansion MTW PHAs will test “stepped rents,” a form of time limit with a household’s rent payment starting at 30% of its gross income (not adjusted income as in the regular programs) or the minimum rent of \$50, increasing each year by an annual fixed, stepped increase, regardless of a household’s income. The Expansion MTW PHA will choose the size of the annual stepped rent increase, but it may not be less than 2% of the Fair Market Rent (FMR) or greater than 4% of the FMR (adjusted for unit size). Each year, an Expansion MTW PHA may review and adjust the annual stepped rent increase. Note that by using gross income instead of adjusted income, households will already be in danger of paying more rent.
3. One Expansion MTW PHA could propose a tiered or stepped rent that is different from the two PIH rent policies above. The Expansion MTW PHA proposing an alternative policy must be able to ensure a sample size of at least 4,000 existing non-elderly, non-disabled households.

Cohort #2 Expansion: MTW PHAs can also use other MTW waivers, as outlined in the [Final Expansion MTW Operations Notice](https://www.govinfo.gov/content/pkg/FR-2020-08-28/pdf/2020-18152.pdf) (<https://www.govinfo.gov/content/pkg/FR-2020-08-28/pdf/2020-18152.pdf>) (summarized below), except for six waivers described in Notice PIH-2020-21. NLIHC urged PIH not to implement this cohort because of its serious potential to impose cost burdens or housing instability on residents. NLIHC has

a detailed [Summary of MTW Cohort #2, Rent Reform \(https://nlihc.org/sites/default/files/Cohort_2_Rent_Reform_Notice.pdf\)](https://nlihc.org/sites/default/files/Cohort_2_Rent_Reform_Notice.pdf).

COHORT #3, “WORK REQUIREMENTS” - CANCELLED

[Notice PIH 2021-02 \(https://nlihc.org/sites/default/files/2021-02pihn-1.pdf\)](https://nlihc.org/sites/default/files/2021-02pihn-1.pdf) invited PHAs to apply for a slot in Cohort #3, “Work Requirements.” NLIHC and other advocates vehemently opposed the Work Requirements waivers. [Notice PIH-2021-18 \(https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-18pihn.pdf\)](https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-18pihn.pdf) rescinded the Work Requirements Cohort in order to be “responsive to the economic realities and current needs of low-income families.” NLIHC had a detailed [Summary of MTW Cohort #3, Work Requirements \(https://nlihc.org/sites/default/files/Cohort_3_Work_Requirements_Notice.EG.pdf\)](https://nlihc.org/sites/default/files/Cohort_3_Work_Requirements_Notice.EG.pdf).

COHORT #4, “LANDLORD INCENTIVES”

[Notice PIH 2021-03 \(https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-03pihn.pdf\)](https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-03pihn.pdf) on January 7, 2021 invited PHAs to apply for a slot in Cohort #4, “Landlord Incentives,” which will evaluate activities to encourage landlords to participate in the HCV program. PIH identified seven MTW activities in the [Expansion MTW Operations Notice \(https://www.govinfo.gov/content/pkg/FR-2020-08-28/pdf/2020-18152.pdf\)](https://www.govinfo.gov/content/pkg/FR-2020-08-28/pdf/2020-18152.pdf) (see description below) that have the potential to act as landlord incentives and that any Expansion MTW PHA can use. In addition, PHAs selected for this cohort must use one of two “Cohort #4-Specific MTW Waivers.” Together, the seven MTW Operations Notice landlord incentive waivers and two Cohort Specific MTW Waivers are referred to as the “Cohort #4 MTW Activities List.” PHAs in Cohort #4 must implement at least two activities from the Cohort #4 MTW Activities List. Twenty-nine PHAs were selected on January 27, 2022 for the Landlord Incentives Cohort (see [MTW Collaborative’s list \(https://www.mtwcollaborative.org/mtw-agencies\)](https://www.mtwcollaborative.org/mtw-agencies) for current MTW PHAs in this cohort).

The two Cohort #4-Specific MTW Waivers are:

- Waiver of the requirement for a PHA to conduct a Housing Quality Standards (HQS) inspection of a

potential unit to rent with a voucher before a household moves into a unit. However, one of the following “Safe Harbors” must be met: a) the unit is less than five years old; b) the unit passed an HQS inspection (or equivalent inspection) within the previous three years; or c) the unit is located in a census tract with a poverty rate less than 10%. A tenant must be able to request an interim inspection.

- Waiver allowing a front-end vacancy loss payment if a previous tenant was not an HCV household.

The seven Landlord Incentive MTW activities available to all Expansion MTW PHAs as well as Cohort #4 MTW PHAs are:

1. Vacancy Loss payments—paying a landlord up to one-month contract rent as reimbursement for time a unit is vacant in between voucher households. This applies only when an HCV household leaves a unit and the next tenant is also an HCV household.
2. Damage Claims—paying a landlord reimbursement for tenant-cause damages after accounting for any security deposit.
3. Other Landlord Incentives—providing a landlord an incentive payment (such as a bonus for agreeing to participate in the HCV program) up to one month of contract rent.
4. Pre-Qualifying Unit Inspections—allowing units to be pre-inspected for HQS approval to accelerate the lease-up process and minimize a landlord’s lost revenue during a period of vacancy.
5. Alternative Inspections Schedule—allowing units to be inspected less frequently than annually, but at least once every three years.
6. Using a payment standard between 80% and 150% of the Small Area Fair Market Rent (SAFMR).
7. Using a payment standard between 80% and 120% of the FMR.

The usual payment standard is between 90% and 110% of either the SAFMR or FMR. For both the SAFMR and FMR options, PIH strongly encourages an MTW PHA to adopt a hold harmless policy (or a gradual phase-in), to limit the impact of reductions in payment standards,

because reduced payment standards would likely discourage some landlords from participating and can cause households that already have a voucher to pay more for rent.

NLIHC has a detailed [Summary of MTW Cohort #4, Landlord Incentives \(https://tr.ee/2N9lgd\)](https://tr.ee/2N9lgd).

COHORT #5, “ASSET BUILDING”

PIH posted [Notice PIH 2022-11 \(https://www.hud.gov/sites/dfiles/OCHCO/documents/2022-11pihn.pdf\)](https://www.hud.gov/sites/dfiles/OCHCO/documents/2022-11pihn.pdf) on April 26, 2022 inviting PHAs to apply to participate in the MTW Asset Building Cohort that will experiment with policies and practices that help residents build financial assets and/or build credit. For the purpose of this cohort, asset building is defined as activities that encourage the growth of assisted residents’ savings accounts and/or that aim to build credit for assisted households. Eighteen PHAs were selected on September 27, 2022 to participate in the Asset Building Cohort (see [MTW Collaborative’s list; https://www.mtwcollaborative.org/mtw-agencies](https://www.mtwcollaborative.org/mtw-agencies) for current MTW PHAs in this cohort).

PIH offered three asset building options for PHAs that wanted to participate in the Asset Building Cohort:

- **Opt-Out Savings Account Option.** A PHA must deposit at least \$10 per month for at least one year into an escrow account for the benefit of assisted households (either public housing or HCV households) with the goal of increasing the number of households that have bank accounts, thereby strengthening household stability.
- **Credit Building Option.** For residents who have given their formal consent, a PHA must report to credit bureaus, those residents’ public housing rent payments for at least one year. The goal is to increase the credit scores of public housing households. A household may withdraw at any time. This option is not available for HCV households because of the difficulty of having individual landlords report to credit bureaus.
- **PHA-Designed Asset Building Option.** This option allows a PHA to design its own local asset building program that encourages the growth of savings accounts and/or aims to build credit for assisted households.

Before implementation of the Asset Building Cohort, NLIHC and consumer advocates conveyed to PIH concern that the credit building option would require Expansion MTW PHAs to report public housing residents’ rent payment using “full file reporting,” meaning that not only will on-time rent payments be reported, but late and missed payments would also be reported. NLIHC and others urged PIH to only require Expansion MTW PHAs to report on-time rent payments, which the three major credit reporting entities can accommodate. Full file reporting can harm residents if they encounter only one or two slightly late or small missed payments that are episodic due to unforeseen circumstances and otherwise not indicative of serious rent payment problems. NLIHC also urged PIH to define “small” unpaid balances so that participating Expansion MTW PHAs do not report minor unpaid rent balances, resulting in damage to a household’s credit. As one potential definition of “small,” NLIHC informed PIH that starting in 2023, the major credit reporting agencies will not include medical collection debt under \$500. PIH did not implement NLIHC’s recommendations. NLIHC has a detailed [Summary of MTW Cohort #5, Asset Building \(https://nlihc.org/sites/default/files/Summary-of-MTW-Cohort-.pdf\)](https://nlihc.org/sites/default/files/Summary-of-MTW-Cohort-.pdf).

EXPANSION MTW OPERATIONS NOTICE

PIH posted the final “[Operations Notice for the Expansion of the Moving to Work \(MTW\) Demonstration Program](https://www.govinfo.gov/content/pkg/FR-2020-08-28/pdf/2020-18152.pdf)” (<https://www.govinfo.gov/content/pkg/FR-2020-08-28/pdf/2020-18152.pdf>) in the *Federal Register* on August 28, 2020. The Operations Notice is a lengthy and detailed document that establishes requirements for implementing the MTW demonstration for PHAs applying for and carrying out the MTW Expansion slots. NLIHC has a 37-page [Summary of Key Provisions of the MTW Operations Notice \(https://tr.ee/6C1MQC\)](https://tr.ee/6C1MQC), including a summary of NLIHC’s primary concerns about MTW waivers allowing work requirements, term-limited assistance, “rent reforms” causing residents to pay more than 30% of their adjusted income for rent and utilities, and allowing lower HCV payment standards at 80% of FMRs or Small Area FMRs. NLIHC is also concerned about allowing an Expansion MTW PHA to spend up to 10% of its

HCV Housing Assistance Payment (HAP) for so-called “Local, Non-Traditional Activities,” such as shallow rent subsidies, services to low-income people who are not public housing or voucher tenants, and gap financing to develop Low Income Housing Tax Credit (LIHTC) properties. An Expansion MTW PHA may spend even more than 10% by seeking PIH approval.

Appendix I of the Operations Notice, “MTW Waivers,” is a chart of “MTW activities” that Expansion MTW PHAs may implement without HUD approval, as long as they are implemented with the “safe harbors” tied to the specific, allowed MTW activity.

Appendix II has instructions for any required written impact analyses and hardship policies. Impact analyses are required for certain activities, such as Work Requirements, Term-Limited Assistance, Stepped Rent (effectively time limits), and rent increase policies. Written financial and other hardship policies must be developed for most MTW activities.

Appendix III explains the method for calculating the requirement that Expansion MTW PHAs house substantially the same number of families as they would have without MTW.

An Expansion MTW PHA must implement at least one “reasonable rent policy” listed in Appendix I during the term of its MTW designation. Several of the so-called rent policies can harm residents. For example:

- Stepped rent is a form of time limit, and a household’s rent payment can start at 32% of gross income or 35% of adjusted income, growing each year (note that this differs from the Cohort #2 initial rent of 30% of gross income).
- A minimum rent of \$130 per month can place a significant rent burden on households.
- Tenant rent as a modified percentage of income causing households pay 35% of income imposes a cost burden. It shifts limited resources away from food, medicine, transportation to jobs, childcare, and other basics. Imposing a cost burden does not address the statutory goals of the MTW demonstration (providing incentives for resident self-sufficiency and increasing housing choices) and fails the statutory requirement of having a “reasonable” rent policy.

- Allowing an Expansion MTW PHA to make households (including elderly and disabled households) who are initially renting a home with a voucher to pay more than 60% of their income for rent causes households to be severely cost burdened, and shifts limited household resources away from food, medicine, transportation to jobs, childcare, and other basics. Imposing a cost burden does not address the statutory goals of the Expansion MTW demonstration and fails the statutory requirement of having a “reasonable” rent policy.

FOUR TYPES OF MTW WAIVERS

There are four basic categories of waivers:

MTW Waivers: Expansion MTW PHAs may conduct any activity/policy in Appendix I without PIH review and approval. However, each specific eligible activity/policy has specific “safe harbor” requirements/limitations that an Expansion MTW PHA must follow, for example requiring a hardship policy or not applying an activity/policy to elderly people.

Safe Harbor Waivers: Expansion MTW PHAs may request PIH approval to expand an MTW Waiver activity/policy in Appendix I in a way that is inconsistent with the safe harbors for that specific MTW Waiver activity/policy. When submitting a Safe Harbor Waiver, an Expansion MTW agency must hold a public meeting to specifically discuss the Safe Harbor Waivers. This meeting is in addition to following the PHA Plan public participation process requirements. The Expansion MTW PHA must consider, in consultation with the Resident Advisory Board (RAB) and any tenant associations, all of the comments received at the public hearing. The comments received by the public, RABs, and tenant associations must be submitted by the Expansion MTW PHA, along with the Expansion MTW PHA’s description of how the comments were considered, as a required attachment to the MTW Supplement (see below).

Agency-Specific Waivers: Expansion MTW PHAs may seek PIH approval for an Agency-Specific Waiver in order to implement additional activities not among those in the Appendix I. The request must have an analysis of the potential impact on residents as well as a hardship policy. An Expansion MTW PHA must follow the same public participation process described above for Safe Harbor Waivers.

Cohort-Specific Waivers: Expansion MTW PHAs may be provided Cohort-Specific Waivers if additional waivers not included in Appendix I are necessary to allow implementation of the required cohort study. Cohort-Specific Waivers will be detailed in the applicable Selection Notice for that cohort study.

EXPANSION MTW SUPPLEMENT TO PHA PLAN

Expansion MTW PHAs must submit an “[MTW Supplement](https://tr.ee/OrMMXf)” (<https://tr.ee/OrMMXf>) to their Annual PHA Plans. The MTW Supplement must go through a public process along with the Annual PHA Plan, following all of the Annual PHA Plan public participation requirements. So-called “Qualified PHAs,” those with fewer than 550 public housing units and vouchers combined, are required to submit an MTW Supplement each year even though Qualified PHAs are not required to submit Annual PHA Plans. See the Public Housing Agency Plan section of this *Advocates’ Guide*.

EVALUATION

While the 2016 appropriations act creating the MTW Expansion required all Expansion MTW PHAs to be subject to “evaluation through rigorous research,” the Operations Notice only requires the cohort-specific waivers to be rigorously evaluated. The evaluation terms are much shorter than the 20-year period an Expansion MTW PHA will have MTW waivers: five years for the MTW Flexibilities for Small PHAs, six years for Rent Reform, four years for Landlord Incentives, and five years for Asset Building.

In addition to their cohort-specific MTW waiver, each Expansion MTW PHA can apply other MTW Waiver Activities that will merely be subject to so-called “program-wide evaluations.” The Operations Notice states, “HUD intends to develop a method for program-wide evaluation that is based, to the extent possible, on information already collected through existing HUD administrative data systems, although additional reporting may be necessary to effectively evaluate MTW.” In addition, PIH “would seek to assess whether or not, and to what extent, MTW agencies achieve the statutory objectives of the Expansion MTW

demonstration by using federal dollars more efficiently, helping residents find employment and become self-sufficient, and/or increasing housing choices for low-income families.” Program-wide evaluation would also seek to determine any effects, positive or negative, of MTW waivers and funding flexibilities on residents. NLIHC notes that limiting the program-wide evaluation to the three statutory objectives will not adequately address negative effects on residents. In addition, HUD’s existing administrative data systems are not able to assess the impacts on the three statutory objectives let alone other adverse consequences for residents. Finally, the Expansion MTW webpages do not contain any information regarding the ongoing work of each cohort’s research advisory team; consequently there is no preliminary indication of the impact of a cohort’s waivers on residents.

For More Information

NLIHC’s Public Housing webpage has materials about the Moving to Work Demonstration (MTW), <https://nlihc.org/explore-issues/housing-programs/public-housing>

NLIHC’s Summary of Key Provisions of Moving to Work (MTW) Demonstration Operations Notice, <https://tr.ee/HqC7BW>

Center on Budget and Policy Priorities, <https://www.cbpp.org/research/resource-lists/moving-to-work>

HUD’s MTW Expansion webpage, <https://www.hudexchange.info/programs/mtw/>

Expansion MTW Operations Notice: <https://tr.ee/RYZRC2>

HOUSING CHOICE VOUCHERS

By Ed Gramlich, Senior Advisor, NLIHC; Updated by Alayna Calabro, Senior Policy Analyst, NLIHC

Administering Agency: HUD's Office of Public and Indian Housing (PIH), as well as nearly 2,100 state and local public housing agencies (PHAs).

Year Started: 1974

Population Targeted: Seventy-five percent of all new and turnover voucher households must have extremely low income (less than 30% of the area median income, AMI, or the federal poverty line, whichever is higher); the remaining 25% of new voucher households can be distributed to residents with income up to 80% of AMI.

Funding: President Trump's budget request proposed slashing funding for HUD rental assistance programs by \$26.72 billion from the previous year—an unprecedented 43% cut—and redesigning HUD rental assistance programs entirely. Under the proposal, HUD's Housing Choice Voucher (HCV) program, Public Housing, Project-Based Rental Assistance (PBRA), Section 202 Housing for the Elderly (Section 202), and Section 811 Housing for Persons with Disabilities (Section 811) programs would be combined into one [State Rental Assistance Block Grant program \(https://tr.ee/QtSK17\)](https://tr.ee/QtSK17), funded at \$31.79 billion.

The Senate proposed \$33.9 billion in the fiscal year (FY) 26 Transportation, Housing and Urban Development (THUD) bill to renew existing HCV contracts, and the House proposed \$32.1 billion. For PHA administrative costs, the Senate proposed \$2.9 billion, and the House proposed \$1.97 billion. The flat funding for HCV renewals provided in the House FY26 bill would result in an estimated 411,000 fewer people receiving the assistance they need to stay housed. An estimated 243,000 fewer people would receive help under the Senate bill.

As *Advocates' Guide* went to press, Congress had not passed an FY26 appropriations act. A short-term Continuing Resolution (CR) maintains FY25 funding for the program until further congressional action. The

final FY25 appropriation for HCV contract renewals was \$31.9 billion, while the final FY25 appropriation for administrative fees was \$2.7 billion.

See Also: For related information, see the *Project-Based Vouchers*, *Tenant Protection Vouchers*, *Veterans Affairs Supportive Housing (HUD-VASH)*, *Family Unification Program (FUP)*, and *Mainstream and Non-Elderly Disabled (NED) Vouchers* sections of this guide.

Housing Choice Vouchers (HCVs) help people with the lowest income afford housing in the private housing market by paying landlords the difference between what a household can afford to pay for rent and utilities compared to the actual rent to the owner, up to a reasonable amount. The HCV program is HUD's largest rental assistance program, assisting more than 2.3 million households as of September 30, 2025, according to [PIH's Data Dashboard \(https://tr.ee/vTJE6f\)](https://tr.ee/vTJE6f).

History and Purpose

Federal tenant-based rental assistance was established as part of a major restructuring of federal housing assistance for low-income families in 1974. President Richard Nixon supported the creation of the tenant-based Section 8 program as an alternative to the government's involvement in producing affordable multifamily apartments. In recent decades, the program has had broad bipartisan support. It grew incrementally between 1974 and 1996, the first year when no new, incremental vouchers were appropriated. Since then, Congress has authorized HUD to award more than 700,000 additional vouchers, but about half of these have simply replaced public housing or other federally subsidized housing that has been demolished or is no longer assisted.

Several "special purpose voucher programs" are oriented to serving special populations: the [HUD-Veterans Affairs Supportive Housing \(HUD-VASH\) Program \(https://tr.ee/EAiyK7\)](https://tr.ee/EAiyK7) serves homeless veterans (115,883 units as of September 30, 2025); the [Family Unification Program \(FUP\) \(https://tr.ee/Nzqx0A\)](https://tr.ee/Nzqx0A) serves

families experiencing homelessness, families who are precariously housed and in danger of losing children to foster care or who are unable to regain custody of children primarily due to housing problems (33,3481 units); the [Foster Youth to Independence Initiative \(FYI\)](https://tr.ee/5ECmPf) (<https://tr.ee/5ECmPf>) serves youth aging out of foster care to prevent them from becoming homeless; and the [Mainstream](#) and Non-Elderly Disabled programs (71,217 units and 54,727 units, respectively; <https://tr.ee/i52Zz1>). Congress will periodically award “incremental” vouchers (new vouchers that are not simply renewing existing voucher contracts) to some of the special purpose programs. Each of these programs has dedicated sections within this *Advocates’ Guide*.

Program Summary

As of September 30, 2025, more than 2.3 million households had Housing Choice Vouchers (HCVs), also called Section 8 tenant-based rental assistance (TBRA). HUD’s [Picture of Subsidized Housing](https://tr.ee/QaqJPt) (<https://tr.ee/QaqJPt>) reports that in 2023, of all voucher households, 77% had extremely low incomes (less than 30% of the area median income, AMI, or the federal poverty level, whichever is greater), 26% had a household member who had a disability, and 35% had a head of household who was elderly. The national average income of a voucher household was \$17,835. Twenty-eight percent of the households had wage income as their major source of income, while only 4% had welfare income.

Housing vouchers are one of the major federal programs intended to bridge the gap between the cost of housing and the income of low-wage earners, people on limited fixed incomes, and other extremely low-income people. The Housing Choice Voucher Program offers assisted households the option to use vouchers to help pay rent at privately owned apartments of their choice. A household can even [use a voucher to help buy a home](https://tr.ee/JIHw7R) (<https://tr.ee/JIHw7R>). PHAs may also choose to attach a portion of their vouchers to particular properties (project-based vouchers, PBVs); see the Project-Based Vouchers entry in this guide.

PIH has annual contracts with about 2,100 PHAs to administer vouchers, and about 925 of these PHAs only administer the HCV program (these do not have

any public housing units). Each PHA has a limited number of “authorized vouchers” based on the number of vouchers awarded to it since the start of the HCV program. Funding provided by Congress is distributed to these PHAs by PIH based on the number of vouchers a PHA had in use the previous year, the cost of vouchers, an increase for inflation, as well as other adjustments. However, when Congress appropriates less than needed, each PHA’s funding is reduced on a prorated basis.

Due to insufficient federal funding for vouchers and rising rents, an increasing number of PHAs are facing potential funding shortfalls. A shortfall is when a PHA is projected to have insufficient funds, including Housing Assistant Payment (HAP) reserves, to support all HCV participants through the end of the calendar year. HUD published [Notice 2025-28](https://tr.ee/mESZce) (<https://tr.ee/mESZce>) on November 17, 2025, which provides a list of options that PHAs may take to reduce HAP expenses to prevent shortfalls. To receive a voucher, residents put their names on local PHA waitlists. The HCV program, like all HUD affordable housing programs, is not an entitlement program. Many more people need and qualify for vouchers than actually receive them. Only one in four households eligible for housing assistance receives any form of federal rental assistance. The success of the existing voucher program and any expansion with new vouchers depends on annual appropriations.

PIH posted [Notice PIH 2024-34](https://tr.ee/csY5wu) (<https://tr.ee/csY5wu>) on September 30, 2024, which is a handy summary of HCV provisions that are otherwise scattered about various regulations, other Notices, and the [Housing Choice Voucher Program Guidebook](https://tr.ee/SG6l5W) (<https://tr.ee/SG6l5W>). It also includes recent regulatory and policy guidance updates, including those implementing the “Housing Opportunity Through Modernization Act of 2016” (HOTMA). Key HOTMA provisions are included elsewhere in this article.

OBTAINING AND USING A VOUCHER

The HCV program has deep income targeting requirements. Since 1998, 75% of all households admitted to a PHA’s voucher program from its waiting list during the PHA’s fiscal year must have extremely

low incomes, at or less than 30% of AMI. The remaining households can have income up to 80% of AMI.

Local PHAs distribute vouchers to income-qualified households who generally have 60 days to conduct their own search to identify private housing units that have rents within a PHA's rent "payment standard" (explained, next section). PHAs may (and should) allow more time for households having difficulty finding a place to rent with their voucher. There is no limit to the number of times a PHA can extend a household's "search time."

Generally, landlords are not required to rent to a household with a voucher; consequently, many households have difficulty finding a place to rent with their vouchers. Housing assisted by the Low-Income Housing Tax Credit (LIHTC), Home Investment Partnerships (HOME), or national Housing Trust Fund (HTF) programs must rent to an otherwise qualifying household that has a voucher. In addition, some states and local governments have "[source of income discrimination](https://tr.ee/DODCFj)" laws (<https://tr.ee/DODCFj>) that also prohibit landlords from discriminating against households with vouchers. (However, these state and local SOI laws are generally not rigorously enforced.) PIH created a new [Source of Income Protections website](https://tr.ee/e5omb2) (<https://tr.ee/e5omb2>, archived June 5, 2025) in March 2024, but the Trump administration removed the website. Once a household selects an apartment, a PHA must inspect it to ensure that it meets HUD's Housing Quality Standards (HQS).

Generally, voucher program participants pay 30% of their adjusted income toward rent and utilities. The value of the voucher, the PHA's "payment standard" (see next paragraph), then makes up the difference between the tenant's actual rent payment (based on 30% of their adjusted income) and the rent charged by an owner. Tenants renting units that have contract rents greater than the payment standard pay 30% of their income plus the difference between the payment standard and the actual rent (up to 40% of adjusted income for new and relocating voucher holders). After one year in an apartment, a household can choose to pay more than 40% of their income toward rent.

PAYMENT STANDARDS

The amount of the HCV subsidy for a household is capped at a "payment standard" set by a PHA, which must be between 90% and 110% of [HUD's Fair Market Rent](https://tr.ee/3VqUEG) (FMR; <https://tr.ee/3VqUEG>), the rent in the entire metropolitan area for a modest apartment. HUD sets FMRs annually. Nationally, the average voucher household in 2023 paid \$450 per month for rent and utilities. In many areas, the payment standard is not sufficient to cover the rent in areas that have better schools, lower crime, and greater access to employment opportunities—often called "high opportunity areas." In hot real estate markets where all rents are high, households with a voucher often find it difficult to use their voucher because households with higher incomes can afford to offer landlords higher rent.

A PHA may request PIH Field Office approval of an "exception payment standard" greater than 110%, up to 120% of the FMR. A [May 7, 2024 final rule](https://tr.ee/cgrYtJ) (<https://tr.ee/cgrYtJ>) implementing part of the "Housing Opportunity Through Modernization Act" (HOTMA) of 2016 allows a PHA to apply an exception payment standard for an entire area, not just for a designated part of an FMR area as in the past. That final rule also allows a PHA to apply an exception payment standard to all rental units or to rental units of a particular size. That final rule also provides that an exception payment standard area can be no smaller than a census tract block group.

HOTMA allows a PHA to establish a payment standard of up to 110% of the [Small Area FMR \(SAFMR\) determined by HUD](https://tr.ee/eU3aYE) (<https://tr.ee/eU3aYE>) without seeking PIH approval—a PHA merely needs to email the PIH Field Office. [Small Area FMRs](https://tr.ee/EaJlo1) (<https://tr.ee/EaJlo1>) reflect rents for U.S. Postal ZIP Codes, while traditional FMRs reflect a single rent standard for an entire metropolitan region—which can contain many counties. The intent is to provide voucher payment standards that are more in line with neighborhood-scale rental markets, resulting in relatively higher subsidies in neighborhoods with higher rents and greater opportunities, and lower subsidies in neighborhoods with lower rents and concentrations of voucher holders. A goal of Small Area FMRs is to help households use vouchers in areas of higher opportunity and lower

poverty, thereby reducing voucher concentrations in high poverty areas.

PHAs in 24 designated metropolitan areas have been required to use Small Area FMRs since April 2018. On October 25, 2023, PIH issued a [notice \(https://tr.ee/NGeSDa\)](https://tr.ee/NGeSDa) in the *Federal Register* announcing 41 additional metropolitan areas where PHAs must use payment standards based on SAFMRs by January 1, 2025. HUD has a [list of all 65 metro areas \(https://tr.ee/FLIR4E\)](https://tr.ee/FLIR4E) required to use SAFMRs. Altogether, these 65 metro areas have more than 800,000 vouchers, 45% of all households in the voucher program. The [November 16, 2016 final rule \(https://tr.ee/Yab44z\)](https://tr.ee/Yab44z) establishing Small Area FMRS also allows PHAs to voluntarily use SAFMRs.

The May 7, 2024, HOTMA rule allows a PHA to establish an exception payment standard between 110% and 120% of the FMR or SAFMR (for a period of time to be specified in future PIH Notices) simply by informing the local PIH office that the PHA meets one of the following:

- Fewer than 75% of the households issued a voucher during the most recent 12-month period were able to successfully use their voucher to lease a home; or
- More than 40% of voucher households pay more than 30% of their adjusted income for rent.

HOTMA allows PHAs to establish an exception payment standard up to 120% of the FMR as a “reasonable accommodation” for a person with a disability without having to get HUD approval. PHAs may seek HUD approval for an exception payment standard greater than 120% of FMR as a reasonable accommodation (often identified as an “RA”). HUD issued [Notice PIH 2025-12 \(https://tr.ee/U7MSP8\)](https://tr.ee/U7MSP8) on May 13, 2025, clarifying the removal of a previous requirement that a household receiving an RA exception payment standard must pay 40% of their adjusted income toward the rent when they are initially approved. Additionally, the Notice clarifies that the RA exception payment standard remains in effect as long as a household has a disability-related need for the features of an approved unit.

Also due to HOTMA, PHAs have the option to hold voucher households harmless from rent increases when FMRs decline. PHAs can do this by continuing to use the

payment standard based on the FMR prior to the new, higher FMR.

MOVING WITH A VOUCHER

Housing vouchers are “portable,” meaning households can use them to move nearly anywhere in the country where there is a PHA administering the voucher program; use is not limited to the jurisdiction of the PHA that originally issued the voucher. As of September 30, 2025, 46,301 vouchers were ported in 2025, according to [PIH’s Voucher Data Dashboard \(https://tr.ee/vTJE6f\)](https://tr.ee/vTJE6f). A PHA is allowed to impose some restrictions on “portability” during the first year if a household did not live in the PHA’s jurisdiction when it applied for assistance. However, portability has been restricted or disallowed by some PHAs due to alleged inadequate funding. [Notice PIH 2016-09 \(https://tr.ee/IBNXC8\)](https://tr.ee/IBNXC8) requires approval of the local HUD office before a PHA may prohibit a family from using a voucher to move to a new unit due to insufficient funding. The [PIH portability webpage](https://tr.ee/KYJzap) is at <https://tr.ee/KYJzap>.

RESIDENT PARTICIPATION

HCV households are among the most difficult residents to organize because they can choose a private place to rent anywhere in a PHA’s market and are thus less likely to live close to or have contact with each other. However, the PHA Plan process, and the requirement that voucher households be included on the Resident Advisory Board (RAB), offer platforms for organizing voucher households so that they can amplify their influence in the decision making affecting their homes.

Voucher households can play a key role in shaping PHA policies by participating in the annual and five-year PHA Plan processes. PHAs make many policy decisions affecting voucher households, including determining the value of a voucher to a household and landlord by setting “voucher payment standards.” Other key policies include minimum rents, developing admissions criteria, determining the amount of time a voucher household may search for a unit, giving preferences for people living in a PHA’s jurisdiction, as well as creating priorities for allocating newly available vouchers to categories of applicants (for example, individuals experiencing homelessness, families fleeing domestic violence,

working families, or those with limited English-speaking capability). Voucher households can play an integral role in setting the agenda for local PHAs because the RAB regulations require reasonable representation of voucher households on the RAB if voucher households comprise at least 20% of all households assisted by a PHA.

HUD issued [Notice PIH 2025-18 \(https://tr.ee/ySAY4u\)](https://tr.ee/ySAY4u) on June 3, 2025, announcing revisions to PHA plan templates that PHAs must use when submitting annual and five-year PHA plans. HUD removed all references to Affirmatively Furthering Fair Housing from the template and from the detailed instructions for completing the PHA plan templates (see [NLIHC Memo 7/21/2025, https://tr.ee/nhmLZ7](https://tr.ee/nhmLZ7)).

See *The PHA Plan* section of this guide for more information.

Housing Opportunity Through Modernization Act” (HOTMA) Provisions

On July 29, 2016, President Obama signed into law the “Housing Opportunity Through Modernization Act” (HOTMA). This law made some changes to the Housing Choice Voucher and public housing programs. Intermittent HUD guidance in 2017 filled out some of the details. A final rule pertaining to [income determination and asset limitations \(https://tr.ee/ZcYiGI\)](https://tr.ee/ZcYiGI) was published on February 14, 2023.

On September 18, 2024, PIH sent an email to PHAs informing them that they would not have to comply with the income and asset provisions of HOTMA on January 1, 2025 because PIH’s new Housing Information Portal (HIP) was not ready (HIP is intended to replace PIH’s IMS/PIC system to accommodate HOTMA changes). The email informed PHAs that PIH will issue guidance on additional HOTMA provisions that can be implemented, and that in the meantime, PHAs should refer to [FAQs \(https://tr.ee/1gaMwf\)](https://tr.ee/1gaMwf) for provisions that currently may be implemented and guidance related to updating Admission and Continued Occupancy Policies (ACOPs) and Administrative Plans.

Another final rule on May 7, 2024 (dubbed the “Voucher Rule;” <https://tr.ee/qZDwo7>) implemented and clarified many provisions already implemented through notices that had to be codified in the Code of Federal Regulations (CFR), as well as provisions not yet implemented, and numerous non-HOTMA related changes. The May 7, 2024 HOTMA provisions primarily applied to exception payment standards (discussed above) and physical inspections. The May 7 HOTMA provisions also addressed the Project-Based Voucher program (see the Project-Based Voucher entry in this guide for details).

HUD issued [Notice PIH 2024-38 \(https://tr.ee/o7Q95a\)](https://tr.ee/o7Q95a) on December 17, 2024, which provided information about implementing Sections 102 and 104 of HOTMA. In June 2025, HUD [reminded \(https://tr.ee/DLEdub\)](https://tr.ee/DLEdub) PHAs that administer the HCV or Public Housing programs that programs need to comply with certain provisions of HOTMA—including the new income exclusions [24 CFR 5.609(b)], certain definitions, and policies related to de minimis errors—by July 1, 2025. See [Notice PIH 2024-38 \(https://tr.ee/o7Q95a\)](https://tr.ee/o7Q95a) for more information on these provisions.

HOTMA’S INCOME AND ASSET PROVISIONS (SECTIONS 102 AND 104)

Income Determination and Recertification

For residents already assisted, rents must be based on a household’s income from the prior year. For applicants for assistance, rent must be based on estimated income for the upcoming year. A PHA may determine a household’s income, before applying any deductions, based on income determination made within the previous 12-month period using the income determination made by other programs, such as Temporary Assistance for Needy Families (TANF), Medicaid, the Supplemental Nutrition Assistance Program (SNAP), the Supplemental Nutrition Program for Women, Infants, and Children (WIC), the Earned Income Tax Credit (EITC), Supplemental Security Income (SSI), and the Low Income Housing Tax Credit (LIHTC).

A household may request an income review any time their income or deductions are estimated to decrease by 10%. A PHA has the discretion to set a lower percentage threshold. Rent decreases are to be effective

on the first day of the month after the date of the actual change in income—meaning the rent reduction is to be applied retroactively.

A PHA must review a household's income any time that income with deductions is estimated to increase by 10%, except any increase in earned income cannot be considered until the next annual income recertification.

Income Deductions and Exclusions

- The Earned Income Disregard (EID) was eliminated; it disregarded certain increases in earned income for residents who had been unemployed or were receiving welfare.
- The deduction for elderly and disabled households increased from \$400 to \$525 with annual adjustments for inflation (this became effective January 1, 2024).
- The deduction for elderly and disabled households for medical care (as well as for attendant care and auxiliary aid expenses for disabled members of the household) used to be for such expenses that exceeded 3% of income. HOTMA limits the deduction for such expenses to those that exceed 10% of income.
- The dependent deduction remains at \$480 but will be indexed to inflation; it applies to each member of a household who is less than 18 years of age and attending school, or who is a person 18 years of age or older with a disability (this became effective January 1, 2024).
- The deduction of anticipated expenses for the care of children under age 12 that are needed for the caregiver to seek or maintain employment or education is unchanged.
- Any expenses related to aiding and attending to a veteran are excluded from income.
- Any income of a full-time student who is a dependent is excluded from income, as are any scholarship funds used for tuition and books.

If a household is not able to pay rent, a PHA has the discretion to establish policies for determining a household's eligibility for general hardship relief for the health and medical care expense deduction and for the child-care expense hardship exemption.

Asset Limits

To be eligible for voucher assistance, a household must not own real property that is suitable for occupancy as its residence or have assets greater than \$100,000 (adjusted for inflation each year). However, PHAs have the discretion to not enforce these asset limits.

A number of things do not count as "assets" and instead are considered "necessary personal property," such as a car needed for everyday use, furniture, appliances, personal computer, etc. So-called "non-necessary personal items that have a combined value less than \$50,000 are excluded from the calculating household assets. Also exempt are retirement savings accounts. A household may self-certify that it has assets less than \$50,000 (adjusted for inflation each year).

Additional PIH Guidance Regarding HOTMA Income and Asset Provisions

PIH issued a revised version of joint [Notice H 2023-10/PIH 2023-27 \(https://tr.ee/JGodCj\)](https://tr.ee/JGodCj) on February 2, 2024, updating guidance for implementing HOTMA's Section 102 (concerning tenant income reviews) and Section 104 (concerning maximum asset limits). Attachment A provides detailed guidance regarding implementation of HOTMA's asset limits provision, including specific guidance regarding a PHA's discretion to not enforce the asset limit provision.

PIH [posted \(https://tr.ee/k2fXro\)](https://tr.ee/k2fXro) fact sheets tailored to HCV, PBV, and public housing residents about the HOTMA new asset limits and income calculations. Separate worksheets can help residents calculate whether they might exceed the asset and income limits. In addition, there are two video trainings, one about income calculations and reviews and one about asset limits. These materials are available in English and Spanish.

HOTMA'S PHYSICAL INSPECTION PROVISIONS (SECTIONS 101, 105, 106, AND 112)

Initial Inspections

HOTMA provides PHAs with two options:

1. **Non-Life-Threatening Deficiencies Option:** HOTMA allows a household to move into a unit and a PHA to begin making housing assistance payments to an owner if the unit does not meet Housing Quality Standards (HQS) as long as the deficiencies are not life-threatening. If an initial inspection identifies non-life-threatening (NLT) deficiencies, a PHA must provide a list of the deficiencies to a household and landlord. A household may choose to decline a lease without jeopardizing their voucher.

The relatively new *National Standards for Physical Inspection of Real Estate (NSPIRE)* Standards Notice links to a [295-page "inspectable items" document \(https://tr.ee/evwKWO\)](https://tr.ee/evwKWO), which defines "Life-Threatening" to include deficiencies that, if evident in the home or on the property, present a high risk of death to a resident. The inspectable items document indicates whether a deficiency is life-threatening. More information about NSPIRE is provided later in this article and in a detailed *National Standards for Physical Inspection of Real Estate (NSPIRE)* entry in this guide.

A PHA must withhold payments to an owner if a unit does not meet HQS standards within 30 days of a PHA notifying the owner. A PHA may use any withheld payments to make assistance payments once the deficiencies are corrected. After the 30-day period has passed, a PHA may withhold payments up to 180 days. Once a unit is in compliance, a PHA may use withheld payments to cover the time payments were withheld.

A PHA must notify a household that if an owner fails to correct NLT deficiencies within a time period specified by the PHA, the PHA will terminate the HAP contract and the household will have to move to another unit with voucher assistance.

2. **Alternative Inspections Option:** A PHA may allow a household to move into a unit before the PHA conducts its own HQS inspection, as long as the unit passed a

comparable, alternative inspection within the previous 24 months. PHAs may use HOME program, LIHTC program, or other HUD program inspections, or seek HUD approval of other state or local inspections that meet the same health and safety standards as those in HQS (now replaced by NSPIRE—see the National Standards for Physical Inspection of Real Estate (NSPIRE) later in this article and as a detailed entry in this *Advocates' Guide*).

3. HUD PIH notified (<https://tr.ee/tpAZWW>) PHA directors in September 2025 that the new NSPIRE compliance date for the HCV and PBV programs was extended from October 1, 2025, to February 1, 2027, due to ongoing technical challenges.

Ongoing Inspections

A PHA may withhold voucher payments for units that have HQS deficiencies once the PHA has notified the owner in writing about the deficiencies. HQS deficiencies that are life-threatening must be fixed within 24 hours and HQS deficiencies that are not life-threatening must be fixed within 30 days (or some other reasonable period established by the PHA). A PHA may withhold payments during the 24-hour or 30-day period of non-compliance. A PHA may use any withheld payments to make assistance payments once the deficiencies are corrected.

If an owner fails to make the non-life-threatening corrections after 30 days (or life-threatening violations within 24 hours), a PHA must abate assistance, and notify the household and owner of the abatement. An owner cannot terminate a household's tenancy during the abatement, but the household may terminate its tenancy if they choose, and the PHA must promptly issue the household a voucher to move.

If the PHA abates voucher assistance, it must inform the household that they will have to move if the unit is not brought into HQS compliance within 60 days after the end of the first 30-day period (or a reasonable period determined by the PHA) because the PHA will have to terminate the Housing Assistance Payment (HAP) contract with the owner. The PHA must issue a voucher to the household at least 30 days before the PHA terminates the HAP contract. The household must have at least 90 days to find another unit to rent (a PHA

may extend the search period). The PHA may provide relocation assistance to the household, including reimbursement for reasonable moving expenses and security deposits, using up to two months of any rental assistance amounts withheld or abated.

If the household cannot find another unit, then the PHA must give the household the option of moving into a public housing unit.

Manufactured Homes

HOTMA allows vouchers to be used to make monthly payments to purchase a manufactured home, and to pay for property taxes and insurance, tenant-paid utilities, and rent charged for the land upon which the manufactured home sits, including management and maintenance charges.

Carbon Monoxide

“The Consolidated Appropriations Act of 2021” requires Carbon Monoxide (CO) alarms or detectors to be installed in each public housing unit, as well as other HUD-assisted properties, by December 27, 2022. HUD issued joint [Notice PIH 2022-01/H 2022-01/OLHCHH 2022-01 \(https://tr.ee/z0R2FM\)](https://tr.ee/z0R2FM) clarifying that it will enforce this requirement. In the HCV and PBV programs, property owners or landlords are responsible for the cost of CO alarms or detectors. In addition, PHAs may use their HCV administration funds for landlord outreach and education about these requirements.

Streamlining Rule

A “streamlining rule” was published on March 8, 2016. Key HCV provisions included the following options for PHAs:

- PHAs have the option of conducting a streamlined income determination for any household member who has a fixed source of income (such as Supplemental Security Income, SSI). If that person or household member with a fixed income also has a non-fixed source of income, the non-fixed source of income is still subject to third-party verification. Upon admission to the voucher program, third-party verification of all income

amounts will be required for all household members. A full income reexamination and redetermination must be performed every three years. In between those three years, a streamlined income determination must be conducted by applying a verified cost of living adjustment or current rate of interest to the previously verified or adjusted income amount.

- PHAs have the option of providing utility reimbursements on a quarterly basis to voucher households if amounts due are \$45 or less. PHAs can continue to provide utility reimbursements monthly if they choose to do so. If a PHA opts to make payments on a quarterly basis, the PHA must establish a hardship policy for tenants if less frequent reimbursement will create a financial hardship.
- The rule implemented the “FY14 Appropriations Act” provision authorizing PHAs to inspect voucher units every other year, rather than annually, and to use inspections conducted by other programs such as the Low-Income Housing Tax Credit program.

The National Standards for Physical Inspection of Real Estate (NSPIRE)

The National Standards for Physical Inspection of Real Estate (NSPIRE) is a protocol intended to align, consolidate, and improve the physical inspection regulations that apply to multiple HUD-assisted housing programs ([24 CFR part 5 subpart G; https://tr.ee/AwU90V](https://www.federalregister.gov/documents/2016/03/08/2016-05441-national-standards-for-physical-inspection-of-real-estate)). NSPIRE replaces the Uniform Physical Condition Standards (UPCS) developed in the 1990s and absorbs much of the Housing Quality Standards (HQS) regulations developed in the 1970s. NSPIRE physical inspections focus on three areas: the housing units where HUD-assisted residents live, elements of their building’s non-residential interiors, and the outside of buildings, ensuring that components of these three areas are “functionally adequate, operable, and free of health and safety hazards.”

NSPIRE applies to HUD programs previously inspected using the Housing Quality Standards (HQS) regulations: the HCV program (including Project-Based Vouchers,

PBVs) and the programs administered by the Office of Community Planning and Development (CPD) – HOME Investment Partnerships (HOME), national Housing Trust Fund (HTF), Housing Opportunities for Persons with AIDS (HOPWA), Emergency Solutions Grants (ESG), and Continuum of Care (CoC) homelessness assistance programs. NSPIRE also applies to all HUD housing previously inspected by HUD’s Real Estate Assessment Center (REAC), including Public Housing and Multifamily Housing programs such as Section 8 Project-Based Rental Assistance (PBRA), Section 202 Supportive Housing for the Elderly, Section 811 Supportive Housing for Persons with Disabilities, and FHA Insured multifamily housing.

HUD published a [final rule \(https://tr.ee/bnqAdo\)](https://tr.ee/bnqAdo) implementing NSPIRE in the *Federal Register* on May 11, 2023. The new inspection protocol started on July 1, 2023, for public housing and on October 1, 2023, for the various programs of HUD’s Office of Multifamily Housing Programs, such as PBRA, Section 202, and Section 811. The Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) programs, as well as the CPD programs, will not need to implement the NSPIRE changes until [February 1, 2027](https://tr.ee/D5K0IG), postponed from October 1, 2024 (<https://tr.ee/D5K0IG>).

HUD has published three “Subordinate Notices” that supplement the final rule addressing NSPIRE “standards,” (<https://tr.ee/1vCS3e>) “scoring,” and “administration.” The Standards notice included a link to 295 pages of detailed “[inspectable items](https://tr.ee/l6tbo4)” (<https://tr.ee/l6tbo4>) that includes items important in the HCV program indicating whether a deficiency in a given inspectable item could entail a life-threatening deficiency. The Scoring Notice does not apply to the HCV and PBV programs; NSPIRE retains the pass/fail indicator for them. The intent of issuing the subordinate notices instead of incorporating their content in regulation is to enable HUD to more readily provide updates as appropriate.

For more information about NSPIRE, see the *National Standards for Physical Inspection of Real Estate (NSPIRE)* article in this guide.

Funding

The Trump administration’s proposed FY26 budget would slash funding for HUD rental assistance programs by \$26.72 billion from the previous year—an unprecedented 43% cut—and redesign HUD rental assistance programs entirely. Under the proposal, HUD’s HCV program, Public Housing, PBRA, Section 202, and Section 811 programs would be combined into one [State Rental Assistance Block Grant program \(https://tr.ee/OtSKl7\)](https://tr.ee/OtSKl7), funded at \$31.79 billion.

For FY26, the Senate proposed \$33.9 billion to renew existing HCV contracts, and the House proposed \$32.1 billion. For PHA administrative costs, the Senate proposed \$2.9 billion and the House proposed \$1.97 billion.

As the *Advocates’ Guide* went to press, Congress had not passed an FY26 appropriations act. A short-term Continuing Resolution (CR) maintains FY25 funding for the program until further congressional action. In FY25, Congress appropriated \$31.9 billion for HCV contract renewals and \$2.7 billion for administrative fees.

Forecast for 2026

The Trump administration has threatened to aggressively cut federal spending and proposed combining HUD rental assistance programs into one state block grant program. While the House and Senate FY26 THUD bills rejected the drastic cuts proposed in the president’s budget, neither the House nor the Senate bills provide enough funding to renew all existing HCVs. Without adequate funding, vouchers are lost through attrition, meaning they cannot be reissued when a household no longer needs them. Insufficient renewal funding puts households at risk of losing rental assistance, which can lead to housing instability, eviction, or homelessness.

What to Say to Legislators

Advocates should encourage members of the House and Senate to fully fund the renewal of all vouchers.

For More Information

NLIHC, 202-662-1530, www.nlihc.org

National Housing Law Project, 415-546-7000, <https://tr.ee/GXu2Vw>

Center on Budget and Policy Priorities, 202-408-1080, <https://tr.ee/qQa4Qg>

Poverty & Race Research Action Council, 202-866-0798, <https://tr.ee/FBiOml>

Technical Assistance Collaborative, Section 8 Made Simple, <https://tr.ee/mNfnn6>

PIH's Housing Choice Voucher homepage, <https://tr.ee/zqPt2R>. PIH's HOTMA Resources webpage, <https://tr.ee/aGJuCN>

HUD's HOTMA webpage on HUD Exchange, <https://tr.ee/KdOMyJ>

PIH's HOTMA Income and Assets Rule webpage, <https://tr.ee/DYnlL1>

HUD's NSPIRE webpage, <https://tr.ee/R5vt2T>

PIH's HCV Guidebook webpage
(not necessarily updated to reflect HOTMA changes), <https://tr.ee/SG6l5W>

PROJECT-BASED VOUCHERS

By Barbara Sard, former Vice President for Housing Policy, Center on Budget and Policy Priorities. Updated by Ed Gramlich, Senior Advisor, NLIHC, and Alayna Calabro, Senior Policy Analyst, NLIHC

Administering Agency: HUD's Office of Public and Indian Housing (PIH)

Year the Current Version Started: 2001

Number of Persons/Households Served:
Over 360,000 households

Population Targeted:
Extremely low- and low-income households

See Also: For related information, refer to the *Housing Choice Vouchers*, *Public Housing Agency Plan*, and *Rental Assistance Demonstration* sections of this guide.

Public housing agencies (PHAs) may project base up to 20% of their authorized Housing Choice Vouchers (HCVs), plus an additional 10% (for total of up to 30%) if the additional units contain certain types of households or are located in specific areas. The term "project based" means that the assistance is linked to a particular property, as opposed to tenant-based vouchers, which move with a household. According to [PIH's Voucher Data Dashboard \(https://www.hud.gov/helping-americans/public-indian-housing-hcv-dashboard\)](https://www.hud.gov/helping-americans/public-indian-housing-hcv-dashboard), as of September 2025, 361,619 total units had project-based voucher (PBV) assistance, with about another 22,922 units in the pipeline. Of that total, 102,051 units were part of a Rental Assistance Demonstration (RAD) project (see the Rental Assistance Demonstration section of this guide). Only 871 of the approximately 2,100 PHAs that administer HCVs operate PBV programs.

PBVs are an important tool to provide supportive housing for households who have members with disabilities, formerly homeless households, or others who need services to live stably in their own homes. PBVs can also help PHAs in tight housing markets utilize all of their vouchers by making it unnecessary for some families to search for units they can rent with their vouchers. Another benefit of PBVs is that they can

encourage the production or preservation of affordable housing, because owners of properties with PBVs receive financial security from the 20-year contracts they sign with PHAs. This is particularly important in higher cost areas, where the PBV regulations may allow higher subsidies than tenant-based vouchers.

History and Purpose

The current PBV program was created by Congress in October 2000 as part of the FY01 appropriations bill for HUD and other agencies [Section 232 of Pub.L. 106-377, revising section 8(o)(13) of the "U.S. Housing Act of 1937," 42 U.S.C. §1437f(o)(13)] (<https://tr.ee/AvmDly>). The PBV program replaced the project-based certificate program, which was rarely used because it was cumbersome (e.g., PIH approval was required for each individual transaction), did not allow long-term financial commitments by PHAs, was limited to new development or rehabilitation, and did not provide incentives for owners to commit units to the program.

In addition to addressing weaknesses of the prior program, Congress included a novel feature, the "resident choice" requirement. This guarantees that a household with PBV assistance that wishes to move after one year will receive the next available tenant-based voucher. The project-based subsidy stays with the unit if a previously assisted household moves so that another household can be assisted at that building. The mobility requirement helps ensure that PBV recipients remain able to choose where they want to live. Congress also included statutory requirements to promote mixed-income housing and to deconcentrate poverty.

PIH issued a notice on January 16, 2001, making most of the statutory changes immediately effective, but did not issue final rules fully implementing the statute until 2005. Congress made several amendments to the statute in 2008 as part of the "Housing and Economic Recovery Act" (HERA), notably extending the maximum contract period from 10 to 15 years to correspond to the initial affordability period for the Low Income Housing Tax Credit (LIHTC) program. PIH revised the PBV rule

incorporating the HERA amendments and made some additional changes, which became effective in July 2014.

Section 106 of the “Housing Opportunity Through Modernization Act of 2016” (HOTMA), which President Obama signed into law on July 29, 2016 (Pub.L. 114-201), made substantial changes to the PBV program. PIH published a [notice in the Federal Register \(https://www.govinfo.gov/content/pkg/FR-2017-01-18/pdf/2017-00911.pdf\)](https://www.govinfo.gov/content/pkg/FR-2017-01-18/pdf/2017-00911.pdf) on January 18, 2017 making most of these changes effective in 90 days (i.e., April 18, 2017). PIH issued technical corrections to the January notice in July 2017 and consolidated all PBV policy guidance in [Notice PIH 2017-21 \(https://www.hud.gov/sites/dfiles/PIH/documents/PIH-2017-21.pdf\)](https://www.hud.gov/sites/dfiles/PIH/documents/PIH-2017-21.pdf) on October 30, 2017. Properties selected to receive PBVs prior to April 18, 2017 are subject to the pre-HOTMA requirements, unless the PHA and owner agree to the HOTMA changes.

On October 8, 2020, PIH issued [proposed regulations \(https://www.govinfo.gov/content/pkg/FR-2020-10-08/pdf/2020-21400.pdf\)](https://www.govinfo.gov/content/pkg/FR-2020-10-08/pdf/2020-21400.pdf) to implement additional provisions of HOTMA relating to HCVs and PBVs. This massive proposal contained many provisions already implemented through notices that had to be codified in the Code of Federal Regulations (CFR), as well as provisions not yet implemented, and numerous non-HOTMA related changes. A final rule (dubbed the “Voucher rule,” <https://tr.ee/vVQMcj>) was published on May 7, 2024. In addition, a HOTMA-related final rule pertaining to [income determination and asset limitations \(https://tr.ee/pBR8Mi\)](https://tr.ee/pBR8Mi) was published on February 14, 2023.

This article reflects some of the key HOTMA changes, which include the basic regulations at [24 CFR part 983 \(https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-983?toc=1\)](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-983?toc=1) that is not yet fully updated to reflect all HOTMA changes.

Program Summary

Vouchers may be project-based in existing housing as well as in newly constructed or rehabilitated units but cannot be used in transitional housing. Use toward existing housing allows a more streamlined process.

A PHA may initiate a PBV program by including the following in its PHA Plan: the projected number of units to be project-based, their general locations, and how project-basing would be consistent with the needs and goals identified in the PHA Plan (for more information about PHA Plans, see the Public Housing Agency Plan entry in this guide). A PHA must include in its HCV Administrative Plan, details about how it will select properties at which vouchers could be project based, how it will maintain waiting lists, along with what, if any, supportive services will be offered to PBV residents. PIH approval is not required, but PHAs have to submit certain information to the local PIH Field Office prior to selecting properties to receive PBV contracts.

Households admitted to PBV units count for purposes of determining a PHA's compliance with the HCV program's targeting requirement that 75% or more of the households admitted annually have extremely low income (households with income equal to or less than 30% of the area median income, AMI). Targeting compliance is measured for a PHA's entire HCV program, not just at the project level.

PHAs must use a competitive process to select properties, or rely on a competition conducted by another entity, such as the process used by the state to allocate LIHTCs, except if project basing is part of an initiative to improve, develop, or replace a public housing property or site and the PHA has an ownership interest in or control of the property, such as the Rental Assistance Demonstration.

The locations where PBVs are used must be consistent with the goal of deconcentrating poverty and expanding housing and economic opportunity as reflected in the PBV “site and neighborhood standards” (<https://tr.ee/Ps0OBM>) regulations, but PHAs have substantial discretion to make this judgment as long as they consider certain factors specified in the PBV regulations.

RENT

With a PBV, a family typically pays 30% of its adjusted income on housing, and the voucher covers the difference between that amount and the rent to owner, plus the PHA's allowance for tenant-paid utilities. As in

the tenant-based voucher program, the unit rent must not exceed the rents for comparable unassisted units in the area. However, there are three important differences in rent policy for PBV units:

1. There is no risk that a household will have to pay more than 30% of its income if the rent is above the PHA's payment standard, which is generally between 90% and 110% of the Fair Market Rent (FMR).
2. The unit rent is not limited by the PHA's payment standard but may be any reasonable amount up to 110% FMR or HUD-approved exception payment standard (up to 120% FMR). This flexibility on unit rents applies even in the case of units that receive HOME Program funds, which usually cap rents at 100% of the HUD-designated FMR. Special and more flexible rent rules apply to LIHTC units.
3. PHAs in metro areas required to or that voluntarily set FMRs at the ZIP Code level (Small Area FMRs, or SAFMRs) rather than standard metro-wide FMRs, continue to use metro-wide FMRs at PBV projects—unless the PHA and owner agree to set rents based on the Small Area FMRs, which could expand use of PBVs in higher-cost neighborhoods.

PHAs may reduce allowable unit rents below market based on the property's receipt of other government subsidies. This could be an important tool to stretch voucher funding to assist more units that receive additional capital subsidies through the national Housing Trust Fund.

WAITING LISTS

PHAs must maintain the waiting list for PBV units and refer applicants to owners with anticipated vacancies for selection. PHAs can maintain the PBV waitlist as part of their full voucher waiting list, or maintain a separate PBV waiting list, or even maintain separate waiting lists for different properties. To minimize the risk to owners of losing income due to a PHA's failure to promptly refer applicants, PHAs can pay the rent on vacant units for up to 60 days.

PHAs may use different preferences for their PBV waiting list, or the lists for individual PBV properties,

than those used for the regular tenant-based list. This may include a preference based on eligibility for services offered in conjunction with a property, which may include disability-specific services funded by Medicaid. Applicants for regular tenant-based vouchers must be notified of the right to apply for PBVs and retain their place on the tenant-based list if they decline to apply for PBV units or are rejected by a PBV owner. Such notice need not be provided directly to everyone on the tenant-based waiting list at the time the project-based list is established; PHAs may use the same procedures used to notify the community that the waiting list will be opened.

PBV-SPECIFIC PROVISIONS IN HOTMA (HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT)

A final rule HOTMA rule (dubbed the "Voucher rule," <https://tr.ee/O9UQNq>) was published on May 7, 2024, implementing provisions of the "Housing Opportunity Through Modernization Act of 2016" (HOTMA) affecting the Housing Choice Voucher (HCV) tenant-based program and the Project-Based Voucher (PBV) program.

Changes to the PBV "Program Cap"

HOTMA increased the share of a PHA's "authorized" vouchers that a PHA could project base by shifting the measure from 20% of voucher funding to 20% of authorized vouchers, which increases the potential number of vouchers that may be project-based nationally by about 300,000.

In addition, HOTMA allows a PHA to project-base an additional 10% of its vouchers, up to a total of 30%, provided the additional 10% meet one of the following targeted populations or locations:

1. The extra units are specifically made available individuals and families meeting the McKinney homelessness definition.
2. The extra units are specially made available to a veteran.
3. The extra units provide supportive housing to persons with disabilities or to elderly people.

4. The extra units are located in an area where vouchers are difficult to use, which are:
 - a. A Census tract with poverty rate of 20% or less;
 - b. A ZIP code where the rental vacancy rate is less than 4%; or
 - c. A ZIP code where 90% of the Small Area Fair Market Rent (SAFMR) is more than 110% of the metropolitan area FMR or county FMR.
5. The extra units are occupied by youth eligible for assistance through the Family Unification Program's Foster Youth to Independence program (FUP/FYI);
6. The extra units replace, on a different site, units from types of properties "excluded" from the program caps (see below). The purpose of this option is to help facilitate siting properties in order to deconcentrate poverty and to place units in higher opportunity areas.

The HOTMA statute excludes from the program cap, PBV units attached to properties previously subject to federally required rent restrictions or that received other HUD project-based assistance. Units are "excluded" from the program cap (the 20% basic cap and the 10% targeted cap) if in the five years prior to requesting PBVs:

- A property's units previously received assistance from various HUD programs, including: public housing, privately owned properties assisted by the Section 8 Project-Based Rental Assistance (PBRA) program, Section 202 Supportive Housing for the Elderly, and Section 811 Supportive Housing for Persons with Disabilities, or
- A property's units were previously subject to a federally required rent restriction, including: the Low Income Housing Tax Credit (LIHTC), Section 515 Rural Rental Housing (administered by the Rural Housing Service of the U.S. Department of Agriculture), Section 202, and Section 811.

What the exclusion provisions mean is that a PHA can project base more HCVs than the basic 20% plus 10% targeted caps, project basing 50% or more of its authorized vouchers. The preamble to the final rule states that the use of PBV assistance can be an effective

preservation tool that can prevent the loss of affordable housing units in communities. However, PIH also states in the preamble and in the final rule text that a PHA should consider its ability to meet the variety of needs for tenant-based vouchers as well as project-based vouchers. In particular, the final rule concerns a PHA's ability to meet its statutory obligation to provide a tenant-based voucher to a PBV household that chooses to move from a PBV unit after living in it for at least one year. PIH is also concerned about households on a PHA's HCV waiting list if too many tenant-based vouchers are project-based. To that end, the final rule requires a PHA to conduct an analysis of the impact of project basing 50% or more of its authorized voucher units.

Rental Assistance Demonstration (RAD) and HUD-Veterans Affairs Supportive Housing (VASH) units are not mentioned in the final rule. The proposed rule explicitly excluded RAD and VASH from the program cap in the proposed rule, but PIH removed the explicit reference in the final rule. The preamble states that the RAD notice and VASH explicitly exclude them so there is no need to refer to them in the final rule.

Changes to the PBV "Project Cap"

Prior to the statutory changes made by HOTMA, the PBV statute and regulations limited the number of units in a project that could be project-based to 25% of all the units in the project (assisted and unassisted). This is called the "project cap" or the "income mixing" requirement.

The HOTMA statute changed the project cap to be either 25% of all units or 25 units, whichever is greater. The statute also allowed the project cap to increase to up to 40% of a project's units if the project is in an area where it is difficult to use a regular tenant-based Housing Choice Voucher ("difficult to use areas" as specified above). The final rule follows the statute.

HOTMA also does not count toward the project cap, units that are project based through the PBV program that previously received other forms of HUD project-based rental assistance or that were previously subject to federally required rent restrictions, as described above.

Before HOTMA, some units did not count toward the 25% “project cap.” In general, these “exception” units were those made available to elderly and/or disabled households and units made available to households receiving supportive services. HOTMA changed the “exception” unit supportive services option from units made available to households receiving supportive services to households eligible for supportive services, even if a household chooses not to participate in the services. If any member of a household is eligible for one or more of the supportive services, the unit qualifies as an exception unit. The final rule reiterates additional aspects pertaining to the supportive service exception as detailed in a January 18, 2017 [Federal Register notice](https://www.govinfo.gov/content/pkg/FR-2017-01-18/pdf/2017-00911.pdf) (<https://www.govinfo.gov/content/pkg/FR-2017-01-18/pdf/2017-00911.pdf>). As before, the final rule considers units exclusively made available to elderly households to be exception units. The final rule also added another category of exception unit, one made available to youth assisted by the FUP/FYI program.

The final rule adds a new clarifying clause stating that a project is not limited to a single exception category; a project may combine any of the above exception categories. For example, some of the units may be designated for elderly households that do not need supportive services and some may be designated for households who are eligible for supportive services but are not elderly.

Other PBV-Specific HOTMA Provisions

HOTMA increased the maximum term of the initial contract or any extension to 20 years, and PHAs may project base vouchers provided under the Family Unification or HUD-VASH programs. PHAs and owners can modify PIH’s form PBV contracts to adjust to local circumstances and to add units to existing contracts.

Units receiving PBV assistance must meet PIH’s housing quality standards (HQS) before initial occupancy. HOTMA provides some new flexibility to speed initial occupancy if units have been approved under a comparable alternative inspection method (such as with the LIHTC or HOME programs) or if defects are not life-threatening and are fixed within 30 days (for more details on how HOTMA affects the PBV inspection process, see the Housing Choice Voucher entry in this

guide). In situations allowing tenants to remain in place, instead of inspecting each PBV-assisted unit, PHAs may inspect a sample of PBV units biannually, reducing administrative costs.

PIH’s rules now make clear that owners may evict a family from a PBV unit only for good cause (in contrast, families may be evicted from units assisted by tenant-based vouchers when their leases expire, without cause, unless state laws are more stringent). In addition, if a PBV contract is terminated or expires without extension, households have a right to use tenant-based voucher assistance to remain in the unit or move to other housing of their choice. If the household chooses to remain in their unit, they can be required to pay any amount by which the unit rent exceeds their PHA’s payment standard.

HOTMA INCOME AND ASSET PROVISIONS

On February 14, 2023, PIH published a [final rule](https://tr.ee/tKcEDy) (<https://tr.ee/tKcEDy>) implementing HOTMA’s income determination (Section 102) and asset limitation (Section 104) provisions that apply to both HCVs and PBVs. In addition, PIH issued implementing guidance through joint [Notice PIH 2023-27/H 2023-10](https://www.hud.gov/sites/dfiles/PIH/documents/PIH%202023-27%20HOTMA.pdf) (<https://www.hud.gov/sites/dfiles/PIH/documents/PIH%202023-27%20HOTMA.pdf>), revised February 2, 2024. Attachment A of the Notice provides clear and specific guidance regarding a PHA’s discretion to not enforce the asset limit provision.

[PIH posted](https://tr.ee/Kk2coW) (<https://tr.ee/Kk2coW>) fact sheets tailored to HCV, PBV, and public housing residents about the HOTMA new asset limits and income calculations. Separate worksheets can help residents calculate whether they might exceed the asset and income limits. In addition, there are two video trainings, one about income calculations and reviews and one about asset limits. These materials are available in English and Spanish.

On September 18, 2024, PIH sent [an email to PHAs](https://tr.ee/5iyevO) (<https://tr.ee/5iyevO>), archived May 30, 2025) informing them that they would not have to comply with the income and asset provisions of HOTMA on January 1, 2025 because PIH’s new Housing Information Portal (HIP) was not ready (HIP is intended to replace PIH’s

IMS/PIC system to accommodate HOTMA changes). The email informed PHAs that PIH will issue guidance on additional HOTMA provisions that can be implemented, and that in the meantime, PHAs should refer to [FAQs \(https://tr.ee/XZQ5XQ\)](https://tr.ee/XZQ5XQ) for provisions that currently may be implemented and guidance related to updating Admission and Continued Occupancy Policies (ACOPs) and Administrative Plans.

Income Determination and Recertification

For residents already assisted, rents must be based on a household's income from the prior year. For applicants for assistance, rent must be based on estimated income for the upcoming year. A PHA may determine a household's income, before applying any deductions, based on income determination made within the previous 12-month period using the income determination made by other programs, such as Temporary Assistance for Needy Families (TANF), Medicaid, the Supplemental Nutrition Assistance Program (SNAP), the Supplemental Nutrition Program for Women, Infants, and Children (WIC), the Earned Income Tax Credit (EITC), Supplemental Security Income (SSI), and the Low Income Housing Tax Credit (LIHTC).

A household may request an income review any time their income or deductions are estimated to decrease by 10%. A PHA has the discretion to set a lower percentage threshold. Rent decreases are to be effective on the first day of the month after the date of the actual change in come - meaning the rent reduction is to be applied retroactively.

A PHA must review a household's income any time that income with deductions is estimated to increase by 10%, except any increase in earned income cannot be considered until the next annual income recertification.

Income Deductions and Exclusions

- The Earned Income Disregard (EID) was eliminated; it disregarded certain increases in earned income for residents who had been unemployed or were receiving welfare.
- The deduction for elderly and disabled households increased from \$400 to \$525 with annual adjustments for inflation (this became effective January 1, 2024).

- The deduction for elderly and disabled households for medical care (as well as for attendant care and auxiliary aid expenses for disabled members of the household) used to be for such expenses that exceeded 3% of income. HOTMA limits the deduction for such expenses to those that exceed 10% of income.
- The dependent deduction remains at \$480 but will be indexed to inflation; it applies to each member of a household who is less than 18 years of age and attending school, or who is a person 18 years of age or older with a disability (this became effective January 1, 2024).
- The deduction of anticipated expenses for the care of children under age 12 that are needed for the caregiver to seek or maintain employment or education is unchanged.
- Any expenses related to aiding and attending to a veteran are excluded from income.
- Any income of a full-time student who is a dependent is excluded from income, as are any scholarship funds used for tuition and books.
- If a household is not able to pay rent, a PHA has the discretion to establish policies for determining a household's eligibility for general hardship relief for the health and medical care expense deduction and for the child-care expense hardship exemption.

Asset Limits

To be eligible for voucher assistance, a household must not own real property that is suitable for occupancy as its residence or have assets greater than \$100,000 (adjusted for inflation each year). However, PHAs have the discretion to not enforce these asset limits.

There are a number of things that do not count as "assets" and instead are considered "necessary personal property" such as a car needed for everyday use, furniture, appliances, personal computer, etc. So-called "non-necessary personal items that have a combined value less than \$50,000 are excluded from the calculating household assets. Also exempt are retirement savings accounts. A household may self-certify that it has assets less than \$50,000 (adjusted for inflation each year).

NLIHC reiterates that Attachment A of [Notice PIH 2023-27/H 2023-10](https://www.hud.gov/sites/dfiles/PIH/documents/PIH%202023-27%20HOTMA.pdf) (<https://www.hud.gov/sites/dfiles/PIH/documents/PIH%202023-27%20HOTMA.pdf>), revised February 2, 2024, provides clear and specific guidance regarding a PHA's discretion to not enforce the asset limit provision.

THE NATIONAL STANDARDS FOR PHYSICAL INSPECTION OF REAL ESTATE (NSPIRE)

The National Standards for Physical Inspection of Real Estate (NSPIRE) is a protocol intended to align, consolidate, and improve the physical inspection regulations that apply to multiple HUD-assisted housing programs (24 CFR part 5 subpart G, <https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-G?toc=1>). NSPIRE replaces the Uniform Physical Condition Standards (UPCS) developed in the 1990s and it absorbs much of the Housing Quality Standards (HQS) regulations developed in the 1970s. NSPIRE physical inspections focus on three areas: the housing units where HUD-assisted residents live, elements of their building's non-residential interiors, and the outside of buildings, ensuring that components of these three areas are "functionally adequate, operable, and free of health and safety hazards."

NSPIRE applies to HUD programs previously inspected using the Housing Quality Standards (HQS) regulations: the HCV program, including Project-Based Vouchers (PBVs) and the programs administered by the Office of Community Planning and Development (CPD) – HOME Investment Partnerships (HOME), national Housing Trust Fund (HTF), Housing Opportunities for Persons with AIDS (HOPWA), Emergency Solutions Grants (ESG), and Continuum of Care (CoC) homelessness assistance programs. NSPIRE also applies to all HUD housing previously inspected by HUD's Real Estate Assessment Center (REAC), including Public Housing and Multifamily Housing programs such as Section 8 Project-Based Rental Assistance (PBRA), Section 202 Supportive Housing for the Elderly, Section 811 Supportive Housing for Persons with Disabilities, and FHA Insured multifamily housing.

HUD published a [final rule](https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf) (<https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf>) implementing NSPIRE in the *Federal Register* on May 11, 2023. The new inspection protocol started July 1, 2023 for public housing and October 1, 2023, for the various programs of HUD's Office of Multifamily Housing Programs, such as PBRA, Section 202 and Section 811. The Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) programs, as well as the CPD programs will not need to implement the NSPIRE changes until [February 1, 2027](https://nlihc.org/sites/default/files/NSPIRE-V-email-9-10-2025.pdf) (<https://nlihc.org/sites/default/files/NSPIRE-V-email-9-10-2025.pdf>), postponed from October 1, 2024.

HUD published three "Subordinate Notices" that supplement the final rule addressing NSPIRE "[standards](https://www.govinfo.gov/content/pkg/FR-2023-06-22/pdf/2023-13293.pdf)" (<https://www.govinfo.gov/content/pkg/FR-2023-06-22/pdf/2023-13293.pdf>), "scoring," and "administration." The Standards notice included a link to 295 pages of detailed "[inspectable items](https://tr.ee/OuHagF)" (<https://tr.ee/OuHagF>) that include items important in the PBV program indicating whether a deficiency in a given inspectable item could entail a life-threatening deficiency. The Scoring Notice does not apply to the HCV and PBV programs; NSPIRE retains the pass/fail indicator for them. The intent of issuing the subordinate notices instead of incorporating their content in regulation is to enable HUD to more readily provide updates as appropriate.

For more information about NSPIRE, see the National Standards for Physical Inspection of Real Estate (NSPIRE) article in this guide.

Funding

PBVs are funded as part of the overall Tenant-Based Rental Assistance (TBRA) account. PHAs use a portion of their HCV funding for PBVs if they decide to offer the program. The formula Congress directs HUD to use to allocate annual HCV renewal funding provides additional funding to agencies that had to hold back some vouchers in order to have them available for use as project-based assistance in new or rehabilitated properties.

Forecast for 2026

The Trump administration has threatened to aggressively cut federal spending and proposed combining HUD rental assistance programs into one state block grant program. While the House and Senate FY26 bills rejected the drastic cuts proposed in the president's budget, neither the House nor the Senate bills provides enough funding to renew all existing HCVs. Without adequate funding, vouchers are lost through attrition, meaning they cannot be reissued when a household no longer needs them. Insufficient renewal funding puts households at risk of losing rental assistance, which can lead to housing instability, eviction, or homelessness.

What to Say to Legislators

Advocates should encourage members of the House and Senate to fully fund the renewal of all vouchers.

For More Information

Center on Budget and Policy Priorities (CBPP),
202-408-1080,
<https://www.cbpp.org/research/topics/housing>

A CBPP "policy basic" on PBVs is at <https://tr.ee/qGBSE5>

National Housing Law Project's PBV webpage is at
<https://www.nhlp.org/resource-center/project-based-vouchers/>

PIH's Project-Based Voucher webpage is at <https://www.hud.gov/helping-americans/housing-choice-vouchers-project>. PIH's HOTMA Resources webpage,
<https://www.hud.gov/hud-partners/multifamily-hotma>

HUD's HOTMA webpage on HUD Exchange,
<https://www.hudexchange.info/programs/hotma/>

PIH's HOTMA Income and Assets Rule webpage,
<https://www.hudexchange.info/programs/hotma/hotma-income-and-assets/#training-series>

HUD's NSPIRE webpage is at
<https://www.hud.gov/reac/nspire>

TENANT PROTECTION VOUCHERS

By Ed Gramlich, Senior Advisor, NLIHC; Updated by Alayna Calabro, Senior Policy Analyst, NLIHC

Administering Agency: HUD's Office of Public and Indian Housing (PIH) and its Special Applications Center (SAC), as well as HUD's Office of Multifamily Housing Programs

Population Targeted: Low-income tenants of HUD's various project-based housing assistance programs

Funding: The Trump administration's proposed fiscal year (FY) 2026 budget would slash funding for HUD rental assistance programs by \$26.72 billion from the previous year—an unprecedented 43% cut—and redesign HUD rental assistance programs entirely. Under the proposal, HUD's Housing Choice Voucher (HCV) program, Public Housing, Project-Based Rental Assistance, Section 202 Housing for the Elderly (Section 202), and Section 811 Housing for Persons with Disabilities (Section 811) programs would be combined into one [State Rental Assistance Block Grant program \(https://tr.ee/OtSKI7\)](https://tr.ee/OtSKI7), funded at \$31.79 billion. As such, for FY26, the administration proposed no funding for tenant protection vouchers (TPVs). The House proposed \$375 million for TPVs, and the Senate proposed \$429 million for TPVs in FY26.

As of the date *Advocates' Guide* went to press, Congress had not passed an FY26 appropriations act. A short-term continuing resolution (CR) maintains FY25 funding for the program until further congressional action. In FY25, Congress appropriated \$337 million for TPVs. The account includes a \$5 million set aside for certain at-risk households in low-vacancy areas. The CR allows HUD to use unobligated funds from HCV administrative fees, Tenant Protection Vouchers, and special purpose vouchers to cover shortfalls under the HCV program.

See Also: The *Housing Choice Voucher Program* and *Project-Based Rental Assistance* sections of this guide.

Tenant Protection Vouchers (TPVs) may be provided to low-income residents of project-based

HUD-assisted housing when there is a change in the status of their assisted housing that will cause residents to lose their home (for example, public housing demolition) or render their home unaffordable (for example, an owner "opting out" of a Section 8 contract). HUD calls such changes "housing conversion actions" or "eligibility events." There are two types of TPVs: regular tenant-based Housing Choice Vouchers (HCVs) and tenant-based Enhanced Vouchers (EVs). Both types are administered by a local public housing agency (PHA). The amount of funding available for TPVs is typically determined by HUD estimates of need in the upcoming year and congressional appropriations.

Program Summary

Residents are eligible for Tenant Protection Vouchers (TPVs), either as Housing Choice Vouchers (HCVs) or as Enhanced Vouchers (EVs), depending upon which housing program assisted the development in which they are living, as well as on certain circumstances for some of the programs. TPVs may be provided to low-income residents of project-based HUD-assisted housing when there is a change in the status of their assisted housing that will cause residents to lose their home (for example, public housing demolition, disposition, or voluntary conversion to vouchers) or render their home unaffordable (for example, an owner "opting out" of a Section 8 contract, or prepaying certain HUD mortgages). HUD calls such changes "housing conversion actions" or "eligibility events." There are two types of TPVs: regular tenant-based Housing Choice Vouchers (HCVs) and tenant-based Enhanced Vouchers (EVs). Both types are administered by a local public housing agency (PHA). PHAs must apply to SAC to receive TPVs and SAC awards TPVs to PHAs on a first-come-first-served basis. The amount of funding available for TPVs is determined by HUD estimates of need in the upcoming year and congressional appropriations. Each year, HUD publishes the names and addresses of properties awarded TPVs in the *Federal Register*, along

with the number of units involved and the amount of TPV funding provided. The FY24 list is [here \(https://tr.ee/OExPyN\)](https://tr.ee/OExPyN).

Replacement and Relocation Tenant Protection Vouchers

Whether a TPV is considered a “replacement” or a “relocation” TPV depends on whether the HUD-assisted housing is permanently lost. Except as modified by Sections 5a and 5d of [Notice PIH 2024-16 \(https://tr.ee/YF8Ylr\)](https://tr.ee/YF8Ylr), [Notice PIH 2018-09 \(https://tr.ee/P74Skk\)](https://tr.ee/P74Skk) remains as the key guidance document discussing HUD policy regarding replacement and relocation TPVs. In short, replacement TPVs are made available as a result of a public housing or HUD-assisted Multifamily action that permanently reduces the number of HUD-assisted units in a community. Replacement TPVs not only assist the household affected by the loss of the HUD-assisted unit, but also make up for the loss of the HUD-assisted housing in the community. Replacement TPVs become a part of a PHA’s voucher program. After an initial household no longer needs their replacement TPV, a PHA may reissue the TPV to a household on its waiting list, or the PHA may project-base that TPV.

Relocation TPVs are provided when HUD-assisted housing units are not permanently lost, for example when residents are temporarily relocated while waiting to return to redeveloped public housing. Since FY15, appropriations acts have made it clear that TPVs issued for temporary relocation cannot be reissued once the original household no longer uses it—for example, when it returns to a redeveloped property or decides to move elsewhere.

Starting with the “FY19 Appropriations Act” and continuing through the “FY24 Appropriations Act,” TPVs were no longer limited to units occupied at the time of a housing conversion action. Instead, appropriations language and guidance from HUD (e.g. [Notice PIH 2024-16, https://tr.ee/84WhAS](https://tr.ee/84WhAS), page 6) allowed replacement TPVs to be awarded to any units that had been occupied sometime within the previous two years. In other words, a unit that might have been occupied

18 months prior to a housing conversion action, but that was vacant at the time of the housing conversion action, would still be eligible for a TPV. However, Notice PIH 2024-16, like its recent predecessors, notes that “depending on demand and funding availability, HUD may need to subsequently suspend the allocation of replacement TPVs for vacant units...”

HUD’s Office of Public and Indian Housing (PIH) created [“Tenant Protection Vouchers \(TPVs\) for Public Housing Actions \(https://tr.ee/CXrz0w\)”](https://tr.ee/CXrz0w), a summary of its current policies regarding TPVs relating just to public housing. In addition, PIH’s Special Applications Center (SAC) has [Tenant Protection Voucher FAQs \(https://tr.ee/9wQV5Z\)](https://tr.ee/9wQV5Z). These PIH and SAC resources do not apply to TPVs for HUD’s Office of Multifamily Housing Programs.

REGULAR TENANT PROTECTION VOUCHERS

Traditional HCVs are provided to residents to enable them to find alternative affordable homes when:

- Public housing is demolished, sold (a “disposition”), or undergoes a voluntary or mandatory conversion to HCVs.
- A project-based Section 8 contract has been terminated or not renewed by HUD at a private, multifamily property (for example, if the owner continuously fails to maintain the property in suitable condition).
- Private housing with a HUD-subsidized mortgage undergoes foreclosure.
- A Rent Supplement Payments Program (Rent Supp) or a Rental Assistance Payment Program (RAP) contract expires, an underlying mortgage is prepaid, or HUD terminates the contract.
- Certain Section 202 Direct Loans are prepaid.

TPVs issued as regular HCVs follow all of the basic rules and procedures of non-TPV HCVs.

ENHANCED VOUCHERS

Enhanced Vouchers (EVs) are provided to tenants living in properties with private, project-based assistance when an “eligibility event” takes place, as defined in Section 8(t)(2) of the “Housing Act of 1937.” The most

typical eligibility event is when a project-based Section 8 contract expires and the owner decides not to renew the contract—the owner “opts out” of the Section 8 Project-Based Rental Assistance (PBRA) program. Prepayment of certain unrestricted HUD-insured mortgages (generally Section 236 and Section 221(d)(3) projects) is another type of eligibility event.

Several other situations trigger an eligibility event, depending on the program initially providing assistance. HUD must provide EVs for opt outs and qualifying mortgage prepayments; however, HUD has discretion regarding TPVs for other circumstances such as Rent Supp or RAP contract terminations, or Section 202 Direct Loan prepayments.

SPECIAL FEATURES OF ENHANCED VOUCHERS

EVs have two special features that make them “enhanced” for residents:

1. **Right to Remain:** A household receiving an EV has the right to remain in their previously assisted home, and the owner must accept the EV as long as the home:
 - a. Continues to be used by the owner as a rental property; that is, unless the owner converts the property to a condominium, a cooperative, or some other private use (legal services advocates assert that this qualification in HUD guidance is contrary to statute).
 - b. Meets HUD’s “reasonable rent” criteria, with rent comparable to unassisted units in the development or in the private market.
 - c. Meets HUD’s Housing Quality Standards.

Instead of accepting an EV, a household may move right away with a regular HCV. A household accepting an EV may choose to move later, but then their EV converts to a regular HCV.

PIH issued a Memorandum (May 22, 2014, <https://tr.ee/pFk4sK>, archived Mar. 28, 2023) to PHAs about the Right to Remain for Tenants who have an EV, and the right to remain continues to be included in the [Section 8 Renewal Policy Guide \(https://tr.ee/KSQ5FA\)](https://tr.ee/KSQ5FA), Chapter 11, page 3.

2. **Higher Voucher Payment Standard:** An EV will pay the difference between a tenant’s required contribution toward rent and the new market-based rent charged by an owner after the housing conversion action, even if that new rent is greater than a PHA’s basic voucher payment standard. A PHA’s regular voucher payment standard is between 90% and 110% of the Fair Market Rent (FMR). EV rents must still meet the regular voucher program’s “rent reasonableness” requirement; rents must be reasonable in comparison to rents charged for comparable housing in the private, unassisted market (and ought to be compared with any unassisted units in the property undergoing a conversion action). EV payment standards must be adjusted in response to future rent increases.

In most cases, a household will continue to pay 30% of their income toward rent and utilities. However, the statute has a minimum rent requirement calling for households to continue to pay toward rent at least the same amount they were paying for rent on the date of the housing conversion action, even if it is more than 30% of their income. If, in the future, a household’s income declines by 15%, the minimum rent must be recalculated to be 30% of the household’s adjusted income or the percentage of income the household was paying on the date of the conversion event, whichever is greater. [Notice PIH 2019-12](https://tr.ee/zt2LOR) (May 23, 2019, <https://tr.ee/zt2LOR>) changed the policy for instances in which a household’s income increases to an amount such that the dollar value of the EV minimum rent established by the percentage of income calculation is more than the original (pre-15% income decline) EV minimum rent. In such instances, the household’s EV minimum rent reverts to the EV minimum rent at the time of the eligibility event.

MORTGAGE PREPAYMENT ELIGIBILITY EVENTS UNDER SECTION 8(T) OF THE “HOUSING ACT”

When an owner prepays an FHA-insured loan, under certain conditions EVs may be provided to tenants in units not covered by rental assistance contracts. However, EVs may not be provided to unassisted tenants if the mortgage matures.

If a mortgage may be prepaid without prior HUD approval, then EVs must be offered to income-eligible tenants living in units not covered by a rental assistance contract. Section 229(l) of the “Low-Income Housing Preservation and Resident Homeownership Act of 1990” (often referred to as LIHPHA) spells out the various types of such mortgages.

Some properties that received preservation assistance under the “Emergency Low-Income Housing Preservation Act” (often referred to as ELIHPA) may have mortgages that meet the criteria of Section 229(l). For such properties, HUD may provide EVs to income-eligible tenants not currently assisted by a rental assistance contract when the mortgage is prepaid. However, HUD may not provide EVs if after mortgage prepayment the property still has an unexpired Use Agreement. A Use Agreement is a contract between HUD and a property owner that binds the owner to specific requirements such as the income-eligibility of tenants and maximum rents that are less than market-rate. Some HUD programs use the term Regulatory Agreements which have similar requirements.

Multifamily TPV guidance is at Chapter 11 of the Multifamily Office’s [Section 8 Renewal Policy Guidebook](https://tr.ee/KSQ5FA), (<https://tr.ee/KSQ5FA>) and [Notice H 2012-3](https://tr.ee/KnOqI5) (<https://tr.ee/KnOqI5>).

SET-ASIDE FOR TPVS AT CERTAIN PROPERTIES

The FY23, FY24, and FY25 appropriations packages continued the provision setting aside \$5 million of the total amount appropriated for tenant protection vouchers for low-income households in [low-vacancy areas](https://tr.ee/rV6ykU) (<https://tr.ee/rV6ykU>) that may have to pay more than 30% of their income for rent. Each year HUD has issued a Notice providing guidance. The latest Notice is [Notice PIH 2019-01/Notice H 2019-02](https://tr.ee/ILphiw) (<https://tr.ee/ILphiw>). Beginning with that Notice, HUD no longer issues a Notice each year; instead Notice PIH 2019-01/Notice H 2019-02 will continue to be applicable unless Congress changes the terms of the set-aside. The FY19 Notice applied to the \$5 million appropriated for FY18 and funds remaining from previous years.

To be eligible for this set-aside, one of two triggering events must have taken place:

1. A HUD-insured, HUD-held, or Section 202 loan matures that would otherwise have required HUD permission before the loan could be prepaid. These include Section 236, Section 221(d)(3) Below Market Interest Rate (BMIR), and Section 202 Direct loans.
2. The expiration of affordability restrictions accompanying a mortgage or preservation program administered by HUD. There are two groups of such properties:
 - a. Properties with matured Section 236 insured or HUD-held mortgages, Section 221(d)(3) BMIR insured or HUD-held mortgages, or Section 202 Direct loans for which permission from HUD is not required prior to mortgage prepayment, but the underlying affordability restrictions expired with the maturity of the mortgages.
 - b. Properties with stand-alone “Affordability Restrictions” that expired in FY18 or in the five years prior to the owner’s submission. To be eligible, the project with the expired affordability restriction must not, at the time of the request for assistance, have an active Section 236 insured or HUD-held mortgages, Section 221(d)(3) BMIR insured or HUD-held mortgages, or Section 202 Direct loans.

Before 2018, there was a third possible trigger: the expiration of a rental assistance contract for which the tenants are not eligible for enhanced voucher or tenant protection assistance under existing law. These included properties with a RAP contract that expired before FY12, or a property with a Rent Supp contract that expired before FY20.

A project must be in a HUD-identified low-vacancy area. HUD updates the low-vacancy areas each year and posts them on the Office of Policy and Development (PD&R) [website](https://tr.ee/rV6ykU) (<https://tr.ee/rV6ykU>). The 2018 joint Notice ([Notice PIH 2018-02/H 2018-01](https://tr.ee/KiappD), <https://tr.ee/KiappD>) provided many more counties on HUD’s list of low-vacancy areas than in previous years because HUD decided to select counties with public housing and multifamily-assisted properties that had occupancy rates greater than or equal to 90%. Previous Notices used a county’s overall vacancy rate, which included

non-assisted rental housing. Advocates had long urged HUD to revise the way it determined low-vacancy areas because many otherwise eligible properties were not allowed to apply for TPV assistance.

To determine whether a household might become rent-burdened (pay more than 30% of household income for rent and utilities), the 2019 Notice (as was the case for the first time with the 2018 Notice) requires owners to divide the 2018 Small Area FMR in metropolitan areas or FMR in non-metro areas by a household's adjusted income. In the past, the numerator (a proxy for market rents) was HUD's most current low-income limit for a metro area.

Other key provisions that have applied to the set-aside in previous years provided in the joint 2019 Notice include:

- As with previous Notices, only owners may request TPV assistance. Advocates have urged HUD to allow residents to request TPV assistance if an owner is not responsive. Also, like previous Notices, the 2019 version requires owners to notify residents. Starting with the 2018 Notice, owners must also notify any legitimate resident organizations. However, the Notice does not require owners of projects approaching an expiration of restrictions to provide residents a one-year advance notice, as advocates have urged.
- As in the past, applications will be accepted on a rolling basis; however, unlike previous Notices the funds will be not available until any set-aside funds are exhausted. This is an improvement advocates have long sought. In prior years set-aside funds not awarded were no longer available at the end of the relevant fiscal year. Because HUD failed to issue Notices in a timely fashion, significant sums were left unused. For example, for FY16 the Notice was issued on August 18, two months before the end of the fiscal year.
- As in the past, owners must indicate their preference for either enhanced vouchers or project-based vouchers (PBVs). Owners must state whether they are willing to accept the alternative form of assistance if the PIH Field Office is unable to find a PHA willing to administer the owner's preferred assistance type. For example, if an owner prefers PBVs, the application will have to specify whether the owner consents to enhanced vouchers if

the PIH Field Office is unable to find a PHA to administer PBV assistance.

Funding

President Trump's budget request proposed replacing HUD's rental assistance programs with one state-based block grant program. As such, the president's budget included no funding for TPVs or other federal rental assistance programs. For FY26, the House proposed \$375 million for TPVs, and the Senate proposed \$429 million. Additionally, the House FY26 appropriations bill includes language allowing for the flexible use of TPVs for households receiving Emergency Housing Vouchers (EHVs) who are at risk of losing their rental assistance. See the chapter on *Emergency Housing Vouchers* for more information.

As of the date *Advocates' Guide* went to press, Congress had not passed an FY26 appropriations act. A short-term Continuing Resolution (CR) maintains FY25 funding for the program until further congressional action. In FY25, Congress appropriated \$337 million for TPVs. The account includes a \$5 million set aside for certain at-risk households in low-vacancy areas. The CR allows HUD to use unobligated funds from HCV administrative fees, Tenant Protection Vouchers, and special purpose vouchers to cover shortfalls under the HCV program.

Forecast for 2026

As evidenced by the president's FY26 budget proposal, the Trump administration is seeking to aggressively cut federal spending on critical housing and homelessness programs, including federal rental assistance.

On October 26, 2016 (<https://tr.ee/efaVsb>), HUD published a proposed rule to codify the Enhanced Voucher policies it had long implemented through various policy Notices. The proposed rule would codify in regulation, existing policies regarding eligibility criteria for receiving EVs, the right of EV households to remain in their homes, procedures for addressing "over-housed" families, and the calculation of EV payments. The National Housing Law Project drafted detailed comments that NLIHC signed on to. NHLP concluded

that the proposed rule would significantly undermine the right to remain, would authorize PHAs to re-screen tenants on grounds other than income eligibility before they can be protected, would not ensure EVs are issued on time, and would not ensure reasonable rents to owners. HUD's Regulatory Agenda for Fall 2024 indicated an aspirational release of [a final EV rule \(https://tr.ee/mquTIN\)](https://tr.ee/mquTIN) in 2024. However, it is unclear whether a final EV rule will be published under the second Trump administration.

For More Information

NLIHC, 202-662-1530, www.nlihc.org

HUD's Tenant Protection Voucher webpage, <https://tr.ee/3Jgw8j>, including a June 2020 "[Tenant Protection Vouchers \(TPV\) for Public Housing Actions,](https://tr.ee/0it6eH)" <https://tr.ee/0it6eH>

What to Say to Legislators

Advocates should tell members of Congress to support funding sufficient to cover all TPVs that might be needed due to housing conversion actions so that low-income households are not displaced from their homes as a result of steep rent increases when a private HUD-assisted property leaves a HUD program, or to ensure that low-income households have tenant-based assistance to be able to afford rent elsewhere when they lose their homes due to public housing demolition, disposition, or mandatory or voluntary conversion to vouchers.

Additionally, Congress should include in the final FY26 spending bill statutory and administrative flexibilities and additional funding to ensure the almost 56,000 households currently served by HUD's Emergency Housing Voucher (EHV) program do not fall into homelessness. Losing EHVs could [increase homelessness \(https://tr.ee/BNHDBq\)](https://tr.ee/BNHDBq) across the country by as much as 10% or higher in some states, especially if the HCV program does not receive sufficient funding and is forced to serve fewer people. Advocates should urge members of Congress to provide funding for additional TPVs to be issued to households currently using EHVs. Since TPVs provide continued assistance for various other expiring rental subsidies, funding must be sufficient to cover both EHV households and households in need of TPVs under their existing use.

VOUCHERS: FAMILY UNIFICATION PROGRAM (FUP) VOUCHERS

By Ruth White, National Center for Housing & Child Welfare

Administering Agency: HUD's Office of Public and Indian Housing (PIH)

Year Started: 1990

Number of Persons/Households Served: Nearly 26,000 households currently hold Housing Choice Vouchers through the Family Unification Program (FUP).

Population Targeted: Homeless or precariously housed families who are at imminent risk of losing their children to foster care or who are unable to regain custody of their children who are in foster care primarily due to housing problems. FUP vouchers can also be provided "on demand" (for a period not to exceed five years) to youth who are aging out of foster care and young adults who have experienced foster care and could benefit from a voucher for the purpose of moving towards economic self-sufficiency.

Funding: FUP is authorized by Section 8(x) of the United States "Housing Act of 1937" (42 U.S.C. 1437f(x)). Funding is provided by the "Consolidated Appropriations Act, 2024" (Pub. L. 118-42, enacted on March 9, 2024) which made available \$30 million for incremental vouchers to serve families and youth involved with the child welfare system.

Appropriators divide FUP into two separate allocations. One allocation of just five million dollars is made available on a competitive basis for both eligible families and eligible youth. The remaining \$25 million is made available on a rolling, non-competitive process for housing authorities that intend to work with child welfare agencies to serve youth. Vouchers for youth can be distributed anywhere in the country in increments as small as one.

See Also: For related information, refer to the *Housing Choice Voucher Program*, *Foster Youth to Independence*

Vouchers, Tenant Protection Vouchers, and HUD-Funded Service Coordination Programs sections of this guide.

FUP is HUD's only housing program aimed specifically at keeping homeless families together and safe and preventing homelessness among young adults aging out of foster care. HUD provides FUP Housing Choice Vouchers to Public Housing Authorities who must work in partnership with public child welfare agencies (PCWAs) to select eligible participants for the program. These vouchers can be used to prevent children from entering foster care, reunite foster children with their parents, and help ease the transition to adulthood for older former foster youth. To encourage and facilitate self-sufficiency for youth who benefit from FUP vouchers, HUD implemented the "Fostering Stable Housing Opportunities Act" Amendments (FSHO). FSHO was written by NCHCW in partnership with current and former foster youth. FSHO codifies the FYI distribution mechanism and requires PHAs to offer youth the opportunity to extend voucher assistance by two years (for a total of five years) by pursuing paths towards self-sufficiency if they are able (otherwise they are granted the extension regardless). Voucher assistance for families is not time limited.

History and Purpose

FUP was signed into law in 1990 by President George H. W. Bush. The program was created as a part of the Tenant Protection Fund within the "Cranston-Gonzalez Affordable Housing Act of 1990." FUP is designed to address the housing needs of children, youth, and families in the foster care system. According to HHS, one in ten children who enter foster care are removed from their homes due to inadequate housing. In 2024, over 25,000 children entered foster care because their families lacked access to safe, decent, and affordable housing. Additionally, 17,000 young adults aged out of foster care alone, having not been adopted or returned to their biological family. Consequently, nearly a quarter

of them are at risk of homelessness in the first year after emancipation.

Despite the obvious impact of America's affordable housing crisis on foster children, child welfare workers seldom have access to the housing resources or supportive services necessary to prevent and end homelessness among vulnerable families and youth. FUP is a long-standing and effective cross-systems partnership that communities can draw upon to keep families together and safe and ease the transition to adulthood for young adults.

Program Summary

FUP is administered at the local level through a partnership between public housing agencies (PHAs) and public child welfare agencies. PHAs interested in administering FUP Vouchers must sign a memorandum of understanding (MOU) with their partner agency to apply to HUD in response to a Notice of Funding Opportunity. FUP vouchers for families are awarded through a competitive process. Depending on the size of the PHA, communities can apply for a maximum of 75, 50, or 25 vouchers. Planning and communication between partnerships will help communities avoid ordering more vouchers than they will need to serve eligible families. Furthermore, the HUD Secretary can reallocate vouchers among PHAs, essentially offering an "on demand" mechanism for families as well.

FUP vouchers are administered in the same manner as Housing Choice Voucher and are subject to the same eligibility rules. The child welfare agency is required to help FUP clients gather the necessary paperwork, find suitable housing, and maintain their housing through aftercare services. If a child welfare agency elects to refer a young person aging out of foster care with a FUP voucher, the child welfare agency must offer or identify an agency that will offer educational assistance, independent living programs, counseling, and employment assistance.

Eligible families include those who are in imminent danger of losing their children to foster care or are unable to regain custody of their children primarily due to inadequate housing. Eligible youth include those who were in foster care aged out of foster care and

are currently between the ages of 18 and 24 (have not reached their 25th birthday). Youth do not have to be homeless or at risk of homelessness at the time of their application to the PHA.

Funding

Congress includes \$30 million in HUD appropriations each year for FUP. Vouchers for youth, while time-limited, are provided "on demand" through a non-competitive, rolling process. However, vouchers for families are awarded via a competitive notice, and the amount that can be used from this \$30 million line item for families is capped at \$5 million.

Forecast for 2026

Bi-partisan and interagency support for FUP is growing at the federal level in Congress and within the administration. Leadership in authorizing and appropriations committees have expressed a high level of confidence and support for FUP and it is likely that FUP will continue to receive steady funding as well as serve as a blueprint for similar interagency housing collaboration. First Lady Melania Trump has adopted the Family Unification Program as one of her signature items.

The increasing emphasis within FUP local partnerships upon coupling housing vouchers with participation in HUD's Family Self-Sufficiency Program is an excellent match with today's political climate. As communities increasingly look for tools to help youth and families move towards economic independence and build wealth—child welfare professionals and advocates are finding that FUP is gaining support as an evidence-based approach with congressional support. As such, the funding outlook is strong.

Tips for Local Success

The most successful FUP partnerships require cross-training, single points of contact (liaisons) within each agency, and ongoing communication. In fact, HUD because these tactics work, HUD requires sites to have these components in place and laid out in a letter of agreement or a Memorandum of Understanding (MOU).

FUP child welfare partners must help families and youth gather the necessary documents and complete the housing choice voucher application prior to referring the household to the PHA. HUD underscores the importance of child welfare partners taking part in landlord recruitment, housing training for frontline staff, and emphasizes regular communication with the PHA point of contact. Finally, HUD encourages PHAs to enroll FUP households in the FSS program because this adds an extra layer of supportive services and helps ensure that FUP households will successfully maintain permanent housing and reduce the amount of subsidy paid by the government over time.

HUD offers the tools and training necessary to implement and operate a FUP partnership on their website free of charge. PHAs administering FUP nationwide demonstrate an extraordinary commitment to at-risk populations and the ability to match existing services to Housing Choice Vouchers to successfully serve hard-to-house families and youth leaving foster care.

What to Say to Legislators

Advocates can help legislators understand that housing is a vital tool for keeping families together, easing the transition to adulthood for foster youth, and achieving significant cost savings. When a FUP Voucher is used to reunify a family and subsidize a two-bedroom unit, the community saves an average of \$50,500 per family in mandatory foster care costs. Furthermore, supportive housing for young adults is a tenth of the cost of more restrictive placements like juvenile justice or residential treatment. This cost-benefit information is an excellent way to help legislators understand the importance of new funding for the FUP.

For More Information

National Center for Housing & Child Welfare,
301-699-0151, www.nchcw.org

VOUCHERS: HUD'S FOSTER YOUTH TO INDEPENDENCE INITIATIVE

By Ruth White, Executive Director, National Center for Housing and Child Welfare

Administering Agency: HUD's Office of Public and Indian Housing (PIH)

Year Started: 2019

Number of Persons/Households Served: Since the Foster Youth to Independence (FYI) Initiative was implemented on July 26, 2019, more than 8,000 young people have received time-limited Housing Choice Vouchers and supportive services to help them chart a path toward success.

Population Targeted: Current and former foster youth between the ages of 18 to 24 who are homeless or at risk of homelessness.

Funding: FYI began in 2019 as a Secretarial Initiative that tapped HUD's ultra-flexible Tenant Protection Account to provide "on demand" Family Unification Program (FUP) Youth Housing Choice Vouchers. Vouchers awarded under the original initiative have sunset, or otherwise no longer exist. Now, FYI vouchers are awarded from the line which funds HUD's FUP vouchers. In the FY2026 Appropriations bill, Congress includes \$30 million for FUP and instructs HUD to distribute \$25 million in a "non-competitive" manner for youth. The remaining 5 million must be offered through a competitive Notice of Funding Opportunity (NOFO) and split, according to PHA requests, between families and youth. So, while these vouchers are often referred to as FYI vouchers, they are actually FUP youth vouchers, distributed "on demand." As such, FYI refers to the distribution mechanism, not the voucher itself.

See Also: For related information, refer to the *Housing Choice Voucher Program*, *Family Unification Program*, *Tenant Protection Vouchers*, and *HUD-Funded Service Coordination Programs* sections of this guide.

History and Purpose

Since 2014, The Fostering Stable Housing (FSHO) Coalition, a group of current and former foster youth led by ACTION Ohio in partnership with the National Center for Housing and Child Welfare (NCHCW), has worked with HUD career staff to devise a plan to close the gaps through which youth leaving foster care fall into homelessness and human trafficking. Each year, 17,000 young people age-out of foster care and enter adulthood alone, having not been adopted nor reunified with their parents. As they struggle to gain economic footing in their communities without the support of extended family, nearly 25% experience homelessness upon emancipation.

In 2018, the FSHO Coalition determined that the best way to prevent homelessness among emancipated youth was to synchronize with HUD's existing, time-limited FUP vouchers. To do this, the FSHO Coalition recommended to HUD that they tap the flexible, on-demand nature of FUP. HUD determined within weeks that the proposal was indeed viable, named the proposal the "Foster Youth to Independence Initiative," and composed the details of a notice for PHAs. On July 26, 2019, HUD issued an invitation to PHAs with contracts to administer Housing Choice Vouchers (that do not already administer FUP) to apply for FYI, thus making FUP for youth available nationwide. The first vouchers were awarded on October 31, 2019, and HUD continues to accept applications on a rolling, non-competitive basis.

The following year, on October 6, 2020, using authority offered by the "FY2020 Appropriations Act," HUD issued a new Notice inviting all PHAs with Annual Contributions Contracts (meaning that they are capable of administering tenant-based Housing Choice Vouchers) to apply for Family Unification Program Vouchers for

youth on a non-competitive basis. Today, nearly 7,000 vouchers have been distributed through FYI. Because the vouchers are returned to the FUP pool and reissued to the next eligible household, more than 8000 youth have benefited from the program since its inception.

In 2020, Congress passed the “Fostering Stable Housing Opportunities Amendments Act” (FSHO). FSHO amends FUP to encourage participation in HUD’s Family Self-Sufficiency Program to help move youth toward economic independence and build wealth. Under FSHO, all youth may earn an extra two years of rental assistance (for a total not to exceed 60 months) if they choose to (and are able to) participate in activities that will move them toward economic independence and success. FSHO includes generous exemptions for the extension as well.

Program Summary

Like FUP, FYI is administered at the local level through a partnership between public housing authorities (PHAs) and public child welfare agencies (PCWAs). To apply, PHAs sites must identify at least one eligible youth and sign a memorandum of understanding or a letter of agreement (either will satisfy the “Partnership Agreement” requirement) outlining their commitment to the success of FYI, how youth will be selected and notified, and the roles organizations will play. The PCWA must agree to identify an entity that can offer a host of independent living services to help youth obtain and maintain permanent housing. The PCWA also must agree to identify eligible youth who would benefit from a voucher after leaving extended foster care. Eligible youth must be at least 18 years old and not more than 24 years old (have not reached their 25th birthday); be preparing to leave foster care or have already aged out; and have been homeless or at risk of homelessness at some point after the age of 16.

Tools and training can be found at www.nchcw.org/fyi.

Funding

FYI is an eligible use of the \$30 million for FUP, \$25 million of which is specifically targeted to youth in the “FY2026 Appropriations Act.”

Forecast for 2026

FYI enjoys bi-partisan support because it offers foster youth who reach adulthood the opportunity to use permanent housing as a platform for economic success. FSHO requires housing authorities to offer youth an additional two years of housing assistance as an incentive to help youth work and create wealth. Advocates should thank Congress for passing FSHO and encourage congressional appropriators to continue robust funding of \$30 million annually to ensure that both youth and families can benefit from FUP and FYI.

Tips for Local Success

FYI is intended to prevent homelessness among youth leaving foster care but more importantly, it is intended to be a platform for youth to gain their economic footing once their time in foster care has concluded. The best way to assure youth have access to FYI is to make sure that child welfare professionals and foster parents are encouraging youth to take advantage of all the child welfare resources available to them. Housing professionals and advocates should feel emboldened to point out to local child welfare agencies nationwide that they can use child welfare resources, including entitlement funding through Title IV-E of the “Social Security Act,” to provide housing and independent living services for youth through the age of 21. This portion of child welfare funding can be (and often is) used to pay rent for apartments on the private market, much like a Housing Choice Voucher. Community leaders must encourage child welfare agencies to provide stable developmentally appropriate housing options for youth who are younger than 21. Furthermore, additional funding is available through the age of 23 under the John H. Chafee Foster Care Independence Program for independent living services beginning at age 14 and to cover non-recurring housing expenses. This funding source is a perfect fund for all transitory housing costs (including the security deposit) to facilitate the transition to an FYI voucher and a successful lease-up. Then, as youth move toward emancipation and independence, local PCWAs can refer youth to FYI and help them successfully lease-up. However, the Congressional Research Service has

reported that millions of these dollars are returned to HHS unused each year. PHAs working in partnership with public child welfare agencies must demand that their partners are conducting the required independent living preparation services necessary for all aging-out youth prior to referring them for a voucher.

What to Say to Legislators

Advocates should thank legislators for passing the “Fostering Stable Housing Opportunities Act” and for supporting robust appropriations for FUP and FYI. Since the implementation of FYI and the passage of FSHO, nearly 8,000 new Housing Choice Vouchers have been made available “on demand” to youth leaving foster care and alumni who are struggling with housing instability. As a result, one of the few encouraging trends in HUD’s Annual Homeless Assessment Report to Congress was the decrease in homelessness among youth leaving foster care. Advocates can also help their elected officials understand that affordable housing is an effective and prudent investment in ending youth homelessness. Providing affordable housing and services is a tenth of the cost of undesirable remedies to homelessness such as residential treatment and juvenile justice involvement. Coupling FYI and FSS has the potential to vastly improve each young person’s individual economic security and will also reduce racial wealth disparities. Seventy-five percent of young people who emancipate are youth of color and regardless of a young person’s race or ethnicity, foster youth disproportionately reside in neighborhoods that have been stripped of wealth, infrastructure, and opportunity for years due to flawed government policies. Helping each one of these young people build wealth and move towards financial success is something we can all be proud of as advocates.

For More Information

National Center for Housing & Child Welfare,
301-699-0151, www.nchcw.org

MAINSTREAM AND NON-ELDERLY DISABLED (NED) VOUCHERS

By Liz Stewart, Senior Consultant and Lisa Sloane, Director, Technical Assistance Collaborative

Administering Agency: HUD's Office of Housing Choice Vouchers (HCV) within the Office of Public and Indian Housing (PIH).

Number of Persons/Households Served: HUD estimates that there are 54,727 Non-Elderly Disabled Housing Choice Vouchers and 71,217 Mainstream Housing Choice Vouchers.

Year Started: Since 1997, Housing Choice Vouchers (HCVs) have been awarded under different special purpose voucher program types to serve eligible people with disabilities under age 62.

Population Targeted: A household composed of one or more non-elderly persons with disabilities, which may include additional household members who are not non-elderly persons with disabilities. Non-elderly persons are defined as persons at least 18 and less than 62 years of age). For NED vouchers, the qualifying person with a disability must be the head of household, spouse or co-head. For Mainstream vouchers, the qualifying person with a disability can be any member of the household. Families with only a minor child with a disability are not eligible. See the specific program guidelines for eligibility criteria.

Funding: Consolidated Appropriations Acts 2017-2019 made approximately \$500 million available for new Mainstream voucher assistance, the first funding for new Mainstream vouchers since 2005. These funds resulted in awards for over 50,000 vouchers. The most recent funding opportunity through Notice PIH 2022-19 provided funding for extraordinary administrative fees to help PHAs lease their Mainstream vouchers given the challenges presented by the COVID-19 pandemic.

History

Before 1992, federal housing statutes defined "elderly" to include younger people with disabilities. As a result, many (but not all) properties built primarily to serve elders, such as the Section 202 Program, also had requirements to serve people with disabilities. Depending on the HUD program and NOFA under which a property was funded, the occupancy policy might have included a requirement to set-aside 10% of their units for people with mobility impairments of any age, a set-aside to serve non-elderly people with disabilities, or the policy might have provided non-elders with equal access to all the units.

The occupancy policies that resulted in elder and non-elders living together became controversial in the late 1980s and early 1990s. In response to this controversy, Congress passed Title VI of the "Housing and Community Development Act of 1992," which allowed public housing agencies and certain types of HUD-assisted properties to change their occupancy policies. The law allowed public housing agencies to designate buildings or parts of buildings as elderly-only or disabled-only; PHAs had to develop and receive HUD approval for a Designated Housing Plan before such a designation could be made. The law also allowed some HUD-assisted housing providers to house only elders and others to reduce the number of non-elderly applicants admitted.

Between 1996 and 2009, Congress appropriated voucher funding to compensate for the housing lost to younger people with disabilities as a result of the 1992 law. These funds were appropriated through a variety of programs; the specific programs are described in the next section of this article. Note that many of these NED vouchers are called Frelinghuysen vouchers because then House Appropriations Chair Rodney Frelinghuysen (R-NJ) advocated for their funding.

One of these programs is the Mainstream Voucher Program. Between 1996 and 2002, Congress allowed HUD to reallocate up to 25% of funding for the development of new supportive housing units for non-elderly people with disabilities toward tenant-based rental assistance. During this period, approximately 15,000 incremental vouchers were awarded to public housing agencies (PHAs) for this targeted population under the 811 Mainstream Program.

Consolidated Appropriations Acts 2017-2019 made approximately \$500 million available for new Mainstream voucher assistance, the first funding for new Mainstream vouchers since 2005. Only PHAs that administer Housing Choice Voucher (HCV) assistance and non-profits that already administer HCV Mainstream assistance were eligible to apply. In awarding some of the voucher funding, HUD provided points for applications that included partnerships between housing and services/disability organizations, especially those that targeted housing assistance to assist people with disabilities who are transitioning out of institutional or other segregated settings, at risk of institutionalization, homeless or at risk of becoming homeless, or were previously homeless and now participate in a permanent supportive housing or rapid rehousing program ("move-on").

Program Summary

The Mainstream and NED Voucher Programs are components of the HCV program. Congress appropriated NED vouchers under a variety of different appropriations and HUD allocated funds under differing program NOFAs. Although different programs have differing target sub-populations, all target non-elderly people with disabilities and all operate under the HCV regulations and guidance, with slight modifications as provided in the original NOFA or subsequent Notices. Upon turnover, these vouchers must be issued to non-elderly disabled families from the PHA's HCV waiting list. PHAs administering Mainstream vouchers also have the option to establish a separate waiting list for Mainstream vouchers in accordance with Notice PIH 2024-30.

The following describes the specific NED programs administered by PHAs:

- **NED Category 1** vouchers enable non-elderly persons or families with disabilities to access affordable housing on the private market.
- **NED Category 2** vouchers enable non-elderly persons with disabilities currently residing in nursing homes or other healthcare institutions to transition into the community.
- **Designated Housing Vouchers** enable non-elderly disabled families, who would have been eligible for a public housing unit if occupancy of the unit or entire project had not been restricted to elderly families only through an approved Designated Housing Plan, to receive rental assistance. These vouchers may also assist non-elderly disabled families living in a designated unit/project/building to move from that project if they so choose. The family does not have to be listed on the PHA's voucher waiting list. Instead, they may be admitted to the program as a special admission. Once the impacted families have been served, the PHA may begin issuing these vouchers to non-elderly disabled families from their HCV waiting list.
- **Certain Developments Vouchers** enable non-elderly families with a person with disabilities who do not currently receive housing assistance in certain developments where owners establish preferences for, or restrict occupancy to, elderly families to obtain affordable housing. These are HUD assisted private properties funded as those under the Section 8 new construction or Section 202 programs. Once the impacted families have been served, the PHA may issue vouchers to non-elderly disabled families from their HCV waiting list.
- **Mainstream Housing Opportunities for Persons with Disabilities Vouchers** enable non-elderly disabled families on the PHA's HCV waiting list or separate Mainstream waiting list (when established) to receive a voucher.
- **Project Access Pilot Program** (formerly Access Housing 2000) provides vouchers to selected PHAs that partnered with State Medicaid agencies to assist non-elderly disabled persons transition from nursing homes and other institutions into the community.

Funding

Consolidated Appropriations Acts, 2017-2019 made approximately \$500 million available for new Mainstream voucher assistance, the first funding for new Mainstream vouchers since 2005. These funds were awarded to PHAs up through the end of calendar year 2022.

Forecast for 2026

The “FY25 Appropriations Act” provided \$743 million for the Mainstream Program. At the time of this writing, the FY26 Appropriations bill has not passed with a Continuing Resolution in place through January 30, 2026. The House budget appropriated \$743 million while the president’s budget provides zero funding and the Senate bill combines general Mainstream voucher HAP with the regular HCV HAP renewals account.

What To Say to Legislators

Advocates are encouraged to contact their members of Congress with the message that people with disabilities continue to be the poorest people in the nation. TAC’s publication [Priced Out](https://www.tacinc.org/resources/priced-out/) (<https://www.tacinc.org/resources/priced-out/>) reported that over 3.9 million non-elderly adults with significant and long-term disabilities have Supplemental Security Income levels equal to only 20% of AMI and cannot afford housing without housing assistance. Because of this housing crisis, many of the most vulnerable people with disabilities live unnecessarily in costly nursing homes, in seriously substandard facilities that may violate the “Americans with Disabilities Act,” or are homeless. Mainstream and other NED vouchers can help the government reach its goals of ending homelessness and minimizing the number of persons living in costly institutions. Advocates should encourage members of Congress to continue to increase funding for Mainstream and NED vouchers to address these critical public policy issues.

For More Information

Technical Assistance Collaborative, 617-266-5657, www.tacinc.org. TAC’s Mainstream and NED voucher database by state can be found at https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/dashboard

Consortium for Citizens with Disabilities (CCD) Housing Task Force, http://www.c-c-d.org/rubriques.php?rub=taskforce.php&id_task=8

HUD’s Mainstream Voucher Program, https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/mainstream

PROJECT-BASED RENTAL ASSISTANCE

By National Preservation Working Group, sponsored by National Housing Trust

Administering Agency: HUD's Office of Multifamily Housing Programs

Years Started: 1961 – Section 221(d)(3) Below Market Interest Rate (BMIR); 1963 – USDA Section 515; 1965 – Section 101 Rent Supplement; 1968 – Section 236; 1974 – Project-Based Section 8, and Rental Assistance Payments Program; 1978 – Section 8 Moderate Rehabilitation Program.

Number of Persons/Households Served: Approximately 1.3 million households with more than 2 million people.

Population Targeted: Extremely low- to moderate-income households

Funding: For fiscal year (FY) 2026, the Trump administration's budget request proposed combining several housing programs, including project-based rental assistance programs, into a new "State Rental Assistance Block Grant" and slashing funding for rental assistance by over 43%. The House and Senate both rejected this extreme proposal: the House proposed \$17.127 billion and the Senate proposed \$17.404 billion for PBRA funding, compared to \$16.890 billion appropriated for FY25. The final appropriation for FY24 was \$16.010 billion, up from \$14.91 billion in FY23. A final FY26 appropriations bill for HUD programs was not passed as of the date *Advocates' Guide* went to press.

See Also: For related information, refer to the *USDA Rural Rental Housing Programs, Tenant Protection Vouchers, Project-Based Vouchers, and NSPIRE* sections of this *Advocates' Guide*.

Project-based housing refers to federally assisted housing for low-income households produced through a public-private partnership. Project-based assistance is fixed to a property, in contrast to portable tenant-based Section 8 Housing Choice Vouchers. Historically, HUD has provided private owners of multifamily housing either a long-term project-based rental assistance contract, a subsidized mortgage, or in some cases both, in order to make units affordable. This article focuses

on the Section 8 Project-Based Rental Assistance (PBRA) portfolio, after a historical summary of "legacy" HUD-subsidized mortgages that are maturing or being refinanced for which there is no replacement subsidized mortgage program.

This stock of PBRA-supported affordable housing is in danger of being permanently lost as a result of owners opting out of Section 8 contract renewals or physical deterioration of properties. When owners choose not to renew a project-based Section 8 contract (referred to as "opting out"), they may convert their properties to market-rate rental buildings, condominiums, or non-housing uses.

Basic Description of the Section 8 Project-Based Rental Assistance (PBRA) Program

In 1974, Section 8 of the "United States Housing Act" was enacted, providing a comprehensive tool for both project-based and tenant-based rental assistance. The project-based Section 8 program replaced a previous program (Section 236 described in the *Brief History* section below) as the primary affordable multifamily housing production tool through the New Construction, Substantial Rehabilitation, and State Agency Programs. Instead of subsidizing a mortgage, as Section 236 did, HUD provided a 20- to 40-year fully appropriated rent subsidy. This virtually guaranteed rent stream gave lenders confidence in the soundness of project financing (whether provided through conventional, Federal Housing Administration, or state housing finance agency debt).

More than 800,000 PBRA units were developed from 1974 to 1983, when authorization for new construction was repealed. In addition, from 1977 to 1991, project-based Section 8 was provided to subsidize the rent of tenants living at properties that also had mortgages from the Section 202 program (see Section 202 *Supportive Housing for the Elderly* in this guide).

Project-based Section 8 is also an affordable housing preservation tool:

- The Section 8 Loan Management Set-Aside (LMSA) program was used to replace some Rent Supplement contracts, and to support the feasibility of some struggling properties that were financed with the Section 221(d)(3) BMIR (below market interest rate) or 236 programs.
- The Section 8 Property Disposition Program was established to enable HUD-foreclosed multifamily properties to continue to house extremely low-income tenants after being sold back to private ownership.
- Finally, when the prepayment of subsidized mortgages and subsequent deregulation of BMIR and Section 236 properties became a national issue, the “Emergency Low Income Housing Preservation Act of 1987” (ELIHPA) and the “Low Income Housing Preservation and Resident Homeownership Act of 1990” (LIHPRA) were enacted to provide a comprehensive preservation solution, including the provision of incremental Section 8 PBRA (BMIRs, 236s, ELIHPA and LIHPRA are explained below).

Inherent in every project-based Section 8 property is a Housing Assistance Payments (HAP) contract, which provides funding for the subsidy and sets out program requirements. A HAP contract is between a property owner and HUD (except for Moderate Rehab contracts, discussed below). Every HAP contract has a fixed term, and when it expires, the owner has an option to renew. The HAP renewal process is codified in the “Multifamily Assisted Housing Reform and Affordability Act of 1997” (MAHRA), discussed below. These contracts can be renewed, typically in one-, five-, or 20-year increments, with congressional funding for the contracts provided 12 months at a time.

Under project-based Section 8, residents are responsible for paying 30% of their adjusted income toward rent and utilities, while HUD provides a monthly subsidy payment to the owner that pays for the remaining cost of maintaining and operating the unit. The average monthly subsidy per household in 2024 was \$1,060. New residents in project-based Section 8 units can have income of no more than 80% of the area median income (AMI), with 40% of new tenants required to have income less than 30% of AMI.

The Project-Based Rental Assistance program (PBRA), in all its variations, provides rental assistance for more than 2 million people in 1.3 million low-income, very low-income, and extremely low-income households, allowing them to afford modest housing. In 2024, 54% of assisted households were headed by or had a spouse who was 62 years of age or older. In addition, 60% of assisted households were headed by or had a spouse who had a disability. The average household income was \$15,955.

Since no net new units are being constructed using Section 8 PBRA, the challenge today is ensuring that federally assisted affordable housing is not permanently lost, either through physical deterioration or as a result of properties being converted to non-affordable uses, such as high-rent units or condominiums, when a PBRA contract is not renewed (“opt-out”) or is terminated for any reason (see the *Current Program Issues* section below).

It is important to note that a property may have use restrictions or affordability covenants from a subsidized mortgage or other programs, as well as from a Section 8 PBRA HAP contract. Even if an affordability covenant expires or is terminated, Section 8 rental assistance is independent of the mortgage financing, so it survives any subsidized mortgage maturity, prepayment, or other termination of covenants.

Another form of Section 8 rental assistance is the Moderate Rehabilitation (Mod Rehab) program, designed in 1978 to stimulate moderate levels of rehabilitation to preserve affordable housing. Mod Rehab provides project-based rental assistance for low- and very low-income residents; however, unlike other project-based Section 8 programs, the agreement is between the owner and a local public housing agency (PHA). Like project-based Section 8, residents pay 30% of their adjusted income for rent and utilities, while rental assistance pays the balance. The program was repealed in 1991 and no new projects are authorized for development. According to HUD’s [List of Mod Rehab Projects \(https://www.hud.gov/hud-partners/rad-program-details2\)](https://www.hud.gov/hud-partners/rad-program-details2), there are approximately 17,000 Mod Rehab and Mod Rehab SRO (single-room occupancy) units remaining as of July 2024. Because of rent restrictions and limitations on the term of

contract renewal, Mod Rehab properties are eligible to convert to conventional project-based Section 8 under the Rental Assistance Demonstration (RAD) program (described in detail in this chapter of this guide).

HUD Project Based Section 8 programs are codified in 24 CFR Parts 880-891:

- New construction, 24 CFR Part 880.
- Substantial rehabilitation, 24 CFR Part 881.
- Moderate Rehabilitation Program for Single Room Occupancy (SRO) Dwellings for Homeless Individuals, 24 CFR Part 882.
- State agency financed projects w/Section 8 assistance, 24 CFR Part 883.
- Loan Management/property disposition Set aside, 24 CFR Parts 886 and 247
- Supportive housing for elderly and persons with disabilities, 24 CFR Parts 891 and 247.

A Brief History

From 1965 to the mid-1980s, HUD played an essential role in creating affordable rental homes by providing financial incentives such as below-market interest rate loans, interest rate subsidies, and project-based Section 8 contracts. Currently, no additional units are being produced through these programs.

Initially, project-based assistance was provided through the Federal Housing Administration (FHA) in the form of a mortgage subsidy. Mortgage subsidies (also referred to as “shallow subsidies”) reduced the cost of developing rental housing; in return, owners agreed to restrictions that limited property rents and occupancy to households meeting program income limits. Even though these programs provided a below-market rent that was affordable to low- and moderate-income tenants, they could not serve extremely low- or very low-income households, who could not afford even the subsidized rent.

Despite the limitation on the range of incomes served, the mortgage subsidy programs were an effective production tool. Two successive HUD programs

created more than 600,000 units: the Section 221(d) (3) Below Market Interest Rate (BMIR) mortgage insurance program, created by the “National Housing Act of 1961,” and Section 236, created in 1968. Some, but not all, subsidized mortgage properties also used precursors to project-based Section 8 to enable them to provide deeper affordability. Those early project-based rental assistance programs were the Rent Supplement program (Rent Supp), authorized by Section 101 of the “Housing and Urban Development Act of 1965” and the Section 236 Rental Assistance Program (RAP). They each provided an early example of a “deep subsidy” in which HUD sets the rent level, the tenant pays a percentage of their adjusted income, and the subsidy program pays the balance. The last Rent Supp contracts converted to long-term project-based rental assistance contracts under the Rental Assistance Demonstration (RAD) in 2018. The last remaining RAP contracts converted to Section 8 under RAD in late 2019.

Beginning in May 1999, HUD began the process of transferring the administration of Section 8 contracts to third party Contract Administrators (CA). The CA’s responsibilities were identified in HUD Notice H 99-36 and initially applied to some 16,000 contracts under 24 CFR parts 880-886. Currently there are 53 third-party CAs operating across the country. Specific tasks the CAs perform include:

1. Conduct management and occupancy reviews;
2. Adjust contract rents;
3. Process HAP contract terminations or expirations;
4. Pay monthly vouchers from Section 8 owners;
5. Respond to health and safety issues;
6. Submit Section 8 budgets, requisitions, revisions, and year-end statements;
7. Submit audits of the CA’s financial condition;
8. Renew HAP Contracts;
9. Report on CA operating plans and progress; and
10. Follow-up and monitor results of physical inspections of Section 8 properties.

Current Program Issues

SUBSIDIZED MORTGAGE PREPAYMENT

Although Section 236 and Section 221(d)(3) BMIR mortgages originally had 40-year terms, program regulations allowed most for-profit owners to prepay their mortgages after 20 years. By prepaying, in most cases owners may terminate income and rent restrictions, although any project-based Section 8 rent subsidy will continue for the remaining term of the HAP contract. Owners must give tenants at least 150 days' advance notice of an intention to prepay. Upon prepayment, tenants are eligible for Tenant Protection Vouchers (TPVs), or in some cases Enhanced Vouchers (EVs), that allow a tenant to either remain in the property or find new affordable rental housing with voucher assistance (see the *Tenant Protection Vouchers* entry in this chapter of this *Advocates' Guide*).

MATURING SUBSIDIZED MORTGAGES

A significant number of low-income families face escalating rents if affordability protections are not extended for properties with maturing Section 236 and Section 221(d)(3) BMIR mortgages. Residents living in apartments with affordability protections but without project-based Section 8 contracts do not categorically qualify for enhanced vouchers or other rental assistance when the HUD-subsidized mortgage or a federal use agreement expires.

In recent years, including FY25, Congress has appropriated \$5 million annually for Enhanced Vouchers or Project-Based Vouchers for tenants in low-vacancy areas who are at risk of becoming rent-burdened as a result of a subsidized mortgage maturity or expiration of a use agreement.

EXPIRING PROJECT-BASED SECTION 8 ASSISTANCE CONTRACTS

When project-based Section 8 contracts expire, owners may renew the contract or choose to opt out of their contracts, enabling them to increase rents to market levels or to convert units to market-rate condominiums, thereby rendering apartments unaffordable to lower-

income tenants. Owners must give tenants one-year advance notice of intent to opt out and comply with any additional state notice requirements. Most tenants will receive enhanced vouchers to enable them to remain in their homes. An estimated 225,907 Project-Based Section 8 properties, more than one fifth, have expiring contracts over the next ten years and are therefore at risk of losing their affordability status, according to the [National Housing Preservation Database \(https://preservationdatabase.org/\)](https://preservationdatabase.org/).

ENHANCED VOUCHERS

Special voucher assistance is provided to tenants who would otherwise be displaced due to rising rents or market conversion if an owner prepays a Section 221(d)(3) BMIR or Section 236 mortgage, if an owner opts out of a project-based Section 8 contract, or if the Section 8 contract is terminated by HUD for cause and the unit can pass the physical inspection. HUD is required by statute to provide Enhanced Vouchers (EVs) to tenants in such properties to enable them to afford to remain in their homes. Enhanced vouchers pay the difference between 30% of the tenant's income and the new rent, even if that rent is higher than the PHA's payment standard. Tenants have a right to remain in their apartments after conversion to market rents and owners must accept enhanced vouchers. If a tenant with an enhanced voucher moves to another property, the enhanced voucher converts to a regular voucher and the unit they previously occupied is no longer affordable to any lower-income household (see the *Tenant Protection Vouchers* entry in this chapter of this guide).

SECTION 8 PBRA CONTRACT RENEWAL: MARK-TO-MARKET AND MARK-UP-TO-MARKET

Every Section 8 Housing Assistance Payment (HAP) contract was issued with a finite term, typically for 1, 5, 20, or 40 years. These contracts were fully funded at inception for the estimated cost over the entire term. When HAP contracts began to expire in large numbers in the mid-1990s, it became clear that comprehensive legislation, along with funding, was needed to prevent a massive upheaval due to loss of affordability.

The resulting statutory provisions governing renewal of Section 8 PBRA contracts (as well as Mod Rehab contracts) were defined in the “Multifamily Assisted Housing Reform and Affordability Act of 1997” (MAHRA). HUD’s operational guidance on MAHRA renewals is contained in the [Section 8 Renewal Guide \(https://www.hud.gov/sites/dfiles/Housing/documents/Section-8-Renewal-Guidebook.pdf\)](https://www.hud.gov/sites/dfiles/Housing/documents/Section-8-Renewal-Guidebook.pdf), which is organized around five Options, some of which have sub-options. A detailed description of the MAHRA renewal options is beyond the scope of this article, but the basic principles of MAHRA can be summarized as follows:

- HUD must renew all project-based Section 8 contracts if the owner elects to renew, subject to annual appropriations.
- Multi-year contracts are permitted; a minimum five-year term is required for Mark-Up-to-Market contract renewals (described below).
- Because any contract that is renewed for more than one year is subject to annual appropriations, HUD must provide a new funding increment each year out of current appropriations made by Congress. Since enactment of MAHRA, Congress has ultimately provided this funding, notwithstanding some occasional timing delays.

Regarding Mark-to-Market: As noted, some FHA-insured properties with expiring project-based Section 8 contracts have rents that exceed market rents. This may be due to current market conditions and is also often a programmatic consequence of the early use of Section 8 as a production tool. Upon contract renewal, HUD is required to reduce rents in properties with FHA-insured mortgages to market level, creating a cash crunch for those properties and potentially putting their FHA-insured mortgages at risk of default. To address this problem, Congress enacted the Mark-to-Market Program in 1997. Owners of eligible properties must either go through the Mark-to-Market Program, renew at lower market rents, or opt out. In the Mark-to-Market Program, an owner has two options:

- Choose to have the mortgage restructured to be able to afford to operate and maintain the property with lower market rents. In exchange for this mortgage

restructuring, an owner agrees to accept Section 8 rent subsidies for an additional 30 years, or

- Choose to renew the Section 8 contract for one year with Section 8 rents reduced to market without undergoing a mortgage restructuring.

Over-market rents may continue after renewal (Exception Properties) if the property has non-FHA financing or is a Section 202 property.

Regarding Mark-Up-to-Market: HUD is also able to raise contract rents to market levels upon contract renewal for properties in high-cost areas through the Mark-Up-to-Market Program. Contract renewals of at least five years are required in Mark-Up-to-Market, which provides a needed incentive for owners to renew their participation in the Section 8 program when private-sector rents are high. These contract renewals also provide a source of revenue for capital improvements.

TROUBLED PROPERTIES

HUD multifamily properties may be at risk when a property is in poor financial or physical condition. HUD has a number of contractual tools for preventing and resolving distress, based on Section 8 HAP contract provisions and mortgage covenants when FHA-insured or HUD-held lending is involved. In addition, annual appropriations acts have consistently contained language governing HUD’s enforcement process for assisted multifamily properties. As a result, while a default on a HUD-assisted mortgage or a HAP contract could in principle result in termination of the Section 8 subsidy, HUD foreclosure or both, HUD is required to take actions to restore compliance and to maintain the stock as viable affordable housing. For example, since 2005, Congress has used appropriations acts to renew the “Schumer Amendment,” (Section 212 in FY 2024 appropriations; FY25 appropriations were made through a full year continuing resolution; CR) which requires HUD to maintain a project-based Section 8 contract at foreclosure or disposition sale if the property is in viable condition. If a workout is not viable, HUD can, after consulting tenants, transfer the Section 8 subsidy to another property. In addition, separate annual authority (Section 219 in the FY 2024 appropriations; FY25 appropriations were made through a full year CR)

requires and permits HUD to take certain enforcement actions when assisted properties receive low physical inspection scores.

There is still a risk that HUD may terminate a Section 8 contract mid-term or refuse to renew the Section 8 contract if there is a serious uncured violation of the terms of the Section 8 Housing Assistance Payment contract. Appropriations act provisions since FY06 have allowed HUD to transfer project-based assistance, debt, and use restrictions from properties that are physically obsolete or not financially viable to another project. Residents must be notified and consulted.

RESIDENT PARTICIPATION IN PROJECT-BASED SECTION 8 RENTAL ASSISTANCE

Active resident participation in the operation of HUD-subsidized properties is essential to the success of assisted properties. Tenants are closest to the harm perpetuated by poor housing policies and often have institutional knowledge that other stakeholders lack. Residents and resident organizations have played a vital role in highlighting systemic condition problems and administrative issues at assisted properties as well as proposing solutions. Resident organizations also play an important role in informing and educating their neighbors about federal housing programs and in building collective power. Resident engagement and participation can ensure that tenants play an integral role in preserving the property, promoting services benefiting all residents, and furthering the goal of creating a more just housing system.

Overview

HUD multifamily tenants' right to organize is based on law at 12 U.S.C. § 1715z-1b and spelled out in regulations at [24 CFR Part 245, Subpart B \(https://www.ecfr.gov/current/title-24/subtitle-A/part-30?toc=1\)](https://www.ecfr.gov/current/title-24/subtitle-A/part-30?toc=1), which require owners of privately owned, HUD-assisted multifamily housing to recognize tenant organizations. For RAD tenants, the organizing protocol is memorialized in the RAD notice and closely mimics 24 CFR Part 245, Subpart B.

A legitimate tenant organization is one established by tenants that represents all tenants, operates democratically, meets regularly, and is completely

independent of owners and management. The regulations recognize the rights of tenants to distribute leaflets, canvass, post notices, and convene meetings without management present and without prior notice or permission from management. Residents can invite outside organizers to assist them. Organizers have the right to go into a building without a tenant invitation to help residents organize.

Unlike the Section 964 regulations for Public Housing, the Section 245 regulations do not require a specific structure, written bylaws, or even elections for a tenant association to be "legitimate," as long as the "organic" tests are met: the group meets regularly, operates democratically, represents all tenants, and is completely independent of owners. This allows "early stage" tenant organizing committees to demand recognition as legitimate tenant groups and to claim their right to organize in the face of common resistance or hostility from private owners and managers.

Over the years, Congress and HUD have expanded the formal process for tenant participation in decisions affecting HUD-assisted housing. For example, HUD must notify tenants about a pending auction or sale of their building if it is owned by HUD or is under HUD foreclosure so that tenants can either submit a purchase offer as a nonprofit or limited-equity cooperative or support purchase by others. Additionally, when owners choose to go into HUD's [Mark-to-Market program \(https://www.hud.gov/hud-partners/multifamily-section8-renewal\)](https://www.hud.gov/hud-partners/multifamily-section8-renewal), HUD is required to notify tenants prior to a first and second tenant meeting so that tenants can comment on the owner's plans to rehabilitate the building and change the financing.

Enforcement

The civil money penalties regulation ([24 CFR Part 30; https://www.ecfr.gov/current/title-24/subtitle-A/part-30?toc=1](https://www.ecfr.gov/current/title-24/subtitle-A/part-30?toc=1)) allows HUD to assess fines on owners or management agents for major violations of tenants' right to organize. On June 18, 2010, HUD sent a letter to all owners and management agents highlighting key features of Part 245, emphasizing the right of tenants to organize and repeating the list of protected tenant organizing activities. HUD [Notice H 2011-29 \(https://www.hud.gov/sites/documents/11-29hsgn\)](https://www.hud.gov/sites/documents/11-29hsgn).

[pdf](#)) and [Notice H 2012-21 \(https://www.hud.gov/sites/documents/12-21hsgn.pdf\)](https://www.hud.gov/sites/documents/12-21hsgn.pdf) repeated and elaborated on the content of the June 2010 letter, adding civil money penalties that HUD could impose on an owner or manager failing to comply with Part 245. [Notice H 2014-12 \(https://www.hud.gov/sites/documents/14-12hsgn.pdf\)](https://www.hud.gov/sites/documents/14-12hsgn.pdf) revised Notice H 2011-29 and Notice H 2012-21 by adding a tenant appeals process when a decision by the local HUD office concludes that an owner did not violate the tenant participation regulations or other program obligations.

[HUD Notice H 2016-05 \(https://www.hud.gov/sites/documents/16-05hsgn.pdf\)](https://www.hud.gov/sites/documents/16-05hsgn.pdf) updated the previous notice regarding filing complaints, added to the list of property types that may be assessed a civil money penalty, and clarified that civil money penalties may be assessed on project-based Section 8 developments, not just buildings with HUD mortgages. Notice H 2016-05 also elaborated on the responsibility of owners to give priority to meeting spaces that provide physical access to people with disabilities. Additionally, when residents have complaints, the Notice allows tenants to reject “mediation” with owners as an option for resolving complaints because many tenants found mediation unproductive; instead, tenants may seek a ruling by HUD regarding owner infractions.

Other HUD guidance on tenants’ right to organize includes HUD’s [Model Lease \(https://www.hud.gov/sites/dfiles/OCHCO/documents/90105a.pdf\)](https://www.hud.gov/sites/dfiles/OCHCO/documents/90105a.pdf), which is applicable to all HUD tenants, and explicitly refers to the regulations about the right to organize. HUD’s [Management Agent Handbook 4381.5 Revision 2 \(https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsgn/4381.5\)](https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsgn/4381.5) requires owners to recognize tenant unions and specifies management practices that would violate tenants’ rights and therefore potentially result in HUD-imposed sanctions.

[Resident Rights and Responsibilities \(https://www.hud.gov/sites/dfiles/Housing/documents/resident_rights_brochure_8.pdf\)](https://www.hud.gov/sites/dfiles/Housing/documents/resident_rights_brochure_8.pdf) is a resident-oriented HUD brochure explaining that tenants have the right to organize free from management harassment or retaliation. This brochure must be made available in appropriate languages and distributed annually to all HUD tenants at lease signing or recertification.

HUD Preservation Action

As discussed earlier in this article, properties may lose their subsidy for a variety of reasons. As rental markets become more stressed, preserving the subsidy will be essential to maintaining communities’ ability to provide affordable, decent, safe, and sanitary housing.

HUD and communities have several options to consider when working to preserve subsidy contracts. Preservation can be done by utilizing various intervention strategies that can be crafted into a preservation plan. A preservation plan is a coordinated effort to preserve the long-term affordability, quality, and supply of units available to low-income families. To create an effective preservation plan, advocates must understand what is putting the subsidy at risk, the reasons for the owner exiting the program, and the rules governing the program. Below are some intervention strategies for consideration.

- **Increased Unit Rents:** A 2018 HUD report found that properties most at risk of owner opt-out are properties in higher opportunity and/or gentrifying communities with increasing rents and higher home values, as well as properties where the rent is below the surrounding fair market rent (FMR) and ownership is for-profit. If an owner cites low rents or high operating costs as reasons for exiting the program, HUD has several ways to renew the subsidy contract at higher rents. The “Multifamily Assisted Housing Reform and Affordability Act of 1997” (MAHRA) provides the general framework for renewing expiring subsidy contracts. As discussed above, one option provided by MAHRA allows an owner to renew a HAP contract at its expiration with additional rent incentives for remaining in the program. To learn more about the various contract renewal options, see [HUD Section 8 Renewal Guidebook \(https://www.hud.gov/sites/dfiles/Housing/documents/Section-8-Renewal-Guidebook.pdf\)](https://www.hud.gov/sites/dfiles/Housing/documents/Section-8-Renewal-Guidebook.pdf).
- **Early Intervention Due to Poor Habitability Conditions:** HUD must ensure assisted housing is decent, safe, and sanitary. And while a good portion of HUD’s portfolio is in good condition, the conditions at non-compliant properties have a detrimental impact on assisted families’ health and place the subsidy at risk. HUD [Notice H 2018-08 \(https://www.hud.gov/sites/dfiles/](https://www.hud.gov/sites/dfiles/)

[OCHCO/documents/2018-08hsgn.pdf](#)) describes the various tools HUD can use to bring a property back into compliance after failing a HUD inspection. Often, tenants and advocates have had to push HUD to take one of these additional actions when a property has had a long period of non-compliance. Along with alerting HUD about the poor conditions, advocates have had success getting local jurisdictions to use their authority to have condition defects fixed.

- **Transferring the Budget Authority:** When the property cannot be preserved, or the owner chooses to end their participation in the program, HUD can transfer the budget authority from that property to assist another property. There are three vehicles HUD can use to do this: a Section 8(bb) transfer (codified at [42 U.S.C. § 1437f\(bb\)](#); <https://tr.ee/OIJa9l>), a general provision of the annual appropriation act (Section 209 in FY 24), and under certain circumstances, the “Schumer Amendment” (Section 212 in FY 23). As discussed above, HUD lacks the authority and the funding to expand the size of the project-based Section 8 program. Thus, the ability to transfer the budget authority keeps the budget authority alive and available for continued use. HUD can use section 8(bb) transfers in response to an owner choosing to exit the program or in conjunction with a HUD enforcement action. You can learn more about Section 8(bb) transfers at [HUD’s 8\(bb\) webpage](#) (hud.gov/program_offices/housing/mfh/8bb) and by reviewing [HUD Notice H 2015-03](#) (<https://www.hud.gov/sites/documents/15-03hsgn.pdf>).
- **Project Basing Tenant-Based Assistance:** When a property’s affordability cannot be preserved, Tenant Protection Vouchers (TPVs) and Enhanced Vouchers (EVs) may be provided to eligible assisted families living at the building at the time of the triggering event. In some cases, to support financing necessary for rehabilitation, an owner may seek to convert inherently portable TPVs or EVs to Project-Based Vouchers under 24 CFR §983. With two exceptions, this requires the consent of each participating tenant as well as of the housing authority administering the TPVs or EVs. For more information on voluntarily converting a TPV or EV to a PBV, see [HUD Notice PIH 2013-27](#) (<https://www.nhlp.org/wp-content/uploads/Notice-PIH-2013-27-HA-Dec-4-2013.pdf>). The exceptions to the requirement

for tenant consent are: (1) an annual provision in the appropriation for Tenant Protection Vouchers that permits owners of properties in low-vacancy areas with expiring use restrictions or subsidized mortgage maturities to receive either PBVs or EVs for eligible tenants and to project-base them; and (2) another annual appropriations provision providing PBVs or PBRA to tenants in pre-1974 Section 202 senior housing properties that are refinancing their Section 202 loans. For overall information about TPVs and EVs, see the *Tenant Protection Vouchers* and *Project-Based Voucher* articles in this guide.

- **Local Preservation Working Groups:** Local preservation working groups are a collective of stakeholders working collaboratively to preserve affordable housing within a jurisdiction. Stakeholders can include tenant organizations, legal aid programs, local housing authorities, state and local government agencies, nonprofits, and other community groups. These local preservation working groups allow stakeholders to proactively plan for changes in the affordable housing stock, share knowledge, and quickly mobilize resources to at-risk properties.

GENERAL PROVISIONS OF THE “CONSOLIDATED APPROPRIATIONS ACT OF 2024”

Note: In 2025 Congress passed a full year CR that extended FY24 funding levels through September 2025. The General Provisions included in the “Consolidated Appropriations Act of 2024” were carried forward with the CR.

The “FY24 Consolidated Appropriations Act” had four key provisions affecting project-based programs. These provisions are in the HUD appropriations act’s General Provisions section and are not codified in permanent law. Therefore, they must be renewed each year.

1. **Section 8 Savings:** The savings provided to state housing finance agencies from refunding bonds can be used for social services, professional services essential to carrying out McKinney Act homeless assistance-funded activities, project facilities or mechanical systems, and office systems.

2. Transfers of Assistance, Debt, and Use Restrictions (Section 209): Authorizes HUD to transfer some or all project-based assistance, debt held or insured by HUD, and statutorily required “use restriction” to serve low-income and very low-income use from one or more obsolete multifamily housing project(s) to a viable multifamily housing project.
3. Management and Disposition of Certain Multifamily Housing Projects: Authorizes HUD to provide direction on HUD’s management and disposition of certain multifamily housing projects owned by HUD and requires HUD to maintain a Project-Based Section 8 contract at foreclosure or disposition sale, unless “infeasible” (this is known as “the Schumer Amendment”).
4. Physical Conditions Requirements: Describes HUD’s oversight obligations within the PBRA program, and permits HUD to mandate corrective action, make contract transfers, or require a change in management due to failure to meet physical condition standards.

Recent New Features

NSPIRE (NATIONAL STANDARDS FOR PHYSICAL INSPECTION OF REAL ESTATE)

The National Standards for Physical Inspection of Real Estate (NSPIRE) is a protocol intended to align, consolidate, and improve the physical inspection regulations that apply to multiple HUD-assisted housing programs (24 CFR part 5). NSPIRE replaces the Uniform Physical Condition Standards (UPCS) developed in the 1990s and it absorbs much of the Housing Quality Standards (HQS) regulations developed in the 1970s. NSPIRE physical inspections focus on three areas: the housing units where HUD-assisted residents live, elements of their building’s non-residential interiors, and the outside of buildings, ensuring that components of these three areas are “functionally adequate, operable, and free of health and safety hazards.”

NSPIRE applies to all HUD housing previously inspected by HUD’s Real Estate Assessment Center (REAC), including Public Housing and Multifamily Housing

programs such as Section 8 Project-Based Rental Assistance (PBRA), Section 202 Supportive Housing for the Elderly, Section 811 Supportive Housing for Persons with Disabilities, and FHA Insured multifamily housing. NSPIRE also applies to HUD programs previously inspected using the Housing Quality Standards (HQS) regulations: the Housing Choice Voucher (HCV) program (including Project-Based Vouchers, PBVs) and the programs administered by the Office of Community Planning and Development (CPD): HOME Investment Partnerships (HOME), national Housing Trust Fund (HTF), Housing Opportunities for Persons with AIDS (HOPWA), Emergency Solutions Grants (ESG), and Continuum of Care (CoC) homelessness assistance programs.

HUD published a [final rule \(https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf\)](https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf) implementing the National Standards for Physical Inspection of Real Estate (NSPIRE) in the *Federal Register* on May 11, 2023. The new inspection protocol started on July 1, 2023 for public housing and on October 1, 2023 for the various programs of HUD’s Office of Multifamily Housing Programs, such as PBRA, Section 202 and Section 811. Based on a [September 2025 email \(https://nlihc.org/sites/default/files/NSPIRE-V-email-9-10-2025.pdf\)](https://nlihc.org/sites/default/files/NSPIRE-V-email-9-10-2025.pdf) from PIH, the Housing Choice Voucher (HCV) and Project-Based Voucher programs will not need to implement the NSPIRE changes until February 1, 2027, (postponed from October 1, 2025, after being previously postponed from October 1, 2024), although a PHA could voluntarily implement NSPIRE before then.

HUD has published three “Subordinate Notices” that supplement the final rule addressing NSPIRE “standards,” “scoring,” and “administration.” The intent of issuing the subordinate notices instead of incorporating their content in regulation is to enable HUD to more readily provide updates as appropriate.

For more information about NSPIRE, see the *National Standards for Physical Inspection of Real Estate (NSPIRE)* article in this guide.

HOTMA (HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT)

On July 29, 2016, President Obama signed into law the “Housing Opportunity Through Modernization Act” (HOTMA). This law made changes to the Section 8 PBRA and other Multifamily programs such as Section 202 Supportive Housing for the Elderly and Section 811 Supportive Housing for People with Disabilities (see Section 202 and Section 811 entries in this chapter of this guide). HOTMA also made changes to the public housing and voucher programs. On December 17, 2025, HUD issued Notice H-2025-07, extending the date for compliance with the updated resident income and asset documentation requirements (Section 102 and 104) to January 1, 2027 (the previous date was January 1, 2026, which was postponed from July 1, 2025 by [Notice H-2025-03](#), and postponed from January 1, 2025 before that.) The major public housing changes are:

Income Determination and Recertification (Section 102)

- For residents already assisted, rents must be based on a household’s income from the prior year. For applicants for assistance, rent must be based on estimated income for the upcoming year.
 - » An owner may determine a household’s income, before applying any deductions, based on income determination made within the previous 12-month period using the income determination made by other programs, such as the Low Income Housing Tax Credit (LIHTC) Tenant Income Calculation (TIC), Temporary Assistance for Needy Families (TANF), Medicaid, the Supplemental Nutrition Assistance Program (SNAP), etc.
- A household may request an income reexamination any time their income or deductions are estimated to decrease by 10%.
 - » Owners have the discretion to set a lower percentage threshold.
- » Rent decreases are to be effective on the first day of the month after the date of the actual change in come—meaning the rent reduction is to be applied retroactively. (A [March 25, 2024 email \(https://nlihc.org/sites/default/files/Multifamily_Email_3.28.24.pdf\)](#) from Multifamily emphasizes that an owner “must” retroactively apply any rent reduction.)
- An owner must review a household’s income any time that income with deductions is estimated to increase by 10%, except that any increase in earned income cannot be considered for an interim reexamination unless a household has previously undergone an interim income reexamination for an income decrease during the year.
- Owners must conduct interim income reexaminations within a reasonable time of the request, generally not to exceed 30 days.

Income Deductions and Exclusions

- The Earned Income Disregard was eliminated; it disregarded certain increases in earned income for residents who had been unemployed or were receiving welfare.
- When determining income:
 - » The deduction for elderly and disabled households was \$525 (the same as 2024, up from \$400 in 2023) with annual adjustments for inflation. (Became effective on January 1, 2025.)
 - » The deduction for elderly and disabled households for health and medical expenses (including attendant care and auxiliary aid expenses for disabled members of the household) used to be for such expenses that exceeded 3% of income; HOTMA limits the deduction for such expenses to those that exceed 10% of income.
 - » The dependent deduction remains at \$480 but will be indexed to inflation. It applies to each member of a household who is less than 18 years of age and attending school, or who is a person 18 years of age or older with a disability (this became effective on January 1, 2025).

- » The deduction of anticipated expenses for the care of children under age 12 that an adult needs to maintain employment or education is unchanged.
- » Any expenses related to aiding and attending to veterans is excluded from income.
- » Any income of a full-time student who is a dependent is excluded from income, as are any scholarship funds used for tuition and books.
- » If a household is not able to pay rent, an owner has the discretion to establish policies for determining a household's eligibility for general hardship relief for the health and medical care expense deduction and for the child-care expense hardship exemption.

Asset Limits (Section 104)

To be eligible for public housing assistance, a household must not own real property that is suitable for occupancy as its residence or have net assets greater than \$103,200 (adjusted for inflation each year). However, owners have the discretion to not enforce these asset limits.

- There are a number of things that do not count as “assets” and instead are considered “necessary personal property” such as a car needed for everyday use, furniture, appliances, personal computer, etc.
- So-called “non-necessary” personal items that have a combined value less than \$50,000 are excluded from calculating household assets.
- Also exempt are retirement savings accounts, refundable tax credits, educational savings accounts, and more.
- A household may self-certify that it has assets less than \$50,000 (adjusted for inflation each year).

HUD's Office of Multifamily Housing Programs (Multifamily) distributed an [email \(https://nlihc.org/sites/default/files/Multifamily_Email.pdf\)](https://nlihc.org/sites/default/files/Multifamily_Email.pdf) on February 6, 2024, announcing publication of a revised version of joint [Notice H 2023-10/PIH 2023-27 \(https://tr.ee/fp3Ctg\)](https://tr.ee/fp3Ctg) (issued February 2, 2024). Attachment A provides clear

and specific guidance regarding an owner's ability to decide to not enforce the asset limitation provision. An [email \(https://nlihc.org/sites/default/files/HOTMA-Supplemental-Guidance-Update.pdf\)](https://nlihc.org/sites/default/files/HOTMA-Supplemental-Guidance-Update.pdf) distributed by HUD's Multifamily Asset Management office to Multifamily owners and operators on November 29, 2024, declared, “Until new guidance is released, please be aware of the following: **MFH Owners must not enforce the asset limitation or the real property exemption until both the owner's software is HOTMA compliant (with TRACS 203A), and the family has signed a model lease detailing the new HOTMA provisions.**”

HOTMA Resources

- A [final rule \(https://www.govinfo.gov/content/pkg/FR-2023-02-14/pdf/2023-01617.pdf\)](https://www.govinfo.gov/content/pkg/FR-2023-02-14/pdf/2023-01617.pdf) implementing the HOTMA income and asset provisions was published in the *Federal Register* on February 14, 2023.
- [Notice H 2023-10/Notice PIH 2023-27 \(https://tr.ee/sFBKP9\)](https://tr.ee/sFBKP9) was posted on September 29, 2023 and revised on February 2, 2024, providing detailed guidance for implementing the final rule provisions.
- Multifamily's HOTMA webpage, <https://www.hud.gov/hud-partners/multifamily-hotma> Talking Points and Q&A for Multifamily Programs, <https://tr.ee/awsPPt>.

Tips for Local Success

Subsidized multifamily rental housing can be at risk of leaving the affordable housing stock for any number of reasons, such as an owner's intent to prepay a subsidized mortgage or not renew a project-based rental subsidy contract, or uninhabitable living conditions prompting a HUD foreclosure. Preservation is when action is taken to ensure the federal housing subsidy and affordability restrictions remain in place, preserving long-term housing affordability. Preservation is usually combined with repairs to the property. Often the property is purchased by a new owner who is committed to the long-term affordability of the property and is then renovated and managed along with those values.

Preservation of affordable rental housing is usually undertaken by mission-driven developers, often regional or national nonprofits. The most successful local efforts include early identification of properties at risk of conversion, as well as active partnerships with tenants, local HUD officials, state and local housing officials, and lenders and investors with a shared commitment to preserving affordable rental housing.

Preservation inventories are lists of specific affordable multifamily rental properties in a jurisdiction that can be used to identify and prevent the loss of at-risk properties. These inventories typically focus on dedicated subsidized properties, including those with project-based rental assistance, although affordable unsubsidized units may be covered as well. Preservation inventories may include information on each property's location, age, number of units (affordable and market rate), physical condition, and the year when rent restrictions expire, among other data points. Through proactive monitoring of this information, local jurisdictions can act in a timely manner to try to preserve at-risk properties as part of the affordable stock, allowing time to assemble financing or an incentive package to facilitate the transfer of the property to a mission-oriented owner or encourage the current owner to maintain affordability. Local Housing Solutions provides [resources and examples \(https://www.localhousingsolutions.org/housing-policy-library/preservation-inventories/\)](https://www.localhousingsolutions.org/housing-policy-library/preservation-inventories/) for local governments that wish to create a preservation inventory.

NLIHC and the Public and Affordable Housing Research Corporation (PAHRC) created the National Housing Preservation Database, a tool for preserving the nation's affordable rental housing. It provides integrated information on all housing subsidies for each federally subsidized project. It also enables advocates and researchers to easily quantify the supply of federally assisted affordable housing in any geographic area, while at the same time establishing a baseline of subsidized affordable units against which future levels can be measured. The database is available at <http://www.preservationdatabase.org>.

What to Say to Legislators

Advocates should urge legislators to provide sufficient funding to renew all project-based rental assistance contracts for a full 12 months. If Congress moves forward with another long-term Continuing Resolution, explain that an anomaly will be needed to fully fund all project-based rental assistance contracts for the entire year, given necessary adjustments to rental contracts.

Members of Congress also should be asked to support preservation features of the RAD program and improvements to the project-based voucher program to allow housing authorities, developers, and owners to preserve the existing housing stock. In addition, advocates should urge reintroduction of broad legislation to preserve assisted housing that would:

- Provide grants and loans to nonprofit and for-profit housing sponsors to help ensure that properties can be recapitalized and kept affordable while maintaining housing affordability long term.
- Clarify general procedures to allow owners to request project-based assistance in lieu of enhanced vouchers in order to support preservation transactions and tenant protections.
- Protect the rights of states to enact preservation and tenant protection laws that will not be preempted by federal law.
- Ensure that data needed to preserve housing are publicly available and regularly updated and allow for the creation of a single database for all federally assisted properties based on a unique identifier for each property.
- Streamline the process of transferring Project-Based Section 8 contracts under Section 8(bb)(1) of the United States Housing Act of 1937 to ensure no Section 8 budget authority is ever lost.
- Authorize rural housing preservation programs for Rural Development Section 515 properties.

For More Information

National Low Income Housing Coalition, 202-662-1530,
www.nlihc.org.

National Housing Trust, 202-333-8931, www.nhtinc.org.

National Housing Law Project, 415-546-7000,
www.nhlp.org.

Leaders and Organizers for Tenant Empowerment
Network (LOFTE), <https://www.loftenetwork.org>.

National Alliance of HUD Tenants (NAHT), 617-267-
9564, www.saveourhomes.org.

HUD's Multifamily webpage,
<https://www.hud.gov/hud-partners/multifamily>

HUD's Section 8 Renewal Policy Guide,
[https://www.hud.gov/sites/dfiles/Housing/documents/
Section-8-Renewal-Guidebook.pdf](https://www.hud.gov/sites/dfiles/Housing/documents/Section-8-Renewal-Guidebook.pdf)

HUD's Multifamily Preservation webpage,
[https://www.hudexchange.info/programs/multifamily-
housing-preservation/](https://www.hudexchange.info/programs/multifamily-housing-preservation/)

SECTION 202: SUPPORTIVE HOUSING FOR THE ELDERLY PROGRAM

Juliana Bilowich, Vice President of Housing Policy, LeadingAge

The Section 202 Housing for the Elderly Program provides funding to nonprofit organizations to develop and operate housing for older adults with very low incomes.

Issue Summary

Congressional funding levels for Section 202, HUD's flagship senior housing program, are drastically misaligned with the needs of American communities. After congressional funding for new Section 202 homes rebounded briefly from 2017-2024—albeit still hundreds of millions of dollars below historic annual funding levels and out of step with the growing need—federal funding was zeroed out for new deeply affordable, service-enriched homes for older adults beginning in fiscal year (FY) 2025.

Expanding the supply of Section 202 homes is critical to meet the severe nationwide shortage of affordable senior housing. Older adult homelessness is now the fastest-growing type of homelessness nationwide, reflecting the confluence of a housing and healthcare crisis for older adults. Nearly 10,000 more people aged 65 and older experienced sheltered homelessness in just two years.

The federal housing programs designed to serve older adults as they age in community are proven solutions to our housing crisis, but they need to be scaled. The waiting lists for Section 202 communities are often two to seven or more years long. Nationally, more than 2.35 million very low-income older adult renter households have worst case housing needs. Between 2009 and 2019, worst case housing needs increased 69% among older adults, according to HUD's *Worst Case Housing Needs: 2023 Report to Congress*. Households with worst case housing needs are renters with incomes below 50% of area median income who spend more than half

of their income on rent. Meanwhile, HUD released 2021 data in August 2023, showing “the number of elderly people with chronic patterns of homelessness increased by an alarming 73%” between 2019 and 2021.

Preserving the existing supply of Section 202 homes must remain at the forefront of housing advocacy efforts. Annual appropriations must ensure full funding to meet ever rising renewal needs of Section 202 rental assistance, which is provided by the Project Rental Assistance Contract (PRAC) and Section 8 Project-Based Rental Assistance (PBRA) programs. Smart preservation includes full funding reflecting realistic operating subsidies for high-quality housing, including rising insurance and staff costs and non-shelter services to help residents age in community. Preservation also requires adequate funding and processes for the Rental Assistance Demonstration (RAD) for 202 PRAC conversions to be successful.

Both RAD for PRAC and HUD's Green and Resilient Retrofit Program (GRRP) are valuable preservation programs for aging properties with high recapitalization needs, especially in climate-vulnerable areas. Section 202 stakeholders hope to emphasize energy and water efficiencies throughout the senior housing portfolio to improve efficient leveraging of HUD funding and to increase equity in climate resilience while improving the federal approach to disaster preparedness and response.

Currently, only approximately 45% of HUD multifamily senior communities have a Service Coordinator. Service Coordinators are low-cost interventions that support older adults in independent living settings by connecting them to resources in the community. Research has found Service Coordinators lower hospital use, increase higher value health care use (e.g., primary care), have success reaching high-risk populations, and result in fewer nursing home transfers. Every affordable senior housing community should have a Service Coordination program, as well as additional supportive

services funding and other co-location of services to support aging in community and avoid premature transfers to higher levels of care.

Because homelessness among older adults is on a steep rise, Congress and HUD must improve data on homelessness and evictions among older adults and recommit to a Housing First approach. “Housing First” centers Permanent Supportive Housing (PSH) and similar resources to prevent and end all homelessness, including addressing the unique needs of older adults experiencing homelessness. Continuums of Care, Area Agencies on Aging, and housing partners, including Low-Income Housing Tax Credit (LIHTC) and Section 202 housing providers, must work closely with each other to identify and carry out solutions.

Housing accessibility barriers are higher for older households, for renter households, for low-income households, and for households of color than for other households. Between now and 2038, the number of households age 80+ will double, and together, we can advocate for a future-proofed housing stock to meet our needs. While single-floor living and zero-step entry are common in HUD-assisted multifamily housing, retrofitting existing buildings—both federally-assisted and unassisted—with additional age-friendly features and implementing universal design concepts from the new development stage will ensure aging older adults can continue to live in their communities. HUD’s Older Adult Home Modification Program, administered by the Office of Lead Hazard Control and Healthy Homes, is an important program that deserves broad expansion for both owner-occupied and renter housing serving older adults.

As the digital divide continues to grow, resources to install and operate building-wide internet in Section 202 communities will support both efficient building operations and improved resident outcomes. Similarly, HUD systems and operations—including PRAC administration and new rules implemented under the Housing Opportunity Through Modernization Act (HOTMA) of 2026—need to be modernized to improve these vital affordable senior housing programs at scale.

History and Purpose

The Section 202 program was established under the “Housing Act of 1959.” Enacted to allow older adults to age in community by funding affordable housing connected to supportive services, the program has gone through several programmatic iterations during its lifetime. Before 1974, Section 202 funds were 3% loans that may or may not have had either Section 8 Project-Based Rental Assistance or rent supplement assistance for all or some of the units. Between 1974 and 1990, Section 202 funds were provided as loans and subsidized by project-based Section 8 contracts. Until the creation of the Section 811 program in 1990, the Section 202 program funded housing for both seniors and people with disabilities. In 1991, the Section 202 program was converted to a capital advance grant with a Project Rental Assistance Contract for operational expenses, known as Section 202 PRAC. More than 400,000 Section 202 units have been built since the Housing Act of 1959. Around 75% of Section 202 residents are dually enrolled in Medicare and Medicaid. In one study, 88% of residents have two or more chronic or potentially disabling conditions, 60% have five or more, and 21% have 10 or more. With Service Coordinators and other staff connecting residents to voluntary health and wellness support, Section 202 residents access community-based services to live independently and age in community. A 2021 report from the Urban Institute, *The Future of Headship and Homeownership*, looks at the rise in older adult renter households with low incomes. Over the next 20 years, almost all future net household growth will be among older adult households. There will be a 16.1 million net increase in households formed between 2020 and 2040, and 13.8 million of these households will be headed by someone older than 65, reflecting the nation’s aging population. Of the 13.8 million new older adult households, 40% (5.5 million) will be renter households. Of these, the Urban Institute projects, 1.3 million will be new Black older adult renter households. This will double the number of the nation’s Black older adult renter households, from 1.3 million in 2020 to 2.6 million in 2040.

Program Summary

The Section 202 Housing for the Elderly program provides funds to nonprofit organizations, known as owners or sponsors, to develop and operate senior housing. Section 202 residents generally must be at least 62 years old and have incomes less than 50% of the area median income (AMI), qualifying them as very low-income. Many pre-1990 Section 202 communities have a percentage of units designed to be accessible to non-elderly persons with mobility limitations or may serve other targeted disabilities. In 2023, the average annual household income of a Section 202 household was \$16,262. Today, 16% of Section 202 residents are 85+ and, 50% of Section 202 households are non-white, two characteristics that place Section 202 residents at greater risk of having chronic health conditions. In the Section 202 program, the Capital Advance covers some expenses related to housing construction, and the Project Rental Assistance Contract provides the ongoing operating assistance to bridge the gap between what residents can afford to pay for rent (about 30% of their adjusted household incomes) and what it costs to operate high quality housing. Both the capital and operating funding streams are allocated to nonprofits on a competitive basis through a HUD Notice of Funding Opportunity (NOFO).

CAPITAL FUNDING

The first component of the Section 202 program provides Capital Advance funds to nonprofits for the construction, rehabilitation, or acquisition of affordable housing for older adults with very low incomes. These funds are augmented by the HOME Program, national Housing Trust Fund, FHLB Affordable Housing Program, and/or Low Income Housing Tax Credit, and/or other sources to either build additional units or supplement the Capital Advance as gap financing in mixed finance transactions. Given the current and growing need for affordable senior housing, Congress must greatly expand its commitment to senior housing development.

OPERATING FUNDING

The second component of the post-1990 Section 202 program provides rental assistance in the form of PRACs to subsidize the operating expenses of these developments. The operating subsidy can also pay up to \$15 per unit per month for supportive services and additional funding for a Service Coordinator, if approved by HUD. Residents pay rent equal to 30% of their adjusted income, and the operating subsidy (PRAC) makes up the difference between this tenant rental income and operating expenses. Before 1990, most Section 202s received their operating subsidy from the Section 8 Project-Based Rental Assistance (PBRA) program. Since 1990, Section 202 operating subsidy has been received in the form of PRACs. In 2023, with support from stakeholders, HUD established a process to shift all Section 202 PRAC properties into contracts with 5-year terms, with annual rent adjustments possible, phased in over three years. In addition, limits within the PRAC format related to debt service have limited Section 202 properties in their ability to leverage private financing to cover the cost of capital repairs; because of this limitation, Section 202 PRACs have begun converting to PBRA through the Rental Assistance Demonstration, which carries tenant protections and continued affordability restrictions, but allows properties to access capital for major property upgrades. Of the country's roughly 7,000 Section 202 communities, just under two-thirds receive their operating subsidy from PBRA, with the rest receiving their operating subsidy from PRACs.

SERVICE COORDINATORS

The third key component of Section 202 communities is a Service Coordinator. Almost half of Section 202 properties have a Service Coordinator funded as part of their Section 202 annual operating budgets ("budget-driven Service Coordinators") or through HUD grants ("grant-funded Service Coordinators"). Service Coordinators assess residents' needs, identify and link residents to services, and monitor the delivery of services. In 2023, HUD issued guidelines to clarify how Section 202/PRAC communities can receive up to \$15 per unit per month for supportive services, in addition to Service Coordination funding. Section 202 PRACs

that convert to the Section 8 platform under the Rental Assistance Demonstration are eligible for up to \$27 per unit per month in accordance with an approved supportive services plan.

Congress should expand Service Coordinator funding and support resources to install building-wide internet in HUD-assisted communities.

Forecast for 2026

Absent significant expansion of affordable housing, housing cost burdens and homelessness among older adults will continue to increase. In addition to affordable homes, many older adults need accessible homes, without which many older adults are “stuck in place” rather than “aging in community.” In 2026, the emphasis should be on expanding service-enriched housing supply, including by pairing LIHTC-financed development with Section 202 operating subsidy and age restrictions. Affordable senior housing should also be highly service-enriched, both through HUD funding and other financing options, like Medicaid tenancy sustaining services and health plan-funded services, to support independent aging and delay much more costly nursing home care.

What to Say to Legislators

Advocates should encourage their members of Congress to expand access to affordable senior housing through new capital advances and operating assistance, including service coordination, for new Section 202 Supportive Housing for the Elderly homes nationwide, and the capital advances for new Section 202 properties should cover more of the development cost so as to reduce the need for complex and costly leveraging of other funding sources. The capital advances should also be immediately paired with project-based Section 8 operating subsidy instead of PRAC funds, which are limited in making capital upgrades. In addition to production investment, Congress should support preservation efforts for climate-resilient and energy efficient upgrades to position affordable housing for the long-term. Lawmakers should also provide funding for new Older Adult Special Purpose Vouchers and provide full funding for Section 8 Project Based Rental Assistance (PBRA) and Project Rental Assistance Contract (PRAC) renewals, including funding that reflects increased costs for insurance, staffing, utilities, service coordination, and internet connectivity. Lastly,

SECTION 811: SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES PROGRAM

By Ayana Gonzalez, Senior Consultant, Technical Assistance Collaborative

Administering Agency: HUD's Office of Asset Management and Portfolio Oversight

Year Started: 1992 (prior to 1992, Section 811 was part of the Section 202 program)

Number of Persons/Households Served: The 811 Capital Advance program currently serves an estimated 31,249 households in 2,770 properties. Existing funding for the 811 Project Rental Assistance (PRA) program is expected to produce over 12,000 units.

Population Targeted: Persons ages 18–61 who are extremely or very low-income and have significant and long-term disabilities.

Funding: The president's FY25 budget requests \$256.7 million for Housing for Persons with Disabilities, which is \$103.3 million less than the 2024 Annualized CR level.

The federal Section 811 Supportive Housing for Persons with Disabilities program assists the lowest-income people with significant and long-term disabilities in living independently in the community by providing affordable housing linked with voluntary services and supports. Congress passed significant reforms to the Section 811 program in 2010 including the creation of the PRA program. The PRA program is intended to identify, stimulate, and support innovative state-level partnerships and strategies to substantially increase access to affordable housing units, both new and existing, with access to appropriate services for persons with disabilities.

History

Historically, the Section 811 program created new supportive housing units primarily through the development of group homes and independent living projects under regulations and guidelines developed

in the early 1990s. Since that time, housing and services policies have evolved to emphasize community-based housing and consumer choice. For many years, the Section 811 program did not keep pace with these improvements in disability policy. Demand for the program steadily declined, while the cost per unit of Section 811's capital-intensive model increased. In 2007, with fewer than 1,000 new units of Section 811 housing produced annually, national disability advocates began a successful three-year legislative campaign to reform and reinvigorate this important program. The "Frank Melville Supportive Housing Investment Act of 2010," the Section 811 reform legislation signed into law in early 2011, honors the memory of Frank Melville, who was the first chair of the Melville Charitable Trust and a national leader in the supportive housing movement.

Program Summary

The Section 811 program includes several components, two of which currently receive HUD funding: Capital Advance/Project Rental Assistance Contract (PRAC), which includes a newer multifamily integrated housing option, and the PRA program.

Section 811 Capital Advance/PRAC: Only 501(c)(3) nonprofits are eligible to apply for the Section 811 Capital Advance/PRAC program. HUD provides funding for capital costs and for project rental assistance contracts that cover annual operating costs. HUD estimates that there are currently 31,600 Section 811 Capital Advance/PRAC units. In 2019, after issuing the first Section 811 Supportive Housing for Persons with Disabilities (Capital Advance/PRAC) Notice of Funding Availability (NOFA) since 2010, HUD announced \$13.4 million in awards to 8 nonprofit recipients. In October 2023, HUD issued a new Notice of Funding Opportunity (NOFO) for the Section 811 (Capital Advance/PRAC) program with funds from HUD FY22 and HUD FY23 appropriations. At the time of this publication, no awards have been announced.

Section 811 Project Rental Assistance: Only state housing agencies are eligible to apply for the PRA program. The PRA program provides funds for project-based rental assistance where the capital is provided through other local, state, and/or federal programs; PRA funds cannot be used for capital. Since May 2012, HUD has published four Section 811 PRA NOFA/NOFOs. These Notices resulted in Cooperative Agreements for more than \$43 million with 35 states. Approximately 12,000 units are expected to be produced through these programs. States have demonstrated a high degree of interest in the PRA program; 43 states plus the District of Columbia have submitted applications in response to the notices of funding.

Funding

In August 2024, HUD announced nearly \$140 million in 811 PRA grants to 18 state housing agencies.

Forecast for 2026

The president's FY26 budget requests \$0 for Housing for Persons with Disabilities. However, the House and Senate budgets each include \$262 million for Housing for Persons with Disabilities, including PRAC, PRA and Project Assistance Contract (PAC) renewals, amendments as well as administrative and other related expenses. This amount represents an increase from the FY25 allocation of \$256 million.

In the "FY22 Appropriations Act," Congress authorized the budget-neutral conversion of Section 811 PRAC properties under the Rental Assistance Demonstration (RAD) program (see RAD program elsewhere in this guide) in order to support the preservation of existing Section 811 PRAC projects. HUD has said that it will take some time to develop the policies governing these RAD conversions and to publish implementation guidance; a final Implementation Notice has not been issued yet.

Tips for Local Success

Advocates in states that have not yet received Section 811 PRA funds should work with state officials to support the implementation of this innovative model, educating state leaders, local agencies, and organizations on the new PRA option to encourage a

successful application for funds in future rounds. At the state level, activities should focus on housing, Medicaid, and health and human service agencies. Nonprofit and for-profit developers that frequently use federal Low-Income Housing Tax Credit (LIHTC) and HOME Investment Partnerships program funds should also be made aware of this resource.

The [811 PRA website \(https://www.hudexchange.info/programs/811-pra/success-stories/\)](https://www.hudexchange.info/programs/811-pra/success-stories/) provides videos and stories from tenants in Louisiana, Maryland, Washington State, and Massachusetts that can be used to educate stakeholders, including developers and property managers, about the program.

What to Say to Legislators

Advocates are encouraged to contact their members of Congress with the message that people with disabilities continue to be the poorest people in the nation. The Technical Assistance Collaborative publication [Priced Out \(https://www.tacinc.org/resources/priced-out/\)](https://www.tacinc.org/resources/priced-out/) describes how over four million non-elderly adults with significant and long-term disabilities have Supplemental Security Income levels equal to only 20% of area median income (AMI) and cannot afford housing in the community without federal housing assistance.

Affordable housing advocates are encouraged to support a federal budget that fully funds Section 811 renewals and provides increased funds to expand the supply of integrated, affordable housing with the availability of supportive services for very low- and extremely low-income adults with disabilities.

For More Information

Technical Assistance Collaborative, 617-266-5657, www.tacinc.org

NATIONAL STANDARDS FOR PHYSICAL INSPECTION OF REAL ESTATE (NSPIRE)

By Ed Gramlich, Senior Advisor, NLIHC

Administering Agency: HUD's Real Estate Assessment Center (REAC)

Year Started: 2023

See Also: Refer also to *Advocates' Guide* articles regarding the primary HUD programs affected by the new NSPIRE regulations and procedures are: *Public Housing, Project-Based Rental Assistance, Housing Choice Vouchers, Project-Based Vouchers, Section 202 Supportive Housing for the Elderly, Section 811 Supportive Housing for Persons with Disabilities, HOME Investment Partnerships Program, National Housing Trust Fund, Emergency Solutions Grants (ESG), Housing for Persons with AIDS (HOPWA), and Continuum of Care (CoC)* programs.

General Summary

On October 29, 2018, HUD announced that it had begun an internal review of its Real Estate Assessment Center (REAC) physical inspection protocol that used the Uniform Physical Condition Standards (UPCS) system for 20 years. HUD found that UPCS and the Housing Quality Standards (HQS, used primarily by the Housing Choice Voucher program) provided inaccurate and inconsistent results. HUD also identified disproportionate emphasis on physical inspections around the appearance of items that were otherwise safe and functional, while inadequate attention was paid to health and safety conditions. HUD concluded that the existing standards needed to focus on habitability and the residential use of structures—most importantly on the health and safety of residents. In August 2019, HUD sought public housing agencies (PHAs) and owners of private HUD-assisted multifamily properties to volunteer for a pilot project to test out what would eventually become The National Standards for Physical Inspection of Real Estate (NSPIRE).

NSPIRE is a protocol intended to align, consolidate, and improve the physical inspection regulations that apply to multiple HUD-assisted housing programs ([24 CFR part 5, subpart G](https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-G?toc=1); <https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-G?toc=1>). NSPIRE replaces the UPCS developed in the 1990s and absorbs much of the HQS regulations developed in the 1970s. NSPIRE physical inspections focus on three areas: the housing units where HUD-assisted residents live, elements of their building's non-residential interiors, and the outside of buildings, ensuring that components of these three areas are "functionally adequate, operable, and free of health and safety hazards."

NSPIRE applies to all HUD housing previously inspected by REAC, including Public Housing and Multifamily Housing programs such as Section 8 Project-Based Rental Assistance (PBRA), Section 202 Supportive Housing for the Elderly, Section 811 Supportive Housing for Persons with Disabilities, and FHA Insured multifamily housing. NSPIRE also applies to HUD programs previously inspected using the Housing Quality Standards (HQS) regulations: the Housing Choice Voucher program (including Project-Based Vouchers, PBVs) and the programs administered by HUD's Office of Community Planning and Development (CPD)—HOME Investment Partnerships (HOME), national Housing Trust Fund (HTF), Housing Opportunities for Persons with AIDS (HOPWA), Emergency Solutions Grants (ESG), and Continuum of Care (CoC) homelessness assistance programs.

HUD published a [proposed rule](https://www.govinfo.gov/content/pkg/FR-2021-01-13/pdf/2021-00098.pdf) (<https://www.govinfo.gov/content/pkg/FR-2021-01-13/pdf/2021-00098.pdf>) on January 13, 2021 with NLIHC submitting [comments](https://nlihc.org/sites/default/files/NLIHC_REAC_NSPIRE_Comment_Letter.pdf) (https://nlihc.org/sites/default/files/NLIHC_REAC_NSPIRE_Comment_Letter.pdf) on March 22, 2021. A final [rule](https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf) (<https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf>) implementing NSPIRE was published in the *Federal Register* May 11, 2023.

HUD published three “Subordinate Notices” that supplement the final rule addressing NSPIRE “standards,” “scoring,” and “administration.” The intent of issuing the subordinate Notices instead of incorporating their content in regulation is to enable HUD to more readily provide updates as appropriate. Summaries of each are presented following the “Summary of Key Final NSPIRE Provisions” section of this article.

HUD’s Office of Community Planning and Development (CPD) will issue separate notices (“CPD NSPIRE Notices”) to implement the rule for the individual CPD programs, which generally do not adopt the methods in the Subordinate Notices.

HUD will also issue a notice to provide guidance for the Small Rural PHA Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) scoring processes.

The new inspection protocol started July 1, 2023 for public housing and October 1, 2023 for the various programs of HUD’s Office of Multifamily Housing Programs, such as PBRA, Section 202 and Section 811. Based on a [September 2025 email \(https://nlihc.org/sites/default/files/NSPIRE-V-email-9-10-2025.pdf\)](https://nlihc.org/sites/default/files/NSPIRE-V-email-9-10-2025.pdf) from PIH, the Housing Choice Voucher (HCV) and Project-Based Voucher programs will not need to implement the NSPIRE changes until February 1, 2027 (postponed from October 1, 2025, after already being postponed from October 1, 2024), although a PHA could voluntarily implement NSPIRE before then.

Highlights of the Final NSPIRE Rule

Housing quality regulations across multiple HUD programs are consolidated into one location at [24 CFR part 5, subpart G \(https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-G?toc=1\)](https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-G?toc=1). However, these regulations “may” be supplemented by program-specific regulations, such as those pertaining to the frequency of inspections, who performs the inspections, and whether alternative inspections are available. When there is a conflict between 24 CFR part 5 and program-specific regulations, the program-specific regulations govern.

Most of the alignment of inspection protocols, processes, and procedures involve Public Housing and the Multifamily programs: Section 8 PBRA, Section 202 Supportive Housing for the Elderly, and Section 811 Supportive Housing for Persons with Disabilities. Also included are various programs that involve housing with mortgages insured or held by HUD or that receive HUD assistance, such as Section 221(d)(3) BMIR and Section 236.

The final rule aligns to the maximum extent possible the Housing Choice Voucher (HCV) programs—Tenant-Based Vouchers (TBVs) and Project-Based Vouchers (PBVs)—which previously used Housing Quality Standards (HQS). Because they previously pointed to HQS, programs administered by CPD are also included in the final NSPIRE rule: HOME Investment Partnerships (HOME), national Housing Trust Fund (HTF), Emergency Solutions Grants (ESG), HOPWA, and Continuum of Care (CoC).

NSPIRE physical inspections focus on three areas: the housing units where HUD-assisted residents live, elements of their building’s non-residential interiors, and the outside of buildings, ensuring that components of these three areas are “functionally adequate, operable, and free of health and safety hazards.”

Summary of Key Final NSPIRE Provisions

The [final NSPIRE rule \(https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf\)](https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf) was published in the *Federal Register* May 11, 2023. NLIHC prepared a [comparison \(https://tr.ee/YEKFdm\)](https://tr.ee/YEKFdm) of key [recommendations \(https://nlihc.org/sites/default/files/NLIHC_REAC_NSPIRE_Comment_Letter.pdf\)](https://nlihc.org/sites/default/files/NLIHC_REAC_NSPIRE_Comment_Letter.pdf) regarding the [proposed NSPIRE rule \(https://www.govinfo.gov/content/pkg/FR-2021-01-13/pdf/2021-00098.pdf\)](https://www.govinfo.gov/content/pkg/FR-2021-01-13/pdf/2021-00098.pdf) (January 13, 2021) with the final rule and HUD’s responses to NLIHC’s recommendations. This summary does not include all provisions of the final rule.

SECTION 5.703, NATIONAL STANDARDS FOR THE CONDITION OF HUD HOUSING

§5.703(a) General

NSPIRE physical inspections focus on three areas: the housing units where HUD-assisted residents live, elements of their building's non-residential interiors, and the outside of buildings, ensuring that components of these three areas are "functionally adequate, operable, and free of health and safety hazards."

The standards in this section apply to all HUD housing. However, for HCV- and PBV-assisted housing the standards only apply to: a subsidized unit itself; items and components within the primary and secondary means of exit from a unit's entry door(s) to a public way; common areas related to residential use (such as laundry room and mail room); and the systems equipment that directly services a subsidized unit.

§5.703(b) Inside

Inside (or "inside areas") refers to the common areas and building systems generally found within a residential building's interior that are not inside a unit. Some examples of common areas in the final rule include: halls, corridors, stairs, community rooms, daycare rooms, laundry rooms, trash collection areas, basements, utility rooms, mechanical rooms, shared kitchens, and offices. Some examples of building systems include: components that provide electricity and water to units, elevators, fire protection, HVAC, and sanitary services.

Affirmative Requirements - Inside Areas

Each of the three inspection areas have "affirmative requirements." The preamble to the final rule states that additional details about the affirmative requirements will be provided in the NSPIRE Standards Notice and the NSPIRE Administrative Notice (discussed later in this article). On September 30, 2025, HUD issued [Notice PIH-2025-27/H2925-05](https://www.hud.gov/sites/dfiles/OCHCO/documents/PIH-2025-27.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/PIH-2025-27.pdf>) stating that these requirements must be scored beginning October 1, 2026, (postponed from October 1, 2025).

The inside area must meet six affirmative requirements:

1. There must be at least one battery-operated or hard-wired smoke detector, in proper working condition, on each level of a property.
2. The inside area of a building must meet or exceed the carbon monoxide detection standards set by HUD through a *Federal Register* notice (this does not apply to housing with a mortgage insured or held by HUD, or Section 202 direct loan housing).
3. Any outlet installed within six feet of a water source must be "ground-fault circuit interrupter" (GFCI) protected.
4. Must have a guardrail when there is an elevated walking surface with a drop-off of 30 inches or more.
5. Must have permanently mounted light fixtures in any kitchen and in each bathroom.
6. May not have unvented space heaters that burn gas, oil, or kerosene.

§5.703(c) Outside

Outside (or "outside areas") refers to a building site, building exterior components, and any building systems located outside of a building or a unit. Some examples in the final rule include: mailboxes, walkways, lighting, roads, parking lots, storm drainage, fencing, grounds, refuse disposal, play areas and equipment, and non-dwelling buildings. Components on the exterior of a building are also considered outside areas; some examples in the final rule include, doors, fire escapes, lighting, roofs, walls, windows, foundations, and attached porches.

Affirmative Requirements - Outside Areas

1. Outlets installed within six feet of a water source must be "ground-fault circuit interrupter" (GFCI) protected.
2. Must have a guardrail when there is an elevated walking surface with a drop-off of 30 inches or more.

§5.703(d) Units

A unit (a dwelling unit) refers to the interior components of a household's home. Some examples in the final rule

include: bathrooms, kitchen, doors, windows, floors, ceiling, stairs, electrical systems, lighting, switches, electric outlets, HVAC, water heater, smoke detectors, and carbon monoxide devices.

Affirmative Requirements - Units

The dwelling unit must meet eleven affirmative requirements:

1. Must have hot and cold running water in bathrooms and in the kitchen, including an adequate source of safe drinking water in bathrooms and the kitchen.
2. Must have its own bathroom "or sanitary facility" (undefined) that is in proper working condition and usable in privacy. A bathroom must have a sink, a bathtub or shower, and an interior, flushable toilet.
3. Must have at least one battery-operated or hard-wired smoke detector in proper working condition in the following locations:
 - a. On each level of a unit,
 - b. Inside each bedroom,
 - c. Within 21 feet of any door to a bedroom, and
 - d. On the living area side of a door that separates the living area from a smoke detector outside of a bedroom.
4. Must have a living room. It must also have a kitchen area that has a sink, cooking appliance, refrigerator, food preparation area, and food storage area.
5. For HCV or PBV units, there must be at least one bedroom or "living/sleeping room" for each two people (NLIHC opposes counting a living room as a sleeping space).
6. Must meet or exceed carbon monoxide detection standards set by HUD through a *Federal Register* notice (this does not apply to housing with a mortgage insured or held by HUD, or Section 202 direct loan housing).
7. Must have two working outlets or one working outlet and a permanent light in all habitable rooms.
8. Outlets installed within six feet of a water source must be "ground-fault circuit interrupter" (GFCI) protected.

9. In HUD-designated geographies, must have a permanently installed heating source, and no units may have unvented space heaters that burn gas, oil, or kerosene.

10. Must have a guardrail when there is an elevated walking surface with a drop-off of 30 inches or more.

11. Must have a permanently mounted light fixture in the kitchen and each bathroom.

§5.703(e) Health and Safety Concerns

In general, a unit, the inside, and the outside must be free of health and safety hazards that pose a danger to residents. Types of health and safety concerns include: lead-based paint, mold, carbon monoxide, electrical hazards, flammable materials or other fire hazards, infestation, garbage and debris, structural soundness and extreme temperature. Housing must comply with all requirements related to the evaluation and control of lead-based paint hazards and have available documentation to prove that the housing is in compliance (see [24 CFR part 35](#); <https://www.ecfr.gov/current/title-24/subtitle-A/part-35?toc=1>).

Even though NSPIRE implementation was postponed until October 1, 2025 (except for public housing and Multifamily projects), the carbon monoxide detectors requirement took effect and became an inspectable item on December 27, 2022. PHAs may directly follow the [NSPIRE Carbon Monoxide Standard \(https://tr.ee/bu47AU\)](#) or use [Notice PIH 2022-01 \(https://www.hud.gov/sites/dfiles/OCHCO/documents/2022-01pihn.pdf\)](#) for additional guidance. PHAs are already required to comply with the "Fire Safety Act of 1992" and keep their HQS inspections current with the National Fire Safety Protection Association (NFPA) Standards. All smoke alarms will be required to either be hard-wired or sealed 10-year battery devices by December 29, 2024.

§5.703(f)

The NSPIRE standards do not supersede state and local housing codes (such as fire, mechanical, plumbing, carbon monoxide, property maintenance, or residential code requirements). All HUD housing (except for HCV and PBV units) must comply with state or local housing codes, but compliance with state or local codes does

not determine whether a unit passes HUD standards for HCV or PBV units.

SECTION 5.705, INSPECTION REQUIREMENTS

§5.705(a) Procedures

The entity inspecting a property/unit must identify each deficiency as “Life-Threatening,” “Severe,” “Moderate,” or “Low” as defined in the NSPIRE Scoring Notice (discussed later in this article).

NSPIRE scores deficiencies based on two factors, the “severity” of a defect and the “location” of the defect, such as inside a unit, inside buildings (e.g., corridors, community rooms and mechanical rooms), and outside areas (e.g., fences, parking lots, and sidewalks). Regarding severity, UPCS provided letter designations (e.g., a, b, c) to indicate the presence of “exigent health and safety defects.” NSPIRE replaces the letter designations with “Defect Severity Categories:”

- Life-Threatening (LT): there is a high risk of death, severe illness, or injury to a resident.
- Severe:
 - » There is a high risk of permanent disability or serious injury or illness to a resident.
 - » There are deficiencies that would seriously compromise the physical security or safety of a resident or their property.
- Moderate:
 - » There is a moderate risk of an adverse medical event requiring a healthcare visit, causing temporary harm, or if left untreated causing or worsening a chronic condition that may have long-lasting adverse health effects.
 - » There are deficiencies that would compromise the physical security or safety of a resident or their property.
- Low: There are deficiencies critical to habitability but do not present a substantive health or safety risk.

§5.705(b) Entity Conducting Inspections

This subsection describes details regarding which entity is responsible for performing inspections according to various formal provisions. Public housing agencies (PHAs) must inspect HCV and PBV units.

§5.705(c) Timing of Inspections

» §5.705(c)(1) General

A property must be inspected before it is approved for participation in any HUD housing program.

» §5.705(c)(2), Extended Inspection Cycle

Standard 1 Performing Property is one that receives an NSPIRE score of 90 points or more. It will be inspected once every three years.

Standard 2 Performing Property is one that receives an NSPIRE score of 80 points or more but fewer than 90 points. It will be inspected once every two years.

Standard 3 Performing Property is one that receives an NSPIRE score of less than 80 points. It will be inspected annually.

HCV units must be inspected by a PHA every two years ([24 CFR 982.405](#); <https://tr.ee/43fibK>).

PBV properties must have a sample of units inspected by a PHA every two years ([24 CFR 983.101](#); <https://tr.ee/aflcXw>).

Small rural PHAs and other small PHAs are to be inspected every three years (see more about Small rural PHAs at the end of this summary).

§5.705(f) Tenant Involvement in Inspections

“HUD will establish, through notice, a procedure for tenants to recommend to HUD particular units which HUD may choose to inspect either during or separate from its standard inspection. HUD will evaluate the condition of these units and issue a report on findings, but *they will not be included in the official score unless they were randomly selected independent of the tenant’s recommendation.* The owner or PHA is

required to correct any deficiency HUD identifies within the timeframes HUD has established for the identified deficiency.”

NLIHC comments that a procedure for tenants to recommend units for inspection should have been devised, with input from tenant organizations, along with the final NSPIRE rule. This was discussed early in the NSPIRE demonstration and tenant organizations urged this even before the NSPIRE demonstration was created. Any tenant-suggested units should be included in the scoring.

SECTION 5.707, UNIFORM SELF-INSPECTION REQUIREMENT AND REPORT

All PHAs and owners (except for owners of HCV and PBV properties) must self-inspect all assisted units and their properties annually to ensure units meet the §5.703 standards. Owners and PHAs must maintain the results of a self-inspection for three years and must provide the results to HUD upon request. This self-inspection is independent of the HUD inspections in §5.705. The process for performing self-inspections is provided in the NSPIRE Administrative Notice (discussed later in this article).

SECTION 5.709, ADMINISTRATIVE PROCESS FOR DEFINING AND REVISING INSPECTION CRITERIA

HUD published a subordinate NSPIRE Standards Notice (see later in this article) listing deficiencies and the relative severity of these deficiencies to use for inspecting HUD-assisted housing. The Standards Notice also includes the factors for determining whether an HCV or PBV unit passes or fails the inspection. HUD also published a Scoring Notice describing methods for scoring and ranking HUD-assisted housing (see later in this article). HUD will update the standards and Scoring Notices, including any proposed revisions, every three years. These updates will be published in the *Federal Register* and open to public comment for 30 days.

SECTION 5.711, SCORING, RANKING CRITERIA, AND APPEALS

§5.711(a) Applicability

§5.711 does not apply to HCV or PBV. PHAs that administer HCV and PBV will be assessed under the Section Eight Management Assessment Program (SEMAP) or the small rural PHA assessment according to [24 CFR 985 \(https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-985?toc=1\)](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-985?toc=1).

- » [§902.101 \(https://tr.ee/C3rFM4\)](https://tr.ee/C3rFM4) defines a small rural PHA as one that has 550 or fewer public housing units and/or HCV units in total, and either the PHA’s primary administrative building or 50% of its combined public housing and/or voucher units are in a rural area as defined at 12 CFR 1026.35(b)(2)(iv) (A).
- » [§902.103\(a\) \(https://tr.ee/v0SOTP\)](https://tr.ee/v0SOTP): Small rural PHAs shall be assessed and scored based only on the physical condition of their public housing properties in accordance with 24 CFR part 5. (page 202)
- » [§902.103\(b\) \(https://tr.ee/Glm4kO\)](https://tr.ee/Glm4kO): Public housing of small rural PHAs shall be assessed every three years, except “troubled” small rural PHAs shall be assessed annually.
- » [§985.201 \(https://tr.ee/ODcbpu\)](https://tr.ee/ODcbpu): Small, rural PHAs are no longer subject to SEMAP requirements; instead they must follow other provisions at §985.203-211. (page 216)
- » Note: The final NSPIRE rule adds a new [§902 subpart H \(https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-902/subpart-H?toc=1\)](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-902/subpart-H?toc=1) dealing with small rural PHAs. See the end of this summary for details.

§5.711(b)(2) Public Housing Programs

PHAs operating public housing will be scored and ranked under the Public Housing Assessment System (PHAS) as outlined in [24 CFR part 902 \(https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-902?toc=1\)](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-902?toc=1).

§5.711(c) Inspection Report Requirements

» §5.711(c)(1) *Life-Threatening Deficiencies and Severe Deficiencies*

REAC staff (or other appropriate party) will provide a notice to an owner or PHA indicating any items classified as “Life-Threatening” or “Severe” deficiencies.

- All Life-Threatening deficiencies must be corrected within 24 hours.
- All Severe deficiencies must be corrected within 24 hours.

Within two business days after the 24-hour deadline to correct Life-Threatening and Severe deficiencies, an owner or PHA must electronically certify that the Life-Threatening and Severe deficiencies “have been resolved or sufficiently corrected such that they no longer pose a severe health or safety risk to residents of the property or that the hazard is blocked until permanent repairs can be completed.”

» §5.711(c)(2) *Post-Report Inspection*

An owner or PHA must review an NSPIRE inspection report and is responsible for conducting its own survey of the total property.

- Moderate deficiencies must be corrected within 30 days.
- Low deficiencies must be corrected within 60 days.

If a property received an NSPIRE score of 60 or more, the survey may be limited to inspecting deficiencies based on initial findings. If a property received an NSPIRE score less than 60, an owner or PHA “must” survey the entire project, including all units, inside areas, and outside areas. The purpose of a full inspection for a property with a score less than 60 is to identify additional health and safety defects that were not part of the REAC inspection sample survey. A copy of the survey results must be submitted to HUD.

As previously indicated, the NSPIRE Scoring Notice does not apply to HCV and PBV, so properties with a HCV or PBV household do not receive a numerical score. NSPIRE retains the “pass/fail” indicators used in the HCV and PBV programs.

» §5.711(c) *Technical Review of Inspection Results*

An owner or PHA can request a technical review of REAC inspection results. The request must be received by REAC no later than 45 calendar days following the day the inspection report is provided. This subsection has many technical details for owners and PHAs seeking a technical review.

§5.711(h) Responsibility to Notify Residents of Inspection and Availability of Documents to Residents

» §5.711(h)(1) *Notification to Residents*

An owner or PHA must notify residents of any planned inspection of their units or their housing development generally.

» §5.711(h)(2) *Availability of Documents for Review*

• §5.711(h)(2)(i)

Once a final NSPIRE score is issued, an owner or PHA must make the physical inspection report and all related documents available to residents for review and copying during regular business hours—if a “reasonable” request is made. (NLIHC recommended that residents should not be charged for copying; HUD ignored NLIHC’s request.) “Related documents” include an owner’s or PHA’s survey plan, plan of correction, certification, and related correspondence (NLIHC assumes “certification” means an owner/PHA certification that all Life-Threatening and Severe deficiencies have been corrected).

- §5.711(h)(2)(ii)

Once a final NSPIRE score is issued and published, an owner or PHA must make any additional information available to residents for review and copying during normal business hours—if a “reasonable” request is made. “Additional information” might include the results of any reinspection or owner/PHA technical appeal.

- §5.711(h)(2)(iii)

An owner or PHA must maintain the documents related to a property’s inspection for review by residents for 60 days from the date HUD provided the inspection score.

- » §5.711(h)(3) Posting on the Availability of Materials

An owner or PHA must post a notice to residents informing them that the materials described above are available. The notice must be posted in the owner’s or PHA’s management office and on any bulletin boards in all common areas on the date the owner or PHA receives the inspection score. The notice must be translated into other languages if necessary to provide meaningful access for people with limited English proficiency. The notice should include the name, address, and telephone number of the HUD field office contact.

- » §5.711(h)(4) {does not have a title}

Residents are encouraged to submit comments directly to their [HUD Field Office \(https://www.huduser.gov/portal/regions/Regional.html\)](https://www.huduser.gov/portal/regions/Regional.html) regarding the information provided by an owner or PHA. Residents are encouraged to notify the HUD Field Office if they discover a false certification (that a Life-Threatening or Severe deficiency has not been corrected?).

§5.711(i) Administrative Review of Properties

A property that receives two successive scores less than 60 “may” be referred to HUD’s [Departmental Enforcement Center \(DEC\) \(https://www.hudoint.gov/taxonomy/term/501\)](https://www.hudoint.gov/taxonomy/term/501) for evaluation. Properties that receive a score of 30 points or less “shall” be automatically referred to the DEC for evaluation.

- » §5.711(i)(2), Evaluation of the Property

During the DEC’s evaluation period, DEC will analyze a property, “which may include input from tenants, HUD officials, elected officials, maintenance staff, and others.”

Subordinate NSPIRE Notices

NSPIRE PHYSICAL INSPECTION STANDARDS NOTICE

HUD published the new final ([NSPIRE\) physical inspection Standards Notice \(https://www.govinfo.gov/content/pkg/FR-2023-06-22/pdf/2023-13293.pdf\)](https://www.govinfo.gov/content/pkg/FR-2023-06-22/pdf/2023-13293.pdf) in the *Federal Register* on June 22, 2023, including a link to 295 pages of detailed “[inspectable items \(https://www.hud.gov/sites/dfiles/PIH/documents/6092-N-05nspire_final_standards.pdf\)](https://www.hud.gov/sites/dfiles/PIH/documents/6092-N-05nspire_final_standards.pdf).” HUD will update these Standards at least once every three years, publishing a notice in the *Federal Register* with an opportunity for public comment. The new Standards took effect July 1, 2023.

Each NSPIRE Standard contains: a definition of the standard; its location (in a unit, in a non-residential part of a building, or outside a building); the nature of a potential deficiency and the criteria for determining whether a deficiency exists; the health and safety determination (life-threatening, severe, moderate, or low—as defined in the final rule); the required timeframe to correct a deficiency; and “rationales,” the reason a requirement is necessary, describing the potential harm that could result from a given deficiency if left uncorrected. For HCV, each standard also indicates whether the standard passes or fails.

NSPIRE SCORING NOTICE

HUD published a [final physical inspection Scoring Notice](https://www.govinfo.gov/content/pkg/FR-2023-07-07/pdf/2023-14362.pdf) (<https://www.govinfo.gov/content/pkg/FR-2023-07-07/pdf/2023-14362.pdf>) in the *Federal Register* on July 7, 2023. NSPIRE scoring is focused on the health and safety of the housing units where residents live, as well as on the functional defects of buildings, while reducing scoring on the appearance of building exteriors. NLIHC submitted a [comment letter](https://nlihc.org/sites/default/files/NLIHC_Comment_Letter_NSPIRE_Scoring_Notice.pdf) (https://nlihc.org/sites/default/files/NLIHC_Comment_Letter_NSPIRE_Scoring_Notice.pdf) in response to a proposed Scoring Notice published in the *Federal Register* on March 28, 2023. The Scoring Notice does not apply to the HCV or PBV programs; NSPIRE retains a pass/fail indicator for the HCV and PBV programs.

The NSPIRE scoring methodology converts observed defects into a numerical score. NSPIRE retains the 0-100 point score for properties inspected by REAC, which considered a failing score to be less than 60 points. Properties with an overall score of 30 or less will automatically be referred to DEC.

For scoring, there are “Fail Thresholds,” two situations in which a property will be considered to have failed inspection:

1. The Scoring Notice continues using the UCPS practice of failing a property that has a score less than 60. This is called the “Property Threshold.”
2. The Scoring Notice adds a new “Unit Threshold” that fails a property even if it had an overall score of more than 60 – if 30 or more points at the property are deducted due to in-unit deficiencies. This reflects HUD’s goal of maximizing the health and safety of residential units.

The Scoring Notice retains the long-standing practice of not scoring smoke detector defects, instead indicating smoke detector defects with an asterisk (*) after a property’s overall score. Carbon monoxide device deficiencies are indicated by a plus sign (+) after an NSPIRE score. Carbon monoxide device defects must be corrected within 24 hours.

NSPIRE ADMINISTRATIVE PROCEDURES NOTICE

HUD posted the [Administrative Procedures joint Notice PIH 2023-16/H 2023-07](https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-16pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-16pihn.pdf>) on June 30, 2023. The Notice provides guidance primarily for those responsible for implementing the physical inspection protocols required by the final NSPIRE rule. Resident leaders and advocates can benefit from familiarity with its contents, much of which is similar to the final rule. HUD’s Office of Public and Indian Housing (PIH) also issued [Notice PIH 2023-28](https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-28pihn.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-28pihn.pdf>) on September 29, 2023, finalizing the NSPIRE administrative procedures for the HCV and PBV programs; it is primarily a clarifying document for PHAs.

The final NSPIRE rule at §5.705(f) allows residents to recommend units to be inspected in addition to units randomly selected by official inspectors. The rule states that the resident-selected units will not be considered when determining a property’s NSPIRE score—a provision opposed by NLIHC and resident advocates. A PHA or HUD-assisted private property owner or agent (POA) must still correct any deficiencies detected at resident-recommended units.

Section 11 of the Administrative Notice establishes the procedures for carrying out 24 CFR §5.705(f). Approximately 180 days before a property’s inspection, “resident groups” are invited to identify units they would like to be added to the official inspection process. An NSPIRE electronic system will randomly select “up to” five of the units recommended by a resident organization to be added to those the NSPIRE system had already randomly chosen for formal inspection. An NSPIRE inspector will conduct a physical inspection of the five resident-recommended units to identify any Life-Threatening, Severe, Moderate, or Low deficiencies (as described in the final NSPIRE Standards Notice). The NSPIRE scores of the five resident-recommended units will not be considered toward a property’s official score, unless any of the resident-recommended units were also randomly selected among the units in the HUD-generated NSPIRE inspection sample.

Approximately 15 days after the inspection, HUD's REAC office will provide a property's inspection report to residents (as required in the final rule at §5.711(h)(2)), as well as to the HUD Field Office, PHA, or private owner. Any deficiencies cited at the resident-recommended units must be corrected within the timeframes established in the final NSPIRE Standards Notice: 24 hours for any life-threatening or severe deficiencies, 30 days for moderate deficiencies, and 60 days for low deficiencies. In between NSPIRE inspections, HUD encourages residents to "quickly" report hazards or defects to their landlord, property owner, manager, PHA contact, or PHA Board of Commissioners.

Section 7b of the Administrative Notice states that in advance of a scheduled inspection, PHAs or POAs must notify all residents that their property will be inspected, as described in the final rule at §5.711(h)(1) and the lease. The Administrative Notice suggests that at least seven days of advance notice be provided and that notice be provided using multiple communication methods such as paper notices, email, text messages, and notices posted on doors, in halls, and on community bulletin boards. HUD reminds PHAs (but does not mention POAs) that all materials, notices, and communications regarding the inspections must be clearly communicated and provided in a manner that is effective for persons with hearing, visual, and other communications-related disabilities consistent with Section 504 of the "Rehabilitation Act" and Titles II and III of the "Americans with Disabilities Act" (ADA).

NSPIRE Resident Feedback Survey

HUD announced a new [survey \(https://survey.fedw1.medallia.com/?HUDInspectionSurvey\)](https://survey.fedw1.medallia.com/?HUDInspectionSurvey) to obtain feedback from residents whose homes were inspected under the new NSPIRE inspection process. [Notice PIH 2023-24/H-2023-10 \(https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-24pihn.pdf\)](https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-24pihn.pdf) explains that HUD intends to use a new Inspection Feedback Survey ("Survey") to identify and address residents' "pain points" about the inspection process and to guide HUD's efforts to improve residents' general satisfaction

with their housing conditions. The Survey will not be offered to HCV or PBV residents because PHAs conduct physical inspections for those programs. Project-Based Contract Administrators or HUD inspectors conduct physical inspections for the other programs.

The Survey is designed to take about five minutes, with residents replying to only four questions by indicating "Strongly Agree" to "Strongly Disagree" along a five-point scale for three of them:

- I was present during the HUD inspection process of my unit—yes or no.
- I trust HUD to provide housing that is safe and habitable.
- How would you rate your satisfaction with your housing conditions?
- How would you rate your satisfaction with HUD's inspection process?

There is also an open-ended question enabling residents to indicate whether there is anything else that they would like to share with HUD. If residents respond to the open-ended question indicating persistent conditions that impact the health and safety of residents, HUD might decide to inspect a property.

Under NSPIRE only a random sample of units in a property will be inspected, along with five units recommended by a resident organization; only residents of these units will receive the Survey. [Survey Flyers \(https://nlihc.org/sites/default/files/HUD_Inspection_Feedback_Survey_Flyer.pdf\)](https://nlihc.org/sites/default/files/HUD_Inspection_Feedback_Survey_Flyer.pdf) will be placed by inspectors on a kitchen counter or another noticeable location in an inspected unit. The Survey Flyer has a link and a QR code to the actual survey. Participation in the survey is voluntary and anonymous.

Summary of Small, Rural PHA NSPIRE Provisions

The "Economic Growth and Recovery, Regulatory Relief and Consumer Protection Act" ("Economic Growth Act") was signed into law on May 24, 2018. Section 209 made several amendments to the "Housing Act of

1937” pertaining to small, rural PHAs. HUD published a notice in the *Federal Register* on [February 27, 2020](https://www.govinfo.gov/content/pkg/FR-2020-02-27/pdf/2020-04004.pdf) (<https://www.govinfo.gov/content/pkg/FR-2020-02-27/pdf/2020-04004.pdf>) explaining how HUD designates small, rural PHAs. The rule implements this definition of small, rural PHA as well as a new assessment system for their public housing and HCV programs. HUD states that the Economic Growth Act’s focus on inspections, and the legislation’s directive to follow the same standards for small, rural public housing as those for projects assisted under the Multifamily Section 8 Project-Based Rental Assistance program, makes the inclusion of the act’s provisions in this rule a logical fit.

The final rule creates a new [Subpart H](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-902/subpart-H?toc=1) (<https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-902/subpart-H?toc=1>) under the current 24 CFR part 902 regulations for HUD’s physical assessment of public housing, the Public Housing Assessment System (PHAS). Section 209(a)(2) of the “Economic Growth Act” defined “small public housing agency” and directed HUD to use the existing definition of “rural area” contained in the regulations governing the Consumer Financial Protection Bureau. In the February 27, 2020 notice, HUD further refined this definition by defining PHAs that “predominantly operate in a rural area” and clarifying that these PHAs would be referred to as “small, rural PHAs” to avoid confusion with other small PHA designations used by HUD.

For More Information

HUD’s NSPIRE webpage:

<https://www.hud.gov/reac/nspire>

USDA RURAL RENTAL HOUSING PROGRAMS

*By Samantha Booth, Government Relations Manager,
Housing Assistance Council*

Administering Agency: U.S. Department of Agriculture (USDA)

Year Started: Section 515 – 1963; Section 514 – 1962; Section 516 – 1966; Section 521 – 1978; Multifamily Housing Preservation and Revitalization (MPR) – 2006; Section 542 – 2006; Section 538 – 1996

Number of Households Served: Section 515 – currently 360,300; Section 514/516 – currently 14,300; Section 521 – currently 283,700; Section 542 – currently 6,400; Section 538 – 45,000

Populations Targeted: Section 515 – very low-, low-, and moderate-income households; Section 514/516 – farm workers; Section 538 – households with incomes below 115% of area median

Funding For FY26: Section 515 – \$50 million (down from \$60 million in FY25); Section 514 – \$15 million (same as in FY25); Section 516 – \$6 million (down from \$7.5 million in FY25); Section 521 – \$1.715 billion (up from \$1.608 billion in FY25); MPR – \$30 million (down from \$34 million in FY25); Section 542 – \$48 million (same as in FY25); Section 538 – \$400 million (same as in FY25)

The U.S. Department of Agriculture's (USDA's) Rural Development (RD) arm runs several rental housing programs (as well as homeownership programs) through its Rural Housing Service. USDA makes loans to developers of rental housing for elderly persons and families through the Section 515 program and, for farm workers through the Section 514 program (usually used in combination with Section 516 grants). USDA RD provides project-based rental assistance to some of the properties it finances through the Section 521 Rental Assistance (RA) program. The Section 538 program guarantees loans made by banks to develop rental housing for tenants with incomes up to 115% of area median income; almost all Section 538 properties also use Low-Income Housing Tax Credit financing. USDA RD

also offers several tools to preserve the affordability of USDA-financed rentals.

The programs face serious problems, however. Production of new units for the lowest-income tenants has greatly decreased, and many existing units are deteriorating physically or are in danger of leaving the affordable housing stock.

History and Purpose

In operation since the 1960s, the Section 515 Rural Rental Housing and the Section 514/516 Farm Labor Housing Programs have provided essential, accessible, and decent housing for the lowest-income rural residents. Section 521 Rental Assistance is available for some units in Section 515 and 514/516 housing, to keep rents at or under 30% of tenant incomes.

Although dramatic improvements have been made in rural housing quality over the last few decades, problems persist. Many of rural America's 60 million residents experience acute housing problems that are often overlooked while public attention is focused on big-city housing issues. Farm workers, especially those who move from place to place to find work, suffer some of the worst, yet least visible, housing conditions in the country.

Nearly 30% of rural households experience at least one major housing problem, such as cost burden, physical deficiencies, or overcrowding. These problems are found throughout rural America but are particularly pervasive among several geographic areas and populations, such as the Lower Mississippi Delta, the southern Black Belt, the colonias along the U.S.-Mexico border, Central Appalachia, and among Native Americans and farm workers.

Forty-four percent of rural renters are cost burdened, paying more than 30% of their income for housing, and nearly half of those pay more than 50% of their income for housing. More than half of the rural households living with multiple problems, such as affordability, physical inadequacies, or overcrowding, are renters.

Program Summary

Under the Section 515 program, USDA RD makes direct loans to developers to finance affordable multifamily rental housing for very low-income, low-income, and moderate-income families, for elderly people, and for persons with disabilities. Section 515 loans have an interest rate of 1%, amortized over 50 years, to finance modest rental or cooperatively owned housing.

The Section 514 farm worker housing program also makes direct loans with a 1% interest rate for 33-year terms. Some Section 514 borrowers, such as nonprofits, are also eligible for Section 516 grants.

Sections 515 and 514/516 funds and Section 538 loan guarantees can be used for new construction as well as for the rehabilitation of existing properties. Funds may also be used to buy and improve land and for facilities such as water and waste disposal systems. However, no new rental properties have been developed under Section 515 since 2011; every year since, the program's entire appropriation has been used to preserve existing units.

Very low-, low-, and moderate-income households are eligible to live in Section 515-financed housing. Section 514/516 tenants must receive a substantial portion of their incomes from farm labor. Section 515 resident incomes average about \$16,000 per year. Most (93%) of Section 515 tenants have incomes less than 50% of area median income. More than two-thirds of Section 515 assisted households are headed by elderly people or people with disabilities. Section 538 units are available for tenants with incomes up to 115% of area median. USDA does not compile data on the incomes of Section 538 residents.

Section 514/516 loans and grants are made available on a competitive basis each year, using a national Notice of Funding Availability (NOFA). After FY11, USDA has not issued NOFAs for new Section 515 loans; instead, it has used all Section 515 funds for preservation purposes. Applications for Section 538 guarantees are accepted year-round.

PRESERVATION

To avoid losing affordable housing, preservation of existing affordable units is essential. Three factors pose challenges for preserving units in developments with owners who are still making payments on Section 515 or 514 mortgages.

First, many Section 515 and 514 mortgages are nearing the end of their terms and the pace of mortgage maturities will increase starting in 2028. Since USDA Section 521 Rental Assistance (RA) is available only while USDA financing is in place, when a USDA mortgage is fully paid off the property also loses its RA. The USDA can offer Section 542 vouchers for tenants when a mortgage is prepaid, but not when a mortgage matures. Advocates are exploring ways to protect tenants when USDA mortgages mature. Possibilities include offering new or amortized USDA mortgages so that RA can continue; providing vouchers; or "decoupling" RA from USDA mortgages so RA can continue even when a mortgage has been paid in full.

Second, many Section 515 properties are aging and must be preserved against physical deterioration. In 2016, USDA released a Comprehensive Property Assessment (CPA) reviewing Section 515 rental properties, off-farm Section 514/516 farmworker housing properties, properties with loans guaranteed under the Section 538 program, and properties that have used the MPR preservation program. The study concluded that over the course of the next 20 years, \$5.6 billion will be needed in addition to existing capital reserves simply to cover capital costs.

Third, every year some property owners request permission to prepay their mortgages by paying them off before their terms end and thus remove government affordability requirements. Owners seek to prepay for varying reasons, including: the expiration of tax benefits; the burden of increased servicing requirements; the desire of some small project owners to retire; and, in some rural areas, an increase in vacancies due to out-migration. As is the case for owners of HUD multifamily projects, Section 515 owners' ability to prepay is restricted by federal law. Details vary depending on when a loan was approved but, in all cases, USDA is either permitted or required to offer owners incentives

not to prepay and in exchange, the property continues to be restricted to low-income occupancy for 20 years. Incentives offered to owners include equity loans, increases in the rate of return on investment, reduced interest rates, and additional Section 521 Rental Assistance. In some cases, an owner who rejects the offered incentives must offer the project for sale to a nonprofit or public agency. If an owner does prepay, tenants become eligible for Section 542 vouchers.

Many of USDA RD's preservation efforts use its Multifamily Housing Preservation and Revitalization (MPR) demonstration program. MPR offers several possible types of assistance to owners or purchasers of Section 515 and Section 514/516 properties. The most common assistance is debt deferral, although other possibilities include grants, loans, and soft-second loans.

Funding

The White House's FY26 budget proposed cutting or eliminating nearly all of USDA's rural housing programs. However, the full year FY26 USDA funding bill, which passed as part of the deal to end the government shutdown in the fall of 2025, generally provided level funding or slight cuts to the Rural Housing Service programs.

The Section 515 program, which received about \$115 million in annual appropriations in the early 2000s and has been cut repeatedly, was funded at \$70 million in FY23, \$60 million in FY24 and FY25, and \$50 million in FY26. Section 514 received \$15 million per year in each of the last three fiscal years. Section 516 was funded at \$7.5 million in FY24 and FY25 but was cut to \$6 million in FY26. The MPR preservation program received \$34 million in FY24 and FY25 and was cut to \$30 million in FY26. The Preservation Revolving Loan Fund has not been funded since FY11.

The Section 521 RA program was funded at \$1.608 billion in FY24 and FY25 and increased to \$1.715 billion in FY26. The appropriations process has also provided USDA with the ability to "decouple" Section 521 RA from maturing multifamily mortgages over the last three years. The first two years of the pilot capped the number of units that could decouple at 1,000, but that cap was

increased to 5,000 in the FY26 USDA funding bill. This pilot will help to preserve the units as affordable into the future, addressing rising preservation crisis in the Section 515 portfolio.

The cost of the Section 542 voucher program has generally risen every year as increasing numbers of tenants are eligible for vouchers. Several times the program has used slightly more than its appropriation, with the additional dollars being drawn from the already inadequate MPR funding pool. The program's appropriation has been level at \$48 million for the last several years.

For Section 538, Congress has funded the program at \$400 million for the last several years, even though the full appropriation has not always been used during periods of high interest rates. It is a negative subsidy program, making it appealing to appropriators. Section 538 rental housing loan guarantees are used for preservation as well as new construction.

Forecast for 2026

Robust funding for multifamily preservation is needed in the coming years as mortgages mature and properties are at risk of being lost from the program. A bipartisan bill to improve USDA's housing programs is also under consideration by Congress called the "Rural Housing Service Reform Act." The bill includes both multifamily and single family priorities and has broad stakeholder support. It was included in the Senate's ROAD to Housing package in 2025.

Tips for Local Success

Activity related to USDA's Section 515 program is now focused on the preservation of existing units. Preservation means either renovating a property or keeping it affordable for low-income tenants, or both. Local rural housing organizations can help with preservation by helping owners who want to leave the program (including those whose mortgages are expiring) find ways to do so without changing the nature of their properties. Often, this means purchasing the property and refinancing to obtain sufficient funds for updates and rehabilitation. As more Section 515

mortgages mature every year, nonprofit purchases of these properties are increasingly recognized as the best way to preserve them among affordable housing stock.

What to Say to Legislators

Advocates should urge their members of Congress to:

- Support the “Rural Housing Service Reform Act.” The bill would make a variety of improvements to USDA housing programs, including decoupling Section 521 Rental Assistance from USDA mortgages so that tenants can continue to receive RA after owners’ mortgages end.
- Maintain funding for all USDA rural housing programs and support the “decoupling” preservation pilot that has been included in the last three years’ appropriations bills.
- Continue to provide enough funding to renew all Section 521 RA contracts and all Section 542 vouchers.
- Work with USDA RD to find positive ways to reduce Section 521 costs through energy efficiency measures, refinancing USDA mortgages, and reducing administrative costs.
- Reject any proposals to move the rural housing programs from USDA to HUD.

For More Information

Housing Assistance Council, 202-842-8600,
www.ruralhome.org

National Housing Law Project, 510-251-9400,
<https://www.nhlp.org/resources/saving-rural-rental-homes/>

U.S. Department of Agriculture Rural Development,
<https://www.rd.usda.gov/programs-services/multi-family-housing-programs>

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)

By Russell L. Bennett, Emily Fischbein, and Valencia Moss, Collaborative Solutions, Inc.

Administering Agency: Office of HIV/AIDS Housing (OHH) in HUD's Office of Community Planning and Development (CPD)

Year Started: Established in 1990; first allocations were made in 1992

Number of Persons/Households Served: Over 100,000 households receive HOPWA housing assistance and/or supportive services annually. This represents approximately one-fourth of the demonstrated needs.

Population Targeted: People living with HIV/AIDS who have low/moderate incomes and are experiencing housing instability

Funding: \$505 Million FY25; House request at \$519 Million FY26; Senate request at \$505 Million; presidential proposal to eliminate HOPWA funding in FY26

History and Purpose

The Housing Opportunities for Persons With AIDS (HOPWA) program was established under the "AIDS Housing Opportunities Act," part of the "Cranston-Gonzales National Affordable Housing Act of 1990," to provide housing assistance and related supportive services for low-income individuals living with HIV/AIDS and their families (U.S. Department of Housing and Urban Development [HUD], n.d.). More than three decades later, HIV/AIDS remains a significant public health concern in the United States. Housing instability is a critical barrier to HIV care. Studies estimate that between 400,000 and 500,000 people living with HIV in the United States need housing assistance, yet only about 28% of those in need receive it (HUD, n.d.; National AIDS Housing Coalition, 2023). The CDC's Medical Monitoring Project reports that four in ten households with HIV live at or below the poverty level,

and one in ten experienced homelessness in recent years (CDC, 2023).

Stable housing is more than shelter—it is a cornerstone of health for people living with HIV. Housing stability improves access to medical care, supports adherence to antiretroviral therapy, and leads to viral suppression, which prevents HIV transmission (CDC, 2023). Conversely, individuals experiencing homelessness or unstable housing are more likely to delay care and have poorer health outcomes (CDC, 2023). Research consistently shows that housing status is one of the strongest predictors of HIV health outcomes—more significant than mental health or substance use (National AIDS Housing Coalition, 2023).

HOPWA, administered by HUD, is the only federal program dedicated to addressing the housing needs of low-income people living with HIV/AIDS. It provides formula and competitive grants to states, local jurisdictions, and nonprofit organizations to deliver housing assistance and supportive services (HUD, n.d.). HOPWA funding helps communities develop comprehensive housing strategies, including leveraging mainstream housing programs such as Housing Choice Vouchers, Public Housing, and Continuum of Care initiatives (HUD, n.d.). HOPWA is not intended to be the sole payer of permanent housing. Instead, it serves as a bridge—connecting individuals with chronic infectious disease to long-term housing solutions that maximize health outcomes. For many households, short-term assistance with rent, mortgage, or utilities can prevent homelessness and support health improvement, while others may require more intensive supportive housing services (HUD, n.d.).

The program also facilitates community efforts to develop comprehensive strategies to address HIV/AIDS housing needs and assists communities with creating housing strategies to prevent individuals from becoming homeless or unstably housed. These strategies include advocating within the mainstream

housing programs of Choice Vouchers, the VA, Public Housing, other HUD Funding, and specific HIV Housing carve outs at the state and local level of existing housing programs. HOPWA is not intended as the payer of permanent housing but rather to connect those with chronic infectious disease with options for long-term solutions allowing maximum health outcomes.

Program Summary

As a supportive housing program, HOPWA helps ensure that people living with HIV/AIDS can access and maintain adherence to necessary medical care and other services by assisting them with obtaining and maintaining stable housing and related support services.

Eligibility for HOPWA assistance is limited to low-income individuals with HIV/AIDS and their families. As reported in the 2021-2022 National HOPWA Performance Profile, most individuals receiving HOPWA housing assistance (83%) are extremely low-income, earning 30% of the area median income (AMI) or less. Of the 1,005 homeless individuals receiving HOPWA during FY22, 7% were veterans, and 62% were chronically homeless. Ninety-four percent of HOPWA households have a housing plan, and 94% have had contact with a primary care provider during the past year. Of the households served by HOPWA supportive housing programs, 98% maintained housing stability during the year. More recent Performance Profile data is unavailable.

HOPWA consists of two types of grants, a Formula and Competitive grant program. Under the Formula program, 90% of HOPWA funds are distributed to states and localities to serve in the metropolitan area in which they are located. The formula for this distribution is based on population size and the number of people living with HIV/AIDS in the metropolitan area as confirmed by the CDC, as well as poverty rates and housing costs.

For FY25, HOPWA Formula grants totaling \$454.5 million were awarded to grantees within 130 eligible areas ([FY25 HUD CPD Allocations; https://tr.ee/qDrBZi](#)). These grantees represent 40 states, Washington D.C., and Puerto Rico. These formula funds can be used for a wide range of housing assistance, rental assistance,

short-term payments to prevent homelessness, costs for facility operations, support services, program planning, and development costs including acquisition, rehabilitation, and new construction of limited types of housing.

The other 10% of HOPWA funds are eligible for distribution through a competitive process to states and localities that do not qualify for a formula allocation or to states, localities, or nonprofit organizations that propose projects of national significance. In FY25, HUD renewed almost \$28 million for 11 local programs to continue funding housing assistance and supportive services for eligible individuals and families. In FY24, HUD awarded the one-time Housing Interventions to End the HIV Epidemic (HINT) grant, which provided \$26 million to agencies to address the HIV epidemic through housing. Over recent years, HUD had also released one-time funding through the Special Projects of National Significance Program. As an example, HUD funded the Fight AIDS Initiative awarding \$41 million to 20 local governments and non-profit organizations.

Funding

Since 2016, through the advocacy efforts of NLIHC, NHAHC, and other advocates, HOPWA Program appropriation has been increased to aid communities in addressing unmet housing needs. Since FY17, HOPWA has seen consistent funding increases with \$356 million in FY17 to \$505 million in FY25.

However, FY26 HOPWA funding is in jeopardy. The White House is proposing to eliminate the grant and consolidate HOPWA funding into ESG funding. The Senate's FY26 budget request proposes \$505 million, level funding from current FY25 allocations, which is estimated to support 48 thousand low-income households living with HIV. The House of Representatives' budget request proposes \$519 million, just a small, but welcomes increased proposals over current funding.

Even at current funding levels, HOPWA remains sorely underfunded relative to the immense need for safe housing for persons with HIV/AIDS. The National HIV/AIDS Housing Coalition (NHAHC) estimates that at current funding levels, the HOPWA Program can only

meet a fraction of the housing needs of persons living with HIV/AIDS.

To ensure families are adequately served and unmet needs are addressed, the NHAHC is requesting a \$750 million appropriation for the program. If approved by Congress, the increase would help to address unmet housing needs of nearly half a million individuals and families living with HIV/AIDS. To learn more: [Take Action - National AIDS Housing Coalition \(https://nationalaidshousing.org/take-action/\)](https://nationalaidshousing.org/take-action/).

Forecast for 2026 and Beyond

If the HOPWA grant is sustained in FY26, there will still be changes among some Formula grantees based on the end of HOPWA Modernization, which adjusted the HOPWA funding formula. For example, some current municipal grantees and Balance of State grantees will lose their eligibility for a HOPWA allocation based on updated estimates of people living with HIV in those areas. People currently receiving services from those grantees will have to connect with the HOPWA program that will cover those areas or with alternative sources of housing assistance and services. Coordination for these HOPWA participants will be very important to keep them stably housed and cared for.

Without sustained increases in HOPWA funding, many jurisdictions will lose funding and potentially housing units as they address rising housing costs and on-going unmet housing needs. Without regular increases, the potential for housing displacement or even homelessness among persons living with HIV/AIDS is concerned. Even with advocates' success in ensuring increases to the program over the last few years, each year poses new and significant challenges. National advocates, including the NHAHC, continue to advocate for increased funding for the HOPWA Program to ensure that new dollars are available to preserve existing housing units and to expand housing efforts to improve access to care and improvements in health outcomes among persons living with HIV/AIDS.

Now it is a critically important time to stabilize local housing programs, and HIV housing providers

should join advocacy efforts to continue to ensure the availability of housing resources and continued increases in HOPWA funding. Additionally, local advocates and providers should work with their local jurisdictions to plan comprehensive housing strategies and maximize the use of the HOPWA resources to end the epidemic. Decreases in grant funding can result in shifts to the local formula allocations, and thus on-going advocacy is critically important to ensuring housing continuums remain stable and connected to necessary health and support services to support households in achieving optimal health. Housing is a critical intervention to end the HIV epidemic, and the HOPWA Program continues to be the foundation for a system of care that links healthcare and an array of other affordable housing and services.

For More Information

National HIV & AIDS Housing Technical Assistance and Capacity Building, Collaborative Solutions 205-939-0411, www.collaborative-solutions.net

National HIV & AIDS Housing Advocacy, National HIV/AIDS Housing Coalition (NHAHC), 202-377-0333, www.nationalaidshousing.org

Information: Housing Opportunities for Persons with AIDS (HOPWA), HUD Exchange, <https://www.hudexchange.info/programs/hopwa/>

U.S. Department of Housing and Urban Development. (n.d.). Awards and allocations. HUD Exchange. <https://www.hudexchange.info/grantees/allocations-awards/>

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Centers for Disease Control and Prevention. (2023). Medical Monitoring Project: Annual report.

Centers for Disease Control and Prevention. (2024). HIV and AIDS trends and U.S. statistics overview.

National AIDS Housing Coalition. (2023). Housing and HIV: Research and policy brief.

U.S. Department of Housing and Urban Development. (n.d.). Housing Opportunities for Persons with AIDS (HOPWA) program overview.

HOMELESS ASSISTANCE: MCKINNEY - VENTO HOMELESS ASSISTANCE PROGRAMS

By Steve Berg, Vice President for Programs and Policy, National Alliance to End Homelessness

Administering Agency: HUD's Office of Special Needs Assistance Programs within the Office of Community Planning and Development (CPD)

Year Started: 1987

Number of Persons/Households Served: Total year-round capacity to provide beds for approximately 400,000 people experiencing homelessness, plus over 500,000 formerly homeless people now in permanent housing

Population Targeted: People experiencing or at risk of homelessness.

Funding: Approximately \$4.4 billion in fiscal year (FY) 2026

See Also: For additional information, refer to the *Continuum of Care Planning* and *Federal Surplus Property to Address Homelessness* sections of this guide.

The McKinney-Vento homeless assistance programs are a set of federal programs created by the "McKinney-Vento Homeless Assistance Act." This article refers to two programs administered by HUD: Emergency Solutions Grants (ESG) and the Continuum of Care (CoC) Program. In 2009, Congress passed the "Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act," which significantly improves HUD's McKinney-Vento homeless assistance programs.

History and Purpose

Congress enacted the "Stewart B. McKinney Homeless Assistance Act" in 1987 in response to the homelessness crisis that emerged in the 1980s. In 2000, the act was renamed as the "McKinney-Vento Homeless Assistance Act." For many years the programs did not undergo

any comprehensive overhaul despite improved understanding of homelessness, its causes, and its solutions. In May 2009, Congress passed the "HEARTH Act," which was intended to consolidate separate homelessness programs at HUD and make homeless assistance more performance based. Since then, HUD has issued a series of regulations.

Program Summary

HUD's McKinney-Vento programs provide outreach, shelter, transitional housing, supportive services, short- and medium-term rent subsidies, and permanent housing for people experiencing homelessness and in some cases for people at risk of homelessness. Funding is distributed by formula to jurisdictions for the ESG Program and competitively for the Continuum of Care (CoC) Program.

ESG PROGRAM

The Emergency Solutions Grant (ESG) Program is a formula grant to states and to larger cities and counties to fund rapid re-housing, homelessness prevention programs, and emergency shelters for people experiencing homelessness. People are eligible for prevention or re-housing assistance if they are homeless or at risk of homelessness. Being at risk of homelessness means an individual or family has a total income below 30% of area median income and they are losing their housing, doubled up, living in motels, or living in other precarious housing situations. In recent years, Congress has specified the total amount for ESG in the appropriations act.

COC PROGRAM

A unique feature of HUD's CoC program is the application process. Applicants in a community, including local governments, nonprofit providers, advocates, people experiencing homelessness, and

other stakeholders organize into a CoC and submit a joint application to HUD for their project requests. The entire application is scored, and specific projects are funded in order of priority. The “HEARTH Act” combines the three legacy programs into a single CoC program that includes the same eligible activities as the previous programs.

The entity that submits the application for funding is known as the Collaborative Applicant.

Changes made by the “HEARTH Act” and implementing regulations to the competitive CoC program include the following:

- The selection criteria include performance measures for reducing the duration of homelessness, reducing the number of people who become homeless, and reducing the number of people who re-experience homelessness after they exit the program.
- Incentives include creating new rapid re-housing projects for families and individuals experiencing homelessness and new permanent supportive housing for those experiencing chronic homelessness.
- The match is simplified to 25% for all activities. Leasing projects will continue to have no match requirement.
- A new rural program created to provide rural areas with more flexibility and increase funding to rural areas (this program has not yet been funded by appropriations).
- More funding is available for administrative costs. For CoC projects, up to 10% is allowed and 3% is allowed for the Collaborative Applicant.

In addition to HUD’s homeless assistance grants, several other programs are authorized by the “McKinney-Vento Act”:

- The Education for Homeless Children and Youth (EHCY) Program, administered by the U.S. Department of Education, provides grants to schools to aid in the identification of children experiencing homelessness and provide services to help them succeed in school. EHCY also requires schools to make accommodations to improve the stability of homeless children’s education.
- Title V Surplus Properties, which require federal surplus property, are offered to nonprofit organizations

for the purpose of assisting people experiencing homelessness.

- The Interagency Council on Homelessness, an independent agency within the federal executive branch, coordinates the federal response to homelessness and is charged with creating a federal plan to end homelessness.

Funding

The McKinney-Vento homeless assistance programs received \$1.901 billion for both FY11 and FY12, \$1.933 billion (after sequestration) for FY13, \$2.105 billion for FY14, \$2.135 billion for FY15, \$2.25 billion for FY 16, \$2.383 billion for FY17, \$2.513 billion for FY18, \$2.636 billion for FY19, \$2.777 billion for FY 20, \$3.0 billion for FY21, \$3.213 billion for FY22, \$3.633 billion for FY23, \$4.051 billion for FY24 and for FY25, and \$4.417 billion for FY26.

Forecast for 2026

HUD has announced substantial changes in the Continuum of Care program, beginning FY25, abandoning much of the focus on permanent housing and cost-effectiveness. These changes have been challenged in litigation and in bipartisan measures in Congress and currently appear unlikely to be implemented in the FY25 funding that will be distributed to communities over the course of 2026. There may be additional attempts to make these changes related to FY26 funding.

Tips for Local Success

The best way to maximize the impact of McKinney-Vento funding in a community is to participate in the local CoC process and to work to use resources for the most effective programs.

What to Say to Legislators

Advocates should ask their members of Congress to support increases in HUD’s homeless assistance programs to allow more progress toward reducing the number of people experiencing homelessness.

Specifically, advocates should communicate the following points:

- HUD’s McKinney-Vento Homeless Assistance Grants are successful and have helped drive reductions in homelessness across the country. These grants support critical housing and service supports to thousands of the most vulnerable, hard-working Americans. Without these grants and the support of Congress to date, much of our country’s progress on homelessness would not have been possible.
- Continued federal funding is critical to community efforts to end homelessness, and the FY26 funding amount is simply not enough to keep up with the rising need around the country driven by increasing rents and legislation that has undermined the Medicaid program, the largest source of federal funding for mental health and substance use treatment.
- Congress should help their communities’ efforts to end homelessness by supporting an increase in funding for FY27 to reach at least \$5 billion for HUD’s McKinney-Vento programs.

For More Information

National Alliance to End Homelessness, 202-638-1526,
www.endhomelessness.org

Corporation for Supportive Housing, 212-986-2966,
www.csh.org

HOMELESS ASSISTANCE: FEDERAL SURPLUS PROPERTY TO ADDRESS HOMELESSNESS

By Antonia K. Fasanelli, Executive Director, National Homelessness Law Center; Updated by Renee Williams, Senior Advisor for Public Policy, NLIHC

Administering Agencies: HUD, Health and Human Services (HHS), General Services Administration (GSA).

Year Program Started: 1987

Number of Persons/Households Served: More than 2 million each year

Populations Targeted: Unhoused people

Funding: The Title V program does not receive an appropriation

See Also: For further information, reference [Public Property/Public Need: A toolkit for using vacant federal property to end homelessness](https://tr.ee/OmVYB5) (<https://tr.ee/OmVYB5>)

Title V of the “McKinney-Vento Homeless Assistance Act of 1987” (Title V) makes HUD responsible for leading a cross-agency effort to identify unneeded federal properties suitable for use by nonprofit agencies and local governments to house and serve homeless people. Once suitable and available properties are identified, homeless service providers have a right of first refusal to acquire the federal property through an application process administered by HHS. Approved applicants can obtain title to the property—or long-term lease of the property at the applicant’s option—for free.

Title V has enabled service providers and local government agencies to acquire highly valuable real property to provide housing, emergency shelter, food, job training, medical care, and other critical services to over 2 million homeless people each year. Moreover, Title V saves taxpayer dollars by reducing operations and maintenance costs associated with unused and unneeded federal properties.

To date, over 500 buildings in at least 30 states and the District of Columbia have been transferred to nonprofit organizations and local governments under Title V. Despite this impressive number, Title V is a significantly underutilized program. Bureaucratic obstacles and strict requirements to demonstrate financing for redevelopment and operations lead to frequent application denials. According to a 2023 article in *The Guardian* (<https://tr.ee/84he4K>), since 2016, two out of every three applications for Title V property to serve unhoused persons are denied by the federal government. Yet, simple regulatory changes could ensure the program could be used to streamline the creation of thousands of units of permanent affordable housing (see “Opportunities for Advocacy” below).

History and Purpose

The “McKinney Act” first passed in 1987 and was later renamed the “McKinney-Vento Act.” Title V was included in the original legislation in recognition that homeless service providers working to end homelessness often cannot afford the purchase price of real property in addition to the costs of providing needed services. Meanwhile, the federal government has property that it no longer needs.

In 2016, Title V was amended by the “Federal Assets Sale and Transfer Act of 2016” (H.R. 4465), which made several critical improvements to the law, including making explicit that Title V properties can be developed into permanent affordable housing, including supportive housing. Nevertheless, as discussed below under *Opportunities for Advocacy*, few units have been developed into affordable housing due to the federal government’s refusal to permit use of Low-Income Housing Tax Credits and other commonly used financing streams to convert Title V property into affordable housing.

Program Summary—How Title V Works

SCREENING

Landholding agencies report the status of their real estate holdings to HUD on a quarterly basis. HUD screens unutilized, underutilized, excess, and surplus properties to determine whether they are suitable for homeless services organizations. HUD publishes a [Title V suitability listing weekly on the agency's website \(https://tr.ee/VdGozK\)](https://tr.ee/VdGozK). Properties that are listed as suitable and available may be conveyed via deed or lease at no charge to nonprofit groups, state agencies, and local governments following successful application to the U.S. Department of Health and Human Services (HHS).

EXPRESSION OF INTEREST

When a homeless service provider identifies a property of interest, it has 30 days to submit a written expression of interest to HHS. This is simply a brief letter identifying the group, including whether it is a public agency or private nonprofit entity, the property of interest, and a brief description of the proposed use. Once HHS receives this letter, it provides the nonprofit or public agency with a full application.

APPLICATION

Groups have 75 days to complete an initial application. Unlike the short expression of interest letter, the application is detailed and requires information about the services that will be offered, the need for such services, and the ability of the applicant to offer such services. Once HHS receives the completed initial application, the agency has 10 days to make an approval or disapproval determination. If an initial application is approved by HHS, the applicant has an additional 45 days to submit a **“reasonable plan to finance”** the conditionally approved program. HHS has 15 days after receipt of the full application to make a final determination.

2024 Rulemaking

In 2024, [the federal government finalized the first new regulations for the Title V program \(https://tr.ee/lpr69w\)](https://tr.ee/lpr69w) since 1991. The 2024 rulemaking addressed a number of important inconsistencies in the Title V program and clarified additional provisions. Namely:

- A. Eliminating the Catch 22 – Federal government permits use of Low-Income Housing Tax Credits in Title V properties

As discussed above, Title V was amended in 2016 to clarify that the program could be used to develop permanently affordable housing, including supportive housing. Yet, few units were developed since 2016 due to the federal government's refusal to permit use of Low-Income Housing Tax Credits (LIHTCs) or other commonly used financing streams to finance the properties. HHS interpreted its prior regulations to require that all applicants have funding in place before submitting the “reasonable plan to finance” identified above. Only when this funding is in place and the financing plan is approved, would HHS approve the application, enabling title or a long-term lease to be issued. Because the LIHTC program requires some evidence of “site-control” - i.e., a deed or long-term lease—in order to apply for tax credits, the Title V program effectively prohibited applicants from using LIHTCs. A real Catch 22!

The 2024 regulations addressed this issue. The regulations provide that if an applicant intends to apply for LIHTCs or other similar funding sources to finance the project proposed in the application, HHS will submit a letter of commitment that the applicant may use to apply for LIHTCs or other funding.

- B. Federal Government extended time for Affordable Housing Development

The old regulations required a successful applicant to place the acquired property “into use” within 12 to 36 months. HHS interpreted that rule to require that applicants have their proposed program fully operable and use the entirety of the transferred property within three years or the property will be subject to reversion

to the government. This regulatory requirement was nearly impossible to meet for most applicants.

The 2024 final regulations extended the timeframe to bring a property “into use” from 36 to 48 months.

- C. Federal Government should allow Title V providers a reasonable opportunity to cure

The prior regulations failed to provide an opportunity to cure for any nonprofit or government operating a program in Title V property. Indeed, Title V was one of the few federal government programs without an opportunity to cure. HHS is responsible for oversight of properties transferred under Title V to ensure those properties are used to house and serve unhoused people. In practice, it was difficult to impossible for Title V applicants and transferees to comply with HHS’ rigid approach to oversight. HHS had sole discretion over whether to seek reversion of the property, even for minor technical violations of program rules. HHS also had unfettered discretion to seek reversion of the property even when forces outside of the transferee’s control caused a temporary interruption in approved services.

The 2024 final regulations require HHS to provide an opportunity to cure before initiating any reversionary steps or other actions.

In December 2025, the General Services Administration (GSA) relocated through rulemaking (<https://tr.ee/mZO4fY>) a portion of the regulations updated in the 2024 rule (discussed above) to a new section of the Code of Federal Regulations. This means that the regulations formerly at 41 C.F.R. 102-75, Subpart H are now located at 41 C.F.R. 102-71, Subpart B; however, those relocated provisions do not appear to have been substantively changed.

What to Say to Legislators

Advocates should meet with their members of Congress with the message that surplus federal property can now be converted into affordable housing through the Title V program using the full array of affordable housing funding streams available.

You can also urge HUD to expand outreach efforts to make local governments and nonprofit agencies aware of the program.

For More Information

For information about how to search and successfully apply for surplus federal properties, contact the National Homelessness Law Center, 202-638-2535, www.homelesslaw.org

RENTERS' TAX CREDIT

By Alayna Calabro, Senior Policy Analyst, NLIHC

Federal rental assistance programs like Housing Choice Vouchers (HCV) and public housing are highly effective at making rent affordable to the lowest-income families but only reach about one in four eligible households due to inadequate funding. A renters' tax credit could help close the gap for millions of households who are eligible for federal housing assistance but cannot access it due to inadequate funding by Congress.

A renters' tax credit would also complement the existing Low-Income Housing Tax Credit (LIHTC), which effectively supports affordable housing development but rarely reduces rents to levels that extremely low-income families can afford unless they also have a voucher or other rental assistance. It is an innovative strategy that—when paired with significant targeted investments to increase the supply of rental homes—could help solve the nation's housing crisis.

Renters' Tax Credit Design Options

A renters' tax credit could be designed in several different ways. Credit could be claimed directly by an eligible tenant on his or her tax return or by the owner of a rental unit in exchange for reducing the tenant's rent.

A tenant-claimed tax credit could help overcome administrative barriers that often prevent households from accessing rental assistance, such as landlord participation and source-of-income discrimination. Landlord participation in the HCV program, which determines the number of available homes and where they are located, has declined in recent years making it more difficult for voucher holders to find housing in the community of their choice. Additionally, landlords frequently discriminate against households receiving rental assistance, often as a proxy for racial discrimination, leaving these households with few options for where to live. A renter's tax credit could

help address these common challenges within the HCV program by providing relief directly to renters and minimizing landlord involvement.

In addition, a renters' tax credit could be an entitlement for all eligible renters or a capped credit that would be allocated by states (just as states allocate LIHTC to selected developments). An uncapped entitlement renters' credit would have the advantage of reducing housing costs for all or nearly all low-income renters. However, it could be difficult to obtain the tens of billions of dollars needed to fund an entitlement credit with per-household benefits large enough to make housing affordable to even the lowest-income families. On the other hand, if an entitlement credit were kept small because of budget constraints, it would not be sufficient to enable extremely low-income households to afford decent housing and consequently would be much less effective in reducing homelessness, evictions, and other housing-related hardship. A state-administered credit allocated to a limited number of extremely low-income families could provide sufficient help to enable those families to afford housing at a more modest overall cost.

A state-administered capped credit would have other advantages as well. It would give states rental assistance resources that they could coordinate with other state-administered low-income programs in a way that would be difficult under existing rental assistance programs (which are mainly locally administered). For example, states could use the renters' credit to make LIHTC developments affordable to poor households, help families participating in state Temporary Assistance for Needy Families programs for whom lack of stable housing is a barrier to work, provide supportive housing to families at risk of having their children placed in foster care, and enable Medicaid-eligible elderly people or people with disabilities to live in service-enriched developments rather than nursing homes or other institutions. States would also be well positioned to use renters' credits to help poor families access low-poverty neighborhoods with good schools or help them remain in neighborhoods where higher-income households

are moving in and low-income residents are at risk of displacement.

The Center on Budget and Policy Priorities (CBPP) proposed the establishment of a capped state-administered renters' credit. Under the CBPP proposal, states would receive a certain amount of credits each year set by a federal formula. States would allocate credits to developments to make housing affordable to extremely low-income families. Families in units assisted by the renters' credit would pay 30% of their income for rent and utilities and the owner would receive a federal tax credit based on the rent reductions it provides. A credit with a cost of \$8 billion a year could enable close to 800,000 extremely low-income families to live in decent, stable, affordable homes once fully phased in.

In 2016, the University of California at Berkeley's Turner Center for Housing Innovation issued a report presenting three renters' tax credit options. The Turner Center published another report in September 2024 outlining considerations for designing a renters' tax credit. The report is available [here \(https://tr.ee/W0JfiX\)](https://tr.ee/W0JfiX).

Federal Renters' Tax Credit Proposals

The idea of a federal renters' tax credit has received growing attention in recent years. The Bipartisan Policy Center, Center for American Progress, Urban Institute, Enterprise Community Partners, Center for Global Policy Solutions, Prosperity Now, Mortgage Bankers Association, and others have highlighted a renters' credit as a promising strategy to address poverty, homelessness, and high rent burdens. Legislation to establish renter credit has been introduced in the last six sessions of Congress.

For example, in 2021 Senate Banking Committee Chair Sherrod Brown (D-OH) introduced the "Renter's Tax Credit Act" proposing a capped, state-administered renters' credit, and a similar project-based renters' tax credit was included in the "Decent, Affordable, Safe Housing for All (DASH) Act" reintroduced by Finance Committee Chair Ron Wyden (D-OR) in 2023.

Senator Raphael Warnock (D-GA) and Representatives Danny Davis (D-IL), Jimmy Gomez (D-CA), Scott Peters (D-CA), and Jimmy Panetta (D-CA) reintroduced the "Rent Relief Act of 2023," which would create a new tenant-claimed credit for renters earning less than \$100,000 annually who spend at least 30% of their gross income on rent and utilities. The bill would help housing cost-burdened renters bridge the gap between incomes and rents by creating a new, fully refundable tax credit that covers a share of the difference between 30% of income and rent, capped at 100% of Small Area Fair Market Rent.

Senator Cory Booker (D-NJ) and Representative Jim Clyburn (D-SC) reintroduced the "Housing, Opportunity, Mobility, and Equity (HOME) Act" (S.5223, H.R.9466) in the 117th Congress. The HOME Act would create a new, refundable tax credit for renters who pay more than 30% of their income on rent and utilities. The bill would also require local governments to address regulatory and zoning barriers that drive up housing costs and restrict the ability of the private sector to build more affordable rental homes.

State Renters' Tax Credits

Renters' tax credits can be instituted at the state and federal levels. More than 20 states provide tax credits to help renters afford housing. Most of these credits are provided as part of a "circuit breaker" tax credit designed to provide relief from property tax burdens (circuit breakers often include benefits for renters in addition to homeowners, since renters pay for property taxes indirectly through higher rent). State renters' and circuit breaker credits are usually shallow, rarely providing more than a few hundred dollars per year.

Advocates should work at the state level to establish credits to help renters afford housing. In states where credits already exist, advocates should seek to improve them by increasing the amount, making credits refundable (if they are not already), and providing credits through periodic payments rather than in a single lump sum. See [RESULTS' state renters tax credit tracker \(https://tr.ee/Jwlrg5\)](https://tr.ee/Jwlrg5).

For More Information

Center on Budget and Policy Priorities renters' credit webpage, <http://www.cbpp.org/topics/renters-credit>.
<http://www.cbpp.org/topics/renters-credit>

Carol Galante, Carolina Reid, and Nathaniel Decker, *The FAIR Tax Credit: A Proposal for a Federal Assistance in Rental Credit to Support Low-Income Renters*, Turner Center for Housing Innovation, University of California, Berkeley, October 7, 2016, <http://turnercenter.berkeley.edu/fair-tax-credit>

Sara Kimberlin and Elizabeth Kneebone, *Options for Addressing Rent Burdens Through the Tax Code: Considerations for Designing a Renter's Tax Credit*, Turner Center for Housing Innovation, University of California, Berkeley, September 2024, <https://tr.ee/dJbqcl>

RESULTS State Renter Tax Credits Tracker,
<https://tr.ee/Jwlrg5>

Aidan Davis, *State Tax Codes as Poverty Fighting Tools: 2019 Update on Four Key Policies in All 50 States*, Institute on Taxation and Economic Policy, September 2019, <https://itep.org/state-tax-codes-as-poverty-fighting-tools/>

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

CHAPTER 5

ADDITIONAL HOUSING PROGRAMS

HOME INVESTMENT PARTNERSHIPS PROGRAM

By Libby O'Neill, Senior Policy Analyst, NLIHC

Administering Agency: The Office of Affordable Housing Programs (OAHP) in HUD's Office of Community Planning and Development (CPD)

Year Started: 1990

Population Targeted: Households with income equal to or less than 80% of the area median income (AMI); when used to assist renters, 90% of a jurisdiction's HOME-assisted rental units must be occupied by households with income equal to or less than 60% AMI.

Note: Proposed legislation in the 119th Congress seeks to increase the income threshold to 100% AMI for homeownership activities. See "Forecast for 2026-Congress" section of this article for more details.

Funding: As of this article's writing, Congress has yet to finalize a fiscal year (FY) 2026 Transportation, Housing and Urban Development (THUD) spending bill. The Trump administration's budget request and the House's proposed THUD spending bill for FY26 eliminated HOME funding, while the Senate proposed \$1.25 billion for the program, level funding from FY25. The final FY25 THUD bill was a year-long continuing resolution (CR), which provided level funding from FY24; the \$1.25 billion in FY24 was a reduction from \$1.5 billion for FY23 and FY22, which was a \$150 million increase over FY21 and FY20 funding of \$1.35 billion, an increase from FY19 funding of \$1.25 billion. As of the date this *Advocates' Guide* went to press, Congress had yet to agree on a final HOME appropriation for FY26.

Program Summary

The HOME Investment Partnerships (HOME) Program is a federal block grant intended to expand the supply of decent, affordable housing for lower-income people. The HOME Program was authorized in 1990 as part of the "Cranston-Gonzalez National Affordable Housing

Act." HOME is a federal block grant to about 640 participating jurisdictions (PJs), which are states and certain localities that use the funds to provide affordable housing to low- and moderate-income households. States and localities use the funds for a variety of homeownership and rental activities. In general, all HOME money must benefit people with lower incomes, tenant rents must generally be capped at a fixed percentage of the area median income (AMI), and units must be occupied by income-eligible households for a set number of years. The HOME Program regulations are at [24 CFR Part 92 \(https://tr.ee/ytCaCj\)](https://tr.ee/ytCaCj). Numerous changes to the HOME regulations were finalized July 24, 2013. NLIHC has a [summary of key changes \(https://nlihc.org/sites/default/files/Summary_Final_HOME_Regs_8-9-13.pdf\)](https://nlihc.org/sites/default/files/Summary_Final_HOME_Regs_8-9-13.pdf). OAHP published [new proposed changes \(https://www.govinfo.gov/content/pkg/FR-2024-05-29/pdf/2024-10975.pdf\)](https://www.govinfo.gov/content/pkg/FR-2024-05-29/pdf/2024-10975.pdf) to the regulations in the *Federal Register* May 29, 2024. NLIHC prepared a [summary \(https://nlihc.org/sites/default/files/Proposed_HOME_Tenant_Protections_Factsheet.pdf\)](https://nlihc.org/sites/default/files/Proposed_HOME_Tenant_Protections_Factsheet.pdf) of greatly improved proposed tenant protections, as well as a [summary \(https://nlihc.org/resource/nlihc-summary-chdo-provisions-proposed-home-regulation-changes\)](https://nlihc.org/resource/nlihc-summary-chdo-provisions-proposed-home-regulation-changes) of the proposed changes to the Community Housing Development Organization (CHDO) component of the HOME regulations and submitted formal [comments \(https://nlihc.org/sites/default/files/NLIHC_HOME_Proposed_Regulation_Comment_Letter.pdf\)](https://nlihc.org/sites/default/files/NLIHC_HOME_Proposed_Regulation_Comment_Letter.pdf) to OAHP regarding the proposed CHDO provisions on July 29, 2024. A [final rule \(https://www.govinfo.gov/content/pkg/FR-2025-01-06/pdf/2024-29824.pdf\)](https://www.govinfo.gov/content/pkg/FR-2025-01-06/pdf/2024-29824.pdf) was published in the *Federal Register* January 6, 2025.

ELIGIBLE ACTIVITIES

HOME dollars can be used as a grant or a loan to meet a variety of development costs, such as: buying existing housing or vacant land for affordable housing; building new housing; rehabilitating existing housing; demolishing structures to make way for affordable

housing; relocation; making site improvements; and paying soft costs, such as engineering plans, attorneys' fees, title search, and fair housing services. HOME can also be used to help people purchase or rehabilitate a home by offering loans, loan guarantees, or down payment assistance. Tenants can be given grants for security deposits and rental assistance so that they pay no more than 30% of their income for rent and utilities. Although tenant-based rental assistance (TBRA) agreements are limited to two-year terms, they can be renewed without limit.

PJs may spend no more than 10% of their HOME allocation for overall program planning and administration, but there is no limit on the use of HOME funds for project-specific administrative costs. Among other limitations, PJs cannot spend HOME dollars on public housing modernization, operation, or preservation, because public housing has its own separate funding accounts.

COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS

At least 15% of a participating jurisdiction's HOME funds are set aside exclusively to be spent on housing that is developed, sponsored, or owned by Community Housing Development Organizations (CHDOs). Up to 5% of a PJ's HOME funds can be given to CHDOs for operating expenses; this amount is separate and apart from the minimum 15% CHDO set-aside and does not count against a PJ's 10% cap on administrative uses. Up to 10% of the CHDO set-aside can be used to provide loans for project-specific technical assistance and site control, such as feasibility studies and consultants, as well as for seed money to cover pre-construction costs, such as architectural plans and zoning approval.

Any nonprofit can receive a HOME grant or loan to carry out any eligible activity, but not every nonprofit is a CHDO. The HOME statute requires a CHDO to be accountable to low-income community residents through significant representation on the organization's governing board. However, until the January 2025 changes, the regulations merely required that one-third of a CHDO's board members be elected representatives of low-income neighborhood organizations, be

residents of low-income neighborhoods, or be other low-income community residents. The January 2025 regulations now require one-third of a CHDO's board to be residents of low-income neighborhoods, other low-income community residents, low-income beneficiaries of HUD programs, or designees of low-income neighborhood organizations or designees of nonprofit organizations in the community that address the housing or supportive service needs of low-income residents or residents of *low-income neighborhoods, including homeless providers, Fair Housing Initiatives Program providers, Legal Aid, disability rights organizations, and victim service providers.*

Since a low-income neighborhood can be one where only 51% of the residents have income less than 80% of AML, it is possible that more affluent people with very different priorities could be on a CHDO board. Also, because the regulations allow "community" to be defined as broadly as an entire city, county, or metropolitan area, it is possible to construct a CHDO that is not accountable to low-income residents in a HOME project's neighborhood.

The regulations have always stated that a CHDO may not be a government entity or be controlled by one. However, the regulations have allowed an organization created by a government entity to qualify as a CHDO; but, the government entity cannot appoint more than one-third of a CHDO's board members and no more than one-third of a CHDO's board members can be "public officials or employees of [a] government entity."

The preamble (introduction) to the proposed 2025 rule explained that the one-third limitation on **any** public officials being on the board had the effect of preventing officials of other units of local government, public school teachers, public university professors, and others from being on a CHDO created by a government entity.

Therefore, for a government-created CHDO, the final rule clarifies that "no more than one-third of the [CHDO's] board members may be officials or employees of the PJ or government entity (for example, a public housing agency) that created the CHDO. The final rule also clarifies that **no governmental entity** (not just the one creating the CHDO) may appoint more than one-third of a CHDO's board members. The final rule also

clarified the previous rule and now states, “The board members appointed by a government entity and the board members that are officials or employees of the PJ or government entity that created the organization may not appoint any of the remaining two-thirds of the board members. Unchanged from the previous regulation, the officers or employees of a government entity may not be officers or employees of a CHDO.

The 2013 regulation made detailed distinctions about CHDOs that simply “own” projects from those that “develop” projects and those that “sponsor” projects. This *Advocates’ Guide* article does not go into all of the details concerning these three project types. The 2013 regulation “demonstrated capacity” provision required a CHDO that was a developer or sponsor to have paid employees on staff who have housing development experience and who will work on projects assisted with HOME funds. If an organization’s paid staff do not have the required capacity, a January 6, 2025 change allows board members or officers of the organization who are volunteers to meet the demonstrated capacity test as long as they are not compensated by or have their services donated by another organization. As with the 2013 rule, for an organization’s first year of funding as a CHDO, the organization may satisfy the demonstrated capacity requirement through a contract with a consultant who has housing development experience to train appropriate, key organization staff.

Until recently, if a PJ failed to commit any portion of the minimum 15% CHDO set-aside within two years, the PJ and its low-income residents would lose that amount of money. However, appropriations acts since FY19 have suspended the two-year deadline to commit CHDO set-aside funds. Consequently, a PJ can choose to not use some or all of the 15% CHDO set-aside, and after two years use those untapped CHDO funds for other HOME-eligible uses. This rolling, temporary suspension of the two-year commitment rule could make it easier for other nonprofits to access more HOME dollars; or it could simply enable a PJ to avoid funding community-based nonprofits in order to shift HOME funds to other developers. The administration and the Senate proposed retaining this suspension for FY26.

Since FY17, appropriations acts have suspended the two-year commitment rule for non-CHDO funds, as did the administration’s and Senate’s FY26 proposals.

FORMULA ALLOCATION

A formula based on six factors reflecting measures of poverty and the condition and supply of the rental housing stock determines which local jurisdictions are PJs. Jurisdictions that do not meet the formula’s threshold can get together with neighboring jurisdictions to form a consortium in order to get HOME funding.

Each year, the formula distributes 60% of the HOME dollars appropriated by Congress to local governments and consortia; the remaining 40% is allocated to states. The state share is intended for small cities, towns, and rural areas not receiving HOME money directly from HUD. Local PJs are eligible for an allocation of at least \$500,000 (in years when Congress appropriates less than \$1.5 billion, such as FY20, FY21, FY24, and FY25), the statute provides that PJs are to receive a minimum of \$335,000. However, appropriations bills since FY20 have suspended this provision, and the Administration proposed legislation to permanently eliminate this provision). Each state receives the greater of its formula allocation or \$3 million. Every HOME dollar must be matched by 25 cents of state, local, or private contributions, which can be cash (but not Community Development Block Grant funding), bond financing proceeds, donated materials, labor, property, or other noncash contributions.

BENEFICIARIES

When HOME is used to assist renters, at least 90% of a PJ’s HOME-assisted rental units must be occupied by households with income equal to or less than 60% of AMI; the remaining 10% of the rental units can benefit those with income up to 80% of AMI, known as low-income households. If a rental project has five or more HOME-assisted units, then at least 20% of the HOME-assisted units must be occupied by households with income equal to or less than 50% of AMI, known as very low-income households. When HOME is used to assist people who are homeowners or who will become homeowners, all of that money must be used for housing occupied by households with income equal to or less than 80% of AMI. These are minimum standards required by law. Advocates should work to convince their PJ or state to improve HOME’s targeting to people

with extremely low income, those with income equal to or less than 30% AMI.

AFFORDABILITY

Households assisted with the HOME program's TBRA option (that is somewhat like a Section 8 Housing Choice Voucher) pay rent that is 30% of their adjusted income. For other HOME-assisted households, maximum rents that may be charged are not based on a household's actual income. Instead, maximum rents are, with one exception, based on a fixed amount. To qualify as affordable rental housing, rent may be no greater than the lower of the fair market rent (FMR) or 30% of the adjusted income of a hypothetical household with an annual income of 65% of AMI; this is called the "High HOME Rent." In projects with five or more HOME-assisted units in which at least 20% of the HOME-assisted units must be occupied by households with very low incomes, rent is considered affordable if it is less than 30% of the income of a hypothetical household with an annual income at 50% of AMI, or less than 30% of their adjusted income; this is called the Low HOME Rent." Actual [rent limit figures \(https://www.hudexchange.info/programs/home/home-rent-limits/\)](https://www.hudexchange.info/programs/home/home-rent-limits/) are posted on the HUD Exchange HOME program webpage.

Newly constructed rental projects must remain affordable for 20 years. Existing rental housing that is either purchased or rehabilitated must remain affordable for 15 years if more than \$40,000 is spent per unit, 10 years if between \$15,000 and \$40,000 is spent per unit, and five years if less than \$15,000 is spent per unit.

Homeowner-assisted units are considered affordable if, in general, the value of the home after assistance is less than 95% of the median area purchase price. Homeowner units must remain affordable for the same periods mentioned above. PJs must have resale or recapture provisions. A resale provision is intended to ensure continued benefit to low-income households during the affordability period by requiring purchase by an income-eligible household if an original homeowner sells before the end of the affordability period. A recapture provision must ensure that all or a portion of HOME assistance is recouped if an owner sells or is foreclosed upon during the affordability period.

TENANT PROTECTIONS

The January 6, 2025, final regulation changes strengthened tenant protections for renters living in HOME-assisted properties at [24 CFR Part 92.253 \(https://www.ecfr.gov/current/title-24/subtitle-A/part-92?toc=1\)](https://www.ecfr.gov/current/title-24/subtitle-A/part-92?toc=1).

Lease Contents. The HOME rule has always required a lease. The final rule adds that the lease must contain:

- i. More than one convenient and accessible method to communicate directly with the owner or property management staff, including in person, by telephone, email, or through a web portal;
- ii. The Participating Jurisdiction's (PJ's) contact information for the HOME program;
- iii. The Violence Against Women Act's (VAWA's) lease term/addendum; and,
- iv. The HOME lease addendum.

Lease Addendum. To provide greater tenant protections, the new regulation now requires an addendum to a HOME lease. This section of the regulation has 10 key components, eight are touched upon here.

Physical Condition of a Unit and Project. An owner must meet the PJ's standards as well as state and local codes. Regarding maintenance and repairs, an owner must provide tenants a written estimate of when the work will be done, and an owner must not charge a tenant for normal wear and tear or damage but can charge for damage due to a tenant's negligence, recklessness, or intentional acts. If a project provides owner-controlled utilities, the owner must provide uninterrupted utility service, unless the service interruption is not in the owner's control, such as a general power outage. If a life-threatening deficiency cannot be repaired on the day the deficiency is identified, the tenant must be promptly relocated at no cost to the tenant.

Use and Occupancy of the Unit and Project. Owners must provide at least two days' notice to tenants before entering a unit during reasonable hours for routine inspections and maintenance and for making repairs or improvements, or to show the unit to prospective

tenants. An owner can enter a unit anytime without advance notice if it is reasonable to think that there is an emergency. If an owner enters when there are no adults, the owner must provide a written statement explaining the reason for the entry and the date and time of the entry. A tenant's household must have reasonable access to and use of common areas.

The Right to Organize. A HOME tenancy addendum must contain a provision stating that tenants have the right to organize, create tenant associations, convene meetings, distribute literature, and post information. The preamble to the proposed rule mentioned the tenant organizing provisions codified as Section 245 for HUD's Multifamily program regulations and that are reflected in the requirements for the Rental Assistance Demonstration (RAD). NLIHC urged HUD to add to the HOME regulations direct reference to the Multifamily Section 245 regulations which would avoid ambiguity by providing specific rights. HUD declined NLIHC's suggestion.

Required Notices. Before an owner proposes to carry out an adverse action (such as charging damages that require repair), the owner must provide a tenant with a written notice explaining the reason for the proposed adverse action. Tenants must be notified five business days before there is a change in ownership or management, and there must be at least 30 days' notice before a sale or foreclosure. Notices must accommodate tenants with a physical disability or with language access needs.

Protection Against Unreasonable Interference or Retaliation. An owner may not unreasonably interfere with a tenant's safety or peaceful enjoyment of a unit or common areas. An owner may not retaliate against a tenant for taking actions allowed by the lease or law by decreasing services (such as maintenance or trash removal) or imposing new or increased fees, interfering with a tenant's right to privacy, or harassing a household or their guests.

Exercising Rights. A tenant may exercise any right of tenancy without fear of retaliation if the tenant reports inadequate housing conditions in the unit or in the property, reports lease violations, or if the tenant requests enforcement of the lease and any of its protections.

Security Deposits. Security deposits may be no greater than two months' rent and refundable. If an owner charges any amount against a tenant's security deposit, the owner must provide a list of all items charged and the amount charged for each item. An owner must promptly refund the security deposit, minus any amounts used to reimburse the owner for items charged.

Termination of Tenancy. An owner may not terminate the tenancy of a tenant or household member, or refuse to renew a lease, except for: serious or repeated violations of the terms and conditions of a lease; for violations of federal, state, or local law; or for "other good cause." Other good cause includes when a tenant or household member is a direct threat to the safety of other tenants or employees of the property or is an imminent and serious threat to the property or refuses to provide an owner access to a unit to allow repairs to be made.

An owner may establish good cause for violation of federal, state, or local law, only if there is a record of conviction for a crime that directly threatens the health, safety, or rightful peaceful enjoyment of the property by other tenants. An owner must not use a record of arrest, parole, or probation, or current indictment to establish such a violation. NLIHC's comments on the proposed rule noted that the preamble to the proposed rule mentioned that such a conviction takes place "during the tenancy period" and that good cause cannot be based on a violation that occurred prior to tenancy. NLIHC pointed out that the proposed text did not have such explicit language and urged the final rule text contain direct language clarifying that convictions prior to tenancy must not be considered. HUD declined to make the recommended clarification.

At least 30 days before terminating a tenancy or refusing to renew a tenancy, an owner must provide a tenant with a written notice that specifies the reason for the action. An owner must also provide a copy of the notice to vacate to the PJ within five business days if issuing notice to the tenant. (The proposed regulation called for a 60-day advance notice, but HUD shortened the period in response from "overwhelmingly negative comments from owners and managers.") The 30-day minimum is not required if the termination of tenancy or refusal to renew is due to a direct threat to the

safety of tenants and employees of the property or is an imminent and serious threat to the property. An owner may not terminate the tenancy or evict the tenant without undertaking a civil court proceeding at which the tenant has the opportunity to present a defense.

An owner may not perform a “constructive eviction” such as locking a tenant out of their unit or stopping utilities. An owner may not create a hostile living environment or refuse to make a reasonable accommodation for a person who has a disability in order to cause the tenant to end their tenancy. These requirements from the HOME rule were initially set to take effect on February 5, 2025. On February 3, 2025, HUD delayed the effective date until April 20, 2025. A second delay on April 17, 2025 postponed implementation of certain provisions of the HOME rule until October 30, 2025. Those provisions were:

- American Dream Downpayment Initiatives—removal of Action Plan requirements for state governments;
- Maximum Per-Unit Subsidy Amount, Underwriting, and Subsidy Layering—green building standard per unit subsidy revision; and
- Tenant Protections and Selection.

On October 22, 2025, HUD again delayed implementation of Tenant Protections and Selection and the green building provisions, with jurisdictions required to comply by April 20, 2026.

HOME STATISTICS

HUD used to publish monthly reports on HOME production, however the Trump administration has discontinued these reports. As of the most recent report data available at time of publishing, HOME has delivered 1,388,423 completed physical units and provided another 422,388 tenant-based rental assistance contracts since 1992. Out of the 1,384,404 physical units, 40% (558,954) were rental units, 19.19% (265,212) were homeowner rehabilitation and/or new construction units, and 41% (564,257) were homebuyer units.

At the time of initial occupancy, households with income equal to or less than 30% of AMI occupied 44% of the physical rental units. Households with income

equal to or less than 30% of the AMI occupied 30% of the homeowner rehabilitation units, and 6% of the homebuyer units. Twenty-seven percent of the rental units had households assisted with Housing Choice Vouchers. In addition, 79% of the tenant-based rental assistance units were occupied by extremely low-income people.

Forecast for 2026

FUNDING

As of this article’s writing, Congress has yet to finalize a THUD spending bill for FY26. In FY25, Congress appropriated \$1.25 billion for the HOME program as part of a year-long CR. This is the same amount that was appropriated in FY24, and a reduction from \$1.5 billion for FY23 and FY22, which was a \$150 million increase over FY21 and FY20 funding of \$1.35 billion, an increase from FY19 funding of \$1.25 billion.

2025 HOME FINAL RULE IMPLEMENTATION OF TENANT PROTECTIONS REQUIREMENTS

HUD has delayed the implementation of the tenant protections and green building requirements in the 2025 HOME Final Rule three times, with the latest delay postponing implementation to April 20, 2026. These delays raise concerns about the eventual implementation of the new tenant protections provisions, which provide people living in HOME-funded properties baseline tenant protections, including the right to organize, limits on security deposits, and protection against retaliation.

NSPIRE

The National Standards for Physical Inspection of Real Estate (NSPIRE) is a protocol intended to align, consolidate, and improve the physical inspection regulations that apply to multiple HUD-assisted housing programs (24 CFR part 5). NSPIRE replaces the Uniform Physical Condition Standards (UPCS) developed in the 1990s and absorbs much of the Housing Quality Standards (HQS) regulations developed in the 1970s. NSPIRE physical inspections focus on three areas: the housing units where HUD-assisted residents live,

elements of their building’s non-residential interiors, and the outside of buildings, ensuring that components of these three areas are “functionally adequate, operable, and free of health and safety hazards.”

HOME, as well as the CPD programs, will not need to implement the NSPIRE changes until October 1, 2025 (an [extension \(https://www.govinfo.gov/content/pkg/FR-2024-07-05/pdf/2024-14718.pdf\)](https://www.govinfo.gov/content/pkg/FR-2024-07-05/pdf/2024-14718.pdf) from October 1, 2024). HUD published a [final rule \(https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf\)](https://www.govinfo.gov/content/pkg/FR-2023-05-11/pdf/2023-09693.pdf) implementing the National Standards for Physical Inspection of Real Estate (NSPIRE) in the *Federal Register* on May 11, 2023.

CONGRESS

Senator Catherine Cortez Masto (D-NV) introduced S. 948 “HOME Investment Partnerships Reauthorization and Improvement Act of 2025” on March 11, 2025.

NLIHC did not endorse this bill for a number of reasons, especially because it would not improve income targeting by capping affordable rental units at 60% AMI instead of 80% AMI and would not require 30% of HOME-assisted units to be affordable to households with income equal to or less than 30% AMI. Also, the bill would reduce the requirement for low-income community groups to have “substantial” representation on CHDO governing boards.

The “Home Investment Partnerships Reauthorization and Improvement Act of 2025” was included as one of forty provisions in the “ROAD to Housing Act,” the Senate’s large bipartisan housing package. As of publication, the “ROAD to Housing Act” has passed in the Senate, and negotiations in the House are ongoing.

Senator Cortez Masto introduced a similar bill in 2024. NLIHC provided a number of recommendations for the Senator to consider. The four most important

recommendations were:

1. CHDO Definition.

- a. To continue to emphasize accountability to low-income people and neighborhoods, NLIHC urged the bill to not eliminate the word “significant” in the phrase “maintains significant representation.”
- b. NLIHC learned from small, nonprofit community development organizations that the regulation’s requirement that at least one-third of a CHDO’s board of directors be low-income residents was too difficult for many such organizations to achieve. NLIHC recommended the bill modify the regulatory definition of CHDO by removing the one-third low-income board member requirement, replacing it with “maintaining meaningful representation...on its governing board or an advisory committee to its governing board.”
- c. The 2013 HOME regulation changes required a CHDO to have a full-time developer on staff, something that most small, neighborhood-based organizations do not have the financial capacity to do. NLIHC urged the bill to instruct HUD to modify the regulatory definition of CHDO regarding an entity’s “demonstrated capacity” by allowing a community development organization to engage housing development consultants or volunteers on an as-needed basis.

2. **Improve income targeting.** NLIHC urged the bill to cap affordable rental units at 60% AMI, not 80% AMI, and require 30% of units to be affordable to households at or below 30% of AMI. Targeting eligible rental uses exclusively for people at 60% AMI would be an improvement over current targeting and put the program more in line with other housing programs. The deeper targeting to serve ELI households will ensure that these funds are more effectively deployed to address those with the greatest needs and to address the underlying causes of the housing crisis.

Representatives Emanuel Cleaver (D-MO) and Mike Flood (R-NE) also introduced HOME legislation in the 119th Congress, the “HOME Reform Act of 2025.” NLIHC provided feedback on several provisions of the bill. As negotiations on the “ROAD to Housing Act” progressed in 2025, the “HOME Reform Act of 2025” became a potential update in ROAD. NLIHC endorsed the bill as an element of “ROAD,” but does not support all provisions of the bill. The bill:

- Updates the definition of Community Housing Development Organization (CHDO) to weaken the requirements for low-income representation on boards. This is similar to a provision in Senator Cortez Masto’s bill. NLIHC opposes this provision, and urged the bill leads to maintain realistic, meaningful representation.
- Expands eligibility for homeownership activities from families with 80% AMI to families earning up to 100% AMI. NLIHC opposes this provision, as federal subsidies should be targeted to households with the greatest need.
- Removes language that gives preference to rehabilitation projects. According to stakeholders, the current language is not meaningful, however NLIHC would support other ways to encourage and required funds to go toward rehabilitation, when much of the public attention is focused on new supply.
- Removes the expiration of right to draw HOME funds, which will be helpful for HOME grantees.
- Streamlines environmental review processes.
- Exempts housing-related uses under the HOME program from the “Build America, Buy America Act,” which has added significant time and cost to developments.

NLIHC will continue to provide feedback to strengthen the bill and protect the meaningful participation of CHDOs in the HOME program. NLIHC will also urge Congress to continue funding the HOME program.

Tips for Local Success

At the local level advocates will want to continue to be actively involved in the Consolidated Plan’s Annual Action Plan public participation process in order to influence the type of housing, location, and beneficiaries of HOME dollars.

Advocates can best influence how HOME dollars are allocated if they know how a jurisdiction has spent its previous allocations. To monitor their local PJ’s accomplishments, advocates can access several useful reports on the [Grantee Reports and Plans webpage \(https://www.hudexchange.info/grantees/reports/#home-reports\)](https://www.hudexchange.info/grantees/reports/#home-reports) on the HOME program [homepage of HUD’s Exchange website \(https://www.hudexchange.info/programs/home/\)](https://www.hudexchange.info/programs/home/).

- [Open Activities Report \(https://www.hudexchange.info/programs/home/home-pjs-open-activities-reports/\)](https://www.hudexchange.info/programs/home/home-pjs-open-activities-reports/) is a monthly list of each HOME project in a PJ that is still “open,” indicating tenure type (renter or homeowner), type of activity (such as rehabilitation, acquisition, or new construction), ZIP code, number of units, commitment date, and amount budgeted and spent.
- [Vacant Unit Report \(https://www.hudexchange.info/programs/home/home-pjs-vacant-unit-reports/\)](https://www.hudexchange.info/programs/home/home-pjs-vacant-unit-reports/) identifies units marked vacant in HUD’s reporting system, showing whether the project is completed and its street address.
- [National Production Report \(https://www.hudexchange.info/programs/home/home-national-production-reports/\)](https://www.hudexchange.info/programs/home/home-national-production-reports/) offers cumulative information since 1992.
- [HOME Units Completed within LIHTC Projects by State \(https://www.hudexchange.info/programs/home/ad-hoc-reports/\)](https://www.hudexchange.info/programs/home/ad-hoc-reports/) provides the number of HOME units completed within Low-Income Housing Tax Credit projects by state since 2010. The report also provides a breakdown of overall HOME funds disbursed for LIHTC projects and the average amount of HOME funds disbursed per LIHTC project.

- [HOME Units Completed by State \(https://www.hudexchange.info/programs/home/ad-hoc-reports/\)](https://www.hudexchange.info/programs/home/ad-hoc-reports/) provides the number of HOME units completed since 1992 by state. The report also provides a breakdown of completed HOME units by tenure type and the amount of HOME funds committed and disbursed.
- [HOME Units Completed by Congressional District \(https://www.hudexchange.info/programs/home/ad-hoc-reports/\)](https://www.hudexchange.info/programs/home/ad-hoc-reports/) provides the number of HOME units completed since 1992 by congressional district. The report also provides a breakdown of completed HOME units by tenure type and the amount of HOME funds committed and disbursed.

What to Say to Legislators

The major responsibility of advocates is to continue pushing for increased federal appropriations. Advocates should ask members of Congress to fully fund the HOME program at \$2.5 billion.

For More Information

National Low Income Housing Coalition, 202-662-1530, www.nlihc.org

HOME Program information is also at HUD Exchange, <https://www.hudexchange.info/programs/home>

HOME regulations, 24 CFR part 92 are at: <https://tinyurl.com/yv8d9b8z>

LOW-INCOME HOUSING TAX CREDITS

By Libby O'Neill, Senior Policy Analyst, NLIHC

Administering Agency: Internal Revenue Service (IRS) of the Department of the Treasury at the federal level and Housing Finance Agencies at the state level.

Year Started: 1986

Number of Households Served: HUD's Office of Policy Development and Research [reports](https://www.huduser.gov/portal/datasets/lihtc/property.html) (<https://www.huduser.gov/portal/datasets/lihtc/property.html>) that 54,102 projects and 3.7 million housing units were placed in service between 1987 and 2023.

Population Targeted: Generally, households with income either equal to or less than 60% of area median income (AMI) or 50% AMI, but also 80% AMI since "income averaging" was introduced after 2018.

Funding: As a tax credit program, LIHTC is not funded by appropriations. The cost of the program is calculated as foregone tax revenues, or "tax expenditures." A December 12, 2024, [report](https://www.jct.gov/publications/2024/jcx-48-24/) (<https://www.jct.gov/publications/2024/jcx-48-24/>) from the Joint Committee on Taxation estimates \$14.4 billion in foregone tax revenues ("tax expenditures") for 2026. For the period 2024 through 2028, the total foregone tax revenue is estimated to be \$72 billion. In addition, recent legislative changes enacted in the "One Big Beautiful Bill Act" (H.R. 1, <https://www.congress.gov/bill/119th-congress/house-bill/1/text>) permanently expanded states' LIHTC allocation authority by 12% and lowered the tax-exempt bond financing requirements from 50% to 25%. These changes are estimated to reduce federal tax revenues by an additional \$39 million in 2026, with revenue losses increasing each year until reaching \$4 billion in 2034.

In addition, the Joint Committee estimates forgone taxes from the exclusion of interest on state and local government qualified private activity bonds for rental housing, which are paired with 4% LIHTC, to be an additional \$1.6 billion for 2026. For the period 2024 through 2028, the total foregone tax revenue is estimated to be \$8 billion.

The Low-Income Housing Tax Credit program (LIHTC) finances the construction, rehabilitation, and preservation of housing affordable to lower-income households. The LIHTC program encourages private investment by providing a tax credit: a dollar-for-dollar reduction in federal taxes owed on other income. Although the LIHTC program is federal, each state (and some localities) has an independent agency, generally called a housing finance agency (HFA) that decides how to allocate the state's share of federal housing tax credits within a framework formed by the Internal Revenue Code.

History

The LIHTC program was created by the "Tax Reform Act of 1986" and is codified at Section 42 of the Internal Revenue Code, 26 U.S.C. 42, so tax credit projects are sometimes referred to as "Section 42" projects. The IRS provides additional guidance through regulations (Title 26 -Chapter I - Subchapter A - Part 1 §1.42), revenue rulings, revenue procedures, notices, technical advice memorandums, private letter rulings, and other means.

Program Summary

The LIHTC program finances the construction, rehabilitation, and preservation of housing for lower-income households. LIHTC can be used to support a variety of projects: multifamily or single-family housing, new construction or rehabilitation, special needs housing for elderly people or people with disabilities, and permanent supportive housing for families and individuals experiencing homelessness. Although the LIHTC program is federal, each state (and some localities) has an independent housing finance agency (HFA) that decides how to allocate the state's share of LIHTC, which is based on each state's population.

LIHTC is designed to encourage corporations, often financial institutions like banks and insurance companies, and wealthy private individuals to invest cash in housing for lower-income people; generally,

those with income equal to or less than 60% of the area median income (AMI) or 50% AMI, but also 80% AMI since “income averaging” was introduced after 2018 (explained below). LIHTC provides this encouragement by providing a tax credit to the investor over the course of a 10-year “credit period,” a dollar-for-dollar reduction in federal taxes owed on other income. The cash that investors put up, called “equity,” is used along with other resources such as the HOME Investment Partnerships program (HOME), the national Housing Trust Fund (HTF), private loans, or state housing program funds to build new affordable housing or to make substantial repairs to existing affordable housing. LIHTC is not meant to provide 100% financing. The infusion of equity reduces the amount of money a developer must borrow and pay interest on, thereby reducing the rent level that needs to be charged.

LIHTC Units

Until 2018, when applying to an HFA for tax credits, a developer had two lower-income unit set-aside options and had to stick with the chosen option during a required lower-income occupancy period. “Income averaging” was introduced in 2018 by the “Consolidated Appropriations Act of 2018.”

The two traditional lower-income unit set-aside choices are:

- Ensuring that at least 40% of the units are rent-restricted and occupied by households with income equal to or less than 60% of AMI.
- Ensuring that at least 20% of the units are rent-restricted and occupied by households with income equal to or less than 50% of AMI.

For projects using one of the two traditional set-aside choices, tax credits are available only for rental units that meet one of the above rent-restricted minimums (40/60 or 20/50). With these minimums it is possible for LIHTC projects to have a mix of units occupied by people of lower, moderate, and middle incomes. These are minimums; projects can have higher percentages of rent-restricted units occupied by lower-income people. In fact, the more rent-restricted lower-income units in a project, the greater the amount of tax credits provided.

Typically, developments include a higher set-aside of income-restricted units than the federal minimum, with many projects being 100% restricted, both due to state incentives and economic considerations. New developments should balance considerations of the need for more units with the value of mixed-income developments and with concerns about undue concentrations of lower-income households in certain neighborhoods.

The FY18 appropriations act added a third option—“income averaging,” now frequently referred to as the “average income test” (AIT). This allows developers who choose the income averaging option to commit at least 40% of a property’s units to an average designated income limit of no more than 60% AMI, with rents set at a fixed amount of 30% of a unit’s designated income limit. The developer decides the mix of designated income limits. The designated income limits may be in 10% increments from 10%, 20%, 30%, 40%, 50%, 60%, 70%, up to 80% of AMI. A unit can only be occupied by a household with income equal to or less than the unit’s designated income with the rent for that unit fixed at 30% of the designated income limit (except any units designated 10% AMI units will be counted as 20% AMI units for income averaging). For example, if a unit is designated at 20% AMI, the household’s income must be equal to or less than 20% AMI and the maximum rent is capped at 30% of 20% AMI. If a unit is designated at 80% AMI, the household’s income must be equal to or less than 80% AMI and the maximum rent is capped at 30% of 80% AMI.

The purpose of the income averaging option is to enable developers to offset lower rents for extremely low-income households by charging higher rents to households with income greater than the more traditional 60% AMI level. Advocates had some initial concerns about this new option, as discussed in the “Issues and Concerns” section of this article. On October 12, 2022, IRS published [final regulations](https://www.govinfo.gov/content/pkg/FR-2022-10-12/pdf/2022-22070.pdf) (<https://www.govinfo.gov/content/pkg/FR-2022-10-12/pdf/2022-22070.pdf>) for AIT. In September 2025, IRS published updated final regulations for AIT to resolve several issues with the 2022 regulation and provide clear guidance for compliance. States can choose whether to make AIT an option for developments, and

several states have created guidance and [policies on income averaging](https://tr.ee/lh2Djv) (<https://tr.ee/lh2Djv>).

According to [NLIHC's research team](https://www.huduser.gov/portal/periodicals/cityscape/vol26num2/ch11.pdf) (<https://www.huduser.gov/portal/periodicals/cityscape/vol26num2/ch11.pdf>), based on HUD data from 2019 (the most recent available), approximately 50% of LIHTC households had income equal to or less than 30% AMI ("extremely low income," ELI), and 69.2% of these ELI LIHTC households also had other forms of rental assistance, such as Housing Choice Vouchers. Among ELI LIHTC households who received rental assistance, 17.1% were "moderately" cost-burdened, spending between 31% and 50% of their income on rent and utilities. An additional 15.8% of ELI LIHTC households were "severely" cost-burdened, spending more than 50% of their income on rent and utilities, even though they received rental assistance. Overall, 32.9% of ELI LIHTC households had some form of cost burden—even though they had rental assistance. For ELI LIHTC households who did not receive any form of rental assistance, 77.3% had some degree of cost burden; 18.2% were moderately cost-burdened while 59.1% were severely cost-burdened.

LIHTC Rents

Rent-restricted units have fixed maximum gross rents, including allowance for utilities, that are equal to or less than the rent charged to a hypothetical tenant paying 30% of 60% of AMI or 50% of AMI, or one of the designated increments in an income averaging project—whichever option a developer has chosen. Tenants may have to pay rent up to that fixed maximum tax credit rent even if it is greater than 30% of their income. In other words, the maximum rent a tenant pays is not based on 30% of the tenant's income; rather it is based on 30% of the fixed AMI level (for example, 60% or 50% for the two traditional options).

Consequently, lower-income residents of tax credit projects might be rent burdened, meaning paying more than 30% and even 50% of their income for rent and utilities. Or, LIHTC projects might simply not be financially available to extremely low-income households (those with income less than 30% of AMI) or very low-income households (those with income less than 50% of AMI) because rents charged are not

affordable to them. HUD's tenant-based or project-based vouchers or U.S. Department of Agriculture Rural Development Section 521 Rental Assistance is often needed to fill the gap between 30% of a resident's actual income and the tax credit rent.

HUD's Office of Policy Development and Research (PD&R) publishes Fair Market Rents and Income Limits data each year that are used to determine rents and eligibility in LIHTC properties. HUD sets the maximum rent that can be charged for a LIHTC unit based on the income set-aside, geography, and number of bedrooms in the unit. Property owners cannot charge rent higher than this maximum, however they may choose to charge a rent lower than the maximum.

In April 2024, HUD announced a new 10% limit on rent cap increases in LIHTC properties. Previously under LIHTC, maximum rent caps can increase annually by 5% or two times the percentage change in the national median income, whichever is higher. PD&R's new 2024 cap limits maximum rent increases to no more than 10%, regardless of the national median income change (referred to as an "absolute cap" of 10%). The 10% absolute cap remained in place for the FY25 FMRs; it is not clear if this cap is permanent.

Lower-Income Occupancy Period

The law requires units to be "rent-restricted" and occupied by income-eligible households for at least 15 years, called the "compliance period," with an "extended use period" of at least another 15 years for a total of 30 years. Some states require low-income housing commitments ("restricted-use periods") greater than 30 years or provide incentives for projects that voluntarily agree to longer commitments. An NLIHC report, [Balancing Priorities: Preservation and Neighborhood Opportunity in the Low-Income Housing Tax Credit Program Beyond Year 30](https://nlihc.org/resource/balancing-priorities-report) (<https://nlihc.org/resource/balancing-priorities-report>), found that 8,420 LIHTC properties accounting for 486,799 LIHTC units will reach Year 30 between 2020 and 2029. This is nearly 25% of all current LIHTC units. Another NLIHC report, [2024 Picture of Preservation](https://tr.ee/8dRIJv) (<https://tr.ee/8dRIJv>), estimated that rent restrictions will expire for 538,418 LIHTC units by 2034.

Where states do not mandate longer restricted-use periods, an owner may submit a request to an HFA to sell a project or convert it to market rate during year 14 of the 15-year compliance period. The HFA then has one year to find a buyer willing to maintain the rent restrictions for the balance of the 30-year period. If the property cannot be sold to such a “preservation purchaser,” then the owner’s obligation to maintain rent-restricted units is removed and lower-income tenants receive “enhanced vouchers” (see the Tenant Protection Vouchers section in Chapter 4 of this guide) enabling them to remain in their units for three years. This Year 15 option is called the “Qualified Contract” (QC) and is discussed in the “Issues and Concerns” section of this article. [2024 Picture of Preservation \(https://tr.ee/8dRIJv\)](https://tr.ee/8dRIJv) estimates that 155,555 homes awarded LIHTC subsidy since 1990 lost their affordability restrictions after 15 years, suggesting they may have exited through the QC process.

HFAs must monitor projects for compliance with the income and rent restriction requirements. The IRS can recapture tax credits if a project fails to comply, or if there are housing code or fair housing violations. However, the extent to which HFAs monitor compliance after the 10-year credit period and following 5-year “recapture period” is not clear (see the “Issues and Concerns” section of this article).

Program Structure

Although LIHTC is a federal program, each state has a housing finance agency (HFA) that decides how to award tax credits to projects. Tax credits have two levels: 9% and 4% (discussed further below). The 9% tax credits are allocated to states by the U.S. Treasury Department based on a state’s per-capita population along with an inflation factor. In 2026, each state will receive \$3.416 per capita (up from \$3.00 in 2025, \$2.90 in 2024, \$2.75 in 2023, \$2.60 in 2022, and \$2.81 in 2021 and 2020), with small states receiving a minimum of \$3,953,500 (up from \$3,455,000 in 2025, \$3,360,000 in 2024, \$3,185,000 in 2023, \$2,975,000 in 2022, and \$3,250,000 in 2021, which was a slight increase from 2020). The increase in 2026 is due to the standard annual increase for inflation, and more significantly the 12% increase created by H.R. 1. Developers apply to an

HFA and compete for 9% LIHTC allocations. Because there is a fixed amount of 9% tax credits, they are very competitive.

However, there is no direct limit on the amount of 4% tax credits an HFA can award. Instead, the 4% tax credit amount a state can award is indirectly limited by the amount of a state’s Private Activity Bond (PAB) volume cap. In addition to housing, PABs can be used for a variety of privately developed projects, such as nonprofit hospitals or universities, manufacturing facilities, mass commuting facilities, water and sewer facilities. See the “Housing Bonds” article in Chapter 5 of this *Advocates’ Guide* for more information about bonds. The 4% tax credit can only be used in conjunction with a tax-exempt private activity bond. Recent changes made by H.R. 1 changed the rules around using tax-exempt private activity bonds with 4% tax credits. Before the change, for a multifamily bond-financed development to receive the full amount of a 4% tax credit, at least 50% of the development’s aggregate basis (land and building) must be initially financed with tax-exempt multifamily bond authority from the state’s PAB volume cap. This was known at the bond financing threshold or “50% test.” H.R. 1 lowered the bond-financing threshold to 25%, meaning that to receive 4% tax credits, at least 25% of the development’s aggregate basis must be initially financing with tax-exempt multifamily bond authority. The change is considered an expansion, because the subsidy can be spread out across more developments. For 2025, the state per capita PAB multiplier is \$130 or a minimum of \$397,625,000.

Each HFA must have a “Qualified Allocation Plan” (QAP) that sets out the state’s priorities and eligibility criteria for awarding LIHTCs, as well as tax-exempt bonds and any state-level tax credits. More about QAPs is presented later in this article. The law requires that a minimum of 10% of an HFA’s total LIHTC be set aside for nonprofits.

LIMITED PARTNERSHIPS

Once awarded tax credits, a developer then sells them to investors, usually to a group of investors (nearly 99% of the tax expenditures go to corporations) pulled together by someone called a syndicator. Syndicators

sometimes pool several tax credit projects together and sell shares to investors. The equity that the investors provide, along with other resources such as conventional mortgages, state loans and grants, and funds from the HOME and HTF programs is used by the developer to construct or substantially rehabilitate affordable housing.

The developer and investors form a “limited partnership” in which the developer is the “general partner,” and the investors are “limited partners.” The general partner owns very little of the project (maybe as little as .01%) yet has a very active role in construction or rehabilitation and day-to-day operation of the completed project. The limited partners own most of the project (maybe up to 99.99%) but play a passive role; they are involved only to take advantage of the reduction in their annual federal tax obligations.

9% AND 4% TAX CREDITS

Two levels of tax credit are available, 9% and 4%, formally known as the “applicable percentages.” Projects can combine 9% and 4% tax credits. For example, existing buildings can be bought with 4% tax credits and then substantially rehabilitated with 9% tax credits. Instead of “9%” and “4%,” tax credits are sometimes referred to by the net present value they are intended to yield, either 70% or 30%. That is, in the case of a 9% tax credit, the stream of tax credits over the 10-year credit period has a value today equal to 70% of the eligible LIHTC development costs (the “Qualified Basis” explained below).

The 9% tax credit is available for new construction and substantial rehabilitation projects that do not have other federal funds. Federal funds include loans and bonds with below market-rate interest. Rehabilitation is “substantial” if a minimum amount is spent on each rent-restricted lower-income unit or if 10% is spent on the “eligible basis” (described below) during a 24-month period, whichever is greater. Each year IRS issues a revised minimum substantial rehab amount; for 2026 the amount increased from \$8,500 to \$8,700.

The 4% tax credit is available for three types of activities:

- Acquisition of existing buildings for substantial rehabilitation.

- New construction or substantial rehabilitation subsidized with other federal funds.
- Projects financed with tax-exempt Private Activity Bonds (PABs). Every year, states are allowed to issue a set amount, known as the “volume cap,” of tax-exempt bonds for a variety of economic development purposes. In 2025, the PAB volume cap is \$130 per capita (up from \$125), with a small state minimum of \$388,780,000 (up from \$3.78 million).

The “Protecting Americans from Tax Hikes Act of 2015” permanently fixed the minimum applicable percentage at 9% for new or substantially rehabbed buildings placed in service after July 30, 2008. For many years before, 9% was only an approximate rate that varied monthly, the “appropriate percentage” (which if still floating would be [7.97% in December 2025](https://tr.ee/6dWWZ5)). (<https://tr.ee/6dWWZ5>).

However, that statute did not establish a fixed 4% applicable percentage rate. The 4% tax credit continued to float until it was permanently fixed at a minimum of 4% by the FY21 appropriations act (if it had continued to float, the 4% tax credit would have had an applicable percentage rate of [3.41% for December 2025](https://tr.ee/WfPrW7); <https://tr.ee/WfPrW7>).

For any given project, the real tax credit rate is set the month a binding commitment is made between an HFA and developer, or the month a finished project was first occupied (referred to as “placed in service”). This applicable percentage is applied to the “qualified basis” (described below) to determine the investors’ tax credit each year for ten years (the “credit period”).

DETERMINING THE AMOUNT OF TAX CREDITS FOR A PROJECT

The amount of tax credit a project can receive, and therefore how much equity it can attract, depends on several factors. First, the “eligible basis,” a subset of the total development cost, must be determined by considering costs such as building acquisition, construction, soil tests, engineering costs, and utility hookups. Land acquisition and permanent financing costs are not counted toward the eligible basis. Then the eligible basis is usually reduced by the amount of

any federal grants helping to finance a project, such as Community Development Block Grant funding received as a grant.

The eligible basis of a project can get a 30% increase, a “basis boost,” if the project is located in a census tract designated by HUD as a low-income tract (a Qualified Census Tract, or QCT) or a high-cost area (a Difficult to Develop Area, or DDA). QCTs are census tracts with a poverty rate of 25% or in which 50% of households have income less than 60% of AMI. LIHTC projects in QCTs must contribute to a “concerted community revitalization” plan (discussed below in the Qualified Allocation Plan section). The aggregate population in census tracts designated as QCTs in a single metropolitan area cannot exceed 20% of that metropolitan area.

DDAs are areas in which construction, land, and utility costs are high relative to incomes. All DDAs in metropolitan areas (in the nation) taken together may not contain more than 20% of the aggregate population of all metropolitan areas. The “Housing and Economic Recovery Act” (HERA) expanded the use of the 30% basis boost to projects not located in QCTs or DDAs if an HFA determines that an increase in the credit amount is necessary for a project to be financially feasible. HFAs often use this discretionary 30% basis boost to facilitate affordable housing development for specific geographies or populations. Each year, [HUD updates a list of QCTs and DDAs](https://www.huduser.gov/portal/datasets/qct.html) (<https://www.huduser.gov/portal/datasets/qct.html>).

Next, the “applicable fraction” must be determined. This is a measure of rent-restricted lower-income units in a project. Two percentages are possible: the ratio of LIHTC-financed lower-income units to all units in a project (the “unit fraction”), or the ratio of square feet in the LIHTC-financed lower-income units to a project’s total square feet (the “floor space fraction”). The applicable fraction agreed to by the developer and IRS at the time a building is first occupied (“placed in service”) is the minimum that must be maintained during the entire affordability period (“compliance period”).

The “qualified basis” is the eligible basis multiplied by the applicable fraction. The amount of annual tax credits a project can get is the qualified basis multiplied by

the tax credit rate (9% or 4%). The amount of tax credits available to a project is divided among the limited partners based on each limited partner’s share of the equity investment. Investors receive their share of the tax credit each year over the 10-year “credit period.”

A SIMPLE EXAMPLE

Below is a simplified example of how credits are calculated for a 9% LIHTC development:

Project will cost \$20,000,000 and construct 100 units, 90% of them are income and rent restricted.

There are no other federal funds.

Simplified Project Budget	
Land acquisition	\$2,500,000
Eligible costs (construction, site work, engineering, etc.)	\$16,000,000
Ineligible costs (reserves, marketing, permanent loan fees, etc.)	\$1,500,000
Total Development Costs	\$20,000,000
Eligible Basis: Total Development Cost - Land Acquisition and Ineligible Costs = \$16,000,000	
Qualified Basis: Eligible Basis x Applicable Fraction (\$16,000,000 x .90) = \$14,400,000	
Annual Tax Credit: Qualified Basis x Tax Credit Rate (\$14,400,000 x .09) = \$1,296,000	
Total Amount of Tax Credits: \$1,296,000 x 10 years = \$12,960,000	

In this example, a limited partnership will buy the tax credits at \$.85 for every dollar of future tax benefit (the tax credit “price”). Thus, the limited partnership will invest \$11,016,000 (\$12,960,000 x .85) in the project during construction for a 10-year stream of future tax benefits amounting to \$12,960,000.

Qualified Allocation Plan (QAP)

The statute authorizing the LIHTC program requires each agency that allocates federal LIHTCs (usually HFAs) to have a Qualified Allocation Plan (QAP). Each state has an allocating agency and there are also a few local HFAs. The QAP sets out a state's eligibility criteria and priorities for awarding federal LIHTCs to housing properties. In some states, the QAP also sets out threshold criteria for non-competitive 4% tax credits, any state LIHTC, and other state-funded housing programs. HFAs are listed by the [National Council of State Housing Agencies](https://www.ncsha.org/housing-agencies) (NCSHA; <https://www.ncsha.org/housing-help/>) and the [Novogradac Corporation](https://tr.ee/AlcOyN) (<https://tr.ee/AlcOyN>).

The QAP is a tool advocates can use to influence how their state's share of annual federal LIHTCs is allocated to affordable housing properties. Advocates can use the public hearing and comment requirements to convince their housing finance agency to better target tax credits to properties with extremely low-income households, locate projects in priority areas (particularly to affirmatively further fair housing), and preserve the existing stock of affordable housing.

Each QAP must specify an HFA's minimal criteria and the priorities it will use to select projects competing for tax credits. The priorities must be appropriate to local conditions. The statute requires a QAP to give preference to projects:

- Serving residents with the lowest incomes.
- Serving income-eligible residents for the longest period.
- Located in HUD-designated QCTs, as long as the project contributes to a "concerted community revitalization plan" (QCTs are census tracts with a poverty rate of 25% or in which 50% of the households have income less than 60% of AMI). There is a fair housing-related issue concerning QCTs and "concerted community revitalization plans," discussed in the next section.

The QAP selection criteria must address 10 items: (1) location, (2) housing needs, (3) public housing waiting

lists, (4) individuals with children, (5) special needs populations, (6) whether a project includes the use of existing housing as part of a community revitalization plan, (7) project sponsor characteristics, (8) projects intended for eventual tenant ownership, (9) energy efficiency, and (10) historic nature. These requirements are minimums, states may adopt more rigorous criteria that target advocates' priority populations and locations. Most states establish detailed QAP selection criteria and set-asides based on the characteristics of their state's needs.

HFAs may target tax credits in several ways:

- The QAP selection process may give preferences, in the form of extra points, to encourage developers to submit projects more likely to serve particular populations or locations; for example, by awarding 10 points to projects that set aside 10% of the units for special needs populations.
- The QAP may establish a set-aside, reserving a specific percentage or dollar amount of any given year's tax credit allocation for projects more likely to serve specific populations or locations. For example, there may be a \$20 million set-aside for rural projects.
- The QAP may establish thresholds or minimum requirements that projects must meet simply to get in the game, thus improving targeting to specific populations or locations. For example, they may require a 50-year income-eligible, rent-restricted compliance period.

QAPs and Fair Housing

In December 2016, IRS issued [Notice 2016-77](https://www.novoco.com/public-media/documents/notice_16-77.pdf) (https://www.novoco.com/public-media/documents/notice_16-77.pdf) stating that QAPs may only give preference to projects in QCTs if there is a "concerted community revitalization plan" and only if that plan contains more components than just the LIHTC project. That Notice observed that in some cases HFAs have given preference to projects located QCTs without regard to whether the projects would contribute to a concerted community revitalization plan. In other cases, because development of new multifamily housing benefits a neighborhood, a LIHTC project

without other types of community improvements has been treated as if it alone constituted a concerted community revitalization plan. IRS declared that simply placing a LIHTC project in a QCT risks increasing concentrations of poverty. Therefore, a QCT preference should only occur when there is an added benefit to the neighborhood in the form of the project's contribution to a concerted community revitalization plan. The Notice requested public input to define "concerted community revitalization plan" because the IRS Code does not have a definition. To date, the IRS has not proposed a definition of a "concerted community revitalization plan."

The Internal Revenue Service (IRS) also issued [Revenue Ruling 2016-29](https://www.irs.gov/pub/irs-drop/rr-16-29.pdf) (<https://www.irs.gov/pub/irs-drop/rr-16-29.pdf>) in 2016, holding that the IRS Code does not require or encourage HFAs to reject proposals that do not obtain the approval of the locality where a project is proposed to be developed. Revenue Ruling 2016-29 notes that the IRS Code does require HFAs to notify the chief executive officer of the local jurisdiction where a proposed LIHTC-assisted property is to be located, and to provide that individual with a reasonable opportunity to comment on the project. However, the IRS states that this is not the same as requiring the jurisdiction's approval. The Revenue Ruling declares that the Code does not require or encourage HFAs to bestow veto power over LIHTC projects either on local communities or on local public officials.

The Revenue Ruling 2016-29 presents a hypothetical situation in which a QAP requires an HFA to reject a LIHTC application if a proposed project does not secure local approval. The Revenue Ruling observes that securing local approval is much more likely if a proposed LIHTC project is to be located in an area with a greater proportion of minority residents and fewer economic opportunities than in higher-opportunity, non-minority areas. IRS states that this creates a pattern of allocating LIHTCs to projects in predominantly lower-income or minority areas, perpetuating residential and economic segregation. This practice, "therefore, has a discriminatory effect based on race," which is a protected class under the "Fair Housing Act of 1968."

The Poverty & Race Research Action Council (PRRAC) paper, [Building Opportunity III](https://tr.ee/qaFhcs) (<https://tr.ee/qaFhcs>)

provides QAP affirmatively furthering fair housing issues and examples from states of QAP policies that hinder or foster fair housing.

Issues and Concerns

Advocates have concerns about five practices that can affect LIHTC properties keeping income and rent restrictions: properties reaching Year 30 and the potential loss of rent-restricted units, Qualified Contracts (QCs), Right of First Refusal (ROFR) and "aggregators," "planned foreclosures," and the extent that HFAs monitor projects for compliance with income and rent restrictions for the full 30-year (or longer) extended use period.

BEYOND YEAR 30

An NLIHC report, [Balancing Priorities: Preservation and Neighborhood Opportunity in the Low-Income Housing Tax Credit Program Beyond Year 30](https://nlihc.org/resource/balancing-priorities-report) (<https://nlihc.org/resource/balancing-priorities-report>), found that 8,420 LIHTC properties accounting for 486,799 LIHTC units will reach Year 30 between 2020 and 2029. This is nearly 25% of all current LIHTC units. For-profit owners have 336,089 (69%) of these units, placing the units at risk after Year 30. At least 81,513 (17%) of these units have nonprofit owners so they will likely continue to operate as "affordable" housing if there is adequate support to make needed repairs for aging units.

Between 2020 and 2029, 42% of the LIHTC units losing their affordability restrictions are in neighborhoods with very low desirability and 26% are in low desirability neighborhoods. It is these units that are likely to face the most significant challenges of meeting capital needs for rehabilitation because they can only rely on lower rental income.

On the other hand, 10% of the LIHTC units with expiring affordability restrictions are in high desirability neighborhoods and another 5% are in very high desirability neighborhoods. For-profit developers own 36,282 units in high desirability neighborhoods and another 16,641 units in very high desirability neighborhoods. These units owned by for-profit entities are likely at the greatest risk of being repositioned as market-rate housing.

QUALIFIED CONTRACTS

As explained earlier, an owner may submit a request to an HFA to sell a project or convert it to market rate during year 14 of the 15-year compliance period. This is called a “Qualified Contract” (QC). The HFA then has one year to find a buyer willing to maintain the income and rent restrictions for the balance of the 30-year period. If the property cannot be sold to such a “preservation purchaser,” then the owner’s obligation to maintain income- and rent-restricted units is removed, and the lower-income tenants receive enhanced vouchers enabling them to remain in their units for three years (for more about enhanced vouchers, see “Tenant Protection Vouchers” in Chapter 4 of this *Advocates’ Guide*). The IRS code specifies the price that a preservation purchaser must pay in a QC situation, and in most cases the price is far greater than the market price as affordable housing. Consequently, preservation purchasers are unable to acquire a LIHTC property at Year 15, the property converts to market-rate, and income and rent restrictions are removed.

In [2024 Picture of Preservation](https://tr.ee/uEIMFw) (<https://tr.ee/uEIMFw>) NLIHC estimates that 155,555 homes awarded LIHTC subsidy since 1990 lost their affordability restrictions after 15 years, suggesting they may have exited through the QC process.

The National Council of State Housing Agencies (NCSHA) estimates that at the end of 2024, over 120,000 homes awarded LIHTC subsidy had lost their affordability restrictions through the QC process. While this is still a very large number, policy efforts at state HFAs to prohibit or disincentivize QCs, as well as requirements of other financing sources that LIHTC owners waive their right to the QC process, have contributed to a downward trend in the number of properties lost. In 2024, approximately 4,200 units were at risk of losing their affordability because of pending QCs, a significant decrease from recent years when the loss was close to 10,000-12,000 units each year.

According to the [National Housing Trust \(NHT\)](https://tr.ee/s4C59d) (<https://tr.ee/s4C59d>), to prevent the loss of affordable housing, at least 39 HFA’s QAPs require LIHTC applicants to waive their right to a QC and another nine HFAs give extra

competitive points to proposals agreeing to waive the right to a QC. Some HFAs inform LIHTC applicants that if they eventually seek a QC, they will not be allowed to apply for LIHTCs in the future.

NCHSA updated its “[Recommended Practices in Housing Credit Administration](https://tr.ee/7hSRXa)” (<https://tr.ee/7hSRXa>) in October 2023, advising all states should require LIHTC applicants to waive their right to a QC for both 9% and 4% LIHTCs. In addition, it recommended QAPs include disincentives for owners of existing LIHTC properties to seek a QC (for example, by awarding negative points in the event an owner applies for future LIHTCs).

Fannie Mae and Freddie Mac (the Government Sponsored Enterprises, or “GSEs”) re-entered the LIHTC investment market in 2017, after being required to pull out of the market in 2008 when they were put in conservatorship. Initially, the Enterprises were each allowed to invest up to \$500 million annually in LIHTC properties. This cap has increased multiple times since, most recently in August 2025, when the investment cap was increased to \$2 billion for each GSE, for a total of \$4 billion per year. Half of the funds will be reserved for investment in difficult to serve LIHTC markets, and at least 20% of that half must support investment in “Duty to Serve” rural communities. In December 2023, FHFA announced that the GSEs will only make LIHTC equity investments to properties that waive their right to a QC, ensuring the 30-year affordability period envisioned by the LIHTC program.

On August 15, 2024 HUD’s Office of Multifamily Housing Programs announced a proposal to restrict access to Federal Housing Authority (FHA) Multifamily rental and Risk Share insurance programs to project owners agreeing to waive any right to request a QC. Project owners would be required to demonstrate that they have unconditionally waived their right to obtain a QC withing their LIHTC allocation documents and affirmatively agree to maintain the project as affordable housing for the initial 30-year period. HUD sought feedback from the public using the [Multifamily Drafting Table](https://www.hud.gov/hud-partners/multifamily-policy-drafts) (<https://www.hud.gov/hud-partners/multifamily-policy-drafts>). As of the date *Advocates’ Guide* went to press, a formal, final Housing Notice has not been issued.

There are also legislative proposals to eliminate QCs altogether by updates the IRS chapter that guides the LIHTC program. The “Decent, Affordable, Safe Housing Act for All (DASH) Act,” introduced by Senator Ron Wyden, D-OR and the “Save Affordable Housing Act of 2025” introduced by Representative Joe Neguse (D-CO) propose eliminating the QC loophole.

RIGHT OF FIRST REFUSAL (ROFR) AND AGGREGATORS

Another feature related to year 15 is a serious problem. The LIHTC law has afforded mission-driven nonprofits a special privilege to secure at the outset of preparing a LIHTC application with investors, a right to obtain eventual ownership of the project at a minimum purchase price after 15 years (called a transfer right). In recent years, some private firms have begun to systematically challenge nonprofits’ project transfer rights with the intent to eventually sell the property at market value. So-called “aggregators” acquire the initial investors’ interest in the property after the investors have obtained their 10-year tax savings benefits but before the rent restrictions expire at Year 15. Aggregators are very large financial entities that take advantage of a legal ambiguity regarding the nonprofit’s “right of first refusal” (ROFR) to purchase the property by employing batteries of attorneys and other expensive maneuvers to overwhelm the mission-driven nonprofit. The Washington State Housing Finance Commission and others have been resisting the growing threat of aggregators in court.

The National Housing Trust (NHT) has additional ROFR information [here](https://tr.ee/RbAuDX) (<https://tr.ee/RbAuDX>) and [here](https://tr.ee/QvcSpv) (<https://tr.ee/QvcSpv>).

The “Decent, Affordable, Safe Housing for All (DASH) Act,” introduced by Senator Ron Wyden (D-OR), proposes clarifying and strengthening the right of first refusal (ROFR) for nonprofit owners.

PLANNED FORECLOSURES

Another concern is with entities that appear to engage in strategic acquisition of LIHTC-funded properties after the LIHTC is allocated (and, in many instances, already claimed) with the hope of avoiding the

LIHTC use restrictions. Advocates have identified “planned foreclosures,” actions by partners in LIHTC developments designed to result in a foreclosure and thus wipe out the affordable use restrictions. In such cases, the entity planning the foreclosure was not involved in the LIHTC application process and is not an entity that applies for LIHTCs. Instead, the entity buys into the development, loans itself money through distinct but related companies, and then essentially forecloses on itself after claiming that property is unsuccessful. Unlike HFA-trusted partners that are sensitive to their standing with the HFA because they hope to secure LIHTCs in the future, planned foreclosure entities do not seek future LIHTC allocations. Because such firms operate outside of the QAP process, eligibility for future LIHTCs does not work as a disincentive to avoiding use restrictions.

Congress specifically gave the Treasury Secretary the authority to determine that such intentional transactions do not qualify as foreclosures that terminate the LIHTC affordable use requirements. Although the LIHTC program has been in existence for nearly 40 years, the IRS has provided no guidance to HFAs regarding how to deal with these situations. If ever passed, the “Affordable Housing Credit Improvement Act,” (AHCIA) would address planned foreclosures (see “Forecast for 2026” below).

COMPLYING WITH USE RESTRICTIONS AFTER YEAR 15

Although HFAs are tasked with monitoring compliance, additional guidance is needed to ensure that properties comply with regulations through the extended use period, the period after year 15 to at least year 30 (and for some states longer). During the initial 10-year credit period and the five-year recapture period, developments are less likely to have compliance issues because they are subject to losing tax credits. However, during the following extended use period, it is difficult to encourage compliance because there are few penalties for failing to do so. HFAs focus on compliance monitoring and enforcement during the initial 15-year term. This is problematic given that a property is more likely to have compliance issues as it ages. IRS needs to develop guidance or new regulations to require an HFA

to plan how they will ensure compliance throughout the entire restricted use period.

Tips for Local Success

Because each state receives a new allocation of LIHTCs each year, QAPs are usually drafted annually. This gives advocates regularly scheduled opportunities to influence QAP priorities. LIHTCs are often in high demand among developers; therefore, developers propose projects that address the priorities set forth in the QAP to give themselves an advantage in the selection process.

Advocates should assess the QAP. If it only has a general statement of goals, advocates can work to get very specific set-asides or preference points for their priorities. If the QAP has too many priorities, this will render individual priorities less meaningful. Advocates should work to narrow the number of priorities or work to establish relative priorities so their priorities can compete more effectively.

If there are types of assisted housing that should be at the top of the priority list, advocates should work to ensure that they are positioned to better compete. For example, if there is a great need for units with more than two bedrooms, advocates might promote a QAP policy offering bonus points for projects providing units with two or more bedrooms for at least 10% of all low-income units. To facilitate rural projects, advocates might try to secure QAP policies that give points to projects with fewer than 50 units in rural areas.

Advocates can also argue for features that protect tenants, for example a QAP policy precluding tax credit assistance for projects that do not provide one-for-one replacement of units lost through redevelopment. Advocates should review the QAP to find out how long targeted units must serve lower-income people. If the QAP only requires the basic 15 years, plus the extended use period of another 15 years, advocates should try to get the compliance period lengthened as a threshold issue or try to get point preferences or set-asides for projects that voluntarily agree to a longer compliance period.

All states are required to have a public hearing about their proposed QAP before it is approved by the unit of government overseeing the HFA, but there are no specific requirements for the public hearing. Although not required, most states also provide a public review and comment period for a proposed QAP.

Advocates should contact the HFA early to learn about its annual QAP process and build this into their work plan for the year. In addition, advocates should be sure to get on any notification list the HFA might have about the QAP and public hearings. Advocates should also develop relationships with the HFA's governing board and staff and communicate the advocate's priorities throughout the year. Not all communication has to take place in the context of the formal QAP process. Informal contacts can be used effectively to advance an advocate's priorities. In fact, the most effective means of advocating for any particular priority is to be in contact with the HFA long before a draft QAP is publicly released.

Once an HFA decides to award tax credits to a building, it must notify the chief executive officer of the local jurisdiction (such as the mayor or county executive) where the building is located. That official must have a reasonable opportunity to comment on the project. Advocates should ask the executive's office and any relevant housing department at the locality to notify them as soon as the HFA contacts the executive about a proposed project. Even better, advocates should seek a local policy requiring public notice and comment, along with public hearings, about a proposed project.

In December 2016, the IRS issued [Revenue Ruling 2016-29](https://www.novoco.com/public-media/documents/rr-16-29.pdf) (<https://www.novoco.com/public-media/documents/rr-16-29.pdf>) holding that the IRS Code does not require or encourage state agencies allocating LIHTCs to reject proposals that do not obtain the approval of the locality where a project is proposed to be developed. IRS added that QAP policies requiring local officials to approve a proposed project could have a discriminatory effect based on race and therefore be contrary to the "Fair Housing Act of 1968."

Before tax credits are allocated, there must be a comprehensive market study of the housing needs of low-income people in the area a project is to serve. The

project developer must hire a third party approved by the HFA to conduct the market study.

If a building that does not fit the QAP's priorities is to receive tax credits, the HFA must provide a written explanation and make it available to the public.

Most states post a list of properties that have won tax credits after each round of competition. These lists can often be found on an HFA's website.

LIHTC Expansion in 2025

In 2025, Congress passed a large tax reform package, H.R. 1, also known as the "One Big Beautiful Bill Act," using the budget reconciliation process, a special legislative process through which Congress can pass certain legislation with a simple majority—51 votes—in the Senate, instead of the two-thirds majority usually required. Under reconciliation, when one party controls the House, Senate, and White House, a bill can pass without any bipartisan support. H.R. 1 cuts over \$1 trillion in federal spending on safety net programs that provide people with low incomes the assistance they need to help make ends meet, including Medicaid and the Supplemental Nutrition Assistance Program (SNAP). The Congressional Budget Office (CBO) estimates that the 10% of households with the lowest incomes will lose an average of \$1,200 per year because of cuts to assistance programs. For households with low incomes already struggling to make ends meet, the additional strain these cuts will place on their budgets will have a devastating impact on their ability to put food on the table, afford medical care, and keep a roof over their heads.

Among the tax provisions, the 9% LIHTC was permanently expanded by 12%, and the tax-exempt bond financing threshold test for LIHTC developments financed with bonds and 4% LIHTC was lowered from 50% to 25%. Both provisions were pulled from the "Affordable Housing Credit Improvement Act." Novogradac estimates that these are estimated to result in the construction of an additional 1.22 million affordable homes over the next decade. However, the additional financial strain put on low-income households because of the other provisions of this bill will continue to keep housing out of reach for those with the most urgent affordable housing needs.

Forecast for 2026

The LIHTC expansion provisions passed in H.R. 1 were taken from the "Affordable Housing Credit Improvement Act" (AHCIA), which includes provisions for both expanding and reforming LIHTC. AHCIA was introduced in the 119th Congress by Senators Maria Cantwell (D-WA), Todd Young (R-IN), Marsha Blackburn (R-TN) and Ron Wyden (D-OR), and Representatives Darin LaHood (R-IL), Suzan DelBene (D-WA), Randy Feenstra (R-IA), Don Beyer (D-VA), Claudia Tenney (R-NY), and Jimmy Panetta (D-CA).

While some of the expansion provisions were accomplished (not all were in the reconciliation bill - AHCIA also includes a provision to expand LIHTC by 50% over two years), there remains a great need to reform LIHTC to ensure that this resource can better serve households with the greatest needs.

Lawmakers will have the opportunity to update AHCIA for reintroduction in the 120th Congress (set to begin January 2027) to remove the provisions that have been passed, and to potentially add and change other provisions. AHCIA has some key reforms promoted by NLIHC, but those reforms are often overshadowed by others' desire to merely expand the LIHTC without reforms. Advocates should continue to educate lawmakers and those in the housing industry on the need for reform.

Expansion without key reforms will not ensure that LIHTC better serves extremely low-income households, including those experiencing or at risk of homelessness. NLIHC and National Alliance to End Homelessness are focused on [three key reforms in the AHCIA \(https://nlihc.org/sites/default/files/2024-10/LIHTC_Key_Reforms_Oct2024.pdf\)](https://nlihc.org/sites/default/files/2024-10/LIHTC_Key_Reforms_Oct2024.pdf):

- 1) Provide a 50% basis boost for projects with at least 20% of the units set aside for households who have extremely low incomes. By providing a 50% basis boost, Congress can allow LIHTC to better serve extremely low-income tenants. This reform would also facilitate the development of more affordable housing for populations with special needs, such as formerly homeless individuals and people with disabilities. In addition to the AHCIA, this reform is also included in the "Decent, Affordable, Safe Housing for all (DASH) Act."

- 2) Designate tribal areas as Difficult to Develop Areas (DDAs), as proposed in AHCIA, to make development automatically eligible for a 30% basis boost and therefore more financially feasible. Also, as proposed in AHCIA and DASH, require states to consider the needs of Native Americans when determining which developments will receive LIHTC each year.
- 3) Designate rural areas as DDAs, as proposed in AHCIA and DASH, making them automatically eligible for a 30% basis boost and therefore more financially feasible. The bill also would base the income limits in rural projects to the greater of area median income or the national nonmetropolitan median income, in recognition of the much lower incomes in rural areas.

In addition to these three reforms, NLIHC, National Alliance to End Homelessness, and National Housing Law Project support [reforms to LIHTC that provide strong tenant protections and ensure long term affordability](https://tr.ee/k7plr9) (<https://tr.ee/k7plr9>):

- Support tenants' right to organize
- Define "good cause" eviction standards
- Provide protections for tenants of expiring properties
- Provide opportunities for tenant/collective ownership
- Improve accessibility standards in LIHTC properties
- Require fair lease provision
- Eliminate the Qualified Contract (QC) loophole
- Clarify and strengthen nonprofits' right of first refusal
- Increase the federal minimum nonprofit set-aside
- Extend the minimum affordability period
- Ensure data transparency and improve HUD's LIHTC database.

In addition to expanding LIHTC by 50% over two years, the AHCIA includes several other provisions that seek to make LIHTC more effective. These include:

- Prohibiting measures that local officials have used to resist locating projects in areas of opportunity. The bill would remove the provision requiring HFAs to notify

the chief executive officer of the local jurisdiction in which a proposed building would be located. The bill would also specify that QAP selection criteria cannot include consideration of any support for or opposition to a project from local elected officials, or of local government contributions to a development.

- Better aligning the LIHTC program with the "Violence Against Women Act" (VAWA) by requiring all long-term use agreements to include VAWA protections. The bill would also clarify that an owner should treat a tenant who has their lease bifurcated due to violence covered by VAWA as an existing tenant who should not have to recertify their income eligibility as if they were a new tenant.
- Ensuring that affordability restrictions endure in the case of illegitimate foreclosures ("planned foreclosures") by providing HFAs, rather than the Treasury Department, the authority to determine whether the foreclosure was an arrangement simply to revoke the affordability restrictions. The bill would also require owners to provide HFAs with at least 60 days' written notice of intent to terminate the affordability period, giving the HFA more time to assess the legitimacy of the foreclosure.
- Allowing existing tenants to be considered low income if their income increases, up to 120% AMI.
- Replacing the current LIHTC student rule to better align with HUD's student rule, by ensuring that households composed entirely of adult students under the age of 24 who are enrolled full-time at institutions of higher learning are ineligible to live in a LIHTC apartment. Exceptions exist for single parents, formerly homeless youth, those aging out of foster care, victims of domestic violence and human trafficking, and veterans.
- Allowing tenant relocation costs incurred in connection with rehabilitation to be capitalized as part of the cost of rehab.
- Clarifying that HFAs have the authority to determine what constitutes a "concerted community revitalization plan."
- Limiting the rent charged to the maximum LIHTC rent instead of the Fair Market Rent (FMR) for units leased to households with a voucher if the unit is also benefiting

from income averaging or the extremely low-income basis boost. The voucher payment standard based on the FMR can be much higher than the LIHTC maximum rent. Using the FMR in such instances subsidizes the property, providing excess rental assistance that could otherwise be used by public housing agencies (PHAs) to provide vouchers to other families.

- Allowing income averaging for 4% projects with Private Activity Bonds.
- Clarifying that LIHTC can be used to develop properties specifically for veterans and other special populations.
- Removing the QCT population cap.
- Increasing the DDA population cap to 30% to enable properties in more areas to benefit from the 30% basis boost.
- Requiring HFAs to consider cost reasonableness as part of the QAP selection criteria.
- Allowing HFAs to provide a basis boost of 30% for Housing Bond-financed properties.

For More Information

NLIHC, 202-662-1530, www.nlihc.org

NLIHC LIHTC Reform handouts:

- “Critically Needed Reforms to the Low-Income Housing Tax Credit” https://nlihc.org/sites/default/files/2024-10/LIHTC_Key_Reforms_Oct2024.pdf
- “Reforming the low-income Housing tax credit: A greater focus on households with the lowest incomes” https://nlihc.org/sites/default/files/2024-11/Low_Income_Housing_Tax_Credit_Fact_Sheet2_11_24.pdf

NLIHC has four reports:

- *Picture of Preservation 2024*, <https://tr.ee/8Mm1Dq>
- *The Role of Vouchers in the Low-Income Housing Tax Credit Program*, <https://www.huduser.gov/portal/periodicals/cityscape/vol26num2/article11.html>

- *Balancing Priorities: Preservation and Neighborhood Opportunity in the Low-Income Housing Tax Credit Program Beyond Year 30*, <https://nlihc.org/research/balancing-priorities>.
- *Improving Low-Income Housing Tax Credit Data for Preservation*, <https://tr.ee/gtxHuC>

National Housing Law Project, <https://www.nhlp.org/resource-center/low-income-housing-tax-credits>, including, *An Advocate’s Guide to Tenants’ Rights in the Low-Income Housing Tax Credit Program*, <https://www.nhlp.org/wp-content/uploads/LIHTC-2021.pdf>

Affordable Rental Housing ACTION Campaign, <http://rentalhousingaction.org>, including its “[Detailed Bill Summary: The Affordable Housing Credit Improvement Act](#)”

HUD PD&R’s database of LIHTC projects, updated through 2022, <https://www.huduser.gov/portal/datasets/lihtc/property.html>

HUD PD&R’S list of QCTs and DDAs, <https://www.huduser.gov/portal/datasets/qct.html>

HUD PD&R’s Tenant Data, <https://www.huduser.gov/portal/datasets/lihtc/tenant.html>

The National Council of State Housing Agencies (NCSHA) has:

- Recommended practices for administering the LIHTC program, <https://www.ncsha.org/resource-center/housing-credit-recommended-practices>.
- A list of state HFAs, <https://www.ncsha.org/housing-help>
- A list of state income averaging policies (from 2018), <https://www.ncsha.org/resource/state-income-averaging-policies>
- LIHTC Reference Guide webpage <https://www.ncsha.org/resource/housing-credit-reference-guide> has a wealth of information, including the IRS Code, regulations, IRS Revenue Rulings, IRS Revenue Procedures, and IRS Notices
- Background on Qualified Contracts: <https://tr.ee/j7u26l>

The Kelsey's Advocate's *Guide to Advancing Disability-Forward Housing Through Qualified Allocation Plans*:
<https://tr.ee/ECVMbU>

Library of Congress, An Introduction to the Low-Income Housing Tax Credit: <https://www.congress.gov/crs-product/RS22389>

Novogradac, a consulting firm has on its [Affordable Housing Resource Center](https://www.novoco.com/resource-centers/affordable-housing-tax-credits) (<https://www.novoco.com/resource-centers/affordable-housing-tax-credits>) a wealth of LIHTC information, including:

- A list of HFAs in all states, <https://tr.ee/halyiw>
- Links to state QAPs, <https://tr.ee/wX5fan>
- A list of state income averaging policies, <https://tr.ee/C3JP6T>
- The IRS Code, regulations, IRS Revenue Rulings, IRS Revenue Procedures, and IRS Notices, <https://www.novoco.com/lihtc-irs-guidance>

HOUSING BONDS

By Libby O'Neill, Senior Policy Analyst, NLIHC

Administering Agency: U.S. Department of the Treasury; Housing Finance Agencies (HFAs) at the state level

Year Started: 1954

Number of Households Served: In 2024, state HFAs financed 94,744 mortgages for low- and moderate-income borrowers through Mortgage Revenue Bonds (MRBs), provided tax relief to 3,006 homebuyers through Mortgage Credit Certificates (MCCs), and financed the construction or rehabilitation of 76,161 affordable rental units through Multifamily Housing Bonds.

Population Targeted: Low- and moderate-income homebuyers and low-income renters.

Funding: The cost of bond programs is calculated as foregone tax revenues, or “tax expenditures.” The Joint Committee on Taxation (JCT) estimates forgone taxes from the exclusion of interest on state and local government qualified private activity bonds for rental housing to be \$1.6 billion for 2026. For the period 2024 through 2028, the total foregone tax revenue is estimated to be \$8 billion.

Recent legislative changes enacted in the “One Big Beautiful Bill Act” (H.R. 1) will expand the use of tax-exempt bond financing, as well as expand the state allocation of 9% Low-Income Housing Tax Credits (LIHTC). JCT does not have an estimate that separates the cost of the 9% LIHTC expansion and the change to tax-exempt bond financing, and states are still developing their policies; however, this change will lead to additional foregone tax revenue.

See Also: For related information, refer to the *Low-Income Housing Tax Credits* and *HOME Investment Partnerships Program* sections of this *Advocates’ Guide*.

Housing bonds are type of tax-exempt Private Activity Bond (PAB) used to finance the acquisition, construction, and rehabilitation of multifamily housing for low-income renters, and finance lower interest mortgages for low-

and moderate-income first-time homebuyers. Investors are willing to purchase tax-exempt housing bonds and receive a lower interest rate than they would for other investments because the interest income from these bonds is not subject to federal income taxes.

Housing Bonds are typically either:

- Multifamily Housing Bonds, which finance the acquisition, construction, and rehabilitation of multifamily developments for low-income renters.
- Mortgage Revenue Bonds (MRBs), which finance single-family home purchases for qualified low- and moderate-income homebuyers.

Multifamily properties constructed or rehabilitated with Multifamily Housing Bonds must meet certain affordability requirements: at least 40% of the apartments must be affordable for families with incomes of 60% of area median income (AMI) or less, or 20% affordable for families with incomes of 50% AMI or less. These affordability requirements are similar to those of the Low-Income Housing Tax Credit (LIHTC) program, as these two tools are frequently combined to finance a property. The income-restricted apartments financed by those bonds must remain affordable for at least 15 years; however, they are often paired with LIHTC, which requires a longer affordability period.

For homebuyers to be eligible for a mortgage financed with Mortgage Revenue Bonds, they must be first-time homebuyers and meet income eligibility requirements. These mortgages are often paired with downpayment assistance to further help first-time homebuyers purchase a home. HFAs may use their MRB authority to issue Mortgage Credit Certificates (MCCs), which provide a nonrefundable federal income tax credit for part of the mortgage interest that qualified homebuyers pay each year.

History

Congress initially defined PABs in the “Revenue and Expenditure Control Act of 1968,” which established what activities can be financed using PABs. While the list of “qualified private activities” has expanded over the years, both Exempt Facilities Bonds—a category that includes Multifamily Housing Bonds—and single-family MRBs were original qualified private activities under the 1968 act.

Though issuance of some PABs is unlimited, both Multifamily Housing Bonds and MRBs are limited by the PAB volume cap, which was first instituted under the “Deficit Reduction Act of 1984” and modified in 1986 (along with the list of qualified activities) with the “Tax Reform Act of 1986.”

In recent years, Housing Bonds have comprised a substantially large share of PAB issuance as the critical need for more affordable housing options worsens. According to a report from the Council for Development Finance Agencies (CDFA), Housing Bonds accounted for 84% of total PAB issuance in 2019 and 88% of total issuance in 2020. Housing Bonds have made up at least 80% of all PABs issued for seven consecutive years.

Looking at just Multifamily Housing Bonds, in 2000, 19.8% of PAB issuance went to multifamily housing; by 2015, the figure had increased to 47.7%, and in 2020, the share was 62.5%. Usage varies significantly by state, with fifteen states accounting for over 83% of multifamily PAB issuance between 2016 and 2020.

Program Summary

PABs are distinct from other tax-exempt bonds because they are issued for activities that involve private entities, as opposed to governmental bonds, which support wholly governmental activities. The private activities financed with PABs must fulfill public purposes, and each PAB issuer must hold public hearings to solicit feedback from public stakeholders in the proposed uses of PAB authority. In addition to housing, PABs are issued for student loans, infrastructure, and redevelopment activities.

State and local HFAs have authority under the Internal Revenue Code to issue Housing Bonds to support affordable housing activities in their states. Issuing bonds is a way for HFAs to access private capital markets to help support affordable housing activities. HFAs sell the tax-exempt bonds to individual and corporate investors who are willing to purchase bonds paying lower than market interest rates because of the bonds’ tax-exempt status.

MULTIFAMILY HOUSING BONDS

Multifamily Housing Bonds provide financing for the acquisition, construction, or rehabilitation of rental housing that is affordable to households by providing developers with low-cost capital as an alternative to higher interest market-rate loans. Multifamily housing developments with bond financing must set aside at least 40% of their apartments for families with incomes of 60% AMI or less, or 20% for families with incomes of 50% AMI or less. The income-restricted apartments financed by those bonds must remain affordable for at least 15 years. The income-restricted apartments financed by those bonds must remain affordable for at least 15 years.

Rental developments that use tax-exempt bond financing to pay more than 25% of their eligible basis (a subset of total development cost) are eligible to receive 4% Low-Income Housing Tax Credit (LIHTC) equity from outside the state-allocated LIHTC cap (prior to the passage of the “One Big Beautiful Bill Act” (H.R.1), developments were required to use bond financing for 50% of eligible basis. State housing finance agencies are working to set policies on how to implement the new 25% threshold. The National Council of State Housing Agencies (NCSHA) is monitoring [states’ policies \(https://www.ncsha.org/resource/state-policies-on-new-25-bond-financing-threshold/\)](https://www.ncsha.org/resource/state-policies-on-new-25-bond-financing-threshold/) as they are announced. In 2020, Congress set a 4% minimum rate for properties financed with Multifamily Housing Bonds, whereas previously the credit rate floated based on federal borrowing rates. The minimum 4% rate will allow the production of approximately 130,000 more affordable rental homes over the next decade.

In addition, many multifamily bonds finance housing for specific populations, including seniors and people with disabilities.

MORTGAGE REVENUE BONDS

Proceeds from MRBs finance below-market rate mortgages to support the purchase of single-family homes. By lowering mortgage interest rates, MRBs make homeownership affordable for families who would not be able to qualify for market rate mortgage loans. HFAs often combine MRBs with down payment assistance that allows home purchases by families and individuals for whom a down payment would otherwise be a barrier to homeownership. In 2022, 86% of homebuyers who purchased a home financed by a state HFA-issued MRB received down payment assistance.

Congress limits MRB mortgage loans to first-time homebuyers who earn no more than the greater of area or statewide median income in most areas, and up to 140% of the applicable median income in targeted areas. Families of three or more in non-targeted areas can earn up to 115% of the greater of area or statewide median income. Congress also limits the price of homes purchased with MRB-financed mortgage loans to 90% of the average area purchase price in most areas and up to 110% of the average area purchase price in targeted areas.

HFAs also use their MRB authority to issue Mortgage Credit Certificates (MCCs), which provide a non-refundable federal income tax credit of up to \$2,000 for part of the mortgage interest qualified homebuyers pay each year. The MCC program is a flexible subsidy source that can be adjusted depending on the incomes of different homebuyers. It provides a relatively constant level of benefit to first-time homebuyers regardless of the difference between market and MRB rates.

Interested borrowers should contact their state or local HFA for information on obtaining an MRB mortgage loan or an MCC.

Funding

By law, the annual state issuance of PABs, including MRBs and Multifamily Housing Bonds, is capped by each state's population and indexed to inflation. The 2025 state cap was \$130 per capita with a per-state minimum of \$388,780,000. The national cap for 2025 was \$48,325,141,280 (this can be used for various activities, including housing).

In 2024, the most recent year for which data is available, state HFAs issued \$23.6 billion in MRBs and supported the purchase of over 94,000 homes nationwide. Some bond issuance was used to raise proceeds that were saved for use in future years and to refund prior-year bonds.

In 2023, states issued just over \$15.2 billion in Multifamily Housing Bonds to finance more than 76,000 affordable rental homes. Local HFAs also issued bonds to finance affordable mortgage loans and the construction or rehabilitation of multifamily rental housing, which helped even more lower-income homeowners and renters.

Changes to Multifamily Housing Bonds in 2025

In 2025, Congress passed a large tax reform package, H.R. 1, also known as the "One Big Beautiful Bill Act," using the budget reconciliation process, a special legislative process through which Congress can pass certain legislation with a simple majority—51 votes—in the Senate, instead of the two-thirds majority usually required. Under reconciliation, when one party controls the House, Senate, and White House, a bill can pass without any bipartisan support. H.R. 1 cuts over \$1 trillion in federal spending on safety net programs that provide people with low incomes the assistance they need to help make ends meet, including Medicaid and the Supplemental Nutrition Assistance Program (SNAP). The Congressional Budget Office (CBO) estimates that the 10% of households with the lowest incomes will lose an average of \$1,200 per year because of cuts to assistance programs. For households with low incomes already struggling to make ends meet, the additional strain these cuts will place on their budgets will have a devastating impact on their ability to put food on the table, afford medical care, and keep a roof over their heads.

Among the tax provisions, the 9% LIHTC was permanently expanded by 12%, and the tax-exempt bond financing threshold test for LIHTC developments financed with bonds and 4% LITHC was lowered from 50% to 25% (this is sometimes referred to as the "50% test," which could now become a "25% test"). Both

provisions were pulled from the “Affordable Housing Credit Improvement Act.” Novogradac estimates that these are estimated to result in the construction of an additional 1.22 million affordable homes over the next decade. However, the additional financial strain put on low-income households because of the other provisions of this bill will continue to keep housing out of reach for those with the most urgent affordable housing needs.

Forecast for 2026

Ongoing efforts to expand and reform LIHTC also include provisions related to Multifamily Housing Bonds, since the two financing tools are often used together. One of the main bond-related provisions from the AHCA (lowering the 50% bond financing threshold to 25%) was passed with H.R. 1, however the AHCA includes additional provisions that would impact bond financing, including:

- Allowing states to use their discretionary basis boost for PAB and 4% LIHTC properties; and
- Exempting PABs used to recapitalize LIHTC properties from the annual cap.

Any expansion of LIHTC, including through increasing access to bond financing, must be paired with key reforms to ensure that LIHTC better serves extremely low-income households, including those experiencing or at risk of homelessness. NLIHC supports reforms to LIHTC that help renters with the greatest needs, including households with extremely low incomes, and those living in rural and Tribal communities, where financing multifamily development is uniquely challenging.

What To Say to Legislators

As Congress considers ways to reform LIHTC and Housing Bonds, they must include reforms that help renters with the greatest needs, such as the ELI basis boost and reforms to better serve rural and Tribal communities. These changes to LIHTC would better serve renters with extremely low incomes living in homes financed by LIHTC and Multifamily Housing Bonds.

Advocates should continue to educate legislators about the importance of Housing Bonds as an affordable source of financing for multifamily housing and assistance to first-time homebuyers.

For More Information

NLIHC, 202-662-1530, www.nlihc.org

Congressional Research Service Report: Private Activity Bonds: An Introduction: <https://crsreports.congress.gov/product/pdf/RL/RL31457/25>

National Council of State Housing Agencies: Tax-Exempt Housing Bonds 2025 FAQs: <https://www.ncsha.org/wp-content/uploads/Housing-Bonds-FAQs.pdf>

THE AFFORDABLE HOUSING PROGRAM AND COMMUNITY INVESTMENT PROGRAM OF THE FEDERAL HOME LOAN BANKS

By Sharon Cornelissen, Consumer Federation of America

The Federal Home Loan Bank (FHLBank) System was chartered by Congress in 1932 to help lower housing costs by supporting affordable liquidity for institutions engaged in home mortgage lending. Serving over 6,500 member institutions today, their members include commercial and community banks, insurance companies, credit unions, and community development financial institutions (CDFIs).

The Federal Housing Finance Agency oversees and regulates the FHLBank System. The Congressional Budget Office estimates that the FHLBanks receive around \$7.3 billion a year in government subsidies (see <https://www.cbo.gov/publication/60064>). These subsidies are not appropriated by Congress and do not appear in the federal budget. Rather, they result from the System's status as Government-Sponsored Enterprise (GSE), which offers FHLBanks unique regulatory and tax exemptions and the ability to issue debt at rates only slightly above Treasuries.

To better balance these public subsidies with public benefits, since 1989, Congress has required the FHLBanks to contribute a minimum of 10% of their net income annually to the Affordable Housing Program (AHP), which funds grants for affordable housing initiatives around the country. In recent years—after pressures by housing advocates—FHLBanks have contributed additional housing funds over this 10% floor (also called “voluntary contributions”), have added more CDFIs to their membership, and looked at additional ways to expand their housing and community development impact. Nonetheless, much of the System's potential housing impacts remain underrealized, creating real opportunities for local and national advocates to press the FHLBanks to step up.

How the FHLBanks Work

The Federal Home Loan Bank System is a government-sponsored enterprise (GSE) with 11 regional banks, located in Atlanta, Boston, Chicago, Cincinnati, Dallas, Des Moines, Indianapolis, New York, Pittsburgh, San Francisco, and Topeka. The FHLBanks are served by individual boards and executive leadership and together serve over 6,500 member institutions in their regions.

The FHLBank System receives many unique benefits as a government-sponsored enterprise, in exchange for fulfilling a public mission, making it distinct from a private corporation (but similar to GSEs Fannie Mae and Freddie Mac). The FHLBank System has a \$4 billion standing line of credit at the Treasury, is exempt from all corporate federal, state, and local income taxes, and has a “superlien” authority as a creditor, which allows it to recover losses before the FDIC and other creditors. GSE status also confers an “implied federal guarantee” on FHLBank debt, meaning that investors accept a lower return on issued debt as they assume that the federal government will never let the FHLBanks fail.

The main activity of the FHLBanks is to issue debt and lend those funds in the form of “collateralized advances” to their members. In exchange, members post housing-related collateral, such as government securities or mortgages. Members can use these funds for any business activity and liquidity needs, and advances have maturities anywhere from overnight to thirty years. Advances are more affordable than private-market alternatives: because of their GSE-status, FHLBanks can borrow at rates that are near Treasuries, and pass most of that subsidy on to their members.

Because of their shifting membership base and big changes in how mortgages are originated and securitized over the last few decades, FHLBank advance lending has become increasingly disconnected from housing and community development needs. Today, the largest banks and insurance companies (some private equity owned) have become the largest users of advances. They leverage FHLBank membership to boost their profits and enhance “yields” on investment portfolios. Small banks mostly rely on advances to improve liquidity and stave off bank failures, an issue that gained national attention in the wake of the Spring 2023 bank failures (see <https://www.gao.gov/products/gao-24-106957>).

Membership composition and advance use of the FHLBanks today no longer reflects who does mortgage lending. According to the Pew Charitable Trusts, between 2018 and 2022, independent mortgage companies (IMBs) originated 62% of home purchase mortgages, while community banks originated 16%, large banks 15%, and credit unions 7%. As IMBs are not members (and are non-depositaries), this means that the majority of mortgages are originated today without direct access to FHLBank liquidity. Indeed, a Bloomberg investigation found that 42% of FHLBank members had not originated one single mortgage in the last five years.

Each of the 11 regional FHLBanks is capitalized through the stock holdings of its members and through accumulated capital from profits. Since 2008, the FHLBs have added billions of dollars every year in profits to their System’s capital as retained earnings. Currently, the System mostly uses these retained earnings as debt-free support for an investment portfolio to generate profits that largely go to members, in the form of boosted dividend payouts. However, these additional retained earnings present a great opportunity to further FHLBank System mission achievement: by leveraging them for housing and community development investments rather than for member profits.

Housing Programs, Subsidized Advances, and CDFI Membership

FHLBanks administer several housing and economic development programs.

Affordable Housing Program (AHP). Congress designed the Affordable Housing Program (AHP) to help member financial institutions and their community partners develop affordable rental housing for very low- to moderate-income families and to expand homeownership opportunities. The AHP was added to the FHLBanks’ obligations through the enactment of the “Financial Institutions Reform, Recovery, and Enforcement Act of 1989” (FIRREA), a recognition that the System had neglected its responsibility to adequately support affordable housing and community development. Under FIRREA, each FHLBank must contribute at least 10% of its net income to its AHP.

AHP funds are available only through FHLBank members and must be used to either fund homeownership for households with incomes at or below 80% of area median income (AMI), or to purchase, construct, or rehabilitate rental housing in which at least 20% of the units will be occupied by, and affordable to, households with incomes at or below 50% of AMI. AHP projects serve a wide range of needs. Many are designed for seniors, persons with disabilities, homeless families and individuals, first-time homeowners, and others with limited resources.

AHP funding is available through two distinct programs—an AHP competitive application program that is generally geared toward the development of multifamily housing, and an AHP set-aside program targeted toward individual borrowers and homeowners.

AHP Competitive. Under the competitive application program, an FHLBank member submits an application on behalf of a project sponsor. Each FHLBank establishes a point system to score applications based on criteria established by regulation. AHP competitive

awards are made during scheduled funding rounds each year, starting with the highest scoring application until the available money is distributed. Applicants are encouraged to leverage their awards with other funding sources, including conventional loans, government subsidized financing, Low-Income Housing Tax Credit equity, bond financing, national Housing Trust Fund loans or grants, Community Development Block Grants, and foundation grants. Refer to individual FHLBank websites for details.

AHP Set-Aside. Under the Homeownership Set-Aside program, an FHLBank member applies for grant funds and disburses the funds directly to homeowners. An FHLBank may set aside up to \$4.5 million, or 35% of its annual AHP contribution, to assist low- or moderate-income households in the purchase or rehabilitation of a home. At least one-third of an FHLBank's aggregate annual set-aside contribution must be allocated to first-time homebuyers.

While these programs can provide much-needed funds for local and state-level housing organizations, applicants report that the time-intensive and challenging application process is a significant barrier to engaging with the FHLBank AHP programs: an issue that both FHFA and FHLBanks have acknowledged and that would require regulatory reform.

Voluntary Contributions. Over the last few years, subject to public pressure, FHLBanks have pledged to voluntarily devote an additional 5 percent of net profits to housing and AHP contributions over the statutory minimum of 10 percent. Given that in previous years FHLBanks have fallen short of their stated commitments, it behooves advocates to closely monitor voluntary contributions of each FHLBank and ensure that promised dollars reach local housing needs.

With more flexibility than the statutorily required Affordable Housing Program, voluntary programs support housing and community development, job programs, financial literacy efforts, pro bono legal services, and offer support for small businesses, among other endeavors (see <https://www.fhfa.gov/reports/fhlbank-targeted-mission-activities>).

The Community Investment (CIP) and Community Investment Cash Advance (CICA) Programs. The FHLBanks also offer the statutorily mandated Community Investment Program (CIP) and the voluntary Community Investment Cash Advance (CICA) program. These programs allow the FHLBanks to offer discounted loans or grants to members for targeted housing and community development projects that benefit low- and moderate-income families and neighborhoods. In 2024, the FHLBanks funded \$5.3 billion in discounted advances through CIP and \$2.6 billion through CICA: this \$7.9 billion amounts to just over 1 percent of total advances that year (\$737 billion), indicating that there remains much room for growth (see <https://www.fhfa.gov/reports/fhlbank-targeted-mission-activities/2024>).

Community Development Financial Institution (CDFI) membership. Community Development Financial Institutions (CDFIs) are eligible to become FHLBank members and to benefit from its collateralized advance lending and CIP and CICA programs noted above. In practice, many CDFIs have found it difficult to access advances, based on the FHLBs' risk-based pricing and the application of steep haircuts on the types of collateral that CDFIs tend to hold (see <https://www.fhfa.gov/programs/fhlbank-system-at-100-focusing-on-the-future>). FHLBanks have steadily expanded CDFI membership in recent years. At the end of 2024, 79 FHLBank members were non-depository CDFIs, which in total borrowed around \$381 million in outstanding advances (less than 0.1% of all advances).

What to Say to Legislators

The FHLBank System offers great potential to help meet local housing and community development needs. In its current form, however, much of that potential remains underutilized. Legislative and regulatory reform is needed to help this system take its place as a powerful tool in our housing ecosystem. Advocates may also benefit from building direct relationships with their regional Federal Home Loan Bank, in order to find ways to continue to improve its programs and expand its mission-focused footprint in the communities that they serve.

Advocates should urge legislators to:

- Raise statutory minimums on how much FHLBanks are required to support housing and community development needs—current legislation only requires FHLBanks to spend a minimum of 10% of their net income on AHP every year. Congress should require the FHLBank system to devote at least 30 percent of their net income every year to support housing and community development, including no less than 20 percent on AHP contributions.
- End FHLBank membership for insurance companies, notably those owned by private equity companies. Government subsidies meant for housing should not go to boosting the profits of insurance companies.

For More Information

Council of Federal Home Loan Banks,
www.FHLBanks.com

Federal Housing Finance Agency, www.fhfa.gov

Coalition for Federal Home Loan Bank Reform,
www.fhlbreform.org

NATIVE AMERICAN, ALASKA NATIVE, AND NATIVE HAWAIIAN HOUSING PROGRAMS

By Blythe McWhirter and Karly Toledo, The National American Indian Housing Council

Housing is foundational. Across Indian Country, Tribal Nations and Tribally Designated Housing Entities (TDHEs) are at the forefront of developing innovative, culturally relevant, safe, and decent housing for their citizens in both rural and urban areas. Their mission is simple: to develop affordable housing options that reflect the needs and values of their community. Over the years, several federal housing programs were designed to provide support for housing services and housing development in Native communities throughout Indian Country. At the center is the “Native American Housing Assistance and Self-Determination Act of 1996” (NAHASDA). Passed by Congress in October 1996, NAHASDA is the primary federal statute designed to address Native American housing issues in Tribal communities. NAHASDA consists of two primary programs: the formula-funded Indian Housing Block Grant (IHBG) Program and the Title VI Tribal Housing Activities Loan Guarantee Program.

Enacted in 1996, NAHASDA provides annual formula funding to Tribal Nations to administer and develop their own housing programs to provide affordable housing-related opportunities for Tribal citizens both on and off their traditional homelands and reservations.

Prior to NAHASDA, housing assistance for Tribes and Alaska Natives was provided by several different programs through the U.S. Department of Housing & Urban Development under the “Housing Act of 1937.” Often, these programs were cumbersome to implement as they were not designed to function within the unique legal framework of Tribal Nations—including trust land restrictions, federal title holding, jurisdictional complexities, and culturally distinct housing needs. NAHASDA was revolutionary in that it recognized the unique political status of Tribal Nations and the principles of Tribal sovereignty and self-determination

by providing block grant funds directly to Tribes, which are operated pursuant to Tribally created Indian Housing Plans.

In 2000, Congress strengthened this framework by extending NAHASDA to include Native Hawaiian communities through the addition of Title VIII. This amendment created the Native Hawaiian Housing Block Grant (NHHBG) Program and the Section 184A Native Hawaiian Housing Loan Guarantee Program, both designed to expand access to safe, affordable housing and support Native Hawaiian self-determination in housing development.

In addition to NAHASDA’s core programs, Native American families can also access the Section 184 Native American Housing Loan Guarantee Program, established in 1992 to increase mortgage lending in Tribal communities. Though created before NAHASDA, Section 184 now works alongside its programs as a key tool for expanding homeownership opportunities in Indian Country. Congress also continues to support Tribal housing through the competitive Indian Community Development Block Grant (ICDBG) Program, and since 2018, a competitive Indian Housing Block Grant (IHBG-COMP) has further advanced new housing projects across Tribal Nations.

However, despite NAHASDA’s impact in assisting Tribes in developing their housing programs, the most recent reauthorization of the act expired in 2013, leaving the underlying programs vulnerable.

History and Purpose

The United States has a unique legal and political relationship with Tribal Nations that stems from treaties, federal statutes, court decisions, and executive agreements dating back to the ratification of the U.S. Constitution. With respect to Tribal lands, the federal government often serves as a trustee, holding certain

lands in trust for Tribes and individual Native Americans acting as beneficiaries. Today, federal Indian law and policy largely extends the trust responsibility to include the provision of health care, education, natural resources protection and development, and housing.

In 1961, Tribal Nations became eligible for assistance under programs operated by HUD, with regional HUD offices administering programs to Tribes in their area. By the mid-1970s, HUD established Offices of Indian Programs in Denver, Colorado and San Francisco, California to exclusively administer Indian housing programs. Finally, in 1992, legislation created the current administering entity at HUD headquarters, the Office of Native American Programs.

The enactment of NAHASDA in 1996 provided annual, dedicated funding to Tribal housing programs, but it also restricted Tribes from accessing many other HUD programs. Tribes were restricted from most other public housing grants and voucher programs. For example, Tribes were restricted from accessing tenant-based voucher programs, homeless assistance grants, and homebuyer counseling grants, among others. Originally, Tribes were also excluded from the HUD-VA Supportive Housing Program (HUD-VASH), but Congress created a Tribal HUD-VASH demonstration program in October 2015, enabling nearly 30 Tribes to provide rental vouchers and supportive services to Native American veterans in their communities. There have since been bills introduced in Congress to make Tribal HUD-VASH permanent and available to all Tribes.

The housing needs faced by Native American communities are as diverse as the communities served. Lack of investment into basic infrastructure has only contributed to issues of overcrowding or substandard housing on Tribal lands. According to an extensive [study \(https://www.huduser.gov/portal/publications/HNAIHousingNeeds.html\)](https://www.huduser.gov/portal/publications/HNAIHousingNeeds.html) of American Indian and Alaska Native (AIAN) housing conditions released by HUD in early 2017, 6% of AIAN homes located in Tribal areas had inadequate plumbing, 12% had heating deficiencies, and 16% were overcrowded, while nationwide only 1-2% of homes suffered each of these conditions. At the same time, 38% of AIAN households were cost burdened (paying more than 30% of income for housing), compared to 36% nationally.

Additionally, the study reaffirmed that homelessness in Tribal areas often appears as overcrowding, an indicator of the strong community networks that ensure people are not left without shelter even when the housing system falls short. Researchers estimated that 42,000 – 85,000 people in Native communities were staying with friends or relatives because they did not have access to a home of their own.

To address the systemic underinvestment that has contributed to overcrowded and aging housing, the HUD study estimated a need for 68,000 new units. Yet until recent years, limited federal funding meant Tribes were able to construct only 1,000 – 1,500 units annually.

In addition to the unmet needs highlighted above, it is critical to note that HUD's study simultaneously found that NAHASDA's block grant program is effective, and enables Tribes to use federal funds to implement self-determined, culturally relevant solutions. Even so, funding for these crucial programs subsequently remained relatively stagnant until 2024. It is critical to note that "flat funding" is effectively reduced funding each year due to the detrimental effects of inflation. Beginning in FY23, it took three successive years to inflation adjust funding for these programs to zero. Combined with a booming birthrate, this trend has only exacerbated poor housing conditions and a growing need for funding. Additionally, in 2000, the IHBG represented roughly 2.5% of HUD's total budget, closely mirroring the Native American share of the U.S. population. By 2020, Native Americans made up about 4% of the population, yet IHBG had diminished to just over 1% of HUD's budget—illustrating a widening gap between community need and federal investment.

Program Summary

NAHASDA continues to be foundational to Tribal Housing programs across Indian Country by enhancing Tribal capacity to address substandard housing and infrastructure conditions in Tribal communities. NAHASDA encourages greater self-management of housing programs and private sector financing to complement limited IHBG dollars. Annual IHBG formula allocations are based on a formula that considers the need and the amount of existing housing stock. The

grants are awarded to eligible Tribes or their Tribally Designated Housing Entities (TDHEs) for a range of affordable housing activities on reservations or in other areas.

Activities eligible to be funded with NAHASDA assistance include new construction, rehabilitation, acquisition, infrastructure, and various support services. Housing assisted with these funds may be either rental or homeowner units. NAHASDA funds can also be used for certain types of community facilities if the facilities serve eligible low-income Indigenous families who reside in affordable housing. Generally, only families whose income does not exceed 80% of the area's median income are eligible for assistance.

NAHASDA's Title VI loan guarantee program provides Tribes and TDHEs better access to capital to develop larger housing projects. The Title VI program provides lenders a guarantee for amounts up to five years' worth of a Tribe's annual funding levels. For individual home purchases or construction, Section 184 loan guarantees can support in securing mortgages for individual homebuyers or Tribes, TDHEs, and Indian Housing Authorities.

Native Hawaiians

In 2000, Congress strengthened NAHASDA's framework by creating a dedicated title to support the housing and community development priorities of Native Hawaiian families. Title VIII, "Housing Assistance for Native Hawaiians," established the Native Hawaiian Housing Block Grant (NHHBG) Program and the Section 184A Native Hawaiian Housing Loan Guarantee Program. Through the NHHBG program, eligible low-income Native Hawaiian households gain access to culturally grounded, affordable housing opportunities on Hawaiian homelands. Although Title VIII has not been formally reauthorized since 2005, Congress has continued to fund the NHHBG in most years, allowing these essential housing services to move forward.

The Department of Hawaiian Home Lands (DHHL), the sole recipient of NHHBG funds, puts these resources

to work by developing new homes, rehabilitating existing units, acquiring properties, and investing in infrastructure that strengthens Native Hawaiian communities. These efforts support both rental or homeownership pathways and, in certain cases, community facilities that serve residents of affordable housing. In addition, DHHL provides homeownership counseling and technical assistance to help families prepare for long-term housing stability and ownership.

Why NAHASDA Reauthorization is Urgently Needed

Although NAHASDA continues to receive annual appropriations, the statute itself expired in 2013. The absence of reauthorization for more than a decade prevents Congress from implementing essential updates that Tribal housing entities increasingly need to mitigate modern challenges to housing and community development.

Without authorization, Tribes must operate under outdated statutory language that does not reflect current realities, including the need for streamlined environmental reviews, improved coordination with the Indian Health Service on water and sanitation infrastructure, more efficient processing of federal loan guarantees, and permanent authorization of the Tribal HUD-VASH program. These updates are widely supported by Tribal Nations and enjoy ongoing bipartisan interest and support in Congress. However, they cannot be fully implemented until NAHASDA is reauthorized.

The urgent need for reauthorization will only intensify in coming years as Tribes confront rising construction costs, insurance market instability, labor shortages, infrastructure challenges, and changing climates that place further pressure on IHBG and ICDBG resources. Modernizing NAHASDA is essential to ensure that Tribal Nations can continue to meet growing housing needs with the tools and flexibility required in today's environment.

What to Say to Legislators

Funding for Tribal housing is the lifeblood of community development in Native American, Alaska Native, and Native Hawaiian communities. For many years, funding has leveled off, failing to keep pace with inflation and the ever-increasing costs of energy, materials, and construction. We ask that both Tribal and housing advocates urge Congress to fully fund Tribal housing and Tribal housing-related programs, including the Indian Housing Block Grant (IHBG) program; the Indian Community Development Block Grant (ICDBG) program; the Native Hawaiian Housing Block Grant (NHHBG) program; and the Section 184, 184A, and Title VI Loan Guarantee Programs. Other federal housing programs, such as the USDA Rural Housing programs, the Department of the Interior Housing Improvement Program, the Department of Treasury Native American CDFI Assistance (NACA) program, and others could all be enhanced to deliver greater housing opportunities to Tribal communities as well. Further, the nation's largest supported permanent housing initiative combines HUD Housing Choice Vouchers with U.S. Department of Veterans Affairs case management services that promote and maintain recovery and housing stability.

For More Information

National American Indian Housing Council,
www.naihc.net

Housing Assistance Council, www.ruralhome.org

HUD Office of Native American Programs,
https://www.hud.gov/program_offices/public_indian_housing/ih

DHHL, <http://hawaii.gov/dhhl>

SELF-HELP HOMEOWNERSHIP OPPORTUNITY PROGRAM

*By Samantha Booth, Government Relations Manager,
Housing Assistance Council*

Administering Agency: HUD's Office of Rural Housing and Economic Development

Year Started: 1996

Number of Persons/Households Served: 35,000

Population Targeted: Households with incomes below 80% of the area median income

Funding: \$12 million in FY25

The Self-Help Homeownership Opportunity Program (SHOP) is a competitive grant program that provides funds to national and regional nonprofits that assist low-income families in building their own homes using a "sweat equity" or self-help model. The homes are sold to the homebuyers at below-market rates.

History and Purpose

Congress first authorized SHOP in 1996. SHOP was created for the purpose of alleviating one of the largest obstacles faced by self-help housing developers in the production of affordable housing, which is the high cost of acquiring land and developing infrastructure before home construction begins.

Program Summary

SHOP is a competitive grant program run by HUD that provides funds to national and regional nonprofits that assist low-income families in building their own homes using a sweat equity or self-help model. Funds are restricted to paying for land and infrastructure costs associated with building the homes, including sewer connections, streets, utilities, and environmental remediation. These funds must result in one home for each \$25,000 awarded. Each low-income family

receiving assistance through SHOP is required to invest at least 100 hours of work in building a home and homes for others, although many families work far more than the required hours; the requirement for each one-person household is 50 hours. The homes are sold to the homebuyers at below-market rates.

National or regional nonprofit organizations or consortia can apply to HUD annually for SHOP funds. There are currently two SHOP recipients that operate nationwide: Habitat for Humanity and the Housing Assistance Council. HUD awards grants competitively based on an organization's experience in managing a sweat-equity program, community needs, its capacity to generate other sources of funding, and the soundness of its program design. HUD-funded organizations may develop self-help housing themselves or act as intermediaries; that is, make SHOP loans to local organizations that work with self-help homebuyers.

All families receiving SHOP funds must earn less than 80% of the area median income, although many of the organizations that facilitate the distribution of those funds work with families who have income well below that threshold. SHOP funds have been used to support the work of self-help housing organizations in every state, resulting in the development of thousands of affordable homes for ownership.

Funding

SHOP was appropriated \$10 million each year from FY14 to FY21, \$12.5 million in FY22, \$13.5 million in FY23, \$12 million in FY24 and FY25, and is awaiting final funding for FY26.

Forecast for 2026

SHOP has enjoyed bipartisan support since its creation in 1996, and that support seems likely to continue. The House FY26 appropriations bill would cap SHOP to \$9 million, but the Senate's would fund the program at \$13 million. SHOP is one of the few federal housing programs to receive an effective rating, the highest rating possible, on the Program Assessment Rating Tool developed by the Office of Management and Budget.

Tips for Local Success

Local organizations can access SHOP funding by partnering with one of the national or regional funding recipients. The strongest applicants have self-help experience.

What to Say to Legislators

Members of the House and Senate should be asked to support increased SHOP funding at \$20 million per year. The program has many positive aspects:

- Self-help housing provides families a hand up. Families who ultimately use the program's funds will put at least 100 hours, and often more, into building their own homes. For example, through the Housing Assistance Council's first ten years of SHOP funding, participating homebuyers averaged more than 1,000 hours of labor.
- Because owners' sweat equity reduces mortgage amounts, the self-help process makes homeownership affordable to people with low and very low incomes.

For More Information

Habitat for Humanity International, 404-962-3433,
www.habitat.org

Housing Assistance Council, 202-842-8600,
www.ruralhome.org

HUD, 877-787-2526 or 202-708-2290,
<https://www.hudexchange.info/programs/shop/>

THE LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

By Olivia Wein, Staff Attorney, National Consumer Law Center

Administering Agency: U.S. Department of Health and Human Services (HHS), Office of Community Services within the Administration for Children and Families

Year Program Started: 1981

Number of Persons/Households Served: According to the US HHS, [LIHEAP Data Warehouse](https://liheapm.acf.gov/datawarehouse) (<https://liheapm.acf.gov/datawarehouse>), an estimated 5.9 million families (17% of estimated eligible households) received Low-Income Home Energy Assistance Program (LIHEAP) assistance in fiscal year (FY) 2024 through the regular LIHEAP program, which includes heating grants, cooling grants, and crisis assistance.

Population Targeted: Low-income households (at or below 150% of the poverty threshold or 60% of the state median income) who cannot afford to keep their homes at safe temperatures; particularly households with frail elderly, members with disabilities, or very young children.

LIHEAP is a targeted block grant program aimed at helping struggling families pay their heating and cooling bills. States have flexibility in setting eligibility criteria, benefit amounts, how much to direct to energy crisis situations where the health of the household is in jeopardy, as well as other program components. The typical main challenge for LIHEAP is securing adequate annual appropriations. The need for full FY 2025 LIHEAP program funding (\$5.1 billion) remains and is necessary to help struggling families with unaffordable energy bills.

On November 12, 2025, the “Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, Extensions Act, 2026” (P.L. 119-37) was signed into law. This legislation provided funding for the Labor, Health and Human Services and Related Agencies programs which includes LIHEAP through a continuing resolution. On November

28, 2025, the Office of Community Services in the U.S. Department of Health and Human Services, Office of the Administration for Children & Families announced the release to the states [of \\$3.7 billion](https://acf.gov/ocs/programs/liheap/funding-releases/first-block-grant-funding-release-2026) (<https://acf.gov/ocs/programs/liheap/funding-releases/first-block-grant-funding-release-2026>), which is 90% of last year’s funding for LIHEAP plus \$100 million from the “Infrastructure Investment and Jobs Act” (IIJA; P.L. 117-58). The remainder of the FY 2026 LIHEAP funding should be announced and released to the states once the final FY 2026 the Labor, Health and Human Services and Related Agencies spending bill passes. As of the publication of this article, the final appropriation for LIHEAP in FY 2026 has not been determined.

History

LIHEAP was created in response to rising energy prices in the 1970s and the decreasing purchasing power of low-income households. In 1980, low-income energy assistance was part of the “Crude Oil Windfall Profit Act,” Public Law 96-223, and LIHEAP was authorized in the “Omnibus Budget Reconciliation Act of 1981,” Public Law 97-35. Since then, LIHEAP has been reauthorized several times, targeting assistance within the pool of eligible households, adding new program components, and expanding authorization levels for funding.

Program Summary

The regular LIHEAP program is a federal block grant program to the states that helps low-income families meet the costs of heating and cooling their homes. LIHEAP is intended to “assist low-income households, particularly those with the lowest incomes, that pay a high proportion of household income for home energy, primarily in meeting their home energy needs” (42 U.S.C. § 8621(a)). States are to target assistance to households with the lowest incomes and highest energy needs (i.e., those who pay a large percentage of

their income on home energy), and to households with populations vulnerable to extreme heat or cold. These are households with very young children, individuals with disabilities, and frail elderly. The LIHEAP program focuses on home energy, which is defined as a source of heating or cooling in residential dwellings.

To receive LIHEAP funds, states must submit an annual application ([state plan https://liheapch.acf.gov/stateplans.htm](https://liheapch.acf.gov/stateplans.htm)) to the Secretary of HHS. All 50 states, the District of Columbia, numerous Tribes, and territories participate in the LIHEAP program. In the majority of states (<https://liheapch.acf.gov/admin/admintro.htm>), LIHEAP is administered by the state social services agency. In many states, the state agency contracts with local providers, such as community action agencies, to handle intake.

Although states have a great deal of flexibility in designing their programs each year, the vast majority of states' LIHEAP grants are used to provide bill payment assistance to eligible low-income households to help with heating and cooling costs. LIHEAP benefits cover all forms of residential heating or cooling fuels. This includes a range of fuels from natural gas and electricity for heating or cooling to home heating oil, propane, kerosene, and wood. Assistance is often in the form of a vendor payment.

States also have the flexibility to set their program's eligibility criteria in the annual state LIHEAP plan based on income eligibility. The maximum eligibility for LIHEAP is 150% of poverty or 60% of state median income. States are prohibited from setting income eligibility below 110% of the poverty level. States can also rely on participation in another means-tested program to determine eligibility. Low-income households can be eligible for LIHEAP through participation in Temporary Assistance for Needy Families, Supplemental Security Income, the Supplemental Nutrition Assistance Program (also known as food stamps) and certain needs-tested veterans' benefits.

Several additional components to LIHEAP are:

- **Crisis grants:** Each fiscal year, states must reserve a reasonable amount of their regular LIHEAP block grant until March 15 for individual crisis intervention grants. States have the discretion to define what constitutes a [crisis \(https://liheapch.acf.gov/tables/crisis.htm\)](https://liheapch.acf.gov/tables/crisis.htm) for this component. Common definitions include an imminent shut-off, empty heating fuel tank, or broken furnace. The state crisis intervention funds must be made available to a household within 18 hours if the household is in a life-threatening situation, and within 48 hours under other circumstances. The state crisis intervention component is different from the LIHEAP emergency contingency funds that are at the discretion of the president to release.
- **Low-cost weatherization or other home energy-related repairs:** States may use up to 15% of their annual LIHEAP block grant (or 25% with a waiver) for low-cost residential [weatherization \(https://liheapch.acf.gov/tables/components.htm\)](https://liheapch.acf.gov/tables/components.htm) or other home energy-related repair. In about 30 states, the same agency administers LIHEAP and the Department of Energy's low-income weatherization program.
- **Self-sufficiency (<https://liheapch.acf.gov/tables/A16.htm>):** States can use up to 5% of their block grant to provide services to encourage and enable households to reduce their home energy needs through activities such as needs assessments, counseling, and assistance with energy vendors (this is also referred to as Assurance 16).
- **LIHEAP emergency contingency fund:** The LIHEAP emergency contingency fund is a separate appropriation from the regular LIHEAP block grant. The president can release LIHEAP emergency contingency funds to help meet low-income home energy needs arising from a natural disaster, a significant increase in the cost of home energy, or other emergency. Unfortunately, Congress has not appropriated funds for the LIHEAP emergency contingency fund since FY11.

According to the US HHS, [LIHEAP Data Warehouse](https://liheapm.acf.gov/datawarehouse) (<https://liheapm.acf.gov/datawarehouse>), an estimated 5.9 million families (17% of estimated eligible households) received Low-Income Home Energy Assistance Program (LIHEAP) assistance in FY 2024 through the regular LIHEAP program, which includes heating grants, cooling grants, and crisis assistance.

Funding

As of the time of writing, the total funding for FY 2026 LIHEAP has not yet been established. The “Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, and Extensions Act, 2026” (P.L. 119-37) was signed into law on November 12, 2025. States received [90% of last year’s LIHEAP funding](https://acf.gov/ocs/programs/liheap/funding-releases/first-block-grant-funding-release-2026) (<https://acf.gov/ocs/programs/liheap/funding-releases/first-block-grant-funding-release-2026>) amount on November 28, 2025.

The authorized funding level for LIHEAP is \$5.1 billion for the regular block grant program and \$600 million in LIHEAP emergency contingency funds. Note that total funding for LIHEAP in FY23 was \$6.1 billion.

Tips for Local Success

February 2, 2026 is [LIHEAP Assistance Day](https://neada.org/neadtoolkit/) (<https://neada.org/neadtoolkit/>). Advocates can help with social media posts on the importance of LIHEAP. The National Energy and Utility Affordability Coalition (NEUAC) is planning its annual [LIHEAP Action Day](https://neuac.org/liheap-action-day/) (<https://neuac.org/liheap-action-day/>) on February 24-25, 2026. All are welcome to join. The LIHEAP Clearinghouse has an energy assistance [referral service](https://liheapch.acf.gov/search-tool/) (<https://liheapch.acf.gov/search-tool/>) (phone line and website). The LIHEAP Clearinghouse site also has a tool to connect households to the nearest [LIHEAP intake](https://liheapch.acf.gov/search-tool/state-territory/) (<https://liheapch.acf.gov/search-tool/state-territory/>) site by applicant’s county.

Advocates should become involved in the development of their state’s annual LIHEAP program. [LIHEAP state plans](https://liheapch.acf.gov/stateplans.htm) (<https://liheapch.acf.gov/stateplans.htm>) are required to be made available to the public in a manner that facilitates meaningful review and comment, and states are required to hold public hearings on the

LIHEAP plan. The plans will set out eligibility criteria and benefit amounts, as well as other aspects of the program, such as the percentage of the state’s LIHEAP grant requested in each quarter.

Please note that some Tribes receive LIHEAP grants directly through the federal agency (as opposed to the state). HHS has provided a [map](https://acf.gov/ocs/map/liheap-map-state-and-territory-contact-listing) (<https://acf.gov/ocs/map/liheap-map-state-and-territory-contact-listing>) to find each state’s LIHEAP office.

Advocates should also become familiar with the other energy assistance programs and utility consumer protections. In addition to LIHEAP, some states and some utilities have separate low-income [energy assistance programs \(sometimes referred to as “leveraging” LIHEAP\)](https://liheapch.acf.gov/state-leveraging) (<https://liheapch.acf.gov/state-leveraging>). For additional help with utility issues, consider contacting the consumer protection division of a state’s utility commission.

Advocates should also become familiar with certain utility rules. For utilities regulated by the state utility commission (generally private investor-owned utilities), the [state utility commission](https://www.naruc.org/about-naruc/our-mission/regulatory-commissions/) (<https://www.naruc.org/about-naruc/our-mission/regulatory-commissions/>) website should have a link to rules regarding: customer shut-offs (for example, a winter shut-off rule, an extreme temperature rule, or a severe illness shut-off protection rule); payment plans; special protections for low-income or LIHEAP customers; and deposits and reconnection fees. Staff in the consumer protection division of the utility commission may be able to help find the relevant rules. For municipal utilities or cooperatives, the rules will reside with the municipality or the co-op.

What to Say to Legislators

Advocates should meet with their members of Congress to share the following messages:

- LIHEAP is a critical safety net program aimed at helping vulnerable households afford residential energy.
- There is significant need in the member’s district (provide, for example, the number of clients seeking help with their utility bills, newspaper clips, or data regarding the number of households being disconnected).

- The current funding level will not be sufficient to meet the record high levels of applications.
- Supporters of LIHEAP should visit the [LIHEAP Action Day](https://neuac.org/liheap-action-day/) (<https://neuac.org/liheap-action-day/>) website of the National Energy and Utility Affordability Coalition (www.NEUAC.org) and sign on to letters to Congress regarding LIHEAP funding. The NEUAC website also contains state-by-state, one-page fact sheets with helpful statistics tailored to each state.
- One-page snapshots of state LIHEAP programs are available on the HHS [LIHEAP Data Warehouse](https://liheappm.acf.gov/datawarehouse) (<https://liheappm.acf.gov/datawarehouse>).

For More Information

For advocates seeking more information about LIHEAP program design, the LIHEAP [Clearinghouse](https://liheapch.acf.gov/) (<https://liheapch.acf.gov/>) is a wealth of information regarding the various ways states have designed their LIHEAP programs.

The National Energy and Utility Affordability Coalition (NEUAC) also has information on state energy affordability [resources](https://neuac.org/state-resource-directory/) (<https://neuac.org/state-resource-directory/>).

The LIHEAP Clearinghouse tracks states' [supplemental energy assistance activities](https://liheapch.acf.gov/state-leveraging) (<https://liheapch.acf.gov/state-leveraging>) (listed as "State Leveraging under State Programs in the menu on the homepage).

For information about advocacy regarding LIHEAP funding:

The [National Energy Assistance Directors' Association's](https://neada.org/) (<https://neada.org/>) website provides information on LIHEAP funding needs and current funding levels.

The [National Energy and Utility Affordability Coalition](https://neuac.org/) (<https://neuac.org/>) is an organization of utility, nonprofit, and anti-poverty organizations focused on the energy needs of low-income consumers.

STATE AND LOCAL HOUSING TRUST FUNDS

By Tori Bourret, Manager, State and Local Innovation, NLIHC

State and local housing trust funds advance the way the U.S. supports affordable housing by guaranteeing that revenues are available each year to provide housing to the most economically vulnerable community members. Established by legislation, ordinance, or popular vote, housing trust funds direct public revenue to meet specifically identified local housing needs. Cities, counties, and states have developed proven models that support innovative approaches to all aspects of addressing affordable housing and homelessness. Housing trust funds demonstrate that state and local governments can commit important resources to provide decent, affordable homes if communities are willing to do so. Establishing a state or local housing trust fund is a proactive step that housing organizers and advocates can take to make systemic change in their community.

History and Purpose

Since the 1980s, state and local housing trust funds have committed public funds to address communities' most critical affordable housing needs. With more than 848 housing trust funds in cities, counties, and states, those funds have become core elements in housing policy throughout the United States. A recent NLIHC survey found that just 89 trust funds alone generated more than \$1.6 billion for affordable homes. The popularity and proliferation of housing trust funds is due to their flexibility, sustainability, and success in addressing critical housing needs. Housing trust funds are distinct funds that ideally receive ongoing, dedicated sources of public funding to support the preservation and production of affordable housing and increase access to decent affordable homes through rental assistance. Housing trust funds systemically shift affordable housing funding from annual budget allocations to the commitment of dedicated public revenue. While housing trust funds can also be a repository for private donations, they are not public/private partnerships, nor

are they endowed funds operating from interest and other earnings.

Forty-eight states, the District of Columbia, and the territories of Guam and Puerto Rico have created sixty-four state housing trust funds. Ten states, Connecticut, Illinois, Kentucky, Maine, Massachusetts, Nebraska, Nevada, New Jersey, Oregon and Washington, have created more than one state housing trust fund—reflecting a recognized value in committing public revenues to accomplish precise objectives, such as addressing homelessness or developing rural housing. NLIHC is aware of 596 city housing trust funds in 38 states, including 131 city housing trust funds, bolstered by another 147 housing trust funds created by Massachusetts's Municipal Affordable Housing Trust Fund Law, and 318 local housing trust funds created by New Jersey's 1985 Fair Housing Act, two examples of state-enabling legislation that provide support for local trust funds. Currently, 177 county housing trust funds are available in twenty-four states, including 49 county housing trust funds in Pennsylvania and 39 county housing trust funds in Washington State created under state-enabling legislation.

Issue Summary

Three key elements to any state or local housing trust fund are:

1. Administration and oversight: Most housing trust funds are administered by a public or quasi-public agency. Although alternatives exist, such as a nonprofit or Community Development Financial Institution administering the fund, there are very few examples of such models. In the long run, elected officials should accept ownership and responsibility for addressing critical housing needs and designate the housing trust fund as one way in which they intend to do this. A best practice of housing trust funds is the creation of an appointed oversight board or advisory committee. According to NLIHC's 2025 State and Local Housing Trust Fund survey, over 75% of the 133 housing trust funds that participated in the survey have

an oversight board, an advisory committee, or both. These entities are typically broadly representative of the housing community, including banks, realtors, developers, nonprofit development organizations, housing advocates, labor, service providers, and low-income residents. These boards can be advisory, but it is preferable to delegate some authority to them, including at least advising, if not determining, which projects receive funding; overseeing policies; and evaluating and reporting on the performance of the fund. An oversight board provides considerable expertise in the operation of the trust fund and maintains a connection and avenue for accountability to the community.

2. **Programs:** The ordinance or legislation that establishes the fund should prioritize the needs of the community, by outlining clear objectives such as who the trust fund will serve and what projects will be prioritized. Definition ensures that the key operating components of the trust fund are not subject to the whims of changing administrations. Staff and board members will need to develop an application cycle, program requirements, and administrative rules.
3. **Funding:** A housing trust fund results from securing a dedicated revenue source, which is a source of funding committed by law to generate funds for the housing trust fund. Thus, by resolution, ordinance, or legislation, public funds are automatically deposited in the housing trust fund each year. Securing a dedicated revenue source for a housing trust fund is a significant advance in the way low-income housing has historically been funded. With a dedicated revenue source, advocates no longer have to argue about scarce resources with city council members, county commissioners, or state legislators during the annual budget process. They will no longer have to compete with other worthy causes in a budget process that is generally neither fair nor generous towards low-income housing. The dedicated revenue source guarantees a regular, but possibly fluctuating, source of funds.

KEY DECISIONS

Several decisions must be made about a housing trust fund's implementation, including identifying eligible applicants, eligible activities, and requirements that

must be met to receive funding. Eligible applicants typically include nonprofit developers, for-profit developers, government entities, Native American Tribes, and public housing agencies. Eligible activities are usually broadly defined, including new construction, rehabilitation, acquisition, emergency repairs, accessibility, first-time homeownership, operating and maintenance costs, homeless services, rental assistance, and many others. A majority of housing trust funds provide loans and grants through a competitive application process. Grants are important to ensure that housing can meet the needs of those with the lowest incomes.

Among the most important decisions to be made regarding implementation of a trust fund are defining the specific requirements proposals must meet to be eligible for funding. Chief among these is the income level of those who benefit from the housing provided. According to NLIHC's State and Local Housing Trust Fund Survey, 57% of housing trust funds who responded serve populations earning no more than 80% of the area median income (AMI). Some housing trust funds serve lower-income households either entirely or in part by setting aside a portion of the funds to serve those populations. Eighteen percent of housing trust funds have set asides to serve households earning 50% of AMI or below. Without such set-asides, households with the lowest incomes are unlikely to be served, given that it is easier and less expensive to provide housing for those with higher incomes. Serious consideration should be given to set-asides, maximum income limits, and application prioritization that enable funding for those with the most critical housing needs.

Another key decision is long-term affordability. Many state and local housing trust funds require that housing supported through the trust fund remain affordable to the targeted population for a defined amount of time, or in perpetuity. Of housing trust funds surveyed by NLIHC, 66% have long term affordability requirements ranging from ten to 60 years. Housing advocates may push for additional requirements or prioritizations, including accessibility for people with disabilities, mixed-income development, green housing and energy-efficiency principles, transit-oriented housing, rural housing, and housing-related services.

REVENUE SOURCES

Identifying public revenue sources for a housing trust fund is always a significant challenge. Different revenue sources are available to different jurisdictions, because each jurisdiction controls specific taxes and fees. Research must be done to identify appropriate funding sources.

According to the [State and Local Housing Trust Fund Database \(https://tr.ee/9n3jwm\)](https://tr.ee/9n3jwm), the most common revenue source for city housing trust funds is a developer impact fee, sometimes implemented in conjunction with a zoning ordinance. Impact fees are most often placed on non-residential developers to offset the impact that the development's employees may have on the housing supply. The second most common revenue source for city housing trust funds are inclusionary zoning in-lieu fees. Other cities have committed various fees, such as condominium conversion fees or demolition fees, along with taxes, including property taxes, real estate excise taxes, and hotel and motel taxes (including Airbnb). Revenues from tax increment districts are an increasingly popular revenue source for housing trust funds.

The most common revenue source for county housing trust funds is a document recording fee, a fee paid upon filing various types of official documents with a state or local government. Other sources used by counties include sales taxes, developer fees, property taxes, real estate transfer taxes, and real estate excise taxes.

State housing trust funds are most commonly funded by real estate transfer taxes, followed by document recording fees. Other options include revenue from state-held funds (such as unclaimed property funds), interest from real estate escrow or mortgage escrow accounts, and general obligation bonds.

Often, housing advocates study alternative revenue sources and propose the best options when proposing a housing trust fund. Relying on elected officials to identify a potential revenue source is not typically a

productive strategy. Suggesting alternatives for their consideration is a strategy with a much greater track record of success. Some housing trust funds were created through specially designated task forces with responsibility for doing background research and making recommendations on how best to fund and implement the proposed housing trust fund.

Each state is unique in its treatment of taxes and fees. Research into what the state constitution and statutes permit regarding dedicating public revenues to a specific purpose must be conducted. Research should determine what, if any, limitations are placed on specific revenue options, including any caps imposed on tax or fee rates, any limitations on the uses to which the revenue may be applied, and any commitments already imposed on the revenues collected. Although an increase in a tax or fee is the most common way to create a housing trust fund, it is also possible to dedicate the growth in revenue from a current tax or fee or dedicate a portion of the existing revenue without imposing an increase.

Advocates or city officials should identify a revenue goal each year for their housing trust fund. This goal can be based on actual need, a realistic assessment of what can be secured, or an evaluation of the jurisdiction's capacity to use new funds. This goal will be the measure by which each potential revenue source will be judged as sufficient. A combination of revenue sources may be necessary to reach the goal.

The funding focus should be on dedicated sources of public funding that will provide an ongoing stream of revenue for the housing trust fund. Other alternatives are possibilities, such as a one-time appropriations, bond revenues, or private sources, but advocates must keep their sights on establishing an ordinance or legislation that will dedicate public funds over time. Several trust funds have been created with one-time initial funding, which can be used to demonstrate the impact of the trust fund to build support for on-going dedicated public revenues.

REPORTING

Once a housing trust fund is established and becomes operational, the administering agency, the oversight board, and/or housing and homeless advocates should report annually on the accomplishments of the fund. This helps ensure sustained, if not increased, funding, and improves the understanding and support for effective affordable housing programs. These reports typically not only show how the trust fund made advances in specific affordable housing or homeless objectives but also highlight the impact these expenditures have in creating jobs, adding to the tax base, and extending economic benefits. Many such reports have included stories sharing the impact of a safe, affordable home on individual families.

RELATIONSHIP BETWEEN STATE AND LOCAL HOUSING TRUST FUNDS

One of the most innovative advances in the housing trust fund field is state legislation that enables local jurisdictions to create housing trust funds. States can enact legislation that opens a door for local housing trust funds by providing matching funds to encourage and support local housing trust fund efforts, enabling cities or counties to utilize a specific revenue source for local housing trust funds, sharing a new public revenue source with local jurisdictions, or establishing a process whereby local jurisdictions can decide to commit specific funds to a local housing trust fund. More than 70% of the housing trust funds in the United States are in states where enabling legislation encourages cities and counties to advance local housing trust funds, including communities in Massachusetts responding to the state's "Municipal Housing Trust Funds Law" and localities in New Jersey complying with the state's "Fair Housing Act." Legislation in Washington State and Pennsylvania enables counties to use document recording fee revenues for local housing trust funds. Iowa's state housing trust fund provides matching funds locally, which has generated funds in 22 locations throughout the state. Fourteen states have passed legislation to encourage local housing trust funds.

Wins in 2025

The following are among the state and local housing trust fund victories celebrated by housing and homeless advocates in 2024 (in alphabetical order by state):

- In Santa Cruz, California, 56.1% of voters approved [Measure C \(https://tr.ee/feKeG9\)](https://tr.ee/feKeG9) that creates a \$96 parcel tax on most lots throughout the city, and a graduated real estate transfer tax for home sales above \$1.8 million, set to expire in 20 years. Eighty-seven percent of the revenues generated by the taxes will go to the City of Santa Cruz Affordable Housing Trust Fund.
- Daytona Beach, Florida's City Commissioners passed the [Essential Housing Linkage Fee Ordinance \(https://tr.ee/R8dxeJ\)](https://tr.ee/R8dxeJ), establishing linkage fees which will be assessed on new construction and then transferred into the city's housing trust fund. The fees won't be assessed until a building permit is about to be issued, and developers can avoid paying fees by creating affordable housing units.
- The Maine legislature enacted [LD 210 \(https://tr.ee/D4DcRA\)](https://tr.ee/D4DcRA), which adds an additional tax at the rate of \$3.80 for each \$500 of the value of real property transferred that exceeds \$1 million. Starting in fiscal year 2026-27, the revenue from the tax will first go to meeting Maine State Housing Authority's bond obligations. The remaining revenue will be distributed to various housing and homelessness funds including the Housing Opportunities for Maine (HOME) Fund, which will receive 32% of the revenues, and a new Housing Production Fund, which will receive 30%. The Housing Production Fund will support the low-income housing tax credit program, and the housing authority's rural affordable rental housing program and affordable homeownership program.
- County Boards in Meeker County and Sherburne County, Minnesota approved two ordinances creating housing trust funds in their jurisdictions. The [Meeker County \(https://tr.ee/ulHYHy\)](https://tr.ee/ulHYHy) Housing Trust Fund will be funded by a one-time match of state housing trust fund money in addition to the County's Economic Development Association's funds. [Sherburne County's Trust Fund \(https://tr.ee/hXI2nw\)](https://tr.ee/hXI2nw) will be supported by the county's tax levy fund.

- Ohio housing advocates [defeated an amendment](https://tr.ee/kBlqGn) (<https://tr.ee/kBlqGn>) that would have defunded the Ohio Housing Trust Fund by no longer requiring 50% of the fees collected by county recorders to go to the trust fund.

Tips for Local Success

Although elected officials can easily nod toward the need for more affordable homes, committing precious resources to make them happen requires an active campaign. Advocates face the challenge of making affordable housing enough of a priority so that elected officials can make the right decision. Housing trust fund campaigns have made important contributions in reframing affordable housing as a policy priority that is integral to the success of every community. Housing has a [direct relationship](https://tr.ee/DBY1QS) (<https://tr.ee/DBY1QS>) to jobs, the local economy, education, health, the environment, and neighborhood quality. In addition, personal stories and connections to real family experiences give the issue a face that is far more powerful than statistics reflect. Campaigns have created effective communication strategies based on the value frame that everyone deserves a place to call home.

Housing trust fund campaigns have found numerous ways to boast about what housing programs can accomplish, pointing to thousands of remarkable and outstanding examples of good, well-managed, integrated affordable housing. Housing advocates have an obligation to educate the public and elected officials about the face of affordable housing. Rarely have housing trust funds been created without public pressure applied by a campaign. Housing advocates have succeeded in making the point that providing decent, safe, affordable homes is an ongoing, essential part of every community that is no less important than streets, sewers, health centers, police and fire protection, schools, and other basic components of a viable community.

Although housing trust funds are numerous, securing adequate resources to build and maintain affordable homes can be a challenge. Fortunately, there are many creative and successful examples of effective campaign strategies including coalition building to cultivate [allies](https://tr.ee/PBULhN) (<https://tr.ee/PBULhN>) in sectors related to housing such as education, health, and economic development, and organizing [people impacted](https://tr.ee/0OHVMC) (<https://tr.ee/0OHVMC>) by the lack of affordable homes.

For More Information

[Housing Trust Fund Project | National Low Income Housing Coalition](https://nlihc.org/housing-trust-fund-project) (<https://nlihc.org/housing-trust-fund-project>)

EMERGENCY HOUSING VOUCHERS

By Alayna Calabro, NLIHC Senior Policy Analyst; Steve Berg, National Alliance to End Homelessness; and Kim Johnson, NLIHC Senior Director of Policy

Administering Agency: HUD's Office of Public and Indian Housing (PIH) in consultation with Office of Community Planning and Development (CPD)

Population Targeted: Households that are homeless or at risk of homelessness

Funding: \$5 billion in the "American Rescue Plan Act of 2021"

HUD's Housing Choice Voucher (HCV) program and other rental assistance programs have for decades been funded only enough to meet the needs of about one quarter of eligible households, frustrating attempts to reduce homelessness. The "American Rescue Plan Act" provides \$5 billion for additional vouchers for people who are homeless or at risk of homelessness, and people fleeing intimate partner violence or human trafficking.

HUD required that PHAs receiving EHV's coordinate with their local Continuums of Care (CoCs) to determine which households should receive the vouchers and mechanisms for ensuring these households have access to additional services. PHAs could also adopt certain flexibilities to help EHV households obtain housing.

Since 2021, the EHV program has provided life-saving assistance to families with the greatest needs. HUD data from 2022 found that the average annual income for an EHV household was just \$11,349. EHV's helped house people more quickly than any other new HUD voucher program. The success of the EHV program has important implications for how to more efficiently and effectively connect people experiencing or at-risk of homelessness to housing and supportive services when needed for long-term stability.

About the EHV Program

The Emergency Housing Voucher (EHV) program was created by the "American Rescue Plan Act of 2021," which allocated \$5 billion for the creation of 70,000 new rental assistance vouchers targeted specifically to people at risk of or experiencing homelessness and people fleeing intimate partner violence or human trafficking. The program has been extremely successful, helping recipients, including families and people who were experiencing chronic homelessness, find safe, stable housing.

HUD required that PHAs receiving these vouchers coordinate with their local CoCs to determine which households should receive the vouchers and mechanisms for ensuring these households have access to additional services. PHAs could adopt certain flexibilities to help EHV households obtain housing, including establishing higher subsidy amounts (compared to the HCV program); providing more time for EHV participants to verify income, immigration status, and Social Security numbers; extending the time households can search for a unit; and providing landlord incentives to encourage property owners to participate in the EHV program.

Since 2021, the EHV program has provided life-saving assistance to families with the greatest needs. HUD data from 2022 found that the average annual income for an EHV household was just \$11,349. EHV's helped house people more quickly than any other new HUD voucher program. Communities used the waivers and alternative requirements to streamline implementation, expedite lease-ups, and offer supportive services to help EHV holders obtain housing.

Funding

The EHV program has used its funding faster than anticipated, primarily because rents increased significantly by 22% between April 2021 and April 2023. HUD estimates EHV funds should be sufficient to continue helping families already receiving EHV assistance through 2026, but some agencies reported that their funds were likely to run out before the end of 2025.

Losing EHV households could [increase homelessness](https://tr.ee/t4ejee) (<https://tr.ee/t4ejee>) across the country by as much as 10% or higher in some states, especially if the HCV program does not receive sufficient funding through the annual appropriations process and is forced to serve fewer people. In addition, due to the Trump administration's changes to the Continuum of Care (CoC) program (see the Housing First chapter for more information), at least 170,000 more people nationwide are expected to lose their supportive housing.

Many housing agencies and communities do not have the resources required to transition families with EHV households to another form of assistance. The Trump administration's proposed budget would cut funding for rental assistance programs by 43%, which would make it impossible for communities to assist households with EHV households. The flat funding for HCV renewals provided in the House FY26 bill would result in an estimated 411,000 fewer people receiving the assistance they need to stay housed. An estimated 243,000 fewer people would receive help under the Senate bill. Fully funding voucher renewals in FY26—including sufficient funding to successfully transition EHV households—is critical since any shortfall will directly cause families to be left without assistance. As *Advocates' Guide* went to press, Congress had not passed an FY26 appropriations act. A short-term Continuing Resolution (CR) keeps HCV funding at FY25 levels until further congressional action.

Forecast for 2026

Advocates should urge members of Congress to make EHV households permanent and incorporate important lessons learned from their implementation into other rental assistance programs. To avoid a sharp spike in homelessness, Congress must provide enough funding to renew all existing HCV contracts and additional funding to ensure the almost 56,000 households currently served by the EHV program do not fall into homelessness. Congress should include in the final FY26 THUD spending bill statutory and administrative flexibilities and additional funding to assist the thousands of households at risk of losing their EHV.

For More Information

NLIHC, 202-662-1530, www.nlihc.org

NAEH, www.endhomelessness.org

[Learn more from the Center on Budget and Policy Priorities](https://www.cbpp.org/), <https://www.cbpp.org/>

[Read the Urban Institute's case studies about how communities have used EHV households to prevent and end homelessness](https://tr.ee/oARMIb), <https://tr.ee/oARMIb>

The Framework for an Equitable COVID-19 Homeless Response, <https://housingequityframework.org/>, including help for communities on using vouchers.

HUD landing page for EHV: <https://www.hud.gov/EHV>

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

CHAPTER 6

SPECIAL HOUSING ISSUES

LEAD HAZARD CONTROL AND HEALTHY HOMES

By Sarah Goodwin, Policy and Advocacy Manager, National Center for Healthy Housing and David Jacobs, PhD, CIH, Chief Scientist, National Center for Healthy Housing

Administering Agency: HUD's Office of Lead Hazard Control and Healthy Homes (OLHCHH)

Year Started: Lead Hazard Control, 1992; Healthy Homes Initiative, 1999

Population Targeted: Low-income and very low-income families who reside in worst-quality private housing where children under six years of age reside or are likely to reside. CDC estimates that [500,000 children have blood lead levels higher than the Blood Lead Reference Value of 3.5 µg/dL \(https://www.cdc.gov/lead-prevention/about/index.html\)](https://www.cdc.gov/lead-prevention/about/index.html).

Estimated FY26 Funding: The House bill includes \$295.6 million (including \$152 million for healthy homes), and the Senate bill includes \$295.6 million (including \$140 million for healthy homes). The final FY24 appropriation was \$345 million, but that included \$49.4 million in previously-appropriated funds being redirected—therefore, the FY26 bills represent a lower amount of funds available to the office over previous year, but a level amount of new funds allocated.

Both the House and Senate bills remove funding for radon mitigation and coordination between weatherization and healthy homes. The House bill also removes funding for home repairs for older adults, and the Senate bill removes funding for technical studies.

The House bill adds one new element, providing funding for a financing pilot program called the National Lead Safe and Healthy Homes Fund, which would support the investment and creation of grant and loan funds, supported by both public and private funds, in local communities through a national mezzanine program.

The Senate bill also makes some minor administrative changes, most notably exempting the aging in place home repair program from environmental review.

The House bill rescinds \$417 million in previous funding.

This blog post tracks FY26 funding amounts for healthy housing programs through the appropriations process: <https://nchh.org/2025/07/tracking-fy26-federal-funding-for-healthy-homes/>.

Children spend as much as 90% of their time indoors where toxic substances can reach higher levels than outside. Older, dilapidated housing with lead-based paint, and the settled interior dust and exterior bare soil it generates are the biggest sources of lead exposure for children (lead in drinking water and other sources can also be a problem). Often these units have a combination of health dangers that include dust mites, mold (fungi), and pests that can trigger asthma; carcinogens, such as asbestos, radon, and pesticides; and other deadly toxins such as carbon monoxide.

Recent Developments

On October 23, 2024, the [EPA finalized their new rule regulating lead-dust hazards \(https://tr.ee/QWmB5u\)](https://tr.ee/QWmB5u). Under this rule change, the dust-lead reportable level (previously known as the dust-lead hazard standard) went from 10 µg/ft² for floors and 100 µd/ft² for windowsills to any reportable level analyzed by a recognized laboratory, and the dust-lead action level (previously known as the dust-lead clearance level) is now set at 5 µg/ft² for floors, 40 µg/ft² for sills, and 100 µg/ft² for window troughs. What this now means is that the EPA will recommend abatement at or above these new dust lead action levels.

The rule goes into effect 60 days after publication. The compliance dates for the new levels, and the new abatement report language also provided in the rule,

are one year after the effective date. States that operate their lead programs through delegated authority from EPA will get an additional year.

On October 8, 2024, the EPA released their final Lead and Copper Rule Improvements (LCRI) rule change. The LCRI requires drinking water systems to replace all of their lead service lines within ten years. This is the first time the federal government has required lead service line replacement at this scale. The Bipartisan Infrastructure Bill as signed into law included \$15 billion for removal of lead drinking water service lines.

In fall 2024, HUD released a Request for Information to collect feedback on the concept of shifting 80% of their lead grants from competitive to formula funding. The RFI closed on November 15 and submitted comments from national, state, and local groups can be viewed at <https://www.regulations.gov/document/HUD-2024-0070-0001/comment>.

In October 2023, EPA released an [endangerment finding \(https://tr.ee/izROZi\)](https://tr.ee/izROZi) on lead emissions from small aircraft, which still use leaded gasoline.

On October 28, 2021, the Centers for Disease Control and Prevention updated its blood lead reference value (BLRV) from 5 µg/dL to 3.5 µg/dL, which increased the number of children deemed to have an elevated blood lead level. The BLRV is used by public health agencies and healthcare providers and others to help guide interventions for children following blood lead tests and prioritize primary prevention efforts in communities. Read more here: https://www.cdc.gov/mmwr/volumes/70/wr/mm7043a4.htm?s_cid=mm7043a4_w. Some states have adjusted their programs and protocols to follow the new reference value. An overview of state-level policies and programs is at <https://tr.ee/bjAUAD>.

The National Safe and Healthy Housing Coalition tracks appropriations for these two programs and regularly circulates sign-on letters. See: www.nchh.org and <http://www.nchh.org/Policy/National-Policy/Federal-Appropriations.aspx>. Also, healthy housing fact sheets are now available for all 50 states and five major territories (<https://nchh.org/who-we-are/nchh-publications/fact-sheets/state-hh-fact-sheets/>) and

agency fact sheets summarizing the activities, funding, and impact of key federal programs related to healthy housing are at <https://nchh.org/who-we-are/nchh-publications/fact-sheets/agency-fact-sheets/>.

History and Purpose

LEAD HAZARD CONTROL

The history of lead paint poisoning prevention and healthy homes over the past 50 years has been described in a new book. It shows that there have been 3 phases: a largely failed medical approach from 1971-1992; a housing-focused prevention (but small-scale) approach from 1992-2016; and in recent years an approach that takes proven solutions to the necessary scale (see: <https://tr.ee/qRRHpl>).

The “Residential Lead-Based Paint Hazard Reduction Act,” also known as Title X of the “Housing and Community Development Act of 1992,” was enacted to focus the nation on making housing safe for children by preventing exposure to lead-based paint hazards (the statute defines this as deteriorated lead-based paint, lead contaminated settled house dust, and lead contaminated bare soil). The law authorized the HUD Lead Hazard Control Grant Program and related programs at the EPA and CDC to provide grants to local jurisdictions to identify and control lead-based paint hazards in privately owned, low-income, owner-occupied, and rental housing and conduct training and public health surveillance and other duties.

Because Title X is now more than 30 years old, certain reforms are required, which are detailed at <https://tr.ee/49Qzir>.

HEALTHY HOMES INITIATIVE

The Healthy Homes Initiative was established by Congress in 1999 to protect children and their families from residential health and safety hazards. The program takes a comprehensive, integrated approach to housing hazards through grants that create and demonstrate effective, low-cost methods of addressing mold, lead, allergens, asthma, carbon monoxide, home safety, pesticides, radon and other housing-related health and safety hazards. These grant programs are housed in HUD’s OLHCHH.

The beneficiaries of both the lead and healthy homes programs are low-income households and the broader public. Assisted rental units served must be affirmatively marketed for at least three years for families with children under age six. Ninety percent of owner-occupied units served must house or be regularly visited by a child under age six. Because the funds do not cover all housing eligible under federal policy, each grantee develops its local plan and is permitted to target investment of grant funds based on factors such as the presence of a lead-poisoned child and location in a high-risk neighborhood. The programs' funds are awarded via competitive Notices of Fund Availability. Some have suggested the eligibility criteria for this program are too narrow and should be expanded.

ISSUE SUMMARY

Recent research confirms that housing policy has a profound impact on public health, education, economic and other domains. For any public health agenda to be effective, it must include housing improvement, preservation, and affordability components. The statistics and key findings regarding the long-term effects of housing-related health hazards are alarming. At least 590,000 children aged one to five in the U.S. have elevated blood lead levels above the current CDC reference value of 3.5 micrograms per deciliter. Childhood exposure to lead can have lifelong consequences including decreased cognitive function, developmental delays, behavior problems, and, at very high levels can cause seizures, coma, and even death. Asthma is one of the most common chronic conditions among children in the U.S.; over 25 million people in the U.S. have asthma, including 7% of children under 18 and housing plays a key role in asthma exacerbation.

The burden of housing-related health hazards falls disproportionately on the most vulnerable children and communities, contributing greatly to U.S. health disparities. African American children are twice as likely to have asthma and are six times more likely to die from it than white children. Households with annual incomes less than \$30,000 and children of low-income families are much more likely to be lead-poisoned than those of higher-income families. Children poisoned by lead are seven times more likely to drop out of school,

and six times more likely to end up in the juvenile justice system.

The number of homes with deteriorated lead paint increased by 4.6 million homes from 1999 to 2019 as the housing stock continued to age. The percentage of homes in poverty (annual income less than \$30,000 - \$35,000) with lead paint declined from 40% to 33% between 2012 and 2019, but lower income households still were significantly more likely to have lead paint. In short, lead paint deterioration is worsening, and disparities remain pronounced. In the 1999 HUD American Healthy Housing Survey, 41% ($\pm 11\%$) of homes occupied by African American families had lead paint, compared to 40% ($\pm 4\%$) of homes occupied by white families (the 1990 survey did not report its findings by race). The 2006 survey found a larger disparity in homes with lead paint (45% $\pm 4\%$ of African American homes and 32% $\pm 3\%$ of homes with whites), but the 2019 survey found 25% ($\pm 7\%$) and 45% ($\pm 10\%$) of homes had lead paint for African American and white households, respectively. In 2019, the housing surveys showed the arithmetic mean dust lead loading on floors nationwide improved by 73% (3.68 $\mu\text{g}/\text{ft}^2$ compared to 13.6 $\mu\text{g}/\text{ft}^2$ in 1999). On windowsills, mean dust lead levels improved by 72% (54 $\mu\text{g}/\text{ft}^2$ compared to 195 $\mu\text{g}/\text{ft}^2$ in 1999). The 2023 EPA and HUD lead dust standards for floors and windowsills were 10 and 100 $\mu\text{g}/\text{ft}^2$, respectively.

The cumulative effects of multiple hazards have greater consequences than individual exposures. Inadequate ventilation increases the concentration of indoor air pollutants, such as radon and carbon monoxide, and exacerbates moisture and humidity problems. Moisture causes paint deterioration, which puts children at risk of exposure to leaded dust and paint chips. Moisture also encourages the growth of mold, mildew, dust mites, and microbes that contribute to asthma and other respiratory diseases and structural rot, which is related to injuries. Asthma is exacerbated by allergic reaction to certain triggers such as dust, mold, pests (such as cockroaches, rats, and mice), cold air, and dry heat. Use of common pesticides to control infestations can contaminate homes. Thus, a 'whole house' approach is critical, including thorough inspections and remediation activities.

Additionally, solutions and opportunities may arise through existing weatherization, rehabilitation, maintenance, and home repair work. Because improperly disturbing lead-based paint may cause lead poisoning, it is necessary to use lead-safe work practices and comply with the EPA's renovation, repair, and painting rule (and for federally assisted housing, HUD's Lead Safe Housing rule). Many weatherization treatments have healthy homes benefits. For example, window replacement can help with lead poisoning prevention, and roof repair and insulation may help reduce moisture intrusion and prevent mold. Improving ventilation to ameliorate the ill effects of tightening a building can help ensure no harm from energy-efficiency measures. Healthy Homes and weatherization/building performance are described in a report from the Department of Energy and the National Center for Healthy Housing: <https://tr.ee/zlqcaY>.

Program Summary

In January 2025, OLHCHH awarded 130 grants totaling over \$226,000,000 to local governments, state governments, and nonprofit entities in 34 states, DC, and Puerto Rico. This included \$109 million in grants for home repairs for low-income older adults, \$95 million in grants for healthy homes work, \$12 million in grants for lead hazard control, and \$ million in grants for healthy homes technical studies.

In July 2025, OLHCHH released a NOFO for lead hazard control work. There were no NOFOs for healthy homes work or technical studies released in 2025.

In 2024, OLHCHH awarded 130 grants totaling over \$529 million.

HEALTHY HOMES INITIATIVE

The Healthy Homes Production Grant Program develops, demonstrates, and promotes cost-effective, preventive measures for identifying and correcting residential health and safety hazards. HUD awards Healthy Homes Production grants to nonprofits, for-profit firms located in the U.S., state and local governments, federally recognized Indian Tribes, and colleges and universities.

HUD also often awards Healthy Homes Supplemental funding to grantees when distributing lead hazard control and lead hazard reduction demonstration grants to allow grantees to address other healthy homes issues when conducting their lead programs.

LEAD-BASED PAINT HAZARD CONTROL GRANTS

The typical award addresses hazards in several hundred homes and provides needed outreach and capacity-building services. Grants are awarded to states, counties, and cities for lead hazard control in privately-owned, low-income housing. At least 65% of the grant must be used for direct activities such as abatement, interim control, clearance, and risk assessment (and to a limited extent other healthy housing issues). Grantees are required to partner with community groups, typically by awarding sub-grants, and to provide a match of 10% from local or Community Development Block Grant (CDBG) funds. More than \$1 billion has been awarded since the program started in 1992.

LEAD HAZARD REDUCTION DEMONSTRATION GRANTS

This program targets funds for lead hazard control to the nation's highest-risk cities as defined by the prevalence of lead poisoning and the number of pre-1940 rental housing units. HUD requires a 10% local match from local or CDBG funds. High-risk cities can receive demonstration grants in addition to basic lead hazard control grants. HUD now allows a portion of the lead grants to be used for other healthy homes issues.

LEAD HAZARD REDUCTION CAPACITY BUILDING GRANTS

This program, new in 2023, provides smaller-sized Lead Hazard Reduction awards to grantees that haven't previously had a lead hazard control grant and need a smaller award to build capacity to complete the work in their communities.

HEALTHY HOMES AND LEAD TECHNICAL STUDIES GRANTS

These grants develop and improve cost-effective methods for evaluating and controlling residential health and safety hazards through a separate competition open to academic and nonprofit institutions, state and local governments, Tribes, and for-profit and nonprofit research organizations.

Other Federal Agencies

Programs at CDC's National Center for Environmental Health and EPA provide complementary programs to HUD's OLHCHH. The EPA provides training and licensing programs and laboratory quality control programs; CDC-funded programs provide surveillance data, education, laboratory quality control for blood lead testing, and outreach on housing related diseases and injuries; and HUD-funded programs remediate homes to remove the health hazards.

For more information on healthy homes work at these and other federal agencies, see <https://nchh.org/who-we-are/nchh-publications/fact-sheets/agency-fact-sheets/>.

CDC CHILDHOOD LEAD POISONING PREVENTION PROGRAM

CDC's Childhood Lead Poisoning Prevention Program provides funding to state and local health departments to determine the extent of childhood lead poisoning by screening children for elevated blood lead levels, helping to ensure that lead-poisoned infants and children receive medical and environmental follow-up, and developing neighborhood-based efforts to prevent childhood lead poisoning. Due to consistently increased funds, this program was able to issue grants to 48 states and ten cities in 2021. This program also funds the Flint Lead Exposure Registry.

CDC NATIONAL ASTHMA CONTROL PROGRAM

CDC's National Asthma Control Program funds states, localities, and others to improve asthma surveillance, build coalitions that implement interventions, translate asthma guidelines into public health practice, collect and analyze data not available elsewhere, and increase asthma awareness. This program typically funds about 30 states.

CDC'S ENVIRONMENTAL PUBLIC HEALTH TRACKING PROGRAM

CDC's Environmental Public Health Tracking Program hosts an online database and visualization tool (the Environmental Public Health Tracking Network) that provides at least 23 datasets, 124 indicators, and 449 health measures on public health topics like air quality, water, asthma, carbon monoxide, and birth defects. The program also funds 31 states, one city, and one county to run their own tracking programs.

EPA LEAD PROGRAMS

EPA's Lead Risk Reduction Program updates and supports implementation of lead hazard standards, requires lead-safe work practices, ensures treatment of residential drinking water, and ensures disclosure of known lead during rent or sale of a home and other activities. EPA's Lead Categorical Grants fund states that have adopted EPA regulations around lead paint hazard abatement and renovation.

EPA INDOOR AIR QUALITY PROGRAMS

EPA's Reduce Risk from Indoor Air program educates and equips individuals and organizations to reduce health risks from poor indoor air quality, including radon, secondhand smoke, carbon monoxide exposure, and asthma triggers like mold, pests, and dust. EPA's Indoor Air: Radon program and Radon Categorical Grants promote actions to reduce health risks from radon, including radon-reducing features in new buildings and testing and fixing radon in existing homes, and administer the National Radon Action Plan.

EPA CHILDREN AND OTHER SENSITIVE POPULATIONS

EPA's Children and Other Sensitive Populations: Agency Coordination program ensures that EPA programs protect children's environmental health by developing regulations, improving policy, implementing community-level programs, and collecting and interpreting data.

Forecast for 2026

The FY26 President's Budget requested no new funding for OLHCHH, stating that carryover resources from previous years of funding could be used to support activities for most of the grant programs. However, despite the budget request indicating that funding was available for these programs, in 2025, OLHCHH did not release several of the NOFOs that typically come out on an annual basis, including the Healthy Homes Production grants and the technical studies programs. A lead hazard control NOFO was released, and additional NOFOs for lead activities are expected in 2026 and beyond, but the timeline for future funding opportunities under the other programs operating out of this office is uncertain. Staff reductions in OLHCHH may be impacting the capacity of the office to issue grant opportunities, as well as administration priorities.

Tips for Local Success

Many communities have improved the quality of their housing stock through the development of better codes, such as the National Healthy Housing Standard, and proactive code enforcement programs, instead of a complaint-driven process. For example, many housing codes prohibit peeling paint, standing water, chronic moisture, roof and plumbing leaks, and pest infestation. The International Residential Code requires carbon monoxide detectors in new homes with fuel-burning appliances or attached garages. Efforts are underway to require carbon monoxide detectors in existing housing and radon-resistant new construction and to prohibit lead hazards and excessive moisture that leads to mold. Increasing public awareness and concern about other housing-related hazards is fueling new attention

to state and local regulation of healthy homes issues. Many communities have also urged strong collaboration between departments of housing, health, and environment; effective utilization of CDC surveillance data to guide HUD programs to families and areas of greatest need; enforcement of EPA requirements; and state Medicaid reimbursement for environmental health services in the homes of lead-exposed children and people with asthma.

Resources

- Technical Assistance tools on local codes, RRP certification, and lead-safe demolition: <https://tr.ee/if9uZ6>
- How to make proactive rental inspection effective: <https://tr.ee/5PB5JE>
- Creating effective and efficient primary prevention programs: <https://tr.ee/cd5Zbq>
- Healthcare financing of healthy homes: <https://tr.ee/lFT8lf>

What to Say to Legislators

Advocates should contact their members of Congress, ask to speak to the person who deals with housing, health or environmental policy, and deliver the message that more funding is needed to correct health and safety hazards and lead hazards in homes before they cause needless harm, suffering and increased expense. The costs of remediation are far less than the financial benefits. Healthy homes interventions prevent injury, neurological and respiratory diseases, cancer, and even death from toxins such as carbon monoxide and radon. Addressing these hazards provides economic benefits too. For example:

- Removing leaded drinking water service lines from the homes of children born in 2018 alone would protect more than 350,000 children and yield \$2.7 billion in future benefits, or about \$1.33 per dollar invested.

- Eradicating lead paint hazards from older homes of children from low-income families would provide at least \$3.5 billion in future benefits, or approximately \$1.39 per dollar invested, and protect more than 311,000 children born in 2018 alone.
- For every \$1 spent on home-based asthma control, there is a return on investment of \$2.03.

Advocates should use the Healthy Housing Fact Sheets for each state and five major territories at: <https://nchh.org/who-we-are/nchh-publications/fact-sheets/state-hh-fact-sheets/> and the Healthy Housing Agency Fact Sheets at <https://nchh.org/who-we-are/nchh-publications/fact-sheets/agency-fact-sheets/>.

Advocates should also inform legislators of the following ways through which they can lend support for reducing housing-related health problems:

- Fully fund HUD's Lead Hazard Control and Healthy Homes Program through which communities can fix homes with health hazards, including lead-based paint problems. This also requires full funding for allied HUD programs, such as the Community Development Block Grants, Public and Indian Housing, Section 8 Housing Choice Vouchers, and others.
- Include lead paint funding in infrastructure-focused efforts.
- Fully fund healthy homes programs within CDC's National Center for Environmental Health, including the Childhood Lead Poisoning Prevention Program, the National Asthma Control Program, and the Environmental Public Health Tracking Network.
- Fully fund lead and healthy homes activities at EPA.

For More Information

National Center for Healthy Housing, 410-992-0712, <http://www.nchh.org/>

National Safe and Healthy Housing Coalition, www.nshhcoalition.org

HUD's Office of Lead Hazard Control and Healthy Homes, <https://www.hud.gov/lead>

CDC's Healthy Homes and Lead Poisoning Prevention Program, <http://www.cdc.gov/nceh/lead/>

HOUSING NEEDS OF VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, AND STALKING

Elena Hampton-Stover, Director of Housing, and Melina Milazzo, JD, Director of Public Policy, National Network to End Domestic Violence (NNEDV)

Administering Agencies: Department of Health and Human Services (HHS) Office of Family Violence Prevention and Services (OFVPS) for the “Family Violence Prevention and Services Act” (FVPSA), Housing and Urban Development (HUD), Department of Agriculture (USDA), the Department of the Treasury, and the Department of Justice (DOJ)/Office on Violence Against Women (OVW) for housing programs and protections under the “Violence Against Women Act” (VAWA) and the Office for Victims of Crime (OVC) for “Victims of Crime Act” (VOCA) funds.

Year Started: FVPSA, 1984; VAWA, 1994; VAWA Housing Protections (under HUD, USDA and Treasury Department), 2005; HUD Continuum of Care Domestic and Sexual Violence Bonus funds, 2018.

Number of Persons/Households Served: More than one million survivors and their children are served each year.

Populations Targeted: Victims of domestic violence, sexual assault, dating violence, human trafficking, and stalking (regardless of sex, gender identity, or sexual orientation).

Funding Requested Levels: VAWA Transitional Housing, \$100 million; FVPSA, \$500 million; HUD Domestic Violence and Sexual Assault Bonus Continuum of Care \$75 million; Ensuring Compliance and Implementation of VAWA and Training and Technical Assistance \$15 million.

History

FVPSA, which created the first federal funding stream for domestic violence shelters and programs, passed in 1984 and is administered by HHS. VAWA passed in 1994 and was reauthorized in 2000, 2005, 2013, and 2022. The 2018 Transportation, Housing and Urban Development (THUD) appropriations bill created the first annual funding set aside for domestic and sexual violence survivors administered by HUD Special Needs Assistance Program (SNAPS) office. The 2023 THUD appropriations bill created the first HUD Community Compass grant funding stream for training and technical assistance implementation for VAWA. The funding created the first Director of Gender-based Violence Prevention and Equity in HUD’s Office of the Secretary. VAWA created the OVW transitional housing federal housing funding stream in 2005 and the first federal law to encourage coordinated community responses to address and prevent domestic and sexual violence. Various federal agencies are responsible for VAWA housing rights compliance; housing-related agencies are HUD, USDA, and the Treasury Department.

Issue Summary

Domestic violence is consistently identified as a significant factor in homelessness, especially for women, children, families, and particularly for LGBTQ+ and communities of color. Domestic violence is often life threatening; in the U.S. three women are killed each day by a former or current intimate partner. Survivors must often flee their homes to escape danger yet do not have the means to secure affordable independent permanent housing. Complex relationships exist between housing insecurity, sexual assault, and power; homelessness and sexual violence often affect the most vulnerable members of society. When access to basic needs such

as housing and safety are compromised, individuals can experience heightened risks of violence. Access to safe, affordable housing can be a critical protective factor from sexual violence. Advocates and survivors identify housing as a primary need for survivors and a critical component in survivors' long-term safety and stability.

The impact of homelessness and domestic violence is compounded for women of color and LGBTQI communities, particularly Native American and African American women. Native American and Alaska Native Women face both a lack of housing and disproportionate rates of violence. Discriminatory nuisance ordinances disproportionately target and impact African American survivors of violence resulting in evictions and homelessness. Racial and gender disparities have been exacerbated as a result of the pandemic, the economy, racist, transphobic, and homophobic attacks, and on-going natural disasters. Studies such as the [National Transgender Discrimination Survey \(https://tr.ee/tJa8xW\)](https://tr.ee/tJa8xW) and the [2015 U.S. Transgender Survey \(https://tr.ee/QZTQ4M\)](https://tr.ee/QZTQ4M) have found that people who are transgender experience disproportionate rates of violence, particularly trans people of color.

Rates of domestic violence are increasing, and the need for safe, affordable, trauma-informed housing has never been greater. Survivors faced increased economic and health barriers as a result of the pandemic and widespread housing shortages and rental cost increases, making it challenging to flee abuse. Over the course of the pandemic, domestic violence shelters reduced the capacity of their communal buildings and shifted to using hotel/motel space, extended stay apartments, flexible funding and/or rental assistance to house survivors. Victim service providers used and helped survivors access resources such as HUD Emergency Solutions Grants Program (ESG) "CARES Act," HUD ESG and CoC and permanent Emergency Housing and Stability Vouchers, Treasury Department Emergency Rental Assistance, VOCA, FVPSA, VAWA Transitional Housing and state, local and private funding to provide housing and assistance to survivors. Some of these critical funds have sunset, and victim service providers are experiencing a funding cliff to address housing and safety needs of survivors that continue to increase. Many survivors needed to leave their homes

due to sexual violence and/or harassment by landlords, neighbors, or people in their home such as family and roommates. For most programs, providing any form of housing is not part of the services offered, nor do they receive any funding that would support housing services.

Although safe housing can give survivors pathways to freedom and healing, there are many barriers that prevent survivors from maintaining or obtaining safe and affordable housing. Many survivors have faced economic abuse as part of the violence, meaning that they have not had access to family finances, have been prohibited from working, and have had their credit scores destroyed by their abuser or have faced sexual harassment from a landlord. Survivors often face discrimination in accessing or maintaining housing based on the violent and criminal actions of perpetrators and systemic barriers endemic in housing markets such as racism, sexism, source of income discrimination, and family demographics. Additionally, survivors are limited in the locations and types of housing they can access because of their unique safety and confidentiality needs, and many housing/homelessness assistance programs have screening tools and barriers that inadvertently exclude victims of violence and fail to assess their specific vulnerabilities. Finally, survivors face common economic barriers, such as unemployment, access to healthcare, lack of affordable housing, living-wage jobs, transportation, safety nets, and childcare options, with additional safety barriers as abusers sabotage their attempts to leave the relationship. As a result, many survivors face the impossible choice between staying with or returning to an abusive situation or becoming homeless because they cannot find or afford safe, long-term, permanent housing.

Domestic violence programs do their best to serve those in need of emergency sheltering, transitional housing, and permanent and supportive housing. Due to a lack of resources, however, every day, thousands of abused adults and children are turned away from emergency shelters and denied housing services because programs lack adequate resources and funding. The National Network to End Domestic Violence's [19th Annual Domestic Violence Counts Report \(https://tr.ee/pR75mP\)](https://tr.ee/pR75mP) found that in just one

24-hour period in 2024, 8,459 nationwide requests for shelter and housing went unmet. Affordable housing is scarce, and NLIHC's [Out of Reach 2025](https://tr.ee/bh6Wn3) (<https://tr.ee/bh6Wn3>) report found that in no state, metropolitan area, or county can a fulltime minimum-wage worker afford a modest two-bedroom rental home.

Program Summaries

FVPSA shelters and services (<https://tr.ee/TUMzct>), the OVV Transitional Housing Program (<https://tr.ee/8gQPzQ>) and the HUD CoC Domestic and Sexual Violence (<https://tr.ee/uCm5E5>) set-aside are critical components in the effort to reduce homelessness and housing instability among victims of domestic and sexual violence. These essential programs respond to an array of victims' needs, from emergency shelter and transitional housing to permanent housing.

"FAMILY VIOLENCE PREVENTION AND SERVICES ACT"

FVPSA is administered by HHS OFVPS. FVPSA created the first and only dedicated federal funding stream for community-based domestic violence programs and shelters. Approximately 1,600 emergency domestic violence shelters and programs across the country rely on FVPSA funding to sustain lifesaving support to victims trying to escape violence through emergency shelter and housing programs. FVPSA funds cover basic needs and provide rental assistance, hotel and motel rooms, and utilities for domestic violence survivors and their children and can be utilized to match funds for HUD Continuum of Care resources. In addition to shelter, FVPSA-funded programs provide counseling, legal assistance, crisis intervention, and services for children.

"VIOLENCE AGAINST WOMEN ACT"

VAWA includes many discretionary grant programs, including the Transitional Housing program administered by OVV. The program distributes grants to more than 200 entities annually across the country on a competitive basis, including states, units of local government, Native Tribes, and other organizations such as domestic violence and sexual assault victim service providers or coalitions, other nonprofit and

nongovernmental organizations, and community-based and culturally specific organizations. Transitional housing grants allow entities to offer rental assistance and other housing-related costs for six to 24 months and provide voluntary supportive services including advocacy in securing permanent housing. With OVV Transitional Housing funding, organizations can provide a critical bridge from crisis to stability. The vast majority of OVV transitional housing participants exit the program to safe, permanent housing.

VAWA, originally passed in 1994 and reauthorized in 2000, 2005, 2013, and 2022, created the first federal law to encourage coordinated community responses to combat domestic and sexual violence. The 2005 VAWA reauthorization instituted landmark protections to ensure that victims can access the criminal justice system without facing discrimination or jeopardizing their current or future housing, strengthened confidentiality protections for victims accessing housing and homelessness services, and maintained the transitional housing grant program. The 2013 and 2022 VAWA reauthorizations built upon the strengths of these housing programs and protections with key improvements.

VAWA housing protections prohibit covered housing programs from denying housing or evicting a victim (of domestic violence, sexual assault, dating violence, or stalking) simply because they are victims or seeking law enforcement assistance; allow public housing agencies (PHAs) to prioritize victims for housing when their safety dictates with emergency transfers; clarify that Housing Choice Vouchers are portable for victims; and delineate an emergency transfer policy process for victims who face continued threats or violence or who have been sexually assaulted on the premises. The VAWA 2022 expansion covers all federally subsidized housing programs and any new federally subsidized housing that will be created. Some of the federally subsidized housing programs are: public housing, tenant- and project-based Section 8, McKinney-Vento homeless assistance programs, the HOME Investment Partnerships Program, the Section 221(d)(3) Below Market Interest Rate Program, the Section 236 program, the Housing Opportunities for Persons with AIDS Program, the Section 202 Supportive Housing for the Elderly Program, the Section 811 Supportive Housing for People with

Disabilities Program, USDA Rural Development Housing Properties, and Low-Income Housing Tax Credit (LIHTC) properties.

VAWA was reauthorized in March of 2022 and builds on existing VAWA housing protections. The law addresses the needs of sexual assault survivors by amending the homelessness definition, enhances the emergency transfer process, covers the remaining federal housing programs, strengthens compliance, implementation, and training and technical assistance, prohibits retaliation against tenants and program participants exercising their VAWA rights, and protects the right to report crime. VAWA 2022 also required HUD to establish a Gender-Based Violence Prevention Office and a VAWA Director. Agencies were to issue regulations to be in compliance with all expansions of housing provisions within VAWA 2022 by March 2024. Advocates call on administering federal agencies to issue timely updates to guidance for all programs to fully and meaningfully implement the VAWA housing protections for survivors. New regulations, along with ongoing training and technical assistance, will help promote more consistent implementation of the protections. HUD and the other administering agencies should strongly enforce VAWA protections, ease the burden on victims to provide documentation, and reduce other barriers that arise when victims assert their rights or simply attempt to remain safe.

THE “HEARTH ACT” AND MCKINNEY-VENTO HOMELESS ASSISTANCE PROGRAMS

Domestic violence shelters and housing programs depend on HUD McKinney-Vento funding to operate and provide safe housing and shelter for survivors. Dedicated funding to serve domestic violence survivors—the Domestic Violence/Sexual Assault (DV/SA) Bonus—coupled with targeted technical assistance, improvements to HUD’S Notice of Funding Opportunity (NOFO) and related guidance, have increased the capacity of the domestic violence field to provide trauma-informed, safe and confidential housing to domestic violence survivors. Since FY18, Congress has set aside at least \$50 million in the DV/SA Bonus to support projects serving victims of domestic violence, dating violence, and stalking via Rapid Rehousing (RRH), Joint Component (Transitional Housing and Rapid

Rehousing) or Coordinated Entry Supportive Service Only projects. Since FY18 CoC NOFO awarded points to CoCs that demonstrated efforts to address the needs of persons fleeing domestic violence by including victim service providers on CoC boards, offering training on coordinated entry best practices for serving survivors of domestic violence, having safety planning protocols for coordinated entry, and determining the needs of domestic violence and homelessness victims based on data from victim service provider Comparable Databases. We continue to urge HUD to provide clear guidance on how to evaluate the efficacy of domestic and sexual violence survivor housing, to maintain language in the NOFO encouraging communities to address domestic violence, maintain dedicated funds to serve survivors in a voluntary service model consistent with VAWA and FVPSA, and to continue to issue guidance and messaging to encourage communities to meet the needs of domestic and sexual violence survivors.

EMERGENCY HOUSING VOUCHERS (EHVS)

As part of the “American Rescue Plan Act (ARP) of 2021,” Congress appropriated \$5 billion for Emergency Housing Vouchers (EHVs) intended to assist individuals and families who are homeless or facing housing instability, as well as individuals and families who are fleeing or attempting to flee domestic violence, sexual assault, dating violence, stalking, or human trafficking.

The EHVs are a form of affordable housing tenant-based rental assistance similar to the Housing Choice Voucher program. Public Housing Authorities (PHAs) are the entities that have been designated to receive and administer EHVs at the local level. Collaboration was not only highly encouraged by HUD, but also mandated in several instances, particularly in regard to working with CoCs and victim service providers, including culturally specific victim service organizations. HUD required that PHAs enter a Memorandum of Understanding (MOU) with their CoCs, VSPs, and culturally specific victim service organizations, and other service providers to establish a partnership for the administration of the EHV program. The primary role of CoCs, VSPs, and other service providers was to make direct referrals of EHV-eligible survivors to the PHAs to access this new housing resource.

The HUD EHV website (<https://tr.ee/pyh6uB>) is dedicated to EHV-related information and resources. The webpage contains HUD guidance and materials related to EHV, an EHV FAQ document, registration links for upcoming HUD EHV webinars, and recordings and materials from previously held HUD EHV webinars.

HUD announced in March 2025 that they would issue a final allocation of EHV funding and would not include EHV in future renewal funds for housing authorities, effectively putting 56,000 households at risk of homelessness when EHV funds are expended. Advocates are encouraged to highlight the successes of EHV in swiftly rehousing survivors and encourage Members of Congress to include funding to continue EHV in the appropriations process.

HOME Funds

In addition to EHV, ARP allocated \$5 billion to the HOME program to address homelessness, including addressing homelessness amongst those who are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by the Secretary. Participating Jurisdictions should work with victim service providers to ensure that funded projects that planned to serve survivors have effective referral processes to connect survivors in need to those housing resources.

Tips for Local Success

“VIOLENCE AGAINST WOMEN ACT”

Advocates can play a key role in promoting safe housing for victims of domestic and sexual violence by encouraging consistent implementation of VAWA housing protections in local jurisdictions. Housing advocates should work in partnership with domestic violence advocates to familiarize themselves with VAWA housing protections, improve advocacy for individuals, and improve covered housing programs’ policies and procedures. Domestic and sexual violence advocates can train PHA staff, hearing officers, field offices, Section 8 owners, resident groups, and other stakeholders of covered housing programs on VAWA implementation and the dynamics of domestic and sexual violence. PHAs should be encouraged to institute a preference for

survivors when making admission decisions. Advocates must also get involved with their PHA’s planning process to ensure that survivors’ needs are addressed and that VAWA housing protections are adequately communicated to consumers.

“HEARTH ACT”

Implementation of the “HEARTH Act” and related funding decisions must reflect and respond to victims’ serious safety needs and their desperate need for housing. Performance measures, evaluation, confidentiality, data collection, and more have an impact on funding decisions and ultimately on victims’ access to safe housing. Implementation and funding decisions must support the unique role that domestic and sexual violence service providers play in meeting victims’ specific needs. Communities must ensure that they have “HEARTH Act” funded domestic and sexual violence housing and shelter available. Each community should ensure that survivor advocates are significantly involved in all homelessness resource planning.

Communities should use guidance from HUD and USICH to help support funding for domestic violence programs. HUD, OWW, Office for Victims of Crime, and OFVPS at HHS support the Safe Housing Partnerships Technical Assistance Consortium (SHPTAC) to better address the critical housing needs of victims of domestic and sexual violence and their children. The Consortium aims to foster increased collaboration among domestic violence and homeless service providers and provide national training, technical assistance, and resource development on domestic violence and housing. Communities are encouraged to contact the SHPTAC to address specific needs around implementation of HEARTH (see www.safehousingpartnerships.org).

Funding

Increasing funding for FVPSA and VAWA programs and the CoC DV/SA bonus is critical to ending domestic and sexual violence and homelessness. When adequately funded, these acts help to reduce the societal cost of domestic and sexual violence. In fact, by supporting critical services for victims, VAWA saved \$12.6 billion in net averted social costs in its first six years alone. Despite their lifesaving potential and efficacy, these programs are woefully underfunded; there is a serious gap caused by a lack of available resources. It is unacceptable that victims fleeing violence should be turned away from emergency shelters because the programs are full. Victims who must wait in emergency shelter for an available housing unit remain unstable, while other victims in crisis cannot access shelter.

FY25 funding levels include \$50 million for VAWA transitional housing and \$227.50 million for FVPSA, and \$52 million for the DV/SA Bonus set aside. In FY26, advocates should call on Congress to provide \$500 million for FVPSA, \$100 million for VAWA transitional housing funds, \$75 million for HUD CoC DV/SA Bonus funds, and increases in Financial Assistance for Victims and Community Compass funds.

What to Say to Legislators

Advocates should tell members of Congress why eviction prevention, flexible funding and direct cash assistance, emergency shelter, transitional housing, housing set asides for culturally specific providers, and permanent housing are essential for survivors of domestic violence. Housing providers should talk about the victims that programs serve and about the struggles that programs face in meeting survivors' unique needs for safety. Advocates should share the latest information about the pervasive scarcity of emergency and transitional housing, and of safe, affordable long-term housing in their communities. Advocates can share that sheltering and housing services are consistently the most frequently provided services by domestic violence service providers and yet still the greatest unmet need according to NNEDV's DV Counts data.

For federal laws and programs to realize their full potential in meeting survivors' housing needs, program funding must be increased to its authorized level, new and existing VAWA housing protections must be fully implemented, and "HEARTH Act" funding and implementation must address survivors' needs.

Specifically, advocates should ask the House and Senate Appropriations Committees to increase investments in domestic violence shelter and housing programs including incremental housing vouchers/stability vouchers for PHAs to provide vouchers for use by survivors of domestic violence, or individuals and families who are homeless, or at risk of homelessness.

For More Information

[National Network to End Domestic Violence \(https://tr.ee/txzQMq\)](https://tr.ee/txzQMq), 202-543-5566

[NNEDV Tools on Confidentiality \(https://tr.ee/n5uMkf\)](https://tr.ee/n5uMkf)

NNEDV Toolkit on Housing for Domestic Violence Survivors (<https://nnedv.org/content/housing/>)

SHPTAC: To learn more about expanding safe housing options for domestic and sexual violence survivors, please visit www.SafeHousingPartnerships.org (<https://tr.ee/M0Nssb>), a website of the Safe Housing Partnerships Technical Assistance Consortium (SHPTAC)

[NNEDV \(https://tr.ee/XolJIR\)](https://tr.ee/XolJIR)

[STTARS-Indigenous Safe Housing Center \(https://tr.ee/3W7B4A\)](https://tr.ee/3W7B4A)

[National Resource Center on Domestic Violence \(https://tr.ee/oiledW\)](https://tr.ee/oiledW)

[National Resource Center on Domestic Violence \(https://tr.ee/Bw8rKA\)](https://tr.ee/Bw8rKA) (search housing)

Safe Housing Alliance (<https://safehousingpartnerships.org/team/safe-housing-alliance-sha/>)

[National Housing Law Project VAWA protections \(https://tr.ee/w0SeaO\)](https://tr.ee/w0SeaO)

[The Corporation for Supportive Housing CSH \(https://tr.ee/NZ6CO\)](https://tr.ee/NZ6CO)

HOUSING NEEDS OF VICTIMS OF SEXUAL ASSAULT

By Brittni Gulotty, Housing Project Coordinator, National Alliance to End Sexual Violence, in collaboration with the National Sexual Assault Housing Collaborative

Administering Agencies: The Department of Justice(DOJ)/Office on Violence Against Women (OVW) provision of housing programs/funding/ VAWA protections, the Office for Victims of Crime (OVC) Victims of Crime Act (VOCA) funding, the U.S. Department of Housing and Urban Development (HUD),and the Department of Health and Human Services (HHS) Office of Family Violence Prevention and Services FVPSA funding (only applicable to DV but includes dual organizations).

Year Started: VAWA 1994, VAWA housing protections 2005 (HUD, USDA, Treasury and addition of OVW SASP funding), VAWA amended definition of homeless 2022, HUD CoC DV/SV Bonus Funds 2018.

Populations Targeted: Survivors of sexual assault.

Funding that supports housing for sexual assault survivors (via programs or individuals): OVW Sexual Assault Services Formula Grant Program (SASP), OVW Transitional Housing, OVW Culturally Specific Services Program, OVW Training and Technical Assistance, OVC VOCA Victim Compensation or Victim Assistance Funds, HUD Continuum of Care DV(/SA) Bonus Funds.

History

The link between sexual assault and housing is irrefutable. Since the start of the anti-sexual violence movement, survivors, advocates, and others have consistently uplifted the housing challenges survivors face while elevating that current systems' responses do little to meet these needs. Sexual assault survivors deserve access to housing services that are tailored to their unique needs. While housing programs,

shelters, and safe spaces have been created for other populations facing housing insecurity, similar resources that address the unique challenges faced by sexual assault survivors have not been as extensively developed, funded, or supported. Separate and concerted attention is needed to intentionally address these unique challenges. Simply put, housing must be prioritized as a primary need of sexual assault survivors throughout the lifespan.

Issue Summary

WHY SEXUAL ASSAULT SURVIVORS HAVE HOUSING NEEDS

Sexual assault is a root cause of housing instability and homelessness, impacting a survivor's ability to obtain and maintain housing throughout their lifespan. Experiencing sexual assault can jeopardize what was once safe, affordable housing while experiencing homelessness can increase someone's risk of experiencing violence, including sexual violence. Sexual assault programs, culturally specific programs, sexual assault coalitions, Tribal coalitions, and other stakeholders who work directly with survivors have reported a consistent increase in the frequency of survivor's requests that center housing challenges. This increase in requests is paired with a general broadening of the scope of requests, likely due to the swiftly shifting housing landscape across the country. Requests range from assistance with rent/utilities and help navigating housing programs to housing options and housing protections to issues with landlords/property management or safety concerns. The housing needs of survivors of sexual assault are complex and vary from one survivor to another.

A survivor may need housing because the person causing harm, or who has caused harm in the past, is a threat to them physically or psychologically. They may not feel safe or comfortable remaining in their home immediately following an assault or years after the assault occurred, whether or not it occurred in their home. Adult survivors of child sexual abuse may have long term economic impacts directly resulting from their trauma making it difficult for them to keep a job, find safe housing, and keep up with their financial obligations. An adult survivor and their minor child may be staying with friends to keep rent costs affordable but find the environment is no longer conducive to their health or safety after a few months. An adult survivor of child sexual abuse may secure a new housing unit only to find the facilities manager reminds them of their abuser, deepening their depression and leading to employment issues ultimately resulting in the loss of the unit.

Additionally housing needs may arise due to:

- landlords or housing managers refusing to make housing safer;
- non-offending parents and children losing housing;
- landlords or other tenants engaging in sexual violence or harassment;
- being labeled a nuisance tenant for making too many requests;
- calling law enforcement one too many times;
- being kicked out after disclosing sexual violence (this is particularly true for youth);
- losing subsidies or assistance; or
- landlord/ property manager discovering that the tenant is a survivor and making it difficult for the survivor to stay.

“Violence Against Women Act” (VAWA)

VAWA provides key protections for survivors of sexual assault. It was the first federal law that used a coordinated community engagement approach to address and respond to sexual assault and domestic violence. VAWA was passed in 1994 and was reauthorized in 2000, 2005, 2013, and 2022. Each reauthorization enhances survivors’ rights and expands protections. The 2005 reauthorization secured protections that ensured survivors could access the criminal justice system without risking their current or future housing and strengthened confidentiality protections.

VAWA provides housing protections for survivors of sexual assault, domestic violence, dating violence, and stalking who are living in federally assisted housing. It protects federally subsidized tenants from being denied housing or evicted due to their status as a survivor or for seeking law enforcement assistance; allows public housing agencies (PHA) to prioritize survivors for housing; and requires covered housing programs to have an emergency transfer policy process.

The VAWA 2022 expansion extends the same protections to all federally subsidized housing programs and any new federally subsidized housing that will be created. It also expanded the definition of homeless and clarified that a person can qualify as “homeless” if they are “experiencing trauma or a lack of safety related to “domestic violence, dating violence, sexual assault and stalking.” Survivors of sexual assault are legally entitled to housing protections regardless of whether they are actively fleeing further sexual, physical, or emotional harm. This amendment to the definition more closely addresses and reflects the lived realities of all survivors. The amended definition also clarifies that to qualify for homeless assistance a person must have no other “safe” residence, allowing survivors who would once be screened out due to having other/unsafe housing to now access housing assistance. This change removed a significant barrier for many survivors who are now no longer required to demonstrate that they lack “support networks” to obtain safe housing.

Systems Barriers

Sexual assault survivors face unique barriers when it comes to housing. The housing system fails survivors of sexual assault by not considering the complexity of housing needs while implementing processes that create heightened and unnecessary barriers. The one size fits most criteria used by current housing models centers imminent physical harm as a precursor to housing need. This approach disregards the variety of experiences survivors have over their lifespan and underestimates sexual violence as a root cause of housing insecurity.

For many survivors of sexual assault, their healing journey is not linear. The same can be said about housing needs and challenges. Our systemic response to housing centers providing services immediately following an assault due to elevated potential of physical harm. Linking services to an arbitrary timeframe excludes many survivors. Some survivors have immediate housing needs, but others may have housing needs crop up one year or ten years later. The impact of trauma can create housing instability and chronic homelessness throughout the lifespan. For example, what if a survivor was assaulted five years ago, remains safely in their home for those five years, and then witnesses someone related to the person who caused harm moving into their neighborhood? The survivor no longer feels safe but their housing concerns may be dismissed due to the time that has passed or have limited options since they appear to still be safely housed. Housing needs are complex, change over time, and can be unforeseen. To better serve survivors of sexual assault and meet their needs, housing challenges must be framed as an issue that impacts survivors throughout their lifespan.

Unnecessary barriers created by systems prevent survivors from accessing much needed assistance. Survivors of sexual assault face barriers to shelter if the space is not designed with their unique needs in mind or if staff are not trained to work with sexual assault survivors. A survivor of sexual assault may go to a homeless shelter seeking services. During the intake process they mention that they experienced sexual assault and are referred to a domestic violence shelter.

At the DV shelter, the same survivor is screened out for not meeting eligibility requirements. Alternatively, the survivor may screen themselves out feeling they do not “deserve” the open bed since they are not a survivor of domestic violence and leave before being finalizing the intake process. Survivors often shared being screened out of shelter space due to not meeting the eligibility requirements or face unintentional stigma since there are few shelters or housing programs specifically designed for sexual assault survivors. Survivors from marginalized communities face heightened barriers when attempting to access assistance, especially those requiring interactions with systems. Systems also screen out sexual assault survivors through “standard practices”, like tenant screenings.

Tenant screenings; including criminal background checks and eviction records, can unfairly impact a survivor’s access to housing. Yet, each may be directly linked to their experience with sexual assault. A survivor may be flagged during a criminal background check for having an assault charge. What the report fails to show is that the potential tenant/survivor was acting in self-defense against someone who had assaulted them in the past and was likely to do so again. An eviction record may flag a past eviction but it does not reflect that the facilities manager reminds the potential tenant, a survivor of child sexual abuse, of the person who caused them harm and in order to get to the office to pay rent they have to walk by the facilities office. A survivor may have been labeled a nuisance tenant for requesting another lock, asked for a shared door to not be propped open, fell behind on rent due to missing work, was arrested for something related to their substance use, or had law enforcement called on them too many times while, unbeknownst to their neighbors, being trafficked. The information contained within a report reflects findings while disregarding the context that led up to a criminal charge or eviction. Without the opportunity to explain their circumstances, including the role their victimization played, survivors often become disillusioned with the process.

Funding

Funding is one of the most significant barriers imparting ability to address sexual assault survivors specific housing needs. Most sexual assault specific/stand-alone programs do not receive funding that is earmarked to solely support housing work with survivors, nor do they have a staff member dedicated fully or partially to supporting housing requests. Many dual programs, such as those that serve both domestic violence and sexual assault survivors and receive funding specifically for housing, prioritize the funds and staff time towards meeting the needs of domestic violence survivors.

Without dedicated housing funding or staff, programs working to address housing requests from sexual assault survivors are left with two choices: do their best to meet the need internally with current staff whose knowledge around housing issues varies or refer to a local housing program whose staff who may not be trained to work with survivors of sexual assault. Referring a survivor for housing services feels risky to many advocates, particularly for those who did not have an established relationship with the referred organization, as it presents an additional step for the survivor to take with a low likelihood of follow through without a warm handoff. Although survivors of sexual assault have clear housing needs, limited staff capacity due to inadequate and inequitable funding leads to gaps in services including meeting housing needs.

Lack of dedicated funding impacts survivors of sexual assault from marginalized communities even more drastically. Culturally specific programs that work with survivors of sexual assault face heightened barriers barring many from applying for funding. This is especially true for smaller organizations. Due to the heightened barriers faced by culturally specific programs, all programs must be infused with strategies that are responsive to Communities of Color, LGBTQ, and other marginalized communities.

Beyond Shelter

Shelters are a necessary part of the housing ecosystem but are just one component of something so much broader. For far too long, shelters have been relied upon as the main entry point for those seeking housing to access housing resources. Shelters are a solution for some but for many survivors of sexual assault, shelters are not the answer. Although domestic violence shelters are technically accessible to survivors of sexual assault, many have shared stories of being screened out because their experience did not fit within the parameters of domestic violence or too much time had passed. Homeless shelters, alternatively, can pose increased risk of repeat violence to survivors not to mention lack of staff training specific to sexual assault. Other survivors would prefer to sleep outside than be in congregate housing sharing living areas with strangers compounded with limited personal autonomy. Yet access to housing resources largely depends on entering a shelter. We must look beyond shelter and establish an alternative bridge to housing resources to ensure more equitable access.

The Advocate's Role

Advocates are key to improving sexual assault survivors' access to safe, stable, and affordable housing. Whether an advocate has 30 minutes a month or 30 minutes a day, they can start changing the narrative around the needs of sexual assault survivors by prioritizing housing throughout the life span of a survivor. Advocates can:

- Raise awareness around the unique housing challenges faced by sexual assault survivors, including housing protections.
- Train housing program staff on best practice for working with sexual assault survivors (even better- establish regular cross-training opportunities between sexual assault and housing programs so key professionals have access to foundational knowledge).

- Train public housing staff, hearing officers, field offices, and other stakeholders on the housing challenges of sexual assault survivors.
- Build relationships with local landlords, property management companies, housing authorities, housing organizations, Continuums of Care and others working on housing access/justice.
- Connect with your local resources including your local HUD office.
- Research funding that can support housing programs, explore potential partnerships to increase capacity, and advocate for changes that would make the funding more accessible.

For More Information

National Alliance to End Sexual Violence

<https://endsexualviolence.org>

National Organizations of Sisters of Color Ending Sexual Assault <https://sisterslead.org>

National Sexual Violence Resource Center <https://www.nsvrc.org> or <https://www.nsvrc.org/sexual-violence-housing-resource-collection>

National Sexual Assault Coalition Resource Sharing Project <https://resourcesharingproject.org>

INCLUSIONARY HOUSING POLICIES

Edited by Colby Sledge, Grounded Solutions Network

As housing prices rise, so does the value of land. Inclusionary policies seek to capture a portion of the increased land value for affordable housing by requiring or incentivizing developers to include affordable units in developments that would otherwise be entirely market-rate. In this way, inclusionary housing policies tie the creation of affordable homes for low- and moderate-income households to the construction of market-rate housing or commercial development. In its simplest form, an inclusionary housing program might require developers to sell or rent 10 to 20% of new residential units to lower-income residents.

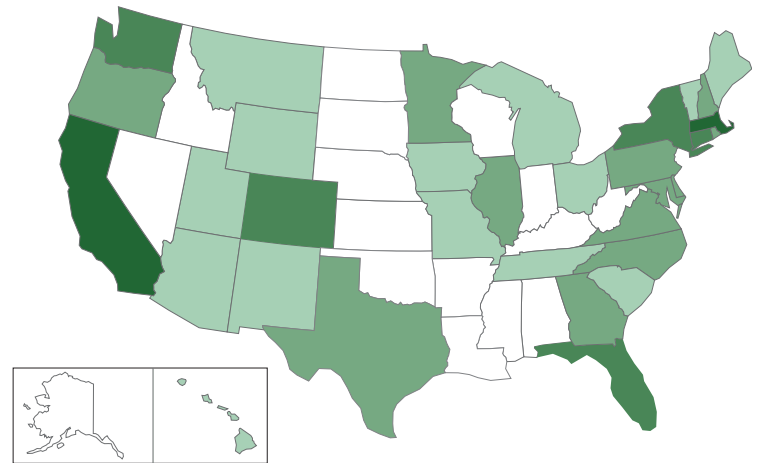
Scholars like Richard Rothstein have detailed the long history of race-based housing policies and practices in the United States. For example, exclusionary zoning practices (e.g., low-density zoning permitting only for-sale, single-family homes) exacerbated economic and racial segregation by preventing developers from building naturally lower-cost homes and apartments, like small houses, duplexes, or apartment buildings.

Inclusionary housing, although not intended to completely right racial injustices embedded in our nation's housing practices, can provide an immediate supply of affordable housing for households earning below median income in neighborhoods already rich with services and amenities. As research from Raj Chetty at [Opportunity Insights \(https://opportunityinsights.org/\)](https://opportunityinsights.org/) shows, upward mobility within a person's lifetime is highly dependent on where they reside. Providing safe housing in neighborhoods with access to better schools, food, and transportation is one key step to addressing racial disparities in health and wealth.

History

Inclusionary housing policies have existed for more than 50 years. Fairfax County, Virginia, which has the oldest policy in the U.S., passed its first inclusionary zoning ordinance in 1971. Montgomery County, Maryland, established its Moderately Priced Dwelling

Unit program in 1974. Since then, more than 1,000 inclusionary housing programs have been adopted by over 700 jurisdictions across 35 states and the District of Columbia.



Inclusionary Housing Programs by State

Source: Grounded Solutions Network Inclusionary Housing Database (based on a survey conducted between 2018 and 2019 and database updates thereafter). For more information about the database, visit the [Inclusionary Housing Map and Program Database](#).

Legal Considerations

Inclusionary housing programs generally rely on local governments' power to regulate land use. While the right of zoning power granted to governments has been established and upheld for generations, this is still a rapidly evolving area of law. Recent federal court decisions have limited zoning power in ways that do not prohibit inclusionary housing programs, but can influence how they are designed.

In addition to federal legal considerations, state law can impact the design of inclusionary housing in significant ways. For instance, in some states there are statutory limitations on local policies that control rents on private property. In a subset of those states, such laws have been interpreted by courts as rendering mandatory inclusionary policies for rental housing

illegal. A few states have adopted legislation that either explicitly permits or preempts (prohibits or limits) local inclusionary housing policies. States also have different legal frameworks regarding municipal authority to enact local legislation; these differences in municipal authority also impact the ability of local jurisdictions to adopt inclusionary housing policies.

The [Inclusionary Housing Map and Program Database](https://inclusionaryhousing.org/map/) (<https://inclusionaryhousing.org/map/>) summarizes the state legal framework relevant to local inclusionary housing policies for each of the 50 states.

Policy Considerations

No two inclusionary housing policies are the same. Policymakers in each community must consider several distinct questions. Key policy design questions include: Will the policy be mandatory or voluntary? Will it apply citywide, or only to certain geographies or neighborhoods? Will it apply to all new developments, or only those with public money attached? What household income levels should be served to address housing needs and racial disparities in the community? Will developers be offered incentives to help offset the cost of compliance? Will there be alternative methods of compliance beyond building the affordable units on site? What are the racial equity implications of each of these policy choices?

Each policy addresses each of these questions, though the specific answers differ depending on local conditions. More details on these policy considerations can be found [here \(https://inclusionaryhousing.org/designing-a-policy/\)](https://inclusionaryhousing.org/designing-a-policy/).

Program Considerations

Passing a policy is only the first step in making inclusionary housing successful. Inclusionary housing programs cannot be successful unless they are well run and adequately staffed, and they must secure sufficient funding for ongoing administrative costs. Communities also need to be able to track program data in order to evaluate outcomes and make needed changes over time. Key program elements include supporting builders to comply with policy, monitoring rental units, and stewarding homeownership units. Local governments may choose to partner with an experienced outside organization, such as a community land trust, to help administer the units created by an inclusionary housing policy.

Program implementation is also where some of the most powerful steps can be taken to advance racial equity. For example, programs can set strong marketing requirements for inclusionary housing units, require developers to select tenants based on a lottery system rather than first come/first served, and limit the reasons that property owners may deny applications for inclusionary housing units (e.g., limit use of eviction and/or criminal record reviews).

More details on program implementation can be found [here \(https://inclusionaryhousing.org/designing-a-policy/program-structure/\)](https://inclusionaryhousing.org/designing-a-policy/program-structure/).



Considerations For Policy Adoption

At the local level, inclusionary housing policies tend to be popular when the housing market is strong (i.e., housing prices are high and there is sufficient new housing construction). However, there is usually a delay from the time at which an inclusionary housing policy is first considered to the time it is adopted, which can sometimes mean that, by the time a policy is adopted, the housing market may already have begun to turn down. This is one of many reasons it may make sense to adopt an inclusionary housing policy [before the market heats up \(https://shelterforce.org/2018/05/07/inclusionary-housing-in-soft-or-mixed-markets/\)](https://shelterforce.org/2018/05/07/inclusionary-housing-in-soft-or-mixed-markets/). Several cities, including Boston, Detroit, and Minneapolis, have recently updated their inclusionary housing policies to reflect their changing markets.

Inclusionary housing is also appealing during periods of low federal and state funding, because it leverages the profitability of new development to pay for affordable housing without significant public subsidy. Some localities are trending toward a concept known as “funded inclusionary zoning,” in which property tax abatements are offered for an entire development—not just the affordable units—in order to offset the cost to the developer to provide affordable units. This avoids the use of public subsidy for IH units, as instead the locality forgoes unrealized revenues.

State preemption of local inclusionary housing policies has largely plateaued, with some states allowing localities to create voluntary inclusionary housing policies while continuing to prohibit mandatory IH policies. Recent Supreme Court rulings against certain residential impact fees as unlawful “takings” have introduced questions regarding the legal viability of some mandatory inclusionary housing policies, but such effects remain to be seen.

What to Say to Legislators

Advocates and policy experts can communicate about inclusionary housing in ways that circumvent common misperceptions and create a new narrative for policymakers in moderate markets and more conservative political climates. Some of the key benefits of inclusionary housing that may be compelling to legislators include:

1. **Sharing the benefits of growth.** As housing and land costs increase, a relatively small number of landowners receive most of the benefit while, often, the lowest-income residents bear much of the burden in the form of higher rents and displacement pressure. Inclusionary housing leverages the profitability of new development to pay for new affordable housing units and supports the creation of more economically diverse and inclusive communities.
2. **Economic integration.** Inclusionary housing policies were first developed to specifically counteract a history of exclusionary zoning policies that reinforced economic and racial segregation. A wealth of recent research has convincingly demonstrated that concentrated poverty is a cause of many of the worst social problems and is especially damaging to children. Inclusionary housing has been successful in creating sustainable mixed-income communities.
3. **Conservation of scarce public resources.** Federal public funding for housing has been declining for decades, and in the current political climate, will probably continue to shrink. New affordable housing developments can require over \$300,000 of local investment per unit in many markets. Inclusionary housing is one of the few ways to create reasonably priced housing without significant public subsidy. Jurisdictions can adopt inclusionary housing without draining the general fund, while reducing residents’ need for other social services that come with housing instability.

Policymakers are often concerned that inclusionary housing requirements will become a barrier to housing development. While there is not much evidence of this outcome occurring at any significant level in real programs, this is an appropriate concern that plays a central role in the debate whenever any community considers affordable housing requirements.

There is evidence that it is possible to set affordable housing requirements so high that they prevent developers from wanting to build or landowners from wanting to sell. If this happens, it can result in a reduced supply of housing and ultimately higher housing prices. However, data suggest that programs that provide incentives and flexibility can successfully require significant affordable housing without any impact on market supply or prices. [Economic feasibility analyses \(https://inclusionaryhousing.org/resources/#feasibility\)](https://inclusionaryhousing.org/resources/#feasibility) can analyze the extent to which local market-rate housing development projects can realistically support a set-aside of lower cost units without slowing or deterring construction.

Policymakers may also be concerned that the costs of inclusionary housing requirements will be passed on to market-rate renters and homeowners. This is unlikely to happen for two reasons:

1. Market rate is market rate. Developers can't "pass along" the costs of inclusionary housing policies to market-rate renters and buyers because those renters and buyers will only pay what the market will bear. If developers and property owners could charge more, they would already be doing so.
2. The costs of inclusionary housing requirements are generally borne by landowners. One common concern is that if affordable housing requirements are set too high, developers may not be able to make sufficient profits and will choose not to build or to build in another community with fewer requirements. But because landowners can't move to another community, they will have to lower land prices to attract developers, meaning that landowners are the ones whose profits ultimately drop.

For More Information

[InclusionaryHousing.org](https://inclusionaryhousing.org)

[Inclusionary Housing Map and Program Database \(https://inclusionaryhousing.org/map/\)](https://inclusionaryhousing.org/map/)

[Inclusionary Housing Calculator \(https://inclusionaryhousing.org/calculator/\)](https://inclusionaryhousing.org/calculator/)

[GroundedSolutions.org](https://groundedsolutions.org)

MANUFACTURED HOUSING

By the Innovations in Manufactured and Modular Homes (I'm HOME) Network

Manufactured homes are an often overlooked and maligned component of our nation's housing stock, but these homes are an important source of housing for millions of Americans, especially those with low incomes and in rural areas. Although the physical quality of manufactured housing continues to improve, the basic delivery system of how these homes are sold and financed, and how manufactured home communities are owned and managed, still require substantial change to ensure that they are a viable and quality source of affordable housing.

Issue Summary

According to the 2023 American Housing Survey, the most recent data available, there are approximately 7.2 million manufactured homes in the U.S, comprising about 5.4% of the nation's housing stock. Manufactured housing is factory-built housing constructed to meet a national standard—the HUD Code—rather than local building codes. More than half of all manufactured homes are in rural areas around the country. In a typical year, new manufactured housing accounts for about 9% of all new single-family housing starts. Although the demographics of manufactured housing are changing, lower-income households are still the primary residents of manufactured homes with a median income of \$40,000. Manufactured homes have their origins in the automobile and recreational travel trailer industry, but most modern factory-built dwellings produced today are comparable in quality and safety to conventionally constructed single-family homes.

It is equally important to recognize the existing stock of older manufactured or mobile homes. According to the 2023 American Housing Survey, about a quarter of currently occupied manufactured homes were built before 1980. These older units are likely to be smaller, less safe, and have fewer amenities and less

investment potential than newer manufactured homes. The adoption of the HUD Code (see below) in 1976 and subsequent updates have significantly improved the quality of this housing type.

Affordability and convenience make manufactured homes a popular housing option. In 2024, the average sales price of a new manufactured home was \$123,300 (excluding land costs); much less compared to the average of \$405,939 (or \$514,500 including land) for a newly constructed site-built single-family home (U.S. Census Bureau). The median price for an existing homes sales in December 2024 was \$403,700 (Federal Reserve Bank of St. Louis). [Research on construction costs suggests \(https://tr.ee/CtrSIs\)](https://tr.ee/CtrSIs) that manufactured homes cost about half of what site-built homes cost per square foot, though this varies by the type of manufactured home, and transportation and onsite work increase the final costs.

Despite prevailing notions, reports have shown that manufactured housing titled as real estate appreciates similarly to site-built housing. New home purchasing transaction data from the Federal Finance Housing Agency's House Price Index (HPI) shows prices for manufactured homes and site-built homes have grown at almost identical rates over the past 24 years (see: [Manufactured Homes Increase in Value at Same Pace as Site-Built Homes \(https://tr.ee/9bC1Ex\)](https://tr.ee/9bC1Ex) and [FHFA House Price Index \(https://www.fhfa.gov/data/hpi?shortcut=hpi\)](https://www.fhfa.gov/data/hpi?shortcut=hpi)).

Even though the purchase price of manufactured homes can be relatively affordable, financing them may not be contrary to common narratives, just about 42% of manufactured homes are financed with personal property, or home-only loans (see *Manufactured Housing Personal Property Loans (2023)*). With shorter terms and higher interest rates, personal property loans are generally less beneficial for consumers than conventional mortgage financing. Home-only loans do, however, typically have lower closing costs and can

close faster than conventional mortgages. Interest rates for personal property loans (also known as chattel loans) can be over 1.5 times higher than for real property loans for site-built homes. Data from the “Home Mortgage Disclosure Act” allows for a greater understanding of how specific manufactured home characteristics impact consumer lending rates and affordability. There are cases in which dealers resort to unscrupulous sales and financing tactics, trapping consumers into unaffordable loans. See [1 in 5 Manufactured Home Borrowers Use Risky Contract Financing \(https://tr.ee/lRa1ml\)](https://tr.ee/lRa1ml).

A significant portion of manufactured and mobile homes are in community or park settings, though this is becoming less common. According to the U.S. Census Bureau, in 2023, approximately 29% of new manufactured homes were sited in land-leased communities. Estimates suggest that approximately 40% of all manufactured homes are in 45,000 to 50,000 land lease communities. Though about three quarters of manufactured homes are owner-occupied, the sector has a history of being placed on rented land and therefore manufactured homes have a pattern of land tenure status that is unique to this form of housing.

In manufactured home communities, many residents own their homes and rent the land, which can devalue the asset. Ownership of land is an important component to nearly every aspect of manufactured housing, ranging from quality to assets and wealth accumulation. Residents who do not have control over the land on which their home is placed often have reduced legal protections compared to other homeowners. Other common concerns faced by tenants of manufactured home communities include excessive rent increases, poor park management and maintenance, restrictive rules, and restricted access to municipal services. These concerns have been heightened with the growing prevalence of institutional investors purchasing manufactured home communities (see [Private Equity Stakeholder Project; https://tr.ee/dAjlPI](https://tr.ee/dAjlPI)). For these and other reasons, alternative park ownership models, such as resident, nonprofit, and government ownership are gaining traction.

What Advocates Should Know

FEDERAL RESOURCES FOR AFFORDABLE MANUFACTURED HOUSING

Manufactured housing is largely financed in the private marketplace. However, there are several existing federal resources that support the development, financing, and rehabilitation of affordable manufactured housing, such as HUD-HOME, HUD-CDBG, USDA Rural Development, Veterans Affairs, and Weatherization funds. For example, the HUD/FHA Title I Manufactured Home Loan program insures mortgage loans made by the private lending institutions to finance the purchase or refinancing of a new or used manufactured home. In February 2024, HUD published a [final rule \(https://tr.ee/PU2lQQ\)](https://tr.ee/PU2lQQ) to reform the Title I program, mainly to address loan limits that had become outdated and incongruent with home prices. Fannie Mae and Freddie Mac are also increasing their manufactured home as real property loan offerings.

AFFORDABLE HOUSING DEVELOPMENT WITH MANUFACTURED HOUSING

Once shunned by nonprofit housing developers, manufactured homes are now seen as options for infill, new developments, and other settings. Much of this progress is attributable to a growing and innovative group of advocates who challenged assumptions and convention about developing and preserving manufactured housing. Across the nation, several organizations and initiatives are utilizing manufactured homes to provide and maintain affordable housing. These efforts avoid the pitfalls of traditional dealer-based manufactured housing purchase and finance, and investor ownership of communities.

THE HUD CODE

An important factor in determining the quality of a manufactured home is whether the unit was built before or after June 15, 1976. This date marked the implementation of the “Manufactured Home

Construction and Safety Standards Act” ([42 U.S.C. Sections 5401-5426](https://www.law.cornell.edu/uscode/text/42/5401); <https://www.law.cornell.edu/uscode/text/42/5401>) regulating the construction of manufactured homes and commonly referred to as the “HUD code.” HUD develops and administers the regulations and other policies that implement the statute. These federal standards regulate manufactured housing design and construction, strength and durability, transportability, fire resistance, and energy efficiency. The HUD code evolves over time and has undergone several major modifications since 1976. In 2018, HUD launched an effort to revise and update various regulations and other guidance governing the HUD Code and issued a proposed rule for comment in July 2022. The final rule was issued in September 2024 (linked above). These updates include design flexibility for floor plans, attics, and roofs, and they include higher energy efficiency standards for appliances and water heaters. The updates provide better alignment between the HUD Code and current industry practice; however, the update did not include significant changes to energy efficiency requirements, which have not been updated since 1994, or reference the Department of Energy standards for manufactured housing.

In June 2023, HUD introduced the Office of Manufactured Housing Programs as a new, independent office within the Federal Housing Administration (FHA). Previously under the Office of Housing’s Office of Risk Management, the new office reports directly to the Assistant Secretary of Housing. This organizational change reflects the growing recognition of manufactured housing as a critical part of the solution to address the housing supply crisis under the Biden-Harris administration. The Trump administration and 119th Congress continue to focus on rising housing costs, so there is an opportunity to continue to uplift manufactured housing as a supply-side solution.

Legislative and Regulatory Actions

DUTY TO SERVE

The “Housing and Economic Recovery Act of 2008” mandates that Fannie Mae and Freddie Mac (the government sponsored enterprises, or GSEs) have a [duty to serve underserved markets](https://tr.ee/Pe2TGE) (<https://tr.ee/Pe2TGE>). Manufactured housing was identified in the act as one of three underserved markets along with rural areas and affordable housing preservation. Under the act, the GSEs are directed to increase mortgage investments and improve the distribution of capital available for mortgage financing in these markets. In 2016, the Federal Housing Finance Agency (FHFA) issued a final rule on the [duty to serve requirements](https://www.fhfa.gov/programs/duty-to-serve?redirect=) (<https://www.fhfa.gov/programs/duty-to-serve?redirect=>) requiring each enterprise to develop a three-year plan to reach the underserved markets.

FHFA approved the GSE’s 2025 – 2027 Duty to Serve plans in November 2024. Both GSEs remain largely conservative in their manufactured housing-related activities. Jointly, Fannie Mae and Freddie Mac commit to increases in their loan purchase targets for Manufactured Housing Titled as Real Property (MHRP) as well as supporting the market through targeted research, product changes and outreach. Neither GSE plan includes any activity or product for the personal property (chattel) market despite work in previous years to launch a personal property pilot.

To address the concerns of lot rent increases, both GSEs outline a potential new product for manufactured home community conventional financing that includes rental restrictions, modeled on success of tenant site lease protections and rent restriction incentives for conventional multi-family financing. In addition to commitments in their Duty to Serve plans, Freddie Mac also expanded its CHOICEHome conventional mortgage program in 2025 to include single-section CrossMod homes, broadening the range of factory-built homes eligible for conventional financing and supporting greater market access for this emerging housing category.

The [Underserved Mortgage Markets Coalition \(UMMC; https://underservedmortgagemarkets.org/\)](https://underservedmortgagemarkets.org/) published a “Scorecard” (<https://tr.ee/iHte8G>) for the Duty to Serve Plans in June 2025, which outlines the priorities of affordable housing advocates and measures the quality of the forthcoming Duty to Serve plans against the UMMC [Blueprint 2024 \(https://tr.ee/Kb9Y2B\)](https://tr.ee/Kb9Y2B) for effective Duty to Serve plans.

ENERGY EFFICIENCY STANDARDS

In May 2022, the U.S. Department of Energy (DOE) released a final rule establishing updated Manufactured Housing Energy Efficiency Standards. The original compliance date for manufacturers was May 31, 2023. However, in May 2023, DOE announced a delay in implementation, pushing the compliance date to 60 days after DOE establishes final enforcement procedures for single-section homes, and to July 1, 2025, for multi-section homes.

In late December 2023, DOE issued a notice of proposed rulemaking to establish enforcement procedures for the manufactured housing energy standards. The updated standards provide modest efficiency increases for single-section (Tier 1) homes and more significant efficiency increases for multi-section (Tier 2) homes. Under existing statute, DOE energy standards must ultimately be integrated with HUD Code to be enforceable.

As of December 2024, the DOE standards were technically scheduled to take effect despite continued uncertainty over how, or whether, they would be incorporated into the HUD Code, what role the HUD Manufactured Housing Consensus Committee (MHCC) would play in reviewing them, and how compliance would be enforced. During this period, industry advocates filed a federal lawsuit challenging DOE's authority and cost-benefit analysis and supported legislative proposals that would designate HUD as the sole authority over energy standards for manufactured housing.

Following the change in administration in January 2025, DOE undertook additional review of the manufactured housing energy standards consistent with broader deregulatory priorities. On July 2, 2025, DOE issued

a final rule further postponing enforcement for Tier 2 (multi-section) homes until 180 days after publication of final enforcement procedures. The July 1, 2025, compliance date for Tier 1 (single-section) homes technically remained in place, although enforcement procedures have yet to be finalized, leaving the standards effectively unenforced. DOE has also signaled openness to revisiting or revising the standards, and litigation challenging the rule has been paused while the agency reconsiders its approach.

The MHCC—established under the “National Manufactured Housing Construction and Safety Standards Act of 1974” to provide recommendations to the HUD Secretary regarding the HUD Code—has not yet played a formal role in reviewing or integrating the DOE standards, reinforcing concerns about regulatory fragmentation and process misalignment between DOE and HUD.

Subsequent to DOE's issuance of the updated energy standards, the U.S. Environmental Protection Agency (EPA) updated the ENERGY STAR Manufactured Homes Program. The ENERGY STAR Manufactured New Homes Version 3 requirements went into effect January 1, 2023, with a one-year transition period. In 2023, EPA announced that manufactured homes produced prior to January 1, 2026, could be certified under either Version 2 or Version 3. On September 18, 2025, EPA published a Policy Record deferring the requirement that manufactured homes produced on or after January 1, 2026, be certified under Version 3. A new compliance date has not yet been established.

DOE also issued program guidelines for DOE Efficient New Homes Program (formerly called Zero Energy Ready Home (ZERH)–Manufactured Housing) in 2023. Likely influenced by the availability of the federal **45L tax credit** for ENERGY STAR and ZERH-certified homes—and the requirement that ZERH homes also meet ENERGY STAR criteria—the share of manufactured homes certified under ENERGY STAR increased from approximately **20% of total production in 2022 to 36% in 2023**. According to the Energy and Environmental Building Alliance, by the end of **2024, 28,055 manufactured homes** had received ENERGY STAR certification, and DOE's Office of Energy Efficiency and Renewable Energy listed **65 manufactured home plant partners**.

The 45L tax credit was originally authorized through 2032; however, the “One Big Beautiful Bill Act” established an earlier sunset date of July 1, 2026, introducing additional uncertainty around future voluntary energy-efficiency adoption in the manufactured housing sector.

“HOUSING SUPPLY EXPANSION ACT”

In 2025, the bipartisan “Housing Supply Expansion Act” was introduced in both the Senate and the House of Representatives. The bill would amend federal manufactured housing law to remove the requirement that manufactured homes be constructed on a permanent chassis—a provision rooted in the original HUD Code but increasingly viewed as outdated given modern construction, foundation systems, and installation practices. Proponents argue that eliminating the permanent chassis requirement would reduce costs, expand design and siting flexibility, and improve parity with site-built housing in zoning, appraisal, and real-property treatment.

At the end of 2025, the legislation had not been enacted. In the Senate, chassis reform continued to be discussed as part of broader housing supply proposals, including the “ROAD to Housing Act of 2025.” In the House, the companion bill was referred to committee but did not advance to a floor vote, reflecting ongoing debate rather than a formal rejection. The House introduced the “Housing for the 21st Century Act” in December 2025, which includes a provision to remove the chassis requirement. Chassis reform remains under consideration but unresolved, highlighting both bipartisan interest in modernizing the HUD Code and the political and institutional hurdles to statutory change.

PRICE PROGRAM

In December 2022, Congress passed the fiscal year 2023 omnibus appropriations bill including groundbreaking federal investment for manufactured housing. HUD issued the Notice of Funding Opportunity for the Preservation and Reinvestment Initiative for Community Enhancement (PRICE) program on

February 28, 2024. The [PRICE program \(hud.gov/program_offices/comm_planning/price\)](https://www.hud.gov/program_offices/comm_planning/price) awards \$235 million in competitive grant funding for the preservation of manufactured housing and manufactured home communities. The PRICE program is a first-of-its-kind initiative and can make important strides to support communities to maintain, protect, and stabilize manufactured housing stock.

In 2025, Senator Cortez Masto (D-NV) introduced the “Preservation and Reinvestment Initiative for Community Enhancement (PRICE) Act” to make the PRICE program permanent. The bill was included in the Senate’s comprehensive bipartisan housing package, the “ROAD to Housing Act,” which is still being negotiated at the time of writing.

THE “ECONOMIC GROWTH, REGULATORY RELIEF, AND CONSUMER PROTECTION ACT”

In 2018, the president signed into law S. 2155, which includes a provision on manufactured home loans. The statute amended the “Truth in Lending Act” (TILA) to specify that a retailer of manufactured housing is generally not considered a mortgage originator. The provision was not supported by affordable housing advocates because it reduced already weak consumer protections in the manufactured housing market.

THE “DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT” (PL 111-203)

Enacted in 2010, Dodd-Frank revised TILA to establish specific protections for mortgage loans, origination activities, and high-cost lending. These provisions enhance consumer protections for purchasers of manufactured homes. Dodd-Frank also created what is now known as the Consumer Financial Protection Bureau to supervise manufactured housing finance activities. S. 2155 (above) modifies one provision of Dodd-Frank.

What to Say to Legislators

Advocates should speak to lawmakers with the message that:

- Manufactured housing is a proven solution to efficient, quality home production, and with the right consumer protections, is well positioned to help alleviate the housing supply crisis.
- Manufactured homeowners should be provided opportunities to obtain standard mortgage lending instead of more costly personal property loans.
- Borrowers with personal property loans should be afforded consumer protections consistent with real property or standard mortgage loans.
- Legislation should be enacted that limits predatory lending practices involving manufactured homes.
- HUD and FHA should continue to revise the Title I Manufactured Housing loan program to align with the requirements for the Single Family Title II loan program.
- USDA, HUD, and the GSEs should be encouraged to conduct innovative and responsible pilot programs to improve manufactured homeowners' access to credit.
- The GSEs should be held accountable to implement the manufactured housing elements of their current Duty to Serve plans.
- Policies and programs should be enacted to facilitate manufactured housing community preservation, such as protection from community sales, closures, and predatory rent increases. Residents should be properly notified and given the first right of refusal on the sale of their community.
- Improved data collection for manufactured homes should be incorporated into publicly available data resources such as the "Home Mortgage Disclosure Act," The American Community Survey, and the American Housing Survey. Manufactured home data should

indicate property status (personal property or real property) and location information indicating whether the unit is in a manufactured home community or on a scattered site lot. The inclusion of these updated and enhanced manufactured home data would provide a much more complete assessment of manufactured housing.

- HUD should continue updating installation and inspection standards to better align manufactured housing with site-built construction practices, without increasing unnecessary costs.

For More Information

I'm HOME Network, Lincoln Institute of Land Policy,
<https://tr.ee/B3Rmnl>

The Housing Assistance Council: 202-824-8600,
<http://www.ruralhome.org/>

Next Step: <https://nextstepus.org/>

ROC USA: 603-856-0246 <http://www.rocusa.org>

Underserved Mortgage Markets Coalition:
<https://underservedmortgagemarkets.org/>

National Consumer Law Center: 202-452-6352,
<http://www.nclc.org/issues/manufactured-housing.html>

National Manufactured Homeowners Association:
<http://www.nmhoa.org/>

The Pew Charitable Trusts: <https://www.pewtrusts.org/en/projects/housing-policy-initiative>

Overcoming Barriers to Manufactured Housing:
Promising New Approaches from Five Case Studies,
Joint Center for Housing Studies of Harvard University,
2024. <https://tr.ee/AVxwGz>

OLMSTEAD IMPLEMENTATION

Jennifer Mathis, Deputy Director, Bazelon Center for Mental Health Law

Summary

The Supreme Court's 1999 *Olmstead v. L.C.* decision concluded that unnecessary institutionalization of people with disabilities was a form of discrimination prohibited by the "Americans with Disabilities Act" (ADA). The ADA's [integration mandate \(https://ecfr.io/Title-28/Section-35.130\)](https://ecfr.io/Title-28/Section-35.130) requires public entities such as state and local governments to administer services, programs, and activities for people with disabilities in the most integrated setting appropriate. The decision and its progeny continue to shape the landscape of disability rights and community integration.

While federal enforcement of the ADA has slowed, the government has continued to enforce *Olmstead*. Private litigants have also continued to make important gains in expanding community services and housing through *Olmstead* enforcement. With federal Medicaid cuts looming, states will need to take steps to ensure that loss of Medicaid coverage does not result in needless institutionalization of people with disabilities. States should also avoid the impulse to cut community services in response to anticipated budget shortfalls, as these cuts may achieve short-term savings but lead to preventable institutionalization and greater costs in the long run.

The Olmstead Decision

In 1999, the Supreme Court issued a landmark decision in *Olmstead v. L.C.* (<https://supreme.justia.com/cases/federal/us/527/581/>) concluding that unnecessary institutionalization of people with disabilities is a form of discrimination prohibited by the "Americans with Disabilities Act" (ADA). The ADA requires that state and local governments administer their services to people with disabilities in the most integrated setting appropriate to their needs. The *Olmstead* case was brought by two women with mental health

and intellectual disabilities who were confined in a Georgia state psychiatric hospital long after they had been found ready for discharge. The women sought community-based services, which Georgia argued it did not have to provide. The Court based its conclusion that needless segregation is a form of discrimination on two rationales: first, institutionalizing people who could be served in the community "perpetuates unwarranted assumptions that persons so isolated are incapable or unworthy of participating in community life." Second, confinement in an institution severely diminishes everyday activities, including "family relations, social contacts, work options, economic independence, educational advancement, and cultural enrichment."

The Court noted that the ADA provides a defense where providing services in an integrated setting "would fundamentally alter the nature of the service, program, or activity." Providing community services would be a fundamental alteration if it would be so costly as to prevent the state from serving other people with disabilities. A state would also have a defense if it could demonstrate that it had a "comprehensive and effectively working plan" to transition people out of segregated settings including a waiting list that moved at a "reasonable pace not controlled by the state's endeavors to keep its institutions fully populated."

Olmstead applies not only to state-run institutions but also to how states administer, plan, and fund their service systems. For example, a state may violate *Olmstead* by administering its service system in a way that makes only institutional settings available to many people with disabilities (e.g., [Disability Advocates, Inc. v. Paterson; https://tr.ee/JDP06K](https://tr.ee/JDP06K)). (New York violated the ADA's integration mandate by administering its system of services in a manner that made adult homes the only living option available to thousands of people with mental illness who could have been served in supported housing). This is important because over time, states have increasingly relied on private service providers—both institutional and community service providers—in administering their service systems. People with disabilities have been segregated not just in state

psychiatric hospitals, nursing homes, and institutions for people with intellectual and developmental disabilities, but also in other settings known by a variety of names such as adult homes, residential care facilities, boarding homes, or assisted living facilities. These settings share similar characteristics, including that they serve primarily or exclusively people with disabilities and typically restrict many aspects of residents' autonomy and choice.

In many cases—particularly in mental health systems—people with disabilities experience repeated preventable institutionalization and/or incarceration as they cycle between the streets, psychiatric hospitals, emergency rooms, and jails due to insufficient community services. These repeated episodes of preventable institutionalization may violate the ADA's integration mandate; there is nothing about the integration mandate that limits it to lengthy periods of institutionalization.

Implementation

The *Olmstead* decision has had a significant effect on disability service systems, leading to greater focus on development of community-based services and housing. It has been a critically important tool to expand opportunities for people with disabilities to live, work, and receive services in their own homes and communities.

Olmstead litigation has resulted in large numbers of people receiving the community services and housing they need to successfully transition out of institutions or to prevent their admission. One class action settlement involving adult home residents with serious mental illness in New York [recently ended](https://tr.ee/qahqkT) (<https://tr.ee/qahqkT>) with more than 1,200 people having transitioned out of adult homes, primarily to supported housing. A [consent decree](https://tr.ee/l12jyG) (<https://tr.ee/l12jyG>) involving people with serious mental illness in mental health institutions in Illinois has to date resulted in more than 4,000 people moving from these institutions, primarily to supported housing. These are just two examples of the impact that *Olmstead* litigation has had. Apart from litigation, voluntary efforts to implement *Olmstead* have also shifted how service systems operate and have

expanded community-based services and housing for people with disabilities.

While the federal government's enforcement of the ADA has slowed significantly during the current administration, the government has continued to embrace *Olmstead* enforcement and implementation. On December 18, 2025, the Justice Department [entered an Olmstead settlement agreement](https://tr.ee/lq2x99) (<https://tr.ee/lq2x99>) with South Carolina that obligates the state to expand supportive housing, assertive community treatment, peer support, and crisis services to enable people with serious mental illness to transition out of or be diverted from "community residential care facilities." At a [June 2025 convening](https://www.youtube.com/watch?v=KHMOPnN0VYc) (<https://www.youtube.com/watch?v=KHMOPnN0VYc>) to commemorate the 35th anniversary of the ADA and the anniversary of the *Olmstead* decision, Robert F. Kennedy, Jr., the Secretary of the Department of Health and Human Services, spoke about his commitment to advancing rights under the ADA and *Olmstead*, noting the history of children with disabilities being "warehoused," "marginalized," "vilified," and "regarded as disposable." The director of HHS' Office for Civil Rights stated that ADA affirmed "that every individual has dignity and inherent value and should be given the opportunity to live fully and freely in the community if they so choose," and [announced](https://www.hhs.gov/press-room/ocr-nc-dhhs-agreement-olmstead.html) (<https://www.hhs.gov/press-room/ocr-nc-dhhs-agreement-olmstead.html>) a resolution of an individual *Olmstead* matter where North Carolina agreed to provide services that would enable a young woman with physical disabilities who had been stuck in a hospital for a lengthy period to move into her own apartment.

Private litigants continue to enforce *Olmstead* as well. For example, following a trial in *Steward v. Abbott*, a case brought by people with intellectual and developmental disabilities ("IDD") challenging their unnecessary institutionalization in Texas nursing homes, and a federal judge recently [found](https://www.courtlistener.com/docket/4400366/717/steward-v-abbott/) (<https://www.courtlistener.com/docket/4400366/717/steward-v-abbott/>) that Texas was violating the ADA, Section 504 of the "Rehabilitation Act" and the "Medicaid Act." The court found, among other things, that these nursing homes were segregated institutions that deny people privacy, choice, freedom of movement, access to the community, and community integration, and that most

of the people in the target group could transition to the community, including those with significant medical, nursing and behavioral needs. The court also found that community living offers more opportunities, results in improved health and functioning, and is preferred by people with IDD, that most people with IDD had not made an informed choice to enter or stay in the nursing homes, and that Texas failed to offer a meaningful choice about whether to live in the community. The court rejected Texas's arguments that providing the relief sought would fundamentally alter its service system and that it had an effective plan to transition people out of institutions. Texas has asked the court to reconsider its rulings.

Another trial resulted in a [decision \(https://tr.ee/Blee9d\)](https://tr.ee/Blee9d) from a federal judge in Brown v. District of Columbia, finding that the District violated the integration mandate of the ADA and Section 504 by unnecessarily segregating a class of people with physical disabilities in nursing homes. The court issued a permanent injunction requiring the District to take a number of steps to enable people in the class to transition to the community. The District asked the court to alter its judgment, arguing that it was based on legal errors, and the court issued a [new decision \(https://tr.ee/UgtjML\)](https://tr.ee/UgtjML) rejecting the District's arguments and reaffirming its prior conclusions.

IMPACT OF NEW MEDICAID POLICY CHANGES

Draconian Medicaid cuts that were recently made by Congress in the so-called "[One Big Beautiful Bill Act](https://www.congress.gov/bill/119th-congress/house-bill/1/text)" (<https://www.congress.gov/bill/119th-congress/house-bill/1/text>) are expected to result in millions of people losing Medicaid coverage, in many cases due to the difficulties of navigating the bureaucratic complexities of demonstrating their compliance with or exemption from new Medicaid work requirements or repeatedly proving their eligibility in more frequent eligibility redeterminations.

It is important to understand that Olmstead applies to a state's administration of its service system whether or not individuals are on the Medicaid rolls. To the extent that a state is administering services to people with disabilities, even with state-only dollars, it must

provide those services in the most integrated setting appropriate unless doing so would fundamentally alter its service system. A state may have to provide community services with state-only dollars if needed to avoid institutionalization of people with disabilities. Typically, it is less costly to serve people with disabilities in community settings like supported housing rather than in hospitals, nursing homes, adult homes, intermediate care facilities, or other institutions, so it would generally not be a fundamental alteration to provide with state-only dollars the community services that the state already provides through the Medicaid program.

The loss of federal Medicaid reimbursement for millions of people, many of whom will end up receiving care paid for by states, together with other changes in the "One Big Beautiful Bill Act," such as limitations on provider taxes, are widely anticipated to cause serious state budget shortfalls. In the past, [states have consistently cut community services for people with disabilities in the face of budgetary pressures \(https://tr.ee/TQJq0y\)](https://tr.ee/TQJq0y). States would be well advised to consider their potential Olmstead liability and longer-term costs before making cuts to community services that are likely to lead to unnecessary institutionalization at greater cost to the state.

Conclusion

Olmstead implementation and enforcement remain important drivers of community services and housing. With federal Medicaid cuts on the horizon, it is particularly important for states to ensure that they are taking steps to comply with Olmstead and prevent the needless institutionalization of people with disabilities that could result from loss of Medicaid coverage or reductions in community services.

For More Information

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HOUSING ACCESS FOR FORMERLY INCARCERATED AND CONVICTED PEOPLE

By Kim Johnson, Senior Director of Policy, NLIHC

The United States is the world's largest jailer, imprisoning [nearly two million people](#) in state and local jails and prisons, juvenile correctional facilities, immigrant detention facilities, and prisons and jails on Tribal or territorial lands (<https://tr.ee/UDfTGb>). The Federal Bureau of Investigation (FBI) estimates as many as one in three Americans has some type of criminal record, including convictions for minor offenses or arrests that never resulted in a conviction, and well over five million people—including people who are incarcerated as well as those on [probation or parole](#) (<https://tr.ee/g9u5tg>)—are under supervision by the criminal-legal system.

Bias [in the criminal-legal system](#) has caused people of color—particularly Black, Latine, and Native people—as well as people with disabilities and members of the LGBTQ+ community, to be disproportionately impacted by the criminal-legal system (<https://tr.ee/lKFURE>). The prison population expanded throughout the early 20th century, spurred by a growing fear of crime rooted in racist lies and stereotypes about people of color and immigrants, as well as the enactment of mandatory sentencing laws and increased policing of Black and immigrant communities. In the 1960's and 1970's, politicians—including then-President Richard Nixon—adopted “tough on crime” rhetoric that falsely linked crime and race.

The “War on Drugs” launched in the 1970s, marking the beginning of the era of mass incarceration as new laws were enacted imposing longer, harsher sentences against those convicted of drug possession. The “Anti-Drug Abuse Act of 1986” established mandatory minimum sentencing policies that disproportionately punished Black people, and the “Violent Crime Control and Safe Streets Act of 1994” created a federal “three strikes law,” under which someone convicted of a “serious violent felony” in federal court would receive life imprisonment if they had two or more previous

convictions on their record, including at least one other “serious violent felony” or “serious drug offense.” These bills also filtered money into policing efforts that disproportionately targeted Black communities.

As a result of these policies, the number of people incarcerated in the United States increased by [almost 700%](#) between 1972 and when incarceration levels peaked in 2009, and Black people have been disproportionately harmed (<https://tr.ee/VtROtF>). Nationally, Black men are five times more likely to experience incarceration than white men, while Black women are incarcerated at double the rate of white women.

After decades of imprisoning people with punitive and destructive mandatory minimum sentences, lawmakers and criminal-legal system reform advocates had been making progress in the decarceration of prison inmates across the country. By the end of 2020, the prison population had decreased 25% from its peak in 2009. However, incarceration rates have been slowly climbing upwards—the rate of incarceration increased by [2%](#) between 2022 and 2023, following a slight increase the year before (<https://tr.ee/TkRbwB>). Even with these increases, the number of people incarcerated is still about [13% lower](#) than pre-pandemic levels (<https://tr.ee/26dXlk>).

Formerly incarcerated people face a number of barriers to returning to their communities, including finding quality, affordable, accessible housing. The national shortage of [7.1 million](#) (nlihc.org/gap) affordable, available rental homes for households with the lowest incomes is a central cause of the nation's housing crisis, and a conviction or arrest record poses an additional barrier to accessing what housing units are available. Conviction histories also pose a barrier to employment, which makes it more difficult for formerly incarcerated people to find stable, well-paying jobs after release.

These barriers trap people impacted by the criminal-legal system in a vicious cycle of incarceration, homelessness, and reincarceration. People who have been incarcerated once are [seven times more likely](#) to experience homelessness than the general public, and people experiencing homelessness are significantly more likely to interact with law enforcement than the general public (<https://tr.ee/Y2cRud>).

Public housing authorities (PHAs) and owners of federally assisted housing have broad discretion in screening applicants with records or precluding returning citizens from rejoining their families. Congress and the administration must work together to reduce these barriers and increase access to safe, affordable housing to ensure people exiting incarceration have the stability they need to thrive.

Legislative Background

In past decades, Congress passed legislation that included increasingly stringent crime and drug enforcement policies in public housing. These policies increased penalties for certain drug-related activities and gave broad discretion to PHAs to evaluate potential and current residents. They also broadened resident accountability to include the behavior of a wider range of individuals, including minors and social acquaintances, and increased the oversight and penalties for PHAs that failed to make progress in implementing strategies to lower crime and drug use.

The “Anti-Drug Abuse Act of 1988” required PHAs to include a provision in their lease agreements that would allow them to evict tenants who used drugs or behaved in a way that threatened the safety of other tenants (Pub. L. No. 100-690, 102 Stat. 4181, 4300, 1988). Ten years later, Congress passed the “Quality Housing and Work Responsibility Act of 1998,” which allowed PHAs to exclude applicants with conviction records and use discretion in determining whether an applicant was a potential safety risk to current residents (Pub. L. No. 105-276, 112 Stat. 2461, 2518, 1998). Additionally, the “Cranston-Gonzalez National Affordable Housing Act of 1990” created a mandatory three-year ban on readmitting tenants who had previously been evicted for engaging in drug-related criminal activity (Pub. L. No.

101-625, 104 Stat. 4079, 4180, 1990) and gave PHAs the option to increase the ban beyond the initial three years. The “Housing Opportunity Program Extension Act of 1996” (HOPEA) increased PHA’s ability to evict tenants and allowed them to request applicants’ criminal records from the National Crime Information Center and local police departments (Pub. L. No. 104-120, 110 Stat. 834, 836, 1996). HOPEA also granted PHAs the ability to reject applicants they believed were abusing drugs or alcohol or whose history of drug or alcohol use could pose a potential risk to the health and safety of current residents.

Mandatory Screening Policies

Although PHAs have broad discretion in evaluating current and prospective tenants, there are several federal admissions policies that all PHAs and project owners are required to follow. However, these policies merely act as a floor that many PHAs supplement with additional screening policies.

Under federal law and regulation, PHAs and project owners must impose a permanent admission ban when a household includes a person who is required to register as a sex offender for life [42 U.S.C. § 13663(a) (2015); 24 C.F.R. §§ 960.204(a)(4), 982.553(a)(2), 2012]. Additionally, PHAs must impose a permanent admission ban or permanently terminate a household’s tenancy when a household member has been convicted of manufacturing methamphetamine on federally assisted property [42 U.S.C. § 1437f(n) (2015); 24 C.F.R. §§ 960.204(a)(3), 982.553(a)(1)(ii)(C), 2012].

PHAs and project owners are also required to prohibit admitting a household for three years if a household member has been evicted from federally assisted housing for drug-related criminal activity [42 U.S.C. §13661(a) (2015); 24 C.F.R. §§ 960.204(a)(1), 982.553(a)(1)(i), 2012]. However, the PHA or project owner has discretion to admit the household if it is determined that the member successfully completed drug rehabilitation or the circumstances leading to the eviction no longer exist (e.g., the incarceration or death of the person who committed the drug-related criminal activity). Additionally, households must be denied admission if

a member is currently engaged in illegal drug use or alcohol abuse [42 U.S.C. § 13661(b) (2015); 24 C.F.R. §§ 960.204(a)(2)(i), 982.553 (a)(1)(ii)(a), 2012]. PHAs and project owners must also prohibit admitting households where the PHA or property owner has reason to believe that a household member's historical or current abuse of illegal drugs or alcohol "may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents" [42 U.S.C. § 13661(b)(1) (2015); 24 C.F.R. §§ 960.204(a)(2)(ii), 982.553(a)(1)(ii)(B) (2012)].

These policies, along with whatever additional screening criteria a PHA or project owner may develop, are contained in the housing provider's written admissions policy and grant housing provider's broad discretion in screening out tenants with a conviction record. Depending on the program, these written policies are referred to as admission and continued occupancy policies for public housing, administrative plans for the Housing Choice Voucher program, or tenant selection plans for project-based Section 8 developments.

Issues

Much of HUD's guidance on evaluating current and potential tenants is advisory and not mandatory so PHAs and project owners across the country have developed their own criteria, creating additional barriers for people with conviction and arrest records and raising fair housing concerns.

One issue that continues to prevent people with a conviction or arrest history from accessing affordable housing arises from PHAs and project-owners using unreasonable lookback periods to evaluate applicants' conviction records. Federal law instructs housing providers to look back in an applicant's history of criminal activity within a "reasonable time," but neither the statute nor HUD explicitly define what constitutes a reasonable time; instead, previous HUD guidance has provided suggested time limits or best practices for establishing a reasonable lookback time. This lack of formal guidance has allowed a large number of housing providers to establish admissions policies that have no time limit on using a person's conviction history to evaluate their application. Although HUD expected housing providers to define a "reasonable time," some

neglect to do so or leave it open ended and, as a result, discourage people with conviction or arrest records from applying. Others impose blanket lifetime bans or use overly long lookback periods for certain crimes.

Despite HUD's previously suggested limit on lookback periods for certain crimes (for example, three years or less from the date of a criminal offense that resulted in conviction), housing providers routinely look further back into a person's conviction history, sometimes as long as 20 years. Such lengthy lookback periods act as a de facto ban on people with conviction or arrest histories.

Housing providers often neglect to include what events in a lookback period trigger denial (e.g., the criminal activity itself, a conviction, or release from incarceration), again making it difficult for people with conviction records to determine their eligibility. HUD's Public Housing Operating Guidebook also lacks clarity around when a PHA has the discretion to screen for criminal activity that "would adversely affect the health, safety, or welfare of other tenants." Too often, PHAs use "health, safety, and welfare" as a catch-all for criminal offenses, including those with no bearing on an applicant's success as a tenant. By casting such a wide net over almost any conviction, which can include shoplifting and jaywalking, housing providers screen out potential tenants to the point that anyone with a conviction record need not apply. As a result, housing providers create a de facto ban on individuals with a conviction record, even if they do not have a policy explicitly barring individuals with a conviction record from being admitted.

Until a 2015 HUD guideline banned the use of arrest records in federally assisted housing decisions (Notice PIH 2015-19), an arrest alone could trigger denial even if it did not lead to a subsequent conviction. Housing providers are also increasingly turning to private tenant screening companies to review applicants' conviction and arrest records and make recommendations about whether to admit or deny. These companies usually pull criminal records data from public databases that are often incomplete or inaccurate. For example, a jurisdiction might misreport a misdemeanor as a felony or vice versa, fail to indicate when a record has been expunged or sealed, or mix up the histories of two people with the same name.

Tenant screening companies use the records they gather to make an “up or down” determination as to whether a prospective tenant should be approved for residency. Despite federal law guaranteeing tenants’ right to see a copy of their criminal background report, not all housing providers comply. This lack of transparency means applicants are typically left in the dark about the information used to deny their admission.

Too often, PHAs and project owners ignore or do not provide mechanisms for applicants to present mitigating evidence and explain the totality of circumstances surrounding a conviction. PHAs are required by federal law to consider mitigating circumstances during their admissions process, including the time, nature, and extent of the applicant’s conduct, as well as the seriousness of the offense. PHAs can also consider a person’s actions that indicate future good conduct, such as an applicant successfully completing a drug rehabilitation program.

However, PHAs often fail to inform applicants of their right to present evidence or choose to ignore mitigating circumstances when considering an application. For the Housing Choice Voucher program and Section 8 project-based properties, HUD merely encouraged housing providers to consider mitigating circumstances rather than requiring them to do so. Some housing providers are reluctant to adopt such a policy, arguing that its subjective nature makes it too hard to apply uniformly and puts them at risk of violating the “Fair Housing Act” (FHA). However, adopting a one-size-fits-all policy that is not narrowly tailored and fails to consider mitigating circumstances may violate the FHA if it has a disparate impact on a protected class of people, including people of color or people with disabilities.

Returning citizens attempting to reunite with their families living in federally subsidized housing are sometimes barred from doing so or are not permitted to be added to the household’s lease. Although HUD has no prohibition on adding returning citizens to a lease, it is widely believed that PHAs and project owners are not permitted to do so. Housing providers’ refusal to add returning citizens to a lease places these individuals at risk of housing instability and homelessness and puts their families at risk of eviction if their formerly incarcerated loved one is found residing in the household.

Finally, people with conviction or arrest records who have managed to secure a Housing Choice Voucher can run into trouble if they need to transfer their voucher to another jurisdiction. When a household moves from one jurisdiction to another, the receiving PHA might rescreen the household using more stringent criteria than the one used by the initial PHA. If the receiving PHA determines that the household does not meet its criteria, it will try to terminate assistance.

This practice of rescreening prevents individuals with a conviction history and their families from being able to move to new areas that offer greater opportunities. In 2015, HUD published a [final rule](https://tr.ee/ThbBH7) (<https://tr.ee/ThbBH7>) on voucher portability that reiterated PHAs’ ability to rescreen families, stating, “receiving PHAs should be allowed to apply their own screening standards consistently among families in their program and for families moving into their jurisdiction under portability. However, it is important that moving families be informed that they are subject to screening based on the receiving PHA’s criteria, and that the receiving PHA’s screening criteria may be different than that of the initial PHA.”

IMPACT OF COVID-19

In response to the COVID-19 pandemic, in 2020 some state and local facilities released incarcerated individuals with underlying health conditions more vulnerable to COVID-19 complications, and individuals determined not to pose a threat to the health and safety of others. HUD issued in PIH Notice 2020-05 in April 2020, providing PHAs broad authority to waive regulatory and statutory provisions in an effort to increase access to federally assisted housing. These waivers could be adopted by PHAs to allow individuals with a conviction history to obtain residency in housing supported by the Housing Choice Voucher (HCV) or Project Based Voucher (PBV) program. However, adopting these waivers was not mandatory and was left up to the discretion of PHAs; as a result, these policies were inconsistently implemented, and sometimes not implemented at all.

PHAs were given the option of waiving regulation HQS-10 § 982.401(d), which if adopted would allow current tenants of HCV- and PBV-assisted housing to add individuals to the household lease even if doing so would exceed HUD’s minimum standard for adequate

space. This waiver allowed people with a conviction record to be added to the lease of a family member residing in assisted housing. HUD also gave PHAs the option to waive 24 CFR § 960.202(c)(1) and 24 CFR § 982.54 (a), which allowed PHAs to amend and adopt changes to their Admission and Continued Occupancy Policy (ACOP) and Administrative Plans without formal board approval. If adopted, PHAs could use these waivers to change their tenant screening policies and reduce barriers to accessing housing for people with a conviction or arrest record. For example, PHAs could remove criminal record screening policies for individuals released from incarceration in response to COVID-19, as these individuals have already been determined not to pose a threat to the health or safety of others.

Recent Efforts to Address Criminal Records and Housing

ADMINISTRATIVE EFFORTS

Previous Efforts to Expand Housing Access for Formerly Incarcerated and Convicted People

The Obama administration first took action in helping returning citizens gain access to housing in 2011, when then-HUD Secretary Shaun Donovan issued a letter to PHA executive directors stating, “this is an administration that believes in the importance of second chances—the people who have paid their debt to society deserve the opportunity to become productive citizens and caring parents, to set the past aside and embrace the future. Part of that support means helping justice-involved individuals gain access to one of the most fundamental building blocks of a stable life—a place to live.”

Secretary Donovan further encouraged PHAs to allow people with a conviction history, when appropriate, to live with their families in public housing or the Housing Choice Voucher program and asked that when PHAs screened for criminal records, they “consider all relevant information, including factors which indicate a reasonable probability of favorable future conduct.” A year later, Secretary Donovan sent a similar [letter](#) to owners and agents of HUD-assisted properties.

In 2013, the U.S. Interagency Council on Homelessness (USICH) published a [guidebook](#) for PHAs that included best practices and policies to increase access to housing. In the guidebook, USICH notes the relationship between incarceration and homelessness, “as difficulties in reintegrating into the community increase the risk of homelessness for released prisoners, and homelessness increased the risk of re-incarceration.” Like Secretary Donovan, USICH encouraged PHAs to consider individual factors when screening potential tenants with conviction records in order to remove barriers to housing assistance.

In November 2015, then-President Barack Obama announced new actions to promote the rehabilitation and reintegration for formerly incarcerated people, including a new \$8.7 million demonstration program to address homelessness and reduce recidivism rates. President Obama also announced that HUD would provide \$1.75 million to aid eligible public housing residents under the age of 25 in expunging or sealing their criminal records under the new Juvenile Reentry Assistance Program.

In conjunction with the announcement, HUD released PIH 2015-19, recognizing the responsibility PHAs and project owners have in ensuring people with a conviction record are not automatically barred from federally subsidized housing. The guidance clarifies the use of arrest records to determine who can live in federally subsidized properties and notes an individual’s arrest record cannot be used as evidence that they have committed a crime, stating “[T]he fact that there has been an arrest for a crime is not a basis for the requisite determination that the relevant individual engaged in criminal activity warranting denial of admission, termination of assistance or eviction.”

The guidance also makes clear that HUD does not require PHAs and project owners to adopt or enforce “one strike” policies that deny admission to anyone with a conviction record or that require families to be automatically evicted any time a household member engages in criminal activity in violation of the lease. However, it does not preclude PHAs and owners from utilizing such a policy. Instead, the guidance urges PHAs and owners to exercise discretion before making such a decision and to consider all relevant circumstances,

including the seriousness of the crime and the effect an eviction of an entire household would have on family members not involved in the criminal activity. Additionally, the guidance reminds PHAs and property owners of the due process rights of tenants and applicants applying for housing assistance.

In April 2016, HUD issued legal guidance from the Office of General Counsel stating that housing providers, both in the public and private housing market, likely violate the FHA when employing blanket policies refusing to rent or renew a lease based on an individual's conviction or arrest history, since such policies would likely have a disparate impact on racial minorities. The FHA prohibits housing discrimination on the basis of race, color, religion, sex, familial status, national origin or disability while coining these as "protected classes" of people and noting, "Because of widespread racial and ethnic disparities in the U.S. criminal justice system, criminal history-based restrictions on access to housing are likely disproportionately to burden African Americans and Hispanics."

The guidance, known as the "disparate impact rule," states that when a housing provider's seemingly neutral policy or practice has a discriminatory effect, such as restricting access to housing on the basis of conviction or arrest history, the policy or practice is unlawful under the FHA if it is not necessary to serve a substantial, legitimate, nondiscriminatory interest of the housing provider, or if the interest could be served by another practice that has a less discriminatory effect.

Some landlords and property managers assert that the reason they have blanket conviction history policies is to protect other residents and the property. HUD's 2016 disparate impact guidance declares that "bald assertions based on generalization or stereotype that any individual with an arrest or conviction record poses a greater risk than those without such records are not sufficient." Landlords and property managers must be able to prove through reliable evidence that blanket policies assist in protecting residents and property.

The guidance also states that a housing provider with a policy that excludes people because of a prior arrest without conviction cannot satisfy its burden of showing the policy is necessary to achieve a "substantial,

legitimate, nondiscriminatory interest," since an arrest is not a reliable basis upon which to assess an applicant's potential risk to residents or property. When a person has been convicted, the policy must be applied on a case-by-case basis considering the nature and severity of the conviction, what the individual has done since conviction, and how long ago the conviction took place.

In addition, the guidance discusses how a housing provider may violate the FHA if the provider intentionally discriminates when using criminal history information in evaluating applicants and tenants, "which occurs when the provider treats an applicant or renter differently because of race, national origin or another protected characteristic. In these cases, the housing provider's use of conviction records or other criminal history information as a pretext for unequal treatment of individuals because of race, national origin or other protected characteristics is no different from the discriminatory application of any other rental or purchase criteria."

In August 2019, the Trump administration proposed changes to HUD's disparate impact rule that would have made it more difficult to challenge a housing provider's discriminatory policies. The Biden administration moved in June 2021 to withdraw the proposed changes to the disparate impact rule and reinstate the 2013 guidelines.

In March 2021, President Biden signed into law the "American Rescue Plan Act," a \$1.9 trillion coronavirus relief package with nearly \$50 billion in essential housing and homelessness assistance. The bill provided \$5 billion for an estimated 70,000 emergency housing vouchers (EHVs) targeted specifically to people at risk of or experiencing homelessness and those escaping domestic violence, dating violence, sexual assault, stalking, or human trafficking. HUD Notice PIH 2021-15 clarifies that people exiting incarceration "who are at-risk of homelessness due to their low incomes and lack of sufficient resources or social supports" are eligible for EHVs.

The Consumer Financial Protection Bureau (CFPB) issued in November 2021 an advisory opinion warning consumer reporting agencies—including tenant screening companies—that using inadequate matching procedures like name-only matching may violate the "Fair Credit Reporting Act (FCRA)." In partnership with

the Federal Trade Commission (FTC), in October 2023 CFPB took action against rental screening conglomerate TransUnion for violating FCRA by failing to ensure rental background checks contain accurate, up-to-date information. CFPB and FTC released a request for comment in February 2023 on background screening issues, including how criminal and eviction records as well as algorithms affect tenant screening decisions.

HUD Secretary Marcia Fudge issued a [directive](#) in April 2022 instructing HUD to review and identify internal policies and procedures that may increase barriers to housing access for people impacted by the criminal-legal system (<https://tr.ee/PDACH9>). HUD staff were given six months to review existing HUD guidance, regulations, and sub-regulatory documents and suggest needed changes to ensure increased access to federally assisted housing for people with conviction records.

In response to this directive, the Department released in October 2023 a Notice of Proposed Rulemaking (NPRM) removing a ban on people with conviction histories from serving as fair housing testers under HUD's Fair Housing Initiatives Program (FHIP) and Fair Housing Assessment Program (FHAP). The final rule, "Expanding the Fair Housing Testing Pool for FHIP and FHAP Funded Entities," was released in April 2024.

2024 "Reducing Barriers to HUD-Assisted Housing" NPRM

HUD also released a [NPRM](#), "Reducing Barriers to HUD-Assisted Housing," in April 2024 (<https://tr.ee/ROhumD>). The NPRM proposed several meaningful changes to HUD's existing screening regulations for people with conviction histories applying to HUD-assisted housing, including clarifying the types of "relevant criminal activity" for which PHAs and owners can screen; limiting lookback periods in admissions decisions to no more than three years prior to an application; mandating an individualized assessment of rental applicants with a conviction history in admissions decisions; restricting the use of arrest records, and banning the use of arrest records as the sole basis for housing denial or eviction; clarifying the standard of proof for eviction and termination decisions based on criminal activity; and better regulating third-party screening services and companies. The final rule was not released before

the end of the Biden administration's term and was withdrawn shortly after the start of the second Trump administration in January 2025.

Trump Administration Contradicts Long-Standing Best Practices for Record Screenings

HUD Secretary Scott Turner sent a [letter](#) (<https://tr.ee/ecg2Jk>) on November 25, 2025, to PHAs and owners of HUD-assisted multifamily housing, noting the withdrawal of previous guidance on the use of conviction and arrest records in background screenings and evictions, and encouraging PHAs to adopt practices that instead limit access to housing opportunities for formerly incarcerated and convicted people.

The letter:

- Rescinds previously issued HUD guidance on the use of conviction and arrest records in tenant screening, including:
- Notice 2015-19, "Guidance for Public Housing Agencies (PHAs) and Owners of Federally-Assisted Housing on Excluding the Use of Arrest Records in Housing Decisions."
- A 2016 memo from HUD's Office of General Counsel on "Guidance on Application of "Fair Housing Act" Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions."
- A 2022 memo from HUD's Office of Fair Housing and Equal Opportunity, "Implementation of the Office of General Counsel's Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions."
- References discriminatory "One Strike, You're Out" policies by citing Notice PIH 1996-16, "'One Strike and You're Out' Screening and Eviction Guidelines for Public Housing Authorities."
- Encourages PHAs and owners/operators to publicly post a hotline for residents to "submit allegations of fraud, waste, abuse, mismanagement, illegal aliens, crime, or whistleblower-related matters within HUD and HUD-funded programs."

Secretary Turner's letter conflicts with HUD's long-held assertion that permanent admissions bans contradict federal policy. Importantly, it does not change underlying legal requirements regarding admissions and evictions. Any discretionary admissions and eviction policies remain up to PHAs and owners. Other laws' prohibitions on discrimination, including the "Fair Housing Act" and the "Violence Against Women Act," also still apply.

EFFORTS IN CONGRESS

In December 2018, Congress passed and then-President Donald Trump signed into law the bipartisan "First Step Act" (P.L. 115-391), which rolls back mandatory minimum sentences in certain circumstances and expands on "good time credits" for incarcerated people looking to shorten their sentences. While advocates acknowledged the bill was not perfect, they agreed it was a modest step forward for comprehensive criminal legal reform. The bill also included the "Second Chance Reauthorization Act" that supports state, local, and Tribal governments and nonprofit organizations in their work to reduce recidivism and improve outcomes for people returning from incarceration. Second Chance grants support a variety of reentry services, including housing, job training, education, mentoring, and mental health treatment. The "Second Chance Reauthorization Act" expands opportunities for community-based nonprofits to apply for grants to develop support programs, such as housing, and drug treatment programs. It also requires coordination among multiple federal agencies (including HUD), state and local governments, and service providers on federal programs and policies related to reentry.

In July 2019, Representative Alexandria Ocasio-Cortez (D-NY) and then-Senator Kamala Harris (D-CA) introduced legislation to ensure that people with criminal records have access to federally assisted housing. The "Fair Chance at Housing Act" would ban "one-strike" and "no-fault" eviction policies, demand higher standards of evidence to reject an applicant on the basis of their criminal record, and mandate an individualized review processes that takes into account both the totality of circumstances surrounding a

criminal offense and any mitigating evidence provided by a prospective tenant. These measures would allow families to reunify when a household member returns home after serving time in prison or jail and help end the cycle of homelessness and recidivism too often experienced by justice-involved individuals.

In March 2020, the "Coronavirus Aid, Relief, and Economic Security Act" (CARES Act) was signed into law. The CARES Act provided states and communities with much-needed resources to respond to the coronavirus pandemic, including additional funding for housing and homelessness assistance. While the CARES Act failed to provide resources to specifically address the housing needs of people exiting incarceration, there is nothing in the bill prohibiting funds being used to assist people with a criminal record in finding or maintaining safe, stable, affordable housing.

In April 2023 and November 2025, Representative Nanette Barragan (D-CA) introduced the "Returning Home Act," which would create a reentry rental assistance and housing services grant program funded through the Department of Justice (DoJ) at \$100 million annually.

Forecast for 2026

Secretary Turner's recent letter to PHAs and HUD-assisted housing providers does not bode well for what actions the Trump administration may take on housing access for formerly incarcerated and convicted people. Still, under current policy, PHAs and owners have broad discretion in conducting background screenings; this discretion can mean choosing to adopt meaningful reforms that ensure people exiting incarceration and those with a conviction or arrest history are able to obtain safe, stable, affordable housing.

While the NPRM "Reducing Barriers to HUD-Assisted Housing" was not ultimately published, PHAs and assisted housing owners can still choose to adopt its policies. Advocates can also use the NPRM as a starting point for future administrative or congressional advocacy.

In addition to these policy changes, Congress should provide substantial federal investments in the construction of permanent housing with supportive services where needed, and in the expansion of the Housing Choice Voucher (HCV) program to ensure no one struggles to afford the cost of rent. Further, a federal source of income discrimination ban would help ensure that more people using a voucher find housing—including individuals with a conviction history—are able to fully utilize their voucher.

Additionally, it is crucial that the “First Step Act” receive full funding in the new fiscal year to fully implement the reforms established by the law. Criminal justice advocates will also continue pushing for new reforms and remind lawmakers that as its title suggests, the “First Step Act” is just that: a first step and one of many steps toward comprehensive criminal justice reform. Advocates can press for legislation, including the “Fair Chance at Housing Act,” that helps people returning from incarceration get back on their feet and reconnect with their communities.

How Advocates Can Take Action

Urge legislators to:

- Enact a federal ban on source of income discrimination.
- Pass comprehensive spending bills that include full funding for implementation of the “First Step Act.”
- Ensure that criminal legal system reform efforts include a comprehensive plan addressing the housing needs of people with criminal records.
- Support legislation that reduces housing barriers for people with criminal records, including the “Fair Chance at Housing Act.”

Urge HUD to:

- Reinstate the screening guidance outlined in Secretary Turner’s November 2025 letter to PHAs and HUD-assisted housing providers (<https://tr.ee/go0ows>).

- Mandate PHAs adopt regulatory waivers to increase access to federally assisted housing for people with a conviction history.
- Ensure compliance with and build upon HUD guidance that would expand access to federally assisted housing for people with a criminal record.
- Require all federally subsidized housing providers to consider mitigating circumstances when making admissions decisions.
- Provide concrete guidance on reasonable lookback periods.
- Place limitations on what criminal activity housing providers may consider when reviewing applications.
- Set minimum standards for the quality and nature of criminal background information that can be used by PHAs and federally assisted housing providers to make housing decisions.
- Work with the Consumer Financial Protection Bureau and Federal Trade Commission to identify comprehensive, interagency solutions to tenant screening problems.
- Increase data collection on applicant screening practices.

For More Information

Visit the Partnership for Just Housing, (<https://tr.ee/jQteru>)

CRIMINALIZATION OF HOMELESSNESS

Eric Tars, Senior Policy Director, National Homelessness Law Center

While police have often violently evicted homeless encampments and unhoused people in the U.S., never did I think I would have to start this chapter by raising the alarm that [armed military personnel and federal agents \(https://tr.ee/050a7B\)](https://tr.ee/050a7B) are roaming the streets of our national capital to dismantle the tents of Americans who simply cannot afford the rent, and that plans for construction of a [homeless detention camp \(https://www.nytimes.com/2025/10/29/us/politics/utah-trump-homeless-campus.html\)](https://www.nytimes.com/2025/10/29/us/politics/utah-trump-homeless-campus.html) are well under way in Utah. But less than a year into the Trump administration (as of this writing), President Trump is targeting extremely vulnerable unhoused Americans as one of his steps to see how far he can extend his authoritarian powers.

Making it a crime to be homeless is deeply unpopular. Over [70% of voters \(https://tr.ee/zpG8oo\)](https://tr.ee/zpG8oo) across the country support housing, not handcuffs. Unfortunately, it is a politically convenient way for elected officials to misdirect blame to people in poverty for not being able to afford housing and pretend to address the problem while hiding the costs. As a result, every day in America, people experiencing homelessness are ticketed, arrested, or involuntarily committed by police for living in public spaces, even when they have nowhere else to go. No one should live on the streets, but throwing people in detention centers and institutionalizing people with mental and physical disabilities and those struggling with substance use does nothing to get them into housing or effective treatment. In fact, these actions will make homelessness worse.

Millions of individuals, families, and youth experience homelessness each year, and millions more lack access to decent, stable housing they can afford. Rather than providing adequate housing options, too many communities criminalize homelessness by making it illegal for people to stand, sit, sleep, shelter oneself with anything from a blanket to a vehicle, or even ask for help. These laws and policies violate constitutional, civil, and human rights, traumatize homeless individuals,

and negatively impact their physical and mental health (including creating police encounters that can lead to unnecessary use of force or death), create arrest records, fines, and fees that stand in the way of homeless people securing jobs or housing, and perpetuate racial inequity.

2025 was devastating for unhoused and unsheltered individuals and communities and the advocates fighting with them for liberation. In 2024, we warned that the Supreme Court's [Johnson v. Grants Pass \(https://johnsonvgrantspass.com/\)](https://johnsonvgrantspass.com/) decision would be seen as a green light to criminalize homelessness, and the past year has proven us correct. At the local level, more than [260 communities passed new camping bans \(https://tr.ee/2N5Q0x\)](https://tr.ee/2N5Q0x) in just the first year since the decision. At the state level, the billionaire-backed lobbying group, the [Cicero Institute \(https://tr.ee/ednPtU\)](https://tr.ee/ednPtU), published and promulgated a ["Reducing Street Homelessness Model Bill" \(https://tr.ee/xpeUoy\)](https://tr.ee/xpeUoy) that diverts funding away from long-term permanent housing solutions and toward forcing homeless persons into detention camps under threat of arrest, and makes it easier to place psychiatric holds and administer involuntary medical treatment to unhoused people experiencing mental health conditions. Versions of the bill have been introduced in at least 15 states, and passed in at least nine. And now Cicero has begun crafting national policy for President Trump, who entered office on a [platform \(https://tr.ee/dd5h7h\)](https://tr.ee/dd5h7h) of a national camping ban and detention camps for people who simply cannot afford rent, which he has already started implementing through a series of racist and harmful [executive orders \(https://homelesslaw.org/statement7242025/\)](https://homelesslaw.org/statement7242025/), including his assault on unsheltered people in DC, and new [grant incentives \(https://homelesslaw.org/statement11142025/\)](https://homelesslaw.org/statement11142025/) in the HUD Continuum of Care funding application.

2026 will be a critical year in the fight against criminalization. The Trump administration must be stopped from implementing a national camping ban and forcing unhoused people into government detention camps and housing advocates must fight against state and local efforts to do the same. Even

with these troubling developments, the wide coalition of who [rallied \(https://johnsonvgrantspass.com/rally\)](https://johnsonvgrantspass.com/rally) around the Grants Pass case enter 2026 with a renewed commitment to end criminalization and to share the truth that we have known for decades: Criminalization harms entire communities and does nothing to address the root causes of homelessness and housing insecurity. [Housing, Not Handcuffs \(https://housingnohandcuffs.org/\)](https://housingnohandcuffs.org/) is how we end homelessness.

History

From [vagrancy laws \(https://tr.ee/Y29aY9\)](https://tr.ee/Y29aY9) and the workhouses of pre-industrial England to [legal segregation, sundown towns, and anti-Okie laws \(https://www.huffpost.com/entry/the-quality-of-whose-life_b_749280\)](https://www.huffpost.com/entry/the-quality-of-whose-life_b_749280) in the U.S., ordinances regulating the use of public space have long been used to exclude marginalized persons based on race, gender identity, national origin, disability, age, and economic class. With the advent of modern homelessness in the 1980s, rather than addressing the underlying lack of affordable housing, communities faced with increasingly visible homelessness began pushing homeless persons out of public view with laws criminalizing life-sustaining acts such as self-sheltering (“camping”), sleeping, resting, eating, or asking for donations. Other communities have used disparate enforcement of other ordinances, such as jaywalking or littering, or preventing aid providers from sharing food, to harass and push homeless persons out of certain spaces. These practices gained even more traction with the trend toward “broken windows” or “quality of life” policing in the 1990s. For homeless youth, paternalistic status offense laws like runaway statutes and curfews ignore youths’ own assessments of where they are safest and can turn them into criminals or “delinquents” the second they step out the door without the intent to return.

Since 2006, the National Homelessness Law Center tracked these laws in [187 cities \(https://tr.ee/skSEN2\)](https://tr.ee/skSEN2) and across all [50 states and the District of Columbia \(https://tr.ee/ZUhTID\)](https://tr.ee/ZUhTID). The Law Center found that between 2006 and 2019, city-wide bans on camping increased by 92%, on sitting or lying by 78%, on loitering by 103%, on panhandling by 103%, and on living in vehicles by 213%, accompanying a

[1,300% growth of homeless encampments \(https://homelesslaw.org/wp-content/uploads/2018/10/Tent_City_USA_2017.pdf\)](https://homelesslaw.org/wp-content/uploads/2018/10/Tent_City_USA_2017.pdf). Too often, homeless residents experience forced evictions or “sweeps” of the encampments, usually with little notice and no provision of alternative housing, frequently resulting in the destruction of important documents, medicines, and what little shelter the residents have.

Over the past few decades, the courts have provided some limited protection against criminalization, covered in the Law Center’s [2022 Litigation Manual Supplement \(https://tr.ee/nSnaUv\)](https://tr.ee/nSnaUv). For example, since the 2015 [Norton v. Springfield \(https://tr.ee/H431Uj\)](https://tr.ee/H431Uj) decision in the 7th Circuit, no panhandling ordinance challenged in court has withstood constitutional scrutiny under the First Amendment, and dozens of cities have since repealed their ordinances, some instituting more effective [day shelter \(https://tr.ee/dNV0Sb\)](https://tr.ee/dNV0Sb) and [day labor \(https://tr.ee/Hv0vBR\)](https://tr.ee/Hv0vBR) programs. In 2018, the [Martin v. Boise \(https://tr.ee/490CMU\)](https://tr.ee/490CMU) decision in the 9th Circuit held that in the absence of adequate alternatives, it is cruel and unusual punishment under the 8th Amendment to punish someone for life-sustaining activities like sleeping, resting, or sheltering oneself. This led to many successful cases following a similar theory, and communities invested significant new resources into shelters and other alternatives. However, in June 2024, the Supreme Court overruled this principle in the [Johnson v. City of Grants Pass \(https://johnsonvgrantspass.com/\)](https://johnsonvgrantspass.com/) case. The Court did affirm that other protections may still exist for unhoused persons, and since that time there have been cases finding sweeps of homeless encampments to violate due process and property protections under the 4th Amendment, and other laws criminalizing homelessness to violate the 14th Amendment’s equal protection and due process clauses, along with other state constitutional or common law protections. Advocates have also overturned anti-food sharing laws on First Amendment religious exercise, assembly, and speech grounds and other religious freedom statutes. While litigation must always be done [in coordination with legislative advocacy and movement-building \(https://wraphome.org/ldc/\)](https://wraphome.org/ldc/), the Law Center found that litigation remains a useful tool in the fight to end the criminalization of homelessness. Based on

summaries and analyses of more than 180 lawsuits, the Law Center [found \(https://tr.ee/vQa0tV\)](https://tr.ee/vQa0tV) that 60% of cases challenging camping bans and/or sweeps of encampments have led to favorable outcomes, 77% of cases challenging loitering or vagrancy bans have led to favorable outcomes, and 66% of cases challenging food sharing bans have led to favorable outcomes.

Issue Summary

The growing affordable housing gap and shrinking social safety net have left millions of people homeless or at-risk, and most American cities have fewer emergency shelter beds than people who need shelter. Despite this lack of affordable housing and shelter space, many cities have chosen to criminally or civilly punish people living on the street for doing what any human being must do to survive, like sleeping, resting, and eating—activities we all do every day and take for granted. Additionally, jurisdictions across the country and political spectrum have also increasingly pushed to remove protections against involuntary mental health commitments as an alternative way to forcibly remove unhoused persons with mental health disabilities from the streets.

It is important to note that BIPOC communities experience criminalization in disparate and discriminatory ways. This is not only because Black people and people of color experience homelessness across the country at [disproportionately high rates \(https://endhomelessness.org/overview/\)](https://endhomelessness.org/overview/), but also because Black and Latinx people are 9.7 times and 5.8 times, respectively, [more likely to be cited \(https://tr.ee/V8Rh5W\)](https://tr.ee/V8Rh5W) under laws that criminalize homelessness when compared to white individuals, and Black individuals are also at higher risk of being diagnosed with mental illness that could lead to [involuntary commitment or conservatorship \(https://tr.ee/EEInmL\)](https://tr.ee/EEInmL). Over the past few years, thanks to [advocacy \(https://tr.ee/8DYjKY\)](https://tr.ee/8DYjKY) from directly impacted communities, the [UN Committee on the Elimination of Racial Discrimination \(https://tr.ee/7ZeG4I\)](https://tr.ee/7ZeG4I), UN Expert Mechanism on Law Enforcement & Racism (<https://tr.ee/kjQjQn>), and UN Special Rapporteur on Racism (<https://tr.ee/5mfqkt>) have all condemned the disparate racial impact of criminalization of homelessness in the U.S. and made recommendations to abolish it.

Other marginalized groups that disproportionately experience homelessness, including [people with disabilities \(https://tr.ee/m6J5oi\)](https://tr.ee/m6J5oi) and [LGBTQ+ individuals \(https://tr.ee/HqU9Op\)](https://tr.ee/HqU9Op), are also at risk of being discriminatorily targeted and affected by criminalization. President Trump and the Cicero Institute are also targeting [sex offenders \(https://tr.ee/hZtlKE\)](https://tr.ee/hZtlKE) and people with [substance use disorders \(https://tr.ee/6Q5P79\)](https://tr.ee/6Q5P79) directly and by threatening [harm reduction providers \(https://aapp.org/perspective/2025/08/751\)](https://aapp.org/perspective/2025/08/751). While these communities' experiences with homelessness and criminalization have come to the forefront more in recent years, there is significant work to be done when it comes to amplifying and centering the voices and experiences of individuals who experience homelessness while also holding other marginalized identities and statuses.

Criminalization policies are [ineffective \(https://tr.ee/9g732W\)](https://tr.ee/9g732W) and, in fact, make homelessness harder to exit. Because people experiencing homelessness are not on the street by choice but because they lack choices, criminal and civil punishment serves no [penological purpose \(https://tr.ee/5cD4FI\)](https://tr.ee/5cD4FI). Instead, arrests, unaffordable tickets, and the collateral consequences of criminal convictions make [it more difficult for people to exit homelessness \(https://tr.ee/3rpMFW\)](https://tr.ee/3rpMFW) and get back on their feet. Criminalization of homelessness might mean that individuals experiencing homelessness are taken to jail, where they may remain for weeks if they cannot pay their bail or fines, perhaps losing custody of their children, property, and/or employment in the process. Once released, they could have criminal records that make it more difficult to get or keep a job, housing, or public benefits. Moreover, [fines and court fees \(https://tr.ee/XHxpGs\)](https://tr.ee/XHxpGs) associated with resolving a criminalization case can amount to hundreds, or even thousands, of dollars. Without the resources to pay, homeless people often have warrants taken out against them and may be subject to additional jail time.

Criminalization is the most expensive and least effective way of addressing homelessness and wastes scarce public resources on policies that do not work. An [extensive body of research \(https://tr.ee/A0wC4Q\)](https://tr.ee/A0wC4Q) comparing the cost of homelessness, including the cost of criminalization, with the cost of providing housing

to homeless people shows that ending homelessness through housing is the most affordable option in the long run. Indeed, the provision of housing using a Housing First model, which focuses on providing people with quick, low-barrier access to housing followed by any needed services to maintain housing stability, is cheaper and more effective than all other strategies for addressing homelessness. For example, [a study in Charlotte, NC \(https://www.charlotteobserver.com/news/local/article20155044.html\)](https://www.charlotteobserver.com/news/local/article20155044.html), found that the city saved \$2.4 million over the course of a year after creating a Housing First facility, as tenants spent 1,050 fewer nights in jail and 292 fewer days in the hospital and had 648 fewer visits to emergency rooms. With state and local budgets stretched to their limit and the threat of additional federal cuts on the horizon, rational, cost-effective policies are needed, not ineffective measures that waste precious taxpayer dollars.

Program Summaries

In response to growing cost data and advocacy at the international and domestic levels, many federal agencies took an increasingly strong stance against criminalization of homelessness up through 2024, though practice did not always follow the policies on paper. With Trump's [Executive Order 14321 \(https://tr.ee/O6sgVb\)](https://tr.ee/O6sgVb), however, federal agencies have been explicitly directed to promote criminalization and forced institutionalization through policy and grantmaking.

U.S. DEPARTMENT OF JUSTICE

In the past, DOJ has opposed criminalization of homelessness through statement of interest briefs on [camping \(https://tr.ee/r5Qtxf\)](https://tr.ee/r5Qtxf), [panhandling \(https://www.justice.gov/usdoj-media/crt/media/1286391/dl?inline\)](https://www.justice.gov/usdoj-media/crt/media/1286391/dl?inline) and [religious institutions' right to share food \(https://tr.ee/veMm3E\)](https://tr.ee/veMm3E); [newsletters \(https://tr.ee/DAu2lr\)](https://tr.ee/DAu2lr); a letter on the impact of [excessive fines and fees \(https://tr.ee/OUoa3u\)](https://tr.ee/OUoa3u); a comment on a [proposed encampment ordinance \(https://tr.ee/73zi3E\)](https://tr.ee/73zi3E) in Seattle; and a civil rights investigation into the [Phoenix \(https://tr.ee/GOtPtO\)](https://tr.ee/GOtPtO) police department. The DOJ disappointingly filed a [brief \(https://tr.ee/zz1XEc\)](https://tr.ee/zz1XEc) "in favor of neither party" in the Grants Pass case. Trump's [EO 14321 \(https://tr.ee/XbjVeJ\)](https://tr.ee/XbjVeJ) explicitly directs the

Attorney General to a) reverse judicial precedents protecting against forced institutionalization and provide guidance and grants to increase involuntary commitments; b) prioritize grants for communities that enforce anti-camping, anti-drug use, and similar laws; c) track homeless persons on the Sex Offender Registry and push them into forced commitments; d) promote expansion of drug and mental health courts; e) bring charges against service providers engaged in harm reduction with substance users. In August, pursuant to [EO 14333 \(https://tr.ee/8yYfFN\)](https://tr.ee/8yYfFN), the president took over DC police and mobilized FBI and National Guard to ["remov\[e\] homeless encampments from all over our parks" and get "rid of the people from underpasses \(https://tr.ee/ZjP9hQ\)."](https://tr.ee/ZjP9hQ)

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

Since 2015, HUD has included an [incentive \(https://tr.ee/o1a3rW\)](https://tr.ee/o1a3rW) in its application for the \$4 billion Continuum of Care (CoC) funding stream for applicants who demonstrate that they are preventing the criminalization of homelessness. Trump's [EO 14321 \(https://tr.ee/LsVjMV\)](https://tr.ee/LsVjMV) directed HUD to reverse this and: a) prioritize grants for communities that enforce anti-camping, anti-drug use, and similar laws as well as utilize forced institutionalization; b) freeze funding to providers engaged in harm reduction with substance users; and c) share data with law enforcement. HUD then reversed prior funding decisions and reopened applications for both the [CoC Builds \(https://democracyforward.org/news/press-releases/naehvturner-trogranted/\)](https://democracyforward.org/news/press-releases/naehvturner-trogranted/) and [main CoC \(https://tr.ee/75nXmE\)](https://tr.ee/75nXmE) funding competition with these incentives, though both have had injunctions issued against them.

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES

Trump's [EO 14321 \(https://tr.ee/xfvK1q\)](https://tr.ee/xfvK1q) directed HHS to: a) prioritize grants for communities that enforce anti-camping, anti-drug use, and similar laws as well as utilize forced institutionalization; b) freeze funding to providers engaged in harm reduction with substance users; and c) provide guidance to increase the use of assisted

outpatient treatment programs. Both the [Substance Abuse and Mental Health Services Administration \(SAMHSA; https://www.samhsa.gov/sites/default/files/samhsa-strategic-priorities.pdf\)](https://www.samhsa.gov/sites/default/files/samhsa-strategic-priorities.pdf) and [Administration for Children and Families \(ACF; https://acf.gov/about/acf-vision-mission-values\)](https://acf.gov/about/acf-vision-mission-values) announced new strategic priorities aligned with the EO, and SAMHSA announced \$19M in supplemental [funding \(https://tr.ee/PPVUgv\)](https://tr.ee/PPVUgv) for programs to “align public health, housing, and justice systems” and promote judicially mandated forced treatment.

NATIONAL PARKS SERVICE, US FOREST SERVICE, & BUREAU OF LAND MANAGEMENT

Even prior to the Trump administration, federal landholding agencies have engaged in criminalization of homelessness from the National Parks Service (NPS) eviction of the [McPherson Square encampment \(https://tr.ee/talwww\)](https://tr.ee/talwww) in D.C., to the US Forest Service (USFS) and Bureau of Land Management (BLM), who shot and paralyzed a homeless man in [Idaho \(https://tr.ee/x0pnY2\)](https://tr.ee/x0pnY2). This continued in the Trump administration with an executive order to the NPS to evict more encampments in [DC \(https://homelesslaw.org/trumpdceo/\)](https://homelesslaw.org/trumpdceo/) and the eviction of more than 200 people from the Deschutes Forest in [Oregon \(https://tr.ee/NxdjG6\)](https://tr.ee/NxdjG6).

U.S. INTERAGENCY COUNCIL ON HOMELESSNESS

Since its 2012 [Searching Out Solutions \(https://tr.ee/48n4IZ\)](https://tr.ee/48n4IZ) report, USICH has published [several resources \(https://tr.ee/IDuVv0\)](https://tr.ee/IDuVv0) and guidance materials affirming its anti-criminalization mandate from the HEARTH Act, culminating in [All In: Federal Strategic Plan to Prevent and End Homelessness \(https://www.usich.gov/sites/default/files/document/All_In.pdf\)](https://www.usich.gov/sites/default/files/document/All_In.pdf). While these resources remain on the USICH website as of the date of this writing, the Trump administration has essentially [ceased \(https://tr.ee/13KXcX\)](https://tr.ee/13KXcX) the functionality of USICH.

U.S. DEPARTMENT OF EDUCATION

In 2018, the Department of Education updated [guidance \(https://tr.ee/IVPSVM\)](https://tr.ee/IVPSVM) on homeless students, reminding school personnel that they have to work outside the school building to remove barriers to homeless students’ success in school, including working with state legislatures and local governments to address the criminalization of homelessness.

Forecast for 2026

As noted above, 2026 will be a critical year in the fight against criminalization of homelessness. Despite litigation, we expect to see more funding and other incentives across federal agencies promoting criminalization and forced institutionalization. We must keep an eye on congressional efforts to [ban camping in DC \(https://www.congress.gov/bill/119th-congress/house-bill/5163\)](https://www.congress.gov/bill/119th-congress/house-bill/5163) and to codify Trump’s [EO \(https://www.congress.gov/bill/119th-congress/house-bill/6174/text\)](https://www.congress.gov/bill/119th-congress/house-bill/6174/text). At the state level, advocates should be on the lookout for bills based on the [Cicero Institute’s \(https://tr.ee/PjPC9Y\)](https://tr.ee/PjPC9Y) template or similar efforts to criminalize or place unhoused persons into involuntary commitments. And local political officials on both sides of the political aisle continue turning to criminalization strategies make the threat to unhoused persons greater than ever.

At the same time, advocates are [working better together \(https://housingnohandcuffs.org/join/\)](https://housingnohandcuffs.org/join/), than ever before. The Grants Pass case brought fresh attention to the issue from the [media \(https://johnsonvgrantspass.com/press-1\)](https://johnsonvgrantspass.com/press-1), [federal \(https://tr.ee/nlP0Ap\)](https://tr.ee/nlP0Ap), [state \(https://tr.ee/Nc6rZS\)](https://tr.ee/Nc6rZS), and [local \(https://tr.ee/1XbAhl\)](https://tr.ee/1XbAhl) elected officials, and other [allies \(https://johnsonvgrantspass.com/court-briefs\)](https://johnsonvgrantspass.com/court-briefs). The federal Housing Not Handcuffs Act (HR 4182; <https://www.congress.gov/bill/119th-congress/house-bill/4182>) would reinstitute the pre-Grants Pass standard with regard to federal agencies, and more than a dozen state bills seeking to reverse the impacts of Grants Pass have already been introduced.

What to Say to Legislators

The most critical message for legislators to hear is that punishing homeless people for needing to sleep and survive outside doesn't end homelessness—it makes it worse. If legislators don't want to see people living on their streets, the best, most effective, most cost-effective approach is housing and services, not tickets and arrests. The [Housing Not Handcuffs Campaign](https://housingnothandcuffs.org/) (<https://housingnothandcuffs.org/>) has developed [Model Policies](https://housingnothandcuffs.org/policy-solutions/) (<https://housingnothandcuffs.org/policy-solutions/>) for local, state, and federal governments that emphasize 1) shortening homelessness by stopping its criminalization, 2) preventing homelessness by strengthening housing protections and eliminating unjust evictions, and 3) ending homelessness by increasing access to and availability of affordable housing. The [National Coalition for Housing Justice](https://tr.ee/6AEyAe) (<https://tr.ee/6AEyAe>) has a useful statement on criminalization, and the [American Bar Association](https://tr.ee/cZBkFD) (<https://tr.ee/cZBkFD>), [American Medical Association](https://www.ama-assn.org/system/files/2019-04/a19-bot28.pdf) (<https://www.ama-assn.org/system/files/2019-04/a19-bot28.pdf>), and [American Public Health Association](https://tr.ee/VVIVDo) (<https://tr.ee/VVIVDo>) have put out policies opposing criminalization, and even the [National League of Cities](https://tr.ee/9i TJ62) (<https://tr.ee/9i TJ62>) has offered its critique. Lots of [resources](https://johnsonvgrantspass.com/social-media-toolkit) (<https://johnsonvgrantspass.com/social-media-toolkit>) were developed for the Grants Pass case, and the Housing Not Handcuffs Campaign also has [model one-pagers](https://tr.ee/RdcDjW) (<https://tr.ee/RdcDjW>) and [Six Ideas for Talking About Housing Not Handcuffs](https://tr.ee/9UPxgN) (<https://tr.ee/9UPxgN>) that may be useful in framing conversations with legislators. Invisible People has [videos](https://invisiblepeople.tv/stories-from-homeless-people/) (<https://invisiblepeople.tv/stories-from-homeless-people/>) that can also help make the case, and the Housing Narrative Lab has also published helpful [tools](https://housingnarrativelab.org/resources/) (<https://housingnarrativelab.org/resources/>) on how to effectively message in the homelessness advocacy space.

For More Information

National Homelessness Law Center, 202-638- 2535, info@homelesslaw.org; <https://homelesslaw.org/>

Housing Not Handcuffs Campaign, <http://www.housingnothandcuffs.org>

MORTGAGE INTEREST DEDUCTION

Andrew Aurand, Senior Vice President for Research, NLIHC

The mortgage interest deduction (MID) is a federal tax expenditure that allows homeowners to deduct from their federal taxable income the interest paid on home mortgage debt. The MID is a regressive tax benefit for higher-income homeowners at a projected loss of more than \$261 billion in federal tax revenue between 2025 and 2029, or more than \$52 billion per year ([The Joint Committee on Taxation \(JCT\), 2025; https://tr.ee/J5xdv4](#)). JCT estimates that taxpayers with annual incomes of more than \$200,000 will receive 78% of MID's benefits in 2025. At the same time, more than eight million extremely low-income renters spend more than half of their income on housing ([National Low Income Housing Coalition, 2025; https://nlihc.org/gap](#)), forcing them to sacrifice other necessities. The revenue lost to the MID would be better spent on housing assistance for the lowest-income households with the greatest housing needs.

How the MID Works

Taxpayers can subtract from their federal taxable income either (1) a fixed dollar amount known as the standard deduction or (2) itemized deductions allowed by the federal tax code. Taxpayers must itemize their tax deductions to benefit from the MID. Most taxpayers, however, do not itemize their deductions, because their standard deduction is higher. Affluent households are more likely to itemize their deductions and, therefore, benefit from MID. Eleven percent of the nation's 191 million federal tax returns include itemized deductions. Further, tax returns with reported annual incomes of more than \$150,000 account for 20% of all tax returns, but they account for 67% of tax returns with itemized deductions and 72% of tax returns with the MID ([JCT, 2025; https://tr.ee/J5xdv4](#)).

MID's value to taxpayers depends on their marginal tax rate. Taxpayers in the 24% tax bracket, for example, can reduce their taxes by 24% of the interest paid for their mortgage, while taxpayers in the 12% tax bracket

can reduce their taxes by 12% of the interest paid. Because higher-income homeowners are more likely to claim the MID and the value of the MID increases with income, JCT estimates that taxpayers with incomes over \$150,000 will receive 88% of MID's benefits in 2025 while taxpayers with incomes over \$200,000 will capture 78% of MID's benefits ([Ibid](#)).

Unlike housing assistance programs for low-income renters who have strict eligibility requirements and are often unable to serve all who qualify due to insufficient funding, the MID for homeowners is available for all tax-filing homeowners who would benefit.

History

Contrary to popular belief, MID was not created to encourage homeownership. When the federal income tax was implemented in 1913, personal interest on all loans was an allowable deduction from taxable income. At the time, it was difficult to differentiate personal consumption and home loans from business loans for farms, small businesses, and individual proprietors ([Ventry, D., 2010; https://tr.ee/irfyo5](#)). Congress likely did not intend to use the interest deduction to encourage homeownership. One-third of homeowners had a mortgage in 1910, but few benefited from the interest deduction since 98% of households were initially exempt from the federal income tax given its generously high tax-free income threshold ([Ibid](#)). The post-World War II housing boom, fueled by FHA- and VA-insured mortgages and the broadening of the federal income tax to cover more households, made the interest deduction available to an increasing number of homeowners with mortgages. The cost of MID grew significantly through the 1980's to late 2000's, along with the growth in homeownership rates and home values. Before tax reform in 2017, the cost of MID was approximately \$70 billion per year.

The "Tax Cuts and Jobs Act of 2017" made significant changes to the value of the MID to taxpayers. The act reduced the amount of a mortgage eligible for MID from \$1,000,000 to \$750,000 for loans taken after

December 15, 2017, and eliminated the MID for home equity loans not for substantial home improvement. Previously, interest paid on up to \$100,000 on any home equity loans could be deducted. The act also significantly increased the standard deduction for taxpayers, making itemized deductions less likely for middle-income taxpayers. The “One Big Beautiful Bill Act of 2025” made these changes to MID permanent.

Other Things to Know about MID

A study of MID reform in Denmark indicated that the tax benefit does not promote homeownership, but induces homeowners to buy larger, more expensive homes and incur greater debt than they otherwise would ([Gruber, J., Jensen, A., and Kleven, H., 2017; https://tr.ee/354bWA](https://tr.ee/354bWA)).

MID also contributes to racial and gender inequities. A study by Trulia found that single women were 6.2% less likely than single men of the same age and income to own a home with a mortgage ([Chacon, F., 2016; https://tr.ee/ZhWsV3](https://tr.ee/ZhWsV3)). Black and Hispanic households were 56.9% and 50.9%, respectively, less likely than white households to own a mortgaged home. Without mortgages, single women and people of color do not receive MID benefits to the same extent as white households. [An analysis \(https://tr.ee/hZoDr2\)](https://tr.ee/hZoDr2) in 2021 by the Institute for Economic and Racial Equity (IERE) at Brandeis University and NLIHC found that white households received 71% of MID’s benefits even though they account for 66% of households in the United States. Black and Latino households received only 18% of MID’s benefits yet they account for more than 26% of U.S. households.

MID is not the only federal tax benefit for homeowners. The exclusion of certain capital gains on the sale of primary residences is projected to cost the federal government \$313 billion in lost revenue between 2025 and 2029 ([JCT, 2025; https://tr.ee/J5xdv4](https://tr.ee/J5xdv4)). The annual loss of revenue to the federal government from MID and the capital gains exclusion exceeds HUD’s budget to serve extremely low- and very low-income renters and those experiencing homelessness.

MEDICAID EXPANSION FOR HOUSING PURPOSES

*By Marcella Maguire, Director of Health Systems
Integration, Corporation for Supportive Housing (CSH)*

If you are concerned about affordable housing and homelessness in your communities, you also should be aware of the importance of the Medicaid program to your efforts and the people you serve. Medicaid has been in the headlines as one of the programs taking some of the largest cuts in H.R.1: “One Big Beautiful Bill Act” signed by the president this summer. Over the next ten years, H.R.1 is estimated to decrease federal spending on Medicaid by a trillion dollars, and ten million more people will lose health insurance coverage. Medicaid, a health insurance program for low-income Americans, is a state and federal partnership led at the federal level by the Centers for Medicaid and Medicare Services or CMS. Each state has its own State Medicaid Agency (SMA).

Many fiscal responsibilities will be shifted to states and states will have difficult decisions to make, starting in Fiscal Year 2027. All states but Vermont are required to pass balanced budgets, so deficit spending for states is generally not allowable. With the significant decrease in federal spending in the program, advocates have an uphill battle in protecting programs (housing and services) and growing investments to address community needs. As of December 2025, 40 states and DC have expanded Medicaid to all low-income populations, and ten states, primarily in the southeast, have not expanded Medicaid. In non-expansion states, a person must prove both low income AND belonging to a category (children, elders, disabled, pregnant) that the state has chosen to cover in their Medicaid program.

This year’s *Advocates’ Guide* will cover a variety of ways that HR1 achieves those savings and reduces health access for low-income people. The law is large and complex, and the below analysis focuses only on the **Medicaid** aspects of the law relevant to the affordable housing industry and the people they serve. The law also reduces funding for the Medicare program, and

that is not covered in this analysis. The law will have a significant impact on people with disabilities, and there are a variety of federal laws that states must follow, as they implement the HR1 but also maintain compliance to disability law. Finally, a variety of advocates from the Medicaid field have held webinars, created guides or resources for advocates and states, including National Health Care for the Homeless Council (NHCHC), National Alliance to End Homelessness (NAEH), National Health Law Program (NHLPP), Justice in Aging, and of course, CSH. These resources and ongoing series can assist your efforts throughout the year.

Corporation for Supportive Housing (CSH) has summarized critical aspects of the law, is offering a regular webinar series on state implementation, and has guidance for states on how to legally implement the law with a frame of mitigating harm as much as possible.

In this section, various aspects of the law will be considered from the below perspectives.

1. Policy and timeline
2. Impact on low-income populations including those in HUD assisted housing and those experiencing homelessness
3. State efforts and how to influence those efforts to limit harms
4. Needed long term efforts to mitigate harm

I. **HR1, Section 71119: Work Requirements**

a. Policy and timeline

Section 71119 of the law requires that persons who receive Medicaid solely due to low income now must prove 80 hours of “community engagement activities” in the month prior to initially applying for or reapplying for Medicaid. Those activities can include

1. Paid employment
2. Volunteer activities
3. Higher education

There are also a number of exemptions for people who do not have to prove work activities. Exemptions from work requirements include if you are

1. Under age 19 or over age 65
2. Caring for a child under the age of 13
3. Caring for a disabled family member
4. A veteran with a disability
5. An American Indian or Alaska native
6. Enrolled in substance use treatment
7. Medically Frail- Creating this designation and how one qualifies as Medically Frail is a state choice. States must develop their own process for determining "Medical Frailty". What exemptions states ask for and are approved for remains to be determined.
8. Experiencing a short-term hardship
9. In a geographic area impacted by a federally declared disaster
10. In a geographic area with an unemployment rate that is at or above 1.5 times the national unemployment rate.

States are now setting up systems to track individual compliance with this new requirement. States have ambitious, difficult timelines to set up systems that can gather and track this information and respond accurately. Many states are looking to link state data systems that can offer this information to Medicaid, such as linking a state tax system to the Medicaid system to determine hours worked in the appropriate time period.

States must begin the process of requiring potential beneficiaries to prove 80 hours of community engagement in the month previous to application, by December 31, 2026, and must outreach to impacted enrollees in the fall of 2026. The law and CMS guidance are not specific regarding a path back to coverage if a person can prove compliance in the future.

- b. Impact on low-income populations including those in HUD assisted housing and those experiencing homelessness.

Many persons in HUD assisted housing will be those needing to prove 80 hours of community engagement and will struggle to comply. Those who need housing assistance, such as those experiencing homelessness, have to navigate the same systems with limited supports. While research shows that over 90% of those receiving Medicaid through Medicaid expansion are working, complying with hastily developed state systems is often the challenge. Persons who are not able to comply with the requirements will lose Medicaid health insurance coverage. States must decide if and when a person can prove compliance, what is the 'path' back for renewed coverage. The Congressional Budget Office's last estimate was that 4.8 million people would lose health insurance coverage over the next 10 years due to this requirement alone. This requirement is also the single largest cost savings to the federal government in the Medicaid aspects of HR1.

- c. State efforts and how to influence those efforts to limit harms

States are setting up systems to gather needed information and ensure that those who are not compliant with the new reporting requirements are dropped from Medicaid health insurance coverage. States can prioritize maintaining coverage over other priorities. Cross-sector focus groups and consulting groups, particularly those with lived expertise, are needed to weigh in on the developing process. States can allow train and even fund 'application assisters' or those who can help potential beneficiaries prove compliance with the law's requirements. These staff can be notified when information is needed and have access to a persons' online account to help ensure compliance. Research has also shown in states that have put work requirements in place already, such as Arkansas and Georgia, that difficulty navigating compliance systems was the primary reason people lost coverage. In other

words, they were working but could not navigate state systems to prove they were working.

States have some flexibility in how they implement section 71119. States are setting up these tracking systems, so the systems can be designed with ease of access for the end user in mind. States can prioritize cross sector data sharing, so that the state's Medicaid Eligibility and Enrollment data system searches all other state data systems for compliance, before requesting information from the individual. States have the ability to request waivers from CMS in regard to persons experiencing "short term hardship." Montana has requested that homelessness be defined as a short-term hardship, and as of December, 2025, CMS has not ruled yet on this interpretation of the law.

d. Needed long term efforts to mitigate harm

Once states have their systems in place, case managers, services coordinators and other direct services staff will need to understand the new state system, who needs to comply with these requirements and how to assist them to keep their health insurance coverage active. States will need to be reminded to offer training and support outside the traditional healthcare sector networks and leverage the homelessness and housing sector partners. Training, support, advocacy, and coaching on how to effectively interact with these new systems and help them evolve to ensure continuous coverage will be critical efforts to prepare for in 2026 and execute in 2027.

II. **HR1, Section 71103: Address Verifications or Preventing Duplicate Enrollments**

a. Policy and timeline

To end duplicate enrollments between states, state Medicaid Eligibility and Enrollment systems will be setting up processes to verify addresses of all Medicaid enrollees. What happens to beneficiaries whose addresses cannot be verified, is unclear at this time and is likely to differ state by state. The law does not require CMS to issue guidance for how states must implement this policy or how CMS

will ensure state compliance. States must submit their processes to CMS for approval in 2027 and these systems must be operational by 2029.

b. Impact on low-income populations including those in HUD assisted housing and those experiencing homelessness.

Persons whose addresses cannot be verified may lose their Medicaid health insurance coverage. Persons who have an address where they do not reside long term, may be at special risk, including those who use post office boxes, shelters, soup kitchens, drop in centers, or other programs that offer a mailing service and a mailing/ address service to those experiencing homelessness and housing instability. Persons leaving institutional care or carceral facilities are also likely to have an unstable address and be at greater risk for losing health insurance coverage.

c. State efforts and how to influence those efforts to limit harms

As with work requirements, advocates can work to influence state planning efforts to limit healthcare coverage losses. The stories of housing instability of people with lived expertise will be invaluable to these efforts. States officials also need to learn addresses of where vulnerable populations receive their mail, so the validity of those addresses will not be questioned.

d. Needed long term efforts to mitigate harm

State efforts to verify addresses will evolve over time and advocates, communities and individual voices will all be needed to ensure those systems are not disproportionately ending health care coverage for people with unstable housing or addresses. Strategies that prioritize that goal will be developed as all the states develop their systems, and best practices evolve.

III. HR1, Section 71107: More Frequent Eligibility Determinations

a. Policy and timeline

Beginning in 2027, persons whose Medicaid eligibility is due solely to low income will also have to prove to states their continued eligibility once every 6 months. Currently most Medicaid beneficiaries only need to prove eligibility once a year. During the COVID Public Health Emergency, these ‘redeterminations’ were paused for 2+ years, to ensure more people had healthcare coverage during the pandemic. States have been experimenting with decreasing the number of redetermination events to increase continuous health insurance coverage for critical populations, such as children under the age of 6. Research has shown that increasing complexity and frequency of redetermination processes is a barrier to coverage and increases the ranks of the uninsured.

CMS must provide guidance to states on this process by 12/31/25 and the process begins for those applying for health insurance after January 1, 2027.

b. Impact on low-income populations including those in HUD assisted housing and those experiencing homelessness.

As with work requirements, many low-income persons living in HUD assisted housing, or experiencing homelessness and housing instability will now have to prove Medicaid eligibility every 6 months. In a life in which basic needs might not be met, keeping up with this process is a barrier to health insurance and good health. Support to maintain coverage such as application assisters, would help more people comply with new requirements.

c. State efforts and how to influence those efforts to limit harms

States set priorities and ensuring that continuous coverage for all who qualify remains a state priority will be a crucial

advocates priority in 2026. Supporting those with lived expertise to influence state processes can help. State support for application assisters to help those impacted by this policy change will make a significant difference. Application assisters, with the beneficiary's permission, should receive the same notifications as the beneficiary and have the same access to online systems to support compliance with redetermination systems. Application assisters should be funded and trained in their role to ensure success. Any way a state can make the process as easy and simple as possible will mean any number of people will maintain health coverage and experience the improved health benefits that are a part of health insurance coverage.

d. Needed long term efforts to mitigate harm

Application assisters will need to be funded and trained over the long term. Many direct services professionals such as service coordinators, peer navigators, and case managers can be trained in this role. Agencies can set up reminder systems to ensure that residents and staff are watching and responding when the state needs new materials or information.

IV. HR1, Section 71120: Cost Sharing

a. Policy and timeline

Persons who qualify for Medicaid, solely due to low income and whose household income is over 100% of the Federal Poverty Level (FPL), will now have to contribute financially to their health insurance coverage. States are required to ensure that these payments are “greater than \$0 and not more than \$35” and are not more than 5% of the household income. States cannot require these cost sharing measures for certain services including primary care, mental health care, substance use care or the services of a Federally Qualified Health Center or FQHC. As with all Medicaid programs, states will be setting up their systems to track this

requirement and maintain compliance. Cost sharing can mean premiums, in which people pay the state regularly to maintain coverage or can be collected at the provider level.

This aspect of the law goes into effect October 1, 2028.

b. Impact on low-income populations including those in HUD assisted housing and those experiencing homelessness.

Even co-pays as low as \$1 have been shown to decrease access to care. People with fixed and low incomes, particularly those who are rent burdened, make difficult choices in budgeting and often healthcare is a lower priority than rent and food. With less access to care, people will not receive needed services, including primary care and behavioral health services. Over the long term, continued stable tenancy can be challenged or the ability to effectively navigate housing systems will grow in difficulty. With a goal of stable housing for all, helping people make these payments can improve their health and tenancy.

c. State efforts and how to influence those efforts to limit harms

States will have to set up systems to collect this revenue and ensure state and provider compliance with the law. State rules around who can contribute and how they can contribute to the cost sharing requirements, will make a difference in who accesses care. How states communicate around cost sharing requirements will also impact and housing and homelessness advocates should raise their voices to make these systems as flexible and inclusive as possible.

d. Needed long term efforts to mitigate harm

Direct services staff that intersect with active and potential tenants, need to understand these requirements and how to help those they serve navigate them. If public or private systems are set up to help with payments, then making sure all are aware of the process for access will be helpful.

V. **HR1, Section 71109: Limits to insurance coverage for lawfully present immigrants**

a. Policy and timeline

Historically, states have been able to access Federal Medicaid Funds for various immigration status groups, after the person has been a lawfully allowed US resident for 5 years. States may have offered health insurance coverage for other immigrant groups such as those here for less than 5 years, but that was a state-by-state decision, and only state funds could support those programs. Post HR1 enactment, states are limited in the immigration status groups that can be covered after 5 years, using federal funds. Those allowable groups are:

- Lawful Permanent Residents aka Green Card Holders
- Former residents of the Compact of Free Association nations
- Cuban and Haitian Migrants

States will be unable to access funds to support coverage for other immigrant groups beginning January 1, 2026.

b. Impact on low-income populations including those in HUD assisted housing and those experiencing homelessness

Anyone who falls outside the immigrant groups listed above is expected to have their health insurance coverage terminated as of January 1, 2026 unless the state steps in to cover the gap from lost federal funds. As with other barriers to care, loss of coverage is expected to lead to poorer health.

c. State efforts and how to influence those efforts to limit harms

The primary state option here is to continue coverage to immigrant groups, through 100% state funds. This will be a challenge in difficult state budget years, but one that would improve the health and wellbeing of these individuals.

d. Needed long term efforts to mitigate harm

Supporting individuals to gain access to immigration categories such as Legal Permanent Residency would help individuals regain health insurance coverage. Otherwise, only a reversal of HR1 would change these outcomes.

VI HR1, Section 71115 and 71117: Limits to state revenue generation via provider taxes

a. Policy and timeline

Medicaid, as a jointly financed state and federal program, requires states to generate revenue for the 'state share' of the Medicaid program. One mechanism many states have used is imposing provider taxes on the healthcare industry. HR1 limits state's use of provider taxes, setting a long-term cap and a gradual decrease in that cap over the next ten years. Many states must decrease their provider tax rates to be in compliance with the law. States that will need to cut provider tax rates in 2027 to comply with the law including Arizona, Colorado, Connecticut, Michigan, Rhode Island, Vermont and Virginia. With the expected decreases in state revenue, states are expected to develop new revenue strategies to maintain their Medicaid programs. If the states approach this work from a need to cut programs, research shows that 3 primary strategies are used, 1) States cut services offered, 2) States cut populations served or increased administrative burden so that fewer people maintain coverage, or 3) states cut what they pay providers for services. Strategic advocacy efforts are needed here.

b. Impact on low-income populations including those in HUD assisted housing and those experiencing homelessness

The impact on these populations depends upon how states address these new revenue shortfalls. Paying providers less means that fewer providers will accept Medicaid patients. Limiting populations or adding administrative burden means that people will lose coverage

and be unable to access healthcare and other services. Limiting services means that those you serve will be in poorer health, with less access to needed services.

c. State efforts and how to influence those efforts to limit harms

States can also make an effort to raise revenue in other ways and not to use the strategies listed above. Experts remind us that with baby boomers now reaching retirement age, new revenue sources are needed to meet their needs. Advocates engaged in state efforts will need to partner and work strategically to ensure their priorities are met within state budgets.

d. Needed long term efforts to mitigate harm

Housing and homelessness advocates are advised to collaborate with their health sector partners in state-level advocacy efforts. Learning about statewide coalitions to ensure statewide continuous healthcare coverage for all, can create new coalitions that will maximize impact on state budget advocacy. Documenting any cuts, impact on the health of individuals and communities and tying that impact politically to HR1, can also, in the long-term prepare efforts to undo the law.

VII. HR1, Section 71112: Limits to Retroactive Coverage

a. Policy and timeline

Historically, Medicaid has paid providers for services rendered 90 days before a health insurance coverage decision was made by the state. As of January 1, 2027, states are only able to use federal funds to pay providers up to 30 days prior to the health insurance coverage decision.

b. Impact on low-income populations including those in HUD assisted housing and those experiencing homelessness

This new rule will also harm healthcare providers, particularly those who work with homeless populations. Those who find navigating Medicaid eligibility systems difficult

commonly only come in contact with the healthcare sector when ill, and historically, providers will sign up for coverage, while providing services. Providers who serve people who cannot navigate coverage eligibility requirements within 30 days for reasons such as identification, evaluations needed or other reasons will be providing uncompensated care.

c. State efforts and how to influence those efforts to limit harms

The law is clear, simple, and concrete with limited flexibility for states. The primary strategy will be to ensure an adequate provider network serving those receiving Medicaid financed services and work to ensure that providers remain fiscally sustainable despite this change.

d. Needed long term efforts to mitigate harm

Advocacy around the need for fiscal sustainability for providers who serve Medicaid patients is the primary strategy.

VIII. HR1, Section 71121: Home and Community Based Services (HCBS) Expansion potential

a. Policy and timeline

The law allows states new flexibility in designing services and eligibility categories of Home and Community Based Services (HCBS). HCBS are services that help people maintain community living and avoid costly institutional care. Beginning in July 2028, states may request waivers that have new flexibility in who they serve. Previously, states could only serve persons who needed nursing home or institutional care. Now, under the flexibility allowed in HR1, states can adapt their programs for a broader group of people, who may not meet stringent nursing home criteria.

b. Impact on low-income populations including those in HUD assisted housing and those experiencing homelessness

Residents of HUD assisted housing may now be able to access in home supports sooner, if their states choose and can fund new and expanded HCBS programs.

c. State efforts and how to influence those efforts to limit harms

Advocates can contact state Medicaid offices or local Area Agencies on Aging (AAAs) to see if their state is exploring this new services option.

d. Needed long term efforts to mitigate harm

Advocates should learn more about their state HCBS programs and how they can serve active and potential supportive housing residents.

Health Related Social Needs (HRSN) and Housing Related Services and Supports (HRSS)

Despite these challenges outlined above, many states are years into implementing Medicaid coverage of Housing Related Services and Supports (HRSS) and other Health Related Social Needs (HRSNs) screenings and services. Affordable housing advocates should be aware of the basics of their state's processes, so that they can leverage these new services, data and potential coalitions to achieve their goals of greater opportunities for ALL community members to thrive. States are screening Medicaid beneficiaries at time of medical care asking them if they have safe and affordable housing, access to food and other essential social needs. States will soon have screening data with these results to better document need in your communities, and advocates can use that data to support their efforts.

Persons with disabilities can benefit from supportive housing, a program model that combines affordable housing and support services in order to assist low-income persons with disabilities. Supportive housing

provides a chance for tenants to achieve affordable, stable housing to fully integrate into their communities. A 2019 CSH Needs Assessment estimates that creating an additional 1.1 million supportive housing units nationwide would address a variety of housing needs, including: homelessness, institutional placements, reentry from incarceration, and aging populations. Medicaid, as an entitlement program, is currently the only feasible program option for funding the supportive services needed to move beyond pilot programs and create supportive housing at scale.

The creation of new supportive housing generally requires three sources of funding:

1. The necessary **capital** to acquire land and build housing,
2. **Operating** subsidies to keep the housing affordable to persons with extremely low incomes, and
3. **Services** funding to assist persons with disabilities and other needs access, locate and maintain housing.

Notably, programs that use community landlords, commonly called scattered-site programs would not need capital funding, if a local landlord network will accept operating subsidies and agree to participate in a supportive housing program.

Creating or Adapting Your State's Medicaid Housing Related Services and Supports (HRSS) Benefit

For many communities, services funding can be the most challenging to access and braid with the other funding streams to create new supportive housing. In many states, advocates and state officials have worked together to leverage a state's Medicaid program to offer Housing Related Services and Supports (HRSS). HRSS commonly includes pre- and post-tenancy services.

Pre-tenancy services help people find eligible housing and **post-tenancy services** help people maintain housing over time. For example, Massachusetts and Louisiana have been using their state's Medicaid plan for this purpose for close to two decades. The

Centers for Medicare and Medicaid Services (CMS) offered guidance in 2021, noting that housing related services can be a voluntary choice of states to cover via Medicaid.

Advocates also play a role in ensuring that state choices are guided by principles of transparency and access. They can advocate for a program that serves as many people as possible while creating simple, accessible systems of access. Affordable housing and homeless services providers should also ensure that there is a clear pathway to reimbursement of their services. CSH is also tracking how and how much states are paying for these services and should release this analysis in early 2026.

Medicaid benefit programs often evolve in important details over time. States typically develop amendments to services, as persons served, providers, advocates, and family members provide feedback on which aspects of the program are working and which aspects are not. Advocates should know there is **always** the potential for change in the program. State or Managed Care rates for providers may also change over time, if providers can provide documentation that proves the cost of delivering care exceeds the rate of reimbursement. State may choose to pay providers through one of the three most common payment mechanisms:

- 15-minute increments
- Per diem (a daily rate)
- Per Member, Per Month (PMPM)

Out of these methods, PMPM rates provide the lowest administrative burden for providers. On the other hand 15-minute increment payments are the most burdensome for direct care workers and agencies to document and bill.

Align the Benefit with Affordable Housing in Your Community at the Systems Level

HRSS will only create new supportive housing if persons in need can access these services AND the affordable housing needed to create supportive housing. Structural connections need to be in place at the systems level between these new HRSS and the affordable housing options in communities. Since approximately only 1 in 4 persons who qualify for housing assistance receive that assistance, communities will have to be develop cross sector referral systems between these new housing related services and affordable housing opportunities in communities. Waivers in Arizona, California, and Oregon can offer short-term housing options of either Medical Respite (called Recuperative Care by Medicaid) or six months of housing assistance. These programs can be bridges to long-term affordable housing opportunities in communities, but only **if** that affordable housing exists and is linked systemically to these Medicaid-funded housing options. Aligning these systems should occur at the government or system level. To align housing and services, communities need to establish a **cross-sector referral system** between housing and services. Equity needs to be centered in the process of creating such a referral system. In an ideal, equitable system, individuals are referred to housing options in a community, including short-term housing options. There should be no gap between these shorter-term settings and when individuals enter permanent, affordable housing options.

For systems to come together to create a cross-sector referral system, both sectors need to be aligned on serving the same population with similar goals. If the housing sector is prioritizing persons experiencing chronic homelessness or those over age 65, who is the health sector prioritizing? Data matching between systems can help determine a priority population and create a list of people who meet all eligibility criteria and can be engaged for these housing opportunities. Without alignment on populations served, a state or community risks leaving groups without services and serving no one effectively.

Next Steps for Advocates

LEARN: WHERE IS MY STATE MEDICAID PLAN, REGARDING HOUSING RELATED SERVICES AND SUPPORTS (HRSS)?

Use the CSH interactive map to determine if your state offers these services and to whom. If your state does not offer these services, advocate to have these services covered by your state's Medicaid plan. Likewise, get involved and raise issues with your state legislators or Medicaid offices around populations served, linkages to long-term affordable housing, and how can your state can make Medicaid enrollment simpler and easier. Organize housing and homeless services providers around the challenges that make it difficult to operate efficiently, and advocate to eliminate or reduce those barriers. If your state is not a Medicaid expansion state, support and join the state coalition working on that issue.

NETWORK

Who are the healthcare partners in your state that are advocating for continuous healthcare coverage for all and implementing either HRSS or Health Related Social Needs (HRSN) programs? What are they learning and finding about those needs in your communities? How are they addressing those needs and resource gaps? Are they authentic partners with community members and social services organizations that are already on the ground and addressing those needs? As a growing number of health care partners recognize the need for affordable housing, you have an opportunity to build a network and coalition of new healthcare partners.

RESEARCH

If your state has a HRS benefit, who is accessing the benefit and what is the impact on health outcomes? Is the benefit reducing health costs and helping people thrive in communities? If so, tell that story! What reports do your state already have about the benefit that need to be promoted in order to gain broader support or effect change? Does your benefit have significant administrative barriers that hinder progress? How can those barriers be eliminated or reduced?

ORGANIZE

If your state does not have a benefit, organize those who would benefit to tell their story about why expanding access to housing is so important to your community. If your state does have a benefit, but the benefit is inaccessible, communicate the impact this fact has on community members. If your state is doing well, tell that story to demonstrate impact and maintain support for the program.

CONCLUSION

For 2026, state Medicaid programs will be revising budgets and adapting for managing a program with billions less in federal funding. Mitigating harm by actively engaging with your state and state coalitions should be a priority for 2026 advocacy efforts. As more healthcare providers are screening for homelessness and housing instability as part of Health-Related Social Needs (HRSNs) efforts, this data can be used to move towards a better understanding of the resource gaps in our communities. Affordable housing advocates can find powerful new partners in their work. The voices of people with lived expertise (PLE) of institutionalization and housing instability must be centered in these evolving efforts. This advocacy work is essential to ensure full community integration, an end to homelessness, and making sure that everyone in need has access to affordable and supportive housing in communities of their choice.

For More Information

[H.R.1 - 119th Congress \(2025-2026\): One Big Beautiful Bill Act | Congress.gov | Library of Congress \(https://www.congress.gov/bill/119th-congress/house-bill/1\)](https://www.congress.gov/bill/119th-congress/house-bill/1)

[Estimated Budgetary Effects of Public Law 119-21, to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14, Relative to CBO's January 2025 Baseline | Congressional Budget Office \(https://www.cbo.gov/publication/61570\)](https://www.cbo.gov/publication/61570)

[Medicaid and CHIP program names in your state | HealthCare.gov](https://www.healthcare.gov)

[Late State Budgets \(https://tr.ee/fkl1qL\)](https://tr.ee/fkl1qL)

[Status of State Medicaid Expansion Decisions | KFF \(https://tr.ee/DKEBh3\)](https://tr.ee/DKEBh3)
[H.R.1: What It Means for Medicare Beneficiaries - California Health Advocates](#)

[2025 Medicaid Guide \(https://www.bazon.org/wp-content/uploads/2025/12/2025-Medicaid-Guide.pdf\)](https://www.bazon.org/wp-content/uploads/2025/12/2025-Medicaid-Guide.pdf)

[One Big Beautiful Bill Act: State-Level Advocacy Actions for the HCH Community - National Health Care for the Homeless Council \(https://tr.ee/3kVMUH\)](https://tr.ee/3kVMUH)

[Medicaid Access Under H.R. 1: Critical Changes - National Alliance to End Homelessness \(https://tr.ee/lx9ITx\)](https://tr.ee/lx9ITx)

[Prepare. Enforce. Protect: Medicaid + ACA Defense - National Health Law Program \(https://healthlaw.org/prepare/\)](https://healthlaw.org/prepare/)

[H.R. 1 and State Budget Impacts - Updates for Aging and Disability Advocates - Justice in Aging \(https://tr.ee/jYNvOM\)](https://tr.ee/jYNvOM)

[State Solutions to Ensure Continuous Medicaid Coverage for Eligible Individuals - Corporation for Supportive Housing \(https://tr.ee/fSj5GT\)](https://tr.ee/fSj5GT)

[H.R.1 Reshapes Medicaid: What Housing Providers Need to Know Now - Corporation for Supportive Housing \(https://tr.ee/a9Dni4\)](https://tr.ee/a9Dni4)

[State Solutions to Ensure Continuous Medicaid Coverage for Eligible Individuals - Corporation for Supportive Housing \(https://tr.ee/0QZPLe\)](https://tr.ee/0QZPLe)

[State Requirements to Establish Medicaid Community Engagement Requirements](#)

[Medically-frail-Advocacy-IMPROVE-FINAL.pdf \(https://tr.ee/qACMzY\)](https://tr.ee/qACMzY)

[SHVS Work-Requirements-State-Considerations-When-Defining-Medical-Frailty 10.23.2025.pdf \(https://tr.ee/SWyzB6\)](https://tr.ee/SWyzB6)

[State Requirements to Establish Medicaid Community Engagement Requirements \(https://www.medicaid.gov/federal-policy-guidance/downloads/cib12082025.pdf\)](https://www.medicaid.gov/federal-policy-guidance/downloads/cib12082025.pdf)

[Understanding the Intersection of Medicaid and Work: An Update | KFF \(https://tr.ee/XKMOw1\)](https://tr.ee/XKMOw1)

[How Medicaid cuts could lead to loss of coverage for millions | Harvard T.H. Chan School of Public Health \(https://tr.ee/bf3RPd\)](https://tr.ee/bf3RPd)

[Pathways to Coverage: Looking Back Two Years and Into the Future - Georgia Budget and Policy Institute \(https://gbpi.org/pathways-to-coverage-looking-back-two-years-and-into-the-future/\)](https://gbpi.org/pathways-to-coverage-looking-back-two-years-and-into-the-future/)

[mt-he-lvhd-prtnrsp-pndg-help-aplctn-pa.pdf \(https://tr.ee/SA9mqO\)](https://tr.ee/SA9mqO)

[Understanding Medicaid redetermination and eligibility requirements \(https://www.healthinsurance.org/medicaid-redetermination/\)](https://www.healthinsurance.org/medicaid-redetermination/)

[Recent Medicaid/CHIP Enrollment Declines and Barriers to Maintaining Coverage | KFF \(https://tr.ee/3sVL23\)](https://tr.ee/3sVL23)

[How H.R.1 Impacts Coverage for Non-Citizens \(https://shvs.org/how-h-r-1-impacts-coverage-for-non-citizens/\)](https://shvs.org/how-h-r-1-impacts-coverage-for-non-citizens/)

[COFA SHO Letter \(https://www.medicaid.gov/federal-policy-guidance/downloads/sho21005.pdf\)](https://www.medicaid.gov/federal-policy-guidance/downloads/sho21005.pdf)

[CMS Issues New Guidance on H.R. 1's Restrictions on State Use of Provider Taxes to Finance Medicaid - Center For Children and Families \(https://tr.ee/uwHxFM\)](https://tr.ee/uwHxFM)

[History Repeats? Faced With Medicaid Cuts, States Reduced Support For Older Adults And Disabled People | Health Affairs \(https://tr.ee/CHrsHE\)](https://tr.ee/CHrsHE)

[A Balanced Budget Amendment Doesn't Change the Math | Center on Budget and Policy Priorities \(https://tr.ee/fVD8Lo\)](https://tr.ee/fVD8Lo)

[CSH Summary of Medicaid State Actions - Spring 2025. pdf \(https://tr.ee/mQQeyG\)](https://tr.ee/mQQeyG)

[https://www.csh.org/supportive-housing-101/data/#Need \(https://www.csh.org/csh-solutions/data/#Need\)](https://www.csh.org/supportive-housing-101/data/#Need)

[Social Determinants of Health \(SDOH\) State Health Official \(SHO\) Letter \(medicaid.gov; https://www.medicaid.gov/federal-policy-guidance/downloads/sho21001.pdf\)](https://www.medicaid.gov/federal-policy-guidance/downloads/sho21001.pdf)

<https://tr.ee/utVLVS>

<https://tr.ee/ulwxU2>

<https://www.dhcs.ca.gov/calaim>

<https://tr.ee/ODXSGS>

[Medicaid Update 2025 | Tableau Public \(https://tr.ee/TKlo1g\)](https://tr.ee/TKlo1g)

HOUSING ACCESS FOR IMMIGRANT HOUSEHOLDS

By Kayla Blackwell, Senior Housing Policy Analyst, NLIHC

Across America, millions of households—particularly those with the lowest incomes—struggle to afford high housing costs. Rather than investing in proven solutions to the nation’s affordable housing and homelessness crisis, the Trump administration has blamed immigrants for the high cost of housing, and used every federal agency, including HUD, to intimidate and stoke fear in immigrant communities.

Policies proposed by the Trump administration that target immigrants, such as withholding federal resources from [sanctuary jurisdictions \(https://tr.ee/7Jpa6f\)](https://tr.ee/7Jpa6f), allowing immigration enforcement to [raid shelters \(https://tr.ee/JFSG5f\)](https://tr.ee/JFSG5f) and other sensitive areas, [evicting mixed-status](https://tr.ee/Wfsh9U) immigrant households from HUD housing (<https://tr.ee/Wfsh9U>), and [discouraging access to public benefits \(https://tr.ee/a3NBgQ\)](https://tr.ee/a3NBgQ), will lead to more housing insecurity and make it harder for states and communities to address pressing housing needs.

While the Trump administration has scapegoated immigrant communities as the cause of the affordable housing crisis, research has shown [there is no correlation between increases in housing costs and increases in the number of foreign-born workers \(https://tr.ee/eh3KjT\)](https://tr.ee/eh3KjT). Immigrants make communities stronger and play a crucial role in the development of affordable housing. Foreign-born workers make up about one-fourth of the construction workforce, making immigrants critical to efforts to increase the supply of affordable housing. For many generations, immigrants have also helped to revitalize and stabilize communities throughout the country by spurring economic growth, preserving important industries, and increasing local tax bases.

NLIHC opposes policies that deter eligible immigrant families from seeking housing benefits and opposes proposals that force immigrant families currently receiving housing benefits to forego that assistance, or face family separation or eviction. Housing advocacy

must be inclusive of all our neighbors, from native to newcomer.

Immigrant rights organizations and housing advocates have taken action to defend their communities from attacks on immigrants and must continue to do so in 2026. NLIHC partners with the Protecting Immigrant Families (PIF) Coalition (www.pifcoalition.org) to defend immigrant families’ access to decent, safe, and affordable housing.

Immigrant Eligibility in Federally Subsidized Housing

Two main sources of immigration status restrictions on eligibility for federal housing and homelessness programs are: Section 214 of the “Housing and Community Development Act of 1980” (Section 214) and title IV of the “Personal Responsibility and Work Opportunity Reconciliation Act of 1996” (PRWORA).

SECTION 214

Residents of certain federally subsidized units (defined below) are subject to immigration status restrictions under Section 214 of the “Housing and Community Development Act of 1980” (Section 214), including:

- HUD programs under Section 214: Public Housing, Section 8 Housing Choice Vouchers, Section 8 Project-Based Rental Assistance (PBRA), Section 235 Home Loan Program, Section 236 Rental Assistance Program, and the Rent Supplement Program.
- U.S. Department of Agriculture’s (USDA’s) Rural Housing Service (RHS) programs: Section 542 Rural Development Voucher program, Section 502 Guaranteed Rural Housing Loans, the Section 504 Home Repair program, and Section 521 Rental Assistance for the Section 515 and Section 514/516 programs.

Section 214 limits people with certain immigration statuses who are eligible for the above listed HUD and USDA programs, including:

- U.S. Nationals,
- Lawful Permanent Residents (Green Card holders),
- “Violence Against Women Act” (VAWA) self-petitioners,
- Asylees,
- Refugees,
- Parolees,
- Persons Granted Withholding of Removal/Deportation,
- Certain victims of trafficking,
- Individuals who entered under the Compacts of Free Association with the Marshall Islands, Micronesia, and Palau (COFA), and
- Immigrants admitted for lawful temporary residence prior to January 1, 1982.

Being ineligible for housing assistance is not equivalent to being undocumented. Immigrants with student visas, Temporary Protected Status, U nonimmigrant status, and other statuses are also not eligible for federal housing subsidies.

PRWORA

PRWORA restricts individuals who are not “qualified” from being eligible for “federal public benefits.” Though “qualified” individuals are defined below, “federal public benefits” are left up to each federal agency to interpret.

PRWORA limits eligibility to immigrants with the following statuses:

- Legal permanent residency,
- Refugees,
- Asylees,
- Individuals paroled into the U.S. for a period of at least one year,
- Individuals whose deportation is being withheld on the basis of prospective persecution,

- Individuals granted conditional entry pursuant to the “Immigration and Nationality Act” (INA) section 203(a) (7), as in effect prior to April 1, 1980, and
- Cuban/Haitian entrants

PRWORA primarily impacts programs that constitute regular, ongoing cash assistance, such as the Temporary Assistance for Needy Families (TANF) block grant and Supplemental Security Income (SSI) as well as Medicaid and the Supplemental Nutrition Assistance Program (SNAP). Prior to 2025, HUD has not specified which of their programs provide “federal public benefits,” and advocates were able to safely assume that housing programs were not considered under PRWORA. However, the Trump administration has taken steps to issue new HUD guidance that would include many HUD programs under PRWORA consideration.

For further details on Section 214 and PRWORA, please refer to the National Housing Law Project (NHLPP)’s “Immigration Requirements: Assistance Programs for Housing and Homelessness, Energy, Disaster, and Water (ESG, CoC, CDBG, HOME, FEMA, RUSH, LIHEAP, LIWHAP, CRF, and ERAP)” available [here](https://tr.ee/WaSBuJ) (<https://tr.ee/WaSBuJ>).

TRUMP ADMINISTRATION ATTEMPTS TO ISSUE NEW PRWORA GUIDANCE RESTRICTING IMMIGRANT ELIGIBILITY

Historically, each federal agency has been able to release guidance to determine which of their programs qualify as “federal public benefit” programs and thus must verify immigration status. The Trump administration in 2025 began issuing guidance across federal agencies defining which programs constitute “federal public benefits,” but litigation has limited the implementation of these new guidance documents.

In July 2025, the Departments of Justice (DOJ), Agriculture (USDA), Education (ED), Labor (DOL), and Health and Human Services (HHS) issued notices threatening to impose new immigration restrictions on essential benefits and services in an attempt to alter longstanding policy. Several states [sued](https://tr.ee/3KBwEY) (<https://tr.ee/3KBwEY>) over this action; the National Immigration Law Center (NILC) provided a [summary](https://tr.ee/qhEcrm) (<https://tr.ee/qhEcrm>) of the notices and their implications for immigrant families.

On November 26, 2025, HUD issued its own PRWORA guidance, "[Personal Responsibility and Work Opportunity Reconciliation Act of 1996 \(PRWORA\): Interpretation of 'Federal Public Benefit'](https://tr.ee/qQl2uk)" (<https://tr.ee/RiCOcp>). This guidance interprets PRWORA to apply to these "covered grant programs":

- Home Investment Partnerships program (HOME),
- Home Investment Partnerships program American Rescue Plan (HOME-ARP),
- Community Development Block Grant (CDBG),
- Community Development Block Grant Disaster Recovery (CDBG-DR),
- Community Planning and Development programs and grants (including Homeless Assistance programs such as the Emergency Solutions Grants (ESG) and Continuum of Care (CoC) programs)
- Housing Trust Fund (HTF),
- Housing Opportunities for Persons with AIDS (HOPWA),
- Congressionally Directed Spending (earmarks)
- Pathways to Removing Obstacles to Housing (PRO Housing),
- Preservation and Reinvestment Initiative for Community Enhancement (PRICE), and
- Self-Help Homeownership Opportunity Program (SHOP)

The interpretation represents a significant shift in practice for programs that had not previously been required to verify immigration status. It acknowledges that charitable organizations are not required to conduct eligibility verification, though it requires states and governmental entities to ensure all relevant programs are in compliance with PRWORA. The notice states that HUD will issue new guidance regarding verification for benefits, though HUD will be relying on guidance from the Department of Homeland Security (DHS) once DHS publishes such guidance. The notice is not subject to a comment period and was effective immediately upon publication.

The Protecting Immigrant Families Coalition released a [statement](https://tr.ee/qQl2uk) (<https://tr.ee/qQl2uk>) in response to the updated guidance, emphasizing, "the notice sends conflicting messages on status verification. While it clearly indicates that the immigration status of people seeking help through HUD programs must be verified, it also clearly indicates that the agency is not yet issuing guidance on verification requirements for state or local governments or nonprofits granted HUD funding through covered programs."

In December 2025, the existing litigation by states challenging other PRWORA agency notices was updated to include the HUD PRWORA notice. The parties in the case filed a [stipulation](https://tr.ee/1yP4LB) (<https://tr.ee/1yP4LB>) with the court agreeing that the HUD notice would not be enforced in the 21 plaintiff jurisdictions until the lawsuit is decided. The jurisdictions include New York, Rhode Island, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Hawai'i, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New Mexico, Oregon, Vermont and Washington.

Advocates should monitor the most recent litigation regarding PRWORA guidance to verify the impact on HUD programs. PIF has shared a Changes in Immigrant Eligibility Toolkit here (<https://tr.ee/5hMnoE>).

LEGISLATIVE ACTION

In the 118th Congress, Representative Pramila Jayapal (D-WA) introduced [H.R.4170](https://tr.ee/Dz5vPW) (<https://tr.ee/Dz5vPW>), "Lifting Immigrant Families Through Benefits Access Restoration Act of 2021," or the "LIFT the BAR Act," with 100 original cosponsors. Senator Mazie Hirono (D-HI) introduced a companion bill in the Senate, [S.2038](https://tr.ee/Pw1HOD) (<https://tr.ee/Pw1HOD>), with 11 original cosponsors. The "LIFT the BAR Act" would restore access to public programs for lawfully present immigrants by removing the five-year waiting period and other restrictions to accessing federal public benefits.

The "bar" represents harmful barriers created by PRWORA. PRWORA created an arbitrary five-year waiting period for immigrants to access healthcare and social service programs, including Medicaid, the Children's Health Insurance Program (CHIP), the

Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), and certain housing assistance programs, including public housing, Housing Choice Vouchers, and Section 8 Project-Based Rental Assistance. These barriers continue to stoke fear and confusion among immigrant communities, reducing participation in essential social safety net programs. NLIHC endorsed the LIFT the BAR Act along with [nearly 200 organizations](https://tr.ee/9PMAJb) (<https://tr.ee/9PMAJb>).

Immigration Enforcement in Shelters

BACKGROUND

The U.S. Department of Homeland Security (DHS) has had policies in place preventing immigrant enforcement in certain areas, including childcare facilities and hospitals, since 2013. In 2021, the Biden administration's now rescinded "protected areas" [policy](https://tr.ee/aPTHkv) (<https://tr.ee/aPTHkv>), also known as "sensitive locations," (<https://tr.ee/gBKLDm>) prohibited immigration enforcement activities at social service organizations, including homeless shelters, disaster response areas, and domestic violence shelters.

The protected areas policy prohibited immigration enforcement activities at places that benefitted the "well-being of people and the communities of which they are a part." The Biden-era DHS policy recognized "the impact an enforcement action would have on people's willingness to be in the protected area and receive or engage in the essential services or activities that occur there." The policy listed the following areas as protected:

- Places providing social services, including disaster or emergency response and relief, such as food banks and pantries, community-based organizations, and other shelters and centers that provide assistance.
- Medical treatment and health care facilities, such as hospitals, doctors' offices, accredited health clinics, emergent or urgent care facilities, community health centers, and vaccination and testing sites.

- Schools, including pre-schools, pre-kindergarten programs, Head Start programs, early care and education programs, K-12 schools, colleges and universities, after-care programs, and vocational or trade schools. Other education-related activities and events are also included in the policy, including school bus stops.
- Places where children gather, such as childcare programs, playgrounds, and recreation centers.
- Places of worship, such as churches, synagogues, mosques, and temples.
- Religious or civil ceremonies or observances, such as funerals and weddings.
- During public demonstrations, such as marches, rallies, or parades.

TRUMP ADMINISTRATION RESCINDS PROTECTED AREAS POLICY

The Trump administration released a [statement](https://tr.ee/TxKWIS) (<https://tr.ee/TxKWIS>) on January 21, 2025 rescinding the "protected areas" policy and opening up previously protected areas—including shelters for people experiencing homelessness—to immigration enforcement.

[Research confirms](https://tr.ee/aulQF4) (<https://tr.ee/aulQF4>) that immigration enforcement operations deter United States citizens, lawfully present immigrants, and other people in immigrant families from using health and social services programs for which they qualify under federal law. The proposal will threaten the health and wellbeing of millions of immigrant families, as well as worsen social problems ranging from unmet healthcare to poverty, hunger, and homelessness.

RESOURCES FOR HOUSING PROVIDERS & ADVOCATES

Following the policy rescission, immigration enforcement has increased in formerly protected areas. The National Homelessness Law Center and Crowell & Moring LLP released a resource: "[ICE Raid Guidance for Homeless Service Providers: What to do Before, During, and After a Raid](https://tr.ee/EBGh2s)" (<https://tr.ee/EBGh2s>). NILC

also released a resource, [“Factsheet: Trump’s Rescission of Protected Areas Policies Undermines Safety for All”](https://tr.ee/Mjl21y) (<https://tr.ee/Mjl21y>).

The Asian Law Caucus released another resource for housing providers to address and respond to immigration enforcement with a goal of fostering inclusive and safe resident communities. [“Safety Starts at Home: Legal Guidance for Housing Providers,”](https://tr.ee/xmwPGY) (<https://tr.ee/xmwPGY>) outlines the steps housing providers, including private landlords and subsidized housing providers, can take to protect resident data and train staff and residents before, during, and after an immigration enforcement action. Asian Law Caucus also offers a [shorter, 2-page overview](https://tr.ee/pfRdwU) (<https://tr.ee/pfRdwU>) of how to respond to requests for records or documents. *Note that this guide contains general information and is not intended to be legal advice for your specific situation. If you have questions about your specific situation, please consult an attorney.*

LEGISLATIVE ACTION

Senator Richard Blumenthal (D-CT) and Representative Adriano Espaillat (D-NY) introduced the “Protecting Sensitive Locations Act” ([S.455/H.R.1061](https://www.congress.gov/bill/119th-congress/house-bill/1061?s=3&r=1); <https://www.congress.gov/bill/119th-congress/house-bill/1061?s=3&r=1>) on February 6, 2025, to safeguard immigrant communities from being targeted by Immigration and Customs Enforcement (ICE) in sensitive locations. The bill has support from NLIHC and over 800 other organizations. NLIHC will continue to work with immigration advocates to ensure homeless shelters and other emergency spaces are safe for all, regardless of immigration status. Read about the Protected Areas policy and see a list of endorsers from the Center on Law and Social Policy (CLASP) [here](https://tr.ee/YhfUng) (<https://tr.ee/YhfUng>).

Mixed-Status Families in Federally Subsidized Housing

BACKGROUND

Families with at least one U.S. citizen or eligible immigrant are allowed to live in a HUD-subsidized housing unit. These families are referred to as “mixed-status” and receive prorated assistance so that the subsidy amount is decreased to only cover family members with eligible immigration status. Family members applying for assistance must have their immigration status verified.

TRUMP ADMINISTRATION’S 2019 PROPOSED MIXED-STATUS FAMILIES RULE

On May 10, 2019, [HUD released a proposed rule](https://tr.ee/chMlhl) (<https://tr.ee/chMlhl>) that would have further restricted eligibility for federal housing assistance based on immigration status by prohibiting mixed-status families from living in subsidized units subject to Section 214. The rule would have forced impacted households to choose between separating as a family to keep their subsidy or face eviction and potentially homelessness. According to [HUD’s own analysis](https://tr.ee/x9y4ti) (<https://tr.ee/x9y4ti>), the proposed rule would have effectively evicted 25,000 immigrant families from their homes, including 55,000 children eligible for housing assistance. In fact, two-thirds of people in mixed-status families were U.S. citizens, most of them children, at the time HUD released its proposal.

Thanks to advocates around the country mobilizing to oppose the rule, including leadership from the Keep Families Together campaign, a final rule was never published under the first Trump administration. On April 2, 2021, the Biden administration published a [notice in the Federal Register](https://tr.ee/ZdEmst) (<https://tr.ee/ZdEmst>) announcing its intention to withdraw the Trump administration’s proposed rule.

The first Trump administration pursued a similar mixed-status families rule in USDA's Rural Housing Service. The proposed rule, "[Implementation of the Multi-Family Housing U.S. Citizenship Requirements](https://tr.ee/ZjXdfd)," (<https://tr.ee/ZjXdfd>) aimed to prohibit mixed-immigration status families from receiving housing assistance from some RHS programs covered by Section 214 of the "Housing and Community Development Act of 1980." This included the Rural Development (RD) voucher program (Section 521) and rental assistance for the Section 515 and Section 514/516 programs. The proposed RHS rule would have led to families splitting up, forgoing assistance, or being evicted from their homes. The rule was never published in the *Federal Register* and was withdrawn via a [notice in the Federal Register](https://tr.ee/PNxDNQ) (<https://tr.ee/PNxDNQ>) the Biden administration.

TRUMP ADMINISTRATION'S LEAKED PROPOSED MIXED-STATUS FAMILIES RULE

On September 29, 2025 *ProPublica* [published](https://tr.ee/RDwZMq) (<https://tr.ee/RDwZMq>) a [leaked draft](https://tr.ee/Mrh2r3) (<https://tr.ee/Mrh2r3>) of the Trump administration's proposed changes to HUD's mixed-status rule. The leaked draft mirrors the policy proposals in the Trump administration's 2019 rule. As of this article's writing, the proposed rule has not been published on the *Federal Register*; once it is published, it will need to go through the formal rulemaking process before it can be finalized and implemented.

Under current policy, mixed-status families retain the right to live together in HUD-assisted housing. Immigrant families in HUD-assisted housing can use this [Know Your Rights resource](https://tr.ee/xxZuTc) (available in English and Spanish, <https://tr.ee/xxZuTc>) from the National Housing Law Project (NHLP) to learn more about their rights as recipients of federal housing assistance.

KEEP FAMILIES TOGETHER CAMPAIGN

In response to the proposed Mixed-Status rule in 2019, NLIHC, NHLP, PIF, and the Center on Budget and Policy Priorities (CBPP) launched the Keep Families Together campaign to mobilize opposition to the proposal. During the public comment period, individuals and organizations submitted 30,450 comments; for comparison, the previous record for most public comments on a proposal rule was just over 1,000

comments. An NHLP analysis of these comments found that more than 95% of the comments opposed the Trump administration's proposed rule and supported allowing families with "mixed" immigration status to live together. Advocates are encouraged to monitor the Keep Families Together [website](http://www.keep-families-together.org) at www.keep-families-together.org for the latest policy updates, including how to take action after the proposed mixed-status rule is released in the second Trump administration.

Changes to the Definition of Public Charge

BACKGROUND

The "public charge" test has been a component of U.S. immigration policy for over 140 years, used to determine if an individual is likely to depend on government assistance as their main source of support. If someone is deemed likely to become a "public charge," the federal government can deny admission to the U.S. or deny an application for lawful permanent resident status (a "green card"). Permanent residents applying to become U.S. citizens are not subject to the public charge test; public charge also does not apply to humanitarian immigrants including refugees; asylees; survivors of domestic violence, trafficking and other serious crimes; special immigrant juveniles; and certain individuals paroled into the U.S.

Historically, immigration officials have considered "public cash assistance for income maintenance" and long-term institutionalization paid for by the government when making public charge determinations. Supplemental Security Income (SSI), Temporary Assistance for Needy Families (TANF) cash assistance and General Assistance are examples of cash assistance for income maintenance. Immigration officials will also consider the individual's circumstances, including age, income, education and skills, health, family size, and support from friends or family in the U.S. as part of the public charge test so that positive factors can help overcome negative factors.

Decisions about applications for admission or lawful permanent resident status inside the U.S. are made by the U.S. Citizenship and Immigration Services (USCIS)

within DHS; applications for admission or green cards outside the U.S. at embassies or consular offices abroad are reviewed by the Department of State (DOS). Each agency has its own regulations for how to consider the public charge test.

CHANGES TO THE PUBLIC CHARGE RULE - 2019, 2022, AND 2025

The first Trump administration changed the public charge rule at both DHS and DOS to include housing assistance and additional services in the public charge test. In 2025, the Trump administration issued a proposed rule to broaden the public charge test without *explicitly naming which programs may be considered*.

First Trump Administration Public Charge Actions (2019 Public Charge Rule)

In the first Trump administration, DHS proposed expanding the list of benefits considered as part of the public charge test, which would make it easier for immigration officials to deny entry or permanent resident status to low-income immigrants because they use, or might in the future use, health, nutrition (specifically, SNAP), or housing assistance programs (specifically, public housing, Housing Choice Vouchers, and Project-Based Rental Assistance (PBRA)). The rule, [“Inadmissibility on Public Charge Grounds”](https://tr.ee/Mt9RTJ) (<https://tr.ee/Mt9RTJ>) was proposed in October 2018 and finalized in 2019 (and commonly referred to as the “2019 public charge rule”). The Protecting Immigrant Families Coalition (PIF) led a pivotal campaign to push back against the rule and coordinated 266,000 public comments during the 60-day comment period. DOS also published an interim final rule aligning DOS’s public charge standards in cases decided at U.S. consulates and embassies abroad to those of DHS.

The final public charge rule was set to go into effect on October 15, 2019, but several courts blocked the rule from implementation until the lawsuits were settled. Additionally, state, county, and city governments joined nonprofits and individuals in suing the Trump administration in nine different lawsuits. Three courts ordered national injunctions, preventing DHS from implementing the rule until a final decision was made. These orders were eventually lifted by the Supreme

Court, and USCIS began implementing the 2019 rule on February 24, 2020.

Biden Administration’s Public Charge Rule Changes (2022 Public Charge Rule)

Advocates worked nationwide to pressure the Biden administration to reverse the previous administration’s harmful changes to the public charge rule. President Joe Biden signed three Executive Orders (EOs) on immigration reform on February 2, 2021, setting into motion changes to reverse the previous administration’s policy changes. Under the EOs, DHS and USCIS reverted back to the [1999 Interim Field Guidance](https://tr.ee/ROAnSe) (<https://tr.ee/ROAnSe>) policy in place before the Trump administration’s 2019 rule. Under this policy, DHS did not consider a person’s receipt of Medicaid, public housing, or SNAP benefits as part of the public charge inadmissibility determination.

DHS [issued a final rule](https://tr.ee/mWzozH) (<https://tr.ee/mWzozH>) on the “public charge” regulation on September 8, 2022 (commonly referred to as the “2022 public charge rule”), adding critical protections to immigrant families’ access to social safety net programs, including housing. The final rule clarifies that several health and social services are not considered in the public charge determination and took effect on December 23, 2022.

Additionally, DOS under the Biden’s administration issued a [final “public charge” regulation](https://tr.ee/w6b8eS) (<https://tr.ee/w6b8eS>) confirming the agency would not finalize the Trump administration’s harmful 2019 interim final rule. The DOS rule, effective as of October 5, 2023, aligns with the U.S. Department of Homeland Security’s final public charge rule, which clarified that several health and social services are not to be considered in a public charge determination.

Second Trump Administration Public Charge Actions (2025 Public Charge Rule)

On November 19, 2025 DHS released a proposed public charge rule, “Public Charge Ground of Inadmissibility” [published](https://tr.ee/zoQBPw) (<https://tr.ee/zoQBPw>) to the *Federal Register* with a 30-day comment period ending on December 19, 2025. The rule, if finalized, would significantly restrict access to essential resources for millions of low-income immigrants and their children, at

a time when families are already navigating increased housing, healthcare, and food insecurity. Until the DHS rule is finalized, the Biden administration's 2022 public charge rule remains in effect, and housing is not considered in a public charge test.

PIF, NLIHC and other advocates released a [joint press statement](https://tr.ee/997xUA) (<https://tr.ee/997xUA>) and are submitting comments by December 19, 2025. PIF has compiled resources for advocates to engage on the proposed public charge rule [here](https://tr.ee/BDaTdK) (<https://tr.ee/BDaTdK>), including a comment template for direct service providers who serve immigrant families, a comment template for organizations, and an organizational sign-on letter. Once the comment period for the proposed rule ends in December, the Office of Management and Budget (OMB) is required to review the comments before published a final rule in the *Federal Register*. Advocates should also monitor any ongoing litigation that may impact enforcement of the 2025 public charge rule.

LEGISLATIVE ACTION

While there was no significant legislative action on public charge in 2025, advocates should be prepared to support legislation that may attempt to defund or block the Trump administration's harmful 2025 public charge rule. In 2019, Rep. Judy Chu introduced the "[No Federal Funds for Public Charge Act](https://tr.ee/WCA14q)" (<https://tr.ee/WCA14q>) to prevent any federal funds from being used to implement President Trump's proposed public charge rule. As of December 2025, no such legislation has been introduced in the 119th Congress.

PROTECTING IMMIGRANT FAMILIES

The [Protecting Immigrant Families \(PIF\) Coalition](https://pifcoalition.org/) (<https://pifcoalition.org/>) unites more than 800 organizations nationwide to fight for a more prosperous, more inclusive, and better future where immigrants and their families thrive and everyone has access to life's essentials. PIF organized opposition to the public charge rule and has worked to ensure that immigrant communities know their rights.

PIF consistently keeps advocates updated with the latest research on the impacts of the public charge rule, updates on litigation, fact sheets and "Know Your Rights!" messages for community members, and

guidance and additional resources for immigration lawyers. PIF members were involved in legal battles against the first Trump administration's changes to the public charge rule and were key leaders during the public comment campaign.

Data-Sharing with DHS & Immigrant Data Safety

Keeping immigrant families safe from targeting, harassment, and deportation has been critical in 2025 and will continue to be in 2026 and beyond. In addition to ensuring immigrant families' physical safety, policy advocates have worked to protect immigrants' taxpayer data from being shared with DHS and used immigration enforcement.

The Trump administration's escalated immigration enforcement measures are projected to result in the deportation of more than 400,000 people within the administration's first year. Immigration arrest rates in cities like Los Angeles and Chicago [quadrupled](https://tr.ee/qpxPM8) (<https://tr.ee/qpxPM8>) between April and June 2025, creating a climate of tension and fear. Information sharing between federal agencies is one of many methods to facilitate the targeting and deportation of immigrant families, violating the safety of immigrants and U.S. citizens alike.

In March 2025, HUD signed a Memorandum of Understanding (MOU) with DHS, agreeing to share data between the two agencies. The [MOU](https://tr.ee/zL0ZSZ) (<https://tr.ee/zL0ZSZ>) did not change eligibility for immigrants in HUD's housing programs, but established an interagency partnership to share data on recipients of HUD housing assistance.

In July 2025, the Centers for Medicare and Medicaid Services (CMS) entered an [agreement](https://tr.ee/PHk6qZ) (<https://tr.ee/PHk6qZ>) with DHS, complying with DHS's request to provide the personal data, including home addresses and ethnicities, of Medicaid enrollees to immigration officials. Sharing the home addresses and identifying information of Medicaid recipients for immigration enforcement cultivates fear and uncertainty among immigrants and their families, discouraging them from seeking essential resources—including those for which they are eligible—out of concern doing so could result

in their personal information being shared with ICE, and they could become a target for deportation.

PIF released a resource, "[Privacy Protections in Selected Federal Benefits Programs](https://tr.ee/NNCp1H)," (<https://tr.ee/NNCp1H>) outlining the federal laws, regulations and guidance that protect the personal information immigrant families provide to agencies when applying for health, nutrition, cash assistance, child care, housing and other assistance programs.

LEGISLATIVE ACTION

In April 2025, House Democrats penned a letter to HUD Secretary Scott Turner opposing HUD's MOU with DHS. On September 11, 2025, Representative Juan Vargas (D-CA) [introduced](https://tr.ee/WL6DBF) (<https://tr.ee/WL6DBF>) the "Home Together Act" to prevent HUD from sharing personal data with DHS for immigration enforcement and deportation purposes. The legislation was announced with Representative Sydney Kamlager-Dove (D-IL)'s "Limiting ICE National Encroachment (LINE) Act," which would prohibit two other agencies, the Department of Health and Human Services (HHS) and the Centers for Medicare and Medicaid Services (CMS) from sharing similar data with DHS. Designed to protect data and families, the two bills are a response to the Trump administration's attempts to access and direct sensitive, personal housing and health information to immigration enforcement officials. The introduction of the "Home Together Act" and "LINE Act" takes a stand against federal agencies complicit in sharing sensitive information with DHS and ICE and works to ensure access to key services like housing and healthcare doesn't come at the cost of government surveillance on families.

Forecast for 2026

President Trump is expected to continue pursuing every avenue to intimidate and threaten immigrant families and communities. NLIHC will continue to work with partners in immigration to oppose these policies. Advocates should build strong relationships with local immigrant rights organizations to help defend against the many attacks on immigrant communities.

How Advocates Can Take Action

Advocates should speak to lawmakers with the message that:

- Blaming immigrant families will not fix the long waitlist for housing assistance or the affordable housing crisis. Congress should instead make significant new investments in affordable housing resources to ensure that every family, regardless of immigration status, who is eligible for HUD assistance has access to one of the most basic of human rights: a safe, accessible, and affordable place to call home.
- The Trump administration's rules directly impacted thousands of immigrant families' access to housing and continues to have a chilling effect on children's ability to receive essential health, food, and housing federal assistance that lingers to this day. This country is already facing an affordable housing crisis and limiting access for more people will only exacerbate the problem.
- Immigrants play a critical role in supporting local economies, including construction and trades which help build more affordable housing. By limiting immigrants' ability to work and seek vital health resources, elected officials scapegoat immigrant communities for the affordable housing crisis. In reality, Congress must invest in affordable housing to meet the housing needs of all people.
- Human needs do not change based on immigration status. It is simply impractical, dangerous, and inhumane to only allow citizens to access critical, lifesaving benefits such as housing assistance. Members of Congress should work to restrict or halt the implementation of these harmful rules if they return through executive actions or legislation.

URGE LEGISLATORS TO:

- Oppose the Trump administration's efforts to allow federal agencies (including HUD) to share personal information of residents with DHS.
- Oppose any effort to evict mixed-status immigrant households, and to oppose the mixed-status rule.

- Oppose the public charge rule and any other proposal that would use immigration policy to stoke fear and promote a chilling effect among immigrant families who are eligible for critical safety programs like healthcare and housing.
- Adequately address the needs of low-income immigrant families through investments in affordable housing and by reducing barriers to such affordable housing.
- Work to pass essential immigration reform legislation such as the “LIFT the BAR Act”.

For More Information

National Housing Law Project’s “Immigration Requirements: Assistance Programs for Housing and Homelessness, Energy, Disaster, and Water (ESG, CoC, CDBG, HOME, FEMA, RUSH, LIHEAP, LIWHAP, CRF, and ERAP)” available [here](https://tr.ee/WaSBuJ) (<https://tr.ee/WaSBuJ>)

HUD’s PRWORA guidance, “[Personal Responsibility and Work Opportunity Reconciliation Act of 1996 \(PRWORA\); Interpretation of ‘Federal Public Benefit’](https://tr.ee/RiCOcp)” (<https://tr.ee/RiCOcp>)

PIF’s executive actions tracker [here](https://tr.ee/jRBUXr) (<https://tr.ee/jRBUXr>)

National Immigration Law Center’s “[Factsheet: Trump’s Rescission of Protected Areas Policies Undermines Safety for All](https://tr.ee/Mjl21y)” (<https://tr.ee/Mjl21y>)

ProPublica’s September 29, 2025 article [exposing](https://tr.ee/RDwZMq) (<https://tr.ee/RDwZMq>) the Trump administration’s [leaked draft](https://tr.ee/Mrh2r3) (<https://tr.ee/Mrh2r3>) of HUD’s proposed mixed-status rule

PIF, NLIHC and other advocates’ [joint press statement](https://tr.ee/997xUA) (<https://tr.ee/997xUA>) on the 2025 public charge rule

PIF has compiled resources for advocates to engage on the proposed public charge rule [here](https://tr.ee/BDaTdK) (<https://tr.ee/BDaTdK>)

LAND USE AND AFFORDABILITY

Andrew Aurand, Senior Vice President for Research, NLIHC

Local governments use zoning and land use regulations to control which types of housing are permissible in certain locations. More than thirty years ago, HUD identified biases in residential zoning in favor of single-family housing and against multifamily housing as significant barriers to affordable housing (HUD, 1991; <https://tr.ee/txC7qL>). That bias still exists. A 2019 analysis published by the New York Times found up to 75% of residential land across many cities was zoned exclusively for detached single-family homes (Badger & Bui, 2019; <https://tr.ee/IJGGOI>). Data from the [National Zoning Atlas](https://www.zoningatlas.org/) (<https://www.zoningatlas.org/>) also indicate that multifamily housing is prohibited from the majority of residential land. Local zoning reform is necessary, but not sufficient, to address our national shortage of affordable housing for renters with extremely low incomes.

The Impacts of Local Zoning

The exclusion of higher-density housing like apartment buildings in favor of single-family homes is not the only local zoning practice that constrains the housing supply. Other restrictions within the zoning code like minimum lot sizes, set-back requirements, and parking requirements can constrain supply and raise prices, because they typically increase the amount of land needed for each home. These zoning practices are widespread. A survey of suburban land use regulations found minimum lot sizes were used more widely in 2018 than ten years earlier and were more severe. Between 2006 and 2018, the share of suburban municipalities with minimum lot size requirements increased from 83% to 96%, and minimum sizes of one or more acres became more common. A more recent paper, however, suggests a more complicated and bifurcated view of zoning changes between 2003 and 2019. While a number of metropolitan municipalities became more restrictive during that time, others became less

restrictive (Pendall, Lo, & Wegmann, 2022; <https://tr.ee/v4fFlu>). Municipal zoning tended to become more accommodating to multifamily housing in strong-market metropolitan areas, while zoning tended to become more exclusionary in weak-market ones.

Exclusionary zoning hurts affordability by limiting the supply of housing. A study of communities in Massachusetts, for example, found that minimum lot size requirements could increase the price of single-family homes by as much as 40% over a ten-year period (Zabel & Dalton, 2011; <https://tr.ee/i8ydgQ>). A more recent 2025 study also indicates that minimum lot sizes can increase home prices and rents (Song, 2025; <https://tr.ee/PIGTZo>).

These exclusionary zoning practices further limit housing opportunities for low-income households by prohibiting or curtailing the types of housing that are more likely to be rental housing and affordable, including small and large multifamily developments. More low-density and single-family zoning are associated with less rental housing in local communities, which in turn limits access for people with low incomes and people of color, populations who are disproportionately renters (Pendall, 2000; <https://tr.ee/YLri47>). The Joint Center for Housing Studies at Harvard (JCHS, 2025; <https://tr.ee/zbhMsc>) found that neighborhoods with an exceptionally high share of rental housing on average had a median household income of \$53,170 and two-thirds of their populations were people of color. In comparison, neighborhoods with an extremely low share of rental housing on average had a median household income of \$99,670 and only one-quarter of their populations were people of color. Because of this relationship, low-density zoning is associated with greater racial and economic segregation with spatial concentrations of affluent households in communities where zoning has excluded others (Rothwell & Massey, 2009; <https://tr.ee/5ntFmp>); Lens & Monkkonen, 2016; <https://tr.ee/DGbb7i>); JCHS 2025 (<https://tr.ee/zbhMsc>). A Minneapolis-based study found that areas zoned for multifamily housing had a larger non-white population than areas zoned

exclusively for single family detached housing by as much as 21% (Furth & Webster, 2022; <https://tr.ee/vjHPIA>).

Developers may produce higher-density housing under restrictive zoning, but they must obtain special permits or zoning variances to do so. This need for approval from public boards, which typically require public input, creates opportunities for vocal opponents to block new development that includes higher-density and affordable housing.

Zoning Reforms

A growing number of cities and states have enacted zoning reforms, including allowing somewhat higher-density housing by-right, meaning no special variance is needed. Minneapolis (<https://tr.ee/kOllGA>), for example, eliminated single-family districts in 2018 and now allows up to three units where previously only one was permitted, but implementation and impact have been slow (Bipartisan Policy Commission, 2023; <https://tr.ee/HkAe62>). The state of Oregon (<https://tr.ee/Y0FH10>) enacted land-use policies in 2019 that allow duplexes in neighborhoods previously zoned single-family in cities with at least 10,000 residents and allow for triplexes and fourplexes in cities with more than 25,000 residents. A bill passed in 2023 and taking effect in 2026 furthers these efforts by requiring Oregon cities to ensure that their zoning is adequate to accommodate expected growth. Cities underperforming in the production of new housing will be subject to zoning that is no more restrictive to multifamily housing than a newly created state model zoning code. The new rule is expected to result in an increase in the supply of land available for multifamily housing (Anderson, 2025; <https://tr.ee/KL8NMp>). California (<https://tr.ee/6bbaN9>) enacted reform in 2021 that allows owners to build duplexes or fourplexes on parcels previously zoned for single-family structures and in 2025 passed a bill (<https://tr.ee/hD6lxb>) that allows apartment buildings near major transit stops in certain counties regardless of current local zoning (Christopher, 2025; <https://tr.ee/0mW9DR>). The bill also includes affordability requirements for a small share of units in these properties. Charlottesville, VA's (<https://tr.ee/11tUnY>) 2023 zoning ordinance raised building height limits

along commercial corridors to increase density and allowed more mixed-use development. Charlottesville's (<https://tr.ee/98FLxh>) ordinance also allows up to three units per lot, and four units if an existing home on the lot remains in place, in neighborhoods previously zoned for single-family. Some low-income residential neighborhoods are excluded from the upzoning to address gentrification concerns given less expensive land and cheaper existing homes could be redeveloped more quickly. Illustrating the complexity and difficulty of zoning reform, a judge voided Charlottesville's zoning ordinance in 2025 in a default judgement in a lawsuit claiming the city had failed to adequately study the impact of these changes on the city's traffic and road congestion, necessary water and sanitary sewer infrastructure, schools and recreation areas as required by the state. The plaintiffs and the City came to an agreement in October 2025 that will reinstate the city's new zoning code (Kushner, 2025; <https://tr.ee/1BK2Jq>).

Evidence for the impact of loosened zoning regulations and higher-density zoning on the supply of rental housing is mixed, possibly because significant time may be needed to see the long-term impacts of zoning reforms. Also, many questions are unanswered about how these zoning reforms should be designed. Allowing higher densities does not immediately guarantee an increase in the general housing supply or an increase in rental housing, but it at a minimum allows the opportunity for higher-density housing to be built. Research in Chicago found that five years after upzoning, mixed-use and commercial districts saw an increase in property values, but not in the supply of housing (Freemark, 2020; <https://tr.ee/c5uP7n>). However, research of zoning reforms across municipalities in eight large metropolitan areas found that reforms that loosened zoning restrictions, including allowing for higher density, higher heights, accessory dwelling units (ADUs), smaller minimum setbacks, and mixed-use development were associated with a greater supply of rental units affordable to renters with above-median incomes within three and nine years after implementation, indicating a response by the private market to increase supply of market-rate rents (Stacey et al., 2023; <https://tr.ee/hYa6DM>). The findings also suggested that these reforms may be associated with increases in the supply of housing affordable to low-

income renters, but the relationship was not statistically significant. The authors conclude that policies and public investments designed specifically for affordable housing for low-income renters may need to accompany zoning reforms.

Federal Advocacy

Case studies of eight of the country's most exclusionary municipalities—where the need for housing is critical, housing production is stagnant, and 78 to 100% of land is zoned for single family detached housing—highlight their reliance on federal and state funding as sources of revenue ([Godinez-Puig, Garriga, & Freemark, 2023; https://tr.ee/kC5SS0](#)). The authors suggest that federal and state agencies could incentivize change by making future funding awards contingent on zoning reform and removing other barriers to housing production.

The “Renewing Opportunity in the American Dream (ROAD) to Housing Act of 2025,” a bipartisan package of housing reforms, includes a couple of zoning-related provisions. First, the bill financially incentivizes zoning reform by directing the Department of Transportation to provide a scoring incentive for transit projects that demonstrate pro-housing policies along the transit route. These policies include local or state actions that reduce or eliminate parking minimums, establish by-right approval for multifamily housing, reduce or eliminate minimum lot sizes, and encourage the development or preservation of housing units. Second, the bill directs HUD to identify best practices in zoning and land use that will result in increased housing supply. Third, the bill allows for adjustments in Community Development Block Grant (CDBG) allocations based on jurisdictions’ improvement in their housing growth ([NLIHC, 2025; https://tr.ee/UksWMF](#)). Presumably, this feature might incentivize jurisdictions to examine their zoning ordinances to facilitate growth in the housing supply.

Zoning reform in many communities is a necessary step for increasing the housing supply and creating housing options for households with limited incomes. On its own, however, reform will not eliminate the shortage of housing for extremely low-income renters ([Freemark, 2024; https://tr.ee/uY02Gt](#)). What many

extremely low-income renters can afford to pay in rent is too low for the private market to adequately respond to their housing needs. A family of three with poverty-level income, for example, can afford a monthly rent of approximately \$666, assuming they should not spend more than 30% of their income on housing. Many families cannot even afford to spend 30%. This rent does not typically cover development and operating costs of new housing and too often doesn't cover the expenses of maintaining older housing. Zoning reform provides the opportunity for more housing and higher-density multifamily housing to be built, but we need significant federal investment in housing assistance like Housing Choice Vouchers, the national Housing Trust Fund, and Public Housing, as well as reforms to the Low Income Housing Tax Credit program, to enable extremely low-income renters to afford that housing.

For More Information

[National Zoning Atlas \(https://www.zoningatlas.org/\)](https://www.zoningatlas.org/)

Urban Institute. (2019). [Zoning Matters: How Land-Use Policies Shape Our Lives. \(https://tr.ee/axcsEp\)](https://tr.ee/axcsEp)

SHELTER ACCESS FOR TRANSGENDER PEOPLE EXPERIENCING HOMELESSNESS

By Kayla Blackwell, Senior Housing Policy Analyst, NLIHC

One in three transgender people experience homelessness at some point in their lives, according to a 2022 report from the [National Center for Transgender Equality](https://tr.ee/SWpBxr) (<https://tr.ee/SWpBxr>). Lesbian, gay, bisexual, transgender, and queer (LGBTQ)-identifying young people [make up 40% of the homeless youth population](https://tr.ee/05BofO), but less than 10% of the population overall (<https://tr.ee/05BofO>). LGBTQ people—in particular transgender youth—are more likely to experience homelessness and housing instability for a number of reasons, including family rejection, employment discrimination, and discrimination in housing and shelter access.

The Homelessness Research Institute of the National Alliance to End Homelessness [found](https://tr.ee/2mhJdJ) (<https://tr.ee/2mhJdJ>) in 2024 that emergency shelters are often unsafe for transgender people experiencing homelessness. Similarly, the 2015 U.S. Transgender Survey found that 70% of respondents reported mistreatment in shelters due to their gender identity, and 44% reported they had to leave shelters due to poor or unsafe conditions.

In 2012, HUD issued its Equal Access Rule (EAR) to protect access to federally assisted shelter based on gender identity, sexual orientation, and marital status. The rule was amended in 2016 to address significant barriers transgender and gender nonconforming people faced in shelters. The EAR provides critical protections for people who may otherwise face discrimination in seeking shelter or access to other HUD-supported programs.

In its first and second terms, the Trump administration has worked to dismantle federal protections for transgender people and other members of the

LGBTQ community. In 2020, the Trump administration amended the EAR to allow for shelter providers to use physical characteristics as “reasonable considerations” to determine a person’s biological sex. The proposed rule would have allowed HUD-assisted shelters to discriminate against transgender people, leaving some of the most marginalized people without support. The 2020 rule was an explicit attack on a community that already faced steep barriers to accessing shelter. Advocates rallied against the proposed rule and defeated changes to the EAR that would have permitted discrimination in federally assisted housing and shelter.

While the Biden administration withdrew the proposed changes to the EAR in 2021, in 2025 the Trump administration’s HUD announced it would no longer enforce the rule. Though the HUD rule remains in place, without staff at HUD to enforce the rule and with fewer federal protections to defend against exclusionary shelter policies, LGBTQ people are at risk of discrimination.

Housing and shelter providers may still be subject to state and local anti-discrimination laws (see [Human Rights Campaign’s State Maps](#) for a map of states that prohibit housing discrimination based on sexual orientation and gender identity; <https://tr.ee/O2fojl>); still, federal policy is crucial to ensuring the consistent enforcement of civil rights protections across the country.

Continued advocacy on this issue is critical. As the time of this writing, the Trump administration had not yet published a proposed changes to the EAR in the *Federal Register*. Once they are publicly available, advocates will have 30, 60, or 90 days to submit comments on the proposed changes.

Equal Access Rule: Necessary for Shelter Access & Ending Homelessness

HISTORY OF THE EQUAL ACCESS RULE

On February 3, 2012, HUD published its final rule entitled [“Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity”](https://tr.ee/M62hNV) (<https://tr.ee/M62hNV>). The 2012 Equal Access Rule was created to ensure that HUD’s housing programs would be open to all eligible individuals and families regardless of sexual orientation, gender identity, or marital status. On September 21, 2016, HUD published a follow-up rule, [“Equal Access in Accordance with an Individual’s Gender Identity in Community Planning and Development Programs”](https://tr.ee/z5LgGd) (<https://tr.ee/z5LgGd>) which built upon the Equal Access Rule of 2012, ensuring equal access to HUD’s Office of Community Planning and Development (CPD) programs, specifically shelters, in accordance with a shelter seeker’s gender identity. HUD’s 2016 Equal Access Rule amendments constitute crucial policy to improve the treatment of transgender and gender-nonconforming individuals in securing emergency shelter.

TRUMP ADMINISTRATION’S 2020 ANTI-TRANSGENDER EQUAL ACCESS RULE

On July 24, 2020, the Trump administration published its proposed anti-transgender changes to the Equal Access Rule, [“Making Admission or Placement Determinations Based on Sex in Facilities Under Community Planning and Development Housing Programs”](https://tr.ee/OfwP1S) (<https://tr.ee/OfwP1S>). This proposed rule would have weakened protections for transgender people experiencing homelessness and seeking emergency shelter, allowing shelter providers to deny admission or access to services consistent with a person’s gender identity.

Features of the harmful proposed rule included:

- Revisions to the definition of gender identity to mean actual or perceived gender-related characteristics

(deleting the current rule’s “the gender by which a person identifies, regardless of the sex assigned to that person at birth and regardless of the person’s perceived gender identity”).

- Allowing shelter providers to place and accommodate individuals depending on the shelter provider’s policies for determining someone’s sex.
- Allowing shelter providers to deny admission using a range of factors, including the provider’s “good faith belief” that an individual is not of the sex that the shelter serves (e.g., a women’s shelter), an individual’s sex as reflected in official government documents, or the gender with which a person identifies.
- Allowing shelter providers to use physical characteristics as “reasonable considerations” to determine a person’s biological sex. This may include factors such as height, the presence of facial hair, the presence of an Adam’s apple, and other physical characteristics that the Trump administration claimed, “when considered together, are indicative of a person’s biological sex.”

Despite admitting a lack of data, HUD based its 2020 justifications on anecdotal evidence and dangerous stereotypes, demands of “religious freedom”, unfounded regulatory burdens on shelters, and other false, misleading, and discriminatory claims. Due in part to the tremendous success of the Housing Saves Lives campaign and efforts by advocates nationwide, the publication of the final rule was delayed and never published by the Trump administration in 2020.

The Housing Saves Lives campaign, co-led by over 50 organizations including NLIHC, [encouraged advocates](https://tr.ee/4d8ABu) to submit comments during the 60-day comment period in opposition to the Trump administration’s 2020 proposed rule (<https://tr.ee/4d8ABu>). Together, the campaign worked with members of Congress to urge HUD to rescind the rule, hosted a Week of Action with an array of national events led by partner organizations, recruited mayors and other public officials from across the nation to submit a public comment letter opposing the proposed rule, submitted op-eds, and contributed to news articles. More than 66,000 public comments were submitted during the 60-day period, becoming the largest ever comment campaign on a HUD regulation.

BOSTOCK V. CLAYTON COUNTY RULING

On June 15, 2020, The United States Supreme Court issued a landmark ruling on the civil rights of LGBTQ people. In a 6-3 vote in *Bostock v. Clayton County, Georgia and R.G. & G.R. Harris Funeral Homes Inc. v. Equal Employment Opportunity Commission*, the court held that Title VII of the “Civil Rights Act” bars discrimination based on gender identity and sexual orientation. This landmark civil rights ruling protects LGBTQ people from discrimination in employment, extending protections for millions of LGBTQ workers and making it illegal to be fired for simply being LGBTQ. The majority’s interpretation is consistent with the Equal Access Rule’s 2016 provision to ensure protections for transgender people from discrimination in homeless shelters and HUD-funded services.

Title VIII of the “Civil Rights Act of 1968” (the “Fair Housing Act”) and its proceeding amendments made it unlawful to sell, rent, or otherwise make unavailable or deny a dwelling to anyone because of race or color, religion, sex, national origin, familial status, or disability. In addition to the Equal Access Rule of 2012 and the addition to it in 2016, HUD has historically enforced the Fair Housing Act’s prohibition of sex stereotyping to protect LGBTQ people. The Bostock ruling will continue to influence fair housing rulings because the lower courts often rely on Title VII when interpreting the Fair Housing Act.

BIDEN ADMINISTRATION AFFIRMS LGBTQ SHELTER ACCESS

On January 20, 2021, then-President Joe Biden signed [Executive Order 13998](https://tr.ee/nHOXMh) (<https://tr.ee/nHOXMh>) directing the federal government to fully implement the U.S. Supreme Court’s landmark ruling in *Bostock v. Clayton County, Georgia*. The order reinforced laws that prohibited sex discrimination, including the “Fair Housing Act,” which prohibits discrimination on the basis of gender identity or sexual orientation. This order repudiated the anti-transgender rhetoric that was commonplace in the previous Trump administration and instructed the heads of all federal agencies to review agency actions relating to sex discrimination and make

decisions consistent with the instruction of the order within 100 days. The order required agency directors to consider whether to revise, suspend, or rescind such agency action, or create new agency actions, as necessary to fully implement statutes that prohibit sex discrimination and the policy set forth in the Executive Order.

HUD withdrew on April 27, 2021 the proposed rule from the previous administration, [“Making Admissions or Placement Determinations Based on Sex in Facilities Under Community Planning and Development Housing Programs; Withdrawal; Regulatory Review”](https://tr.ee/zTbwxT) (<https://tr.ee/zTbwxT>). HUD also restored most guidance and technical assistance from the 2016 Equal Access Rule to CPD-funded emergency shelters, temporary housing, buildings, housing, and other programs that were designed to ensure they comply with the rule. HUD continued to release technical assistance resources to HUD grantees.

TRUMP ADMINISTRATION PREPARES TO REINSTATE HARMFUL ANTI-TRANSGENDER PROPOSAL

On January 20, 2025, President Trump signed [Executive Order 14168](https://tr.ee/plFlej) (<https://tr.ee/plFlej>) denying civil rights protections to LGBTQ individuals, including in HUD-assisted housing. Shortly after, HUD Secretary Scott Turner [announced](https://tr.ee/TG0ahe) (<https://tr.ee/TG0ahe>) HUD would stop enforcing the EAR and directed HUD staff “to halt any pending or future enforcement actions related to HUD’s 2016 Equal Access Rule. The HUD Secretary noted that refusing to enforce the EAR “will ensure housing programs, shelters and other HUD-funded providers offer services to Americans based on their sex at birth.”

Though HUD is no longer enforcing the 2016 Equal Access Rule, the rule is still in place and housing and shelter providers may still be subject to state and local anti-discrimination laws (see [Human Rights Campaign’s State Maps](#) for a map of states that prohibit housing discrimination based on sexual orientation and gender identity; <https://tr.ee/O2fojl>).

HUD sent [proposed revisions to the Equal Access Rule](https://tr.ee/wR9qXJ) (<https://tr.ee/wR9qXJ>) to the Office of Information and Regulatory Affairs (OIRA) of the Office of Management and Budget (OMB) on February 12, 2025. As of December 2025, the proposed Equal Access Rule eliminating protections for transgender people has not yet been published in the *Federal Register*.

LEGISLATIVE ACTION

In the 119th Congress, Senator Jeff Merkley (D-OR) and Representative Mark Takano (D-CA) introduced “[The Equality Act](https://tr.ee/mpYvZG),” (H.R.15/S.1503; <https://tr.ee/mpYvZG>), which would expand civil rights protections to LGBTQ people by banning discrimination based on sexual orientation and gender identity in housing, education, employment, and other areas. The bill defines and includes sex, sexual orientation, and gender identity among the classes protected against discrimination or segregation and amends the 1964 “Civil Rights Act” to explicitly prohibit discrimination on the basis of sexual orientation and gender identity in employment, education, housing, credit, jury service, public accommodations, and federal funding.

Also in the 119th Congress, Representatives Schneider (D-IL) and Fitzpatrick (R-PA) introduced the “Fair and Equal Housing Act,” ([H.R. 3696](https://tr.ee/Ruslwu), <https://tr.ee/Ruslwu>) which would prohibit housing discrimination based on sexual orientation and gender identity. If enacted, the bill would include “sexual orientation” and “gender identity” as protected characteristics under the Fair Housing Act. Currently, the Fair Housing Act prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability.

How Advocates Can Take Action

Advocates should prepare to engage their networks to defend the 2016 Equal Access Rule. The National Alliance to End Homelessness (NAEH), Advocates for Trans Equality (A4TE), Center for LGBTQ Economic Advancement & Research (CLEAR), and SAGE released an [Equal Access Rule Story Collection Portal](https://tr.ee/EaVsCV) (<https://tr.ee/EaVsCV>) to elevate stories highlighting the

importance of the Equal Access Rule. If you or someone you know has faced barriers to accessing shelter and housing resources based on gender identity, sexual orientation, or marital status or has benefited from policies that protect equal access to housing services, respond to the portal questionnaire [here](https://tr.ee/EaVsCV) (<https://tr.ee/EaVsCV>).

NAEH also released a fact sheet for [congressional staff](https://tr.ee/dbKJdE) (<https://tr.ee/dbKJdE>) and a fact sheet for [advocates and housing providers](https://tr.ee/3dGchV) (<https://tr.ee/3dGchV>).

Urge Legislators to:

- Oppose efforts to repeal or weaken the Equal Access Rule, a vital tool to ensure that resources and emergency shelters are accessible for everyone.
- Pass the “Equality Act” to expand civil rights protections to LGBTQ individuals by banning discrimination based on sexual orientation and gender identity in housing, education, employment, and other areas.
- Pass the “Fair and Equal Housing Act” to prohibit housing discrimination based on sexual orientation and gender identity.
- Address issues of discrimination and violence against transgender people, especially Black and Latinx women.

Urge HUD to:

- Withdraw the notice of proposed rulemaking, “Equal Access to Housing in HUD Programs Revisions,” and instead enforce the 2016 Equal Access Rule protecting access to shelter regardless of gender identity, sexual orientation, or marital status.
- Work to address the housing and emergency shelter needs of the LGBTQ community.

For More Information

The “Equal Access in Accordance with an Individual’s Gender Identity in Community Planning and Development Programs” (2016 Equal Access Rule) is at <https://www.govinfo.gov/content/pkg/FR-2016-09-21/pdf/2016-22589.pdf>

The “Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity” (2012) is at <https://www.govinfo.gov/content/pkg/FR-2012-02-03/pdf/2012-2343.pdf> (<https://tr.ee/aTJNFv>)

Trump’s Executive Order 14168 denying civil rights protections to LBGTO individuals, including in HUD-assisted housing is at <https://tr.ee/plFlej>

HUD’s press release, “Secretary Scott Turner Halts Enforcement Actions of HUD’s Gender Identity Rule” is at <https://tr.ee/TG0ahe>

NAEH’s report, “Federal Data Demonstrates the Need for Safe, Supportive, and Specific Housing for Gender-Expansive People” is at <https://tr.ee/8npU61>

AFFORDABLE HOUSING PRESERVATION

By Dan Emmanuel, Director of Federal Research, NLIHC

The United States faces a shortage of over 7 million rental homes affordable and available to the lowest-income renters. Federal housing subsidies, meanwhile, provide a vital, albeit insufficient, supply of affordable housing. Expanding this supply and promoting housing stability is a primary concern for federal affordable housing policy, yet preserving the existing federally assisted housing stock is also critical. The existing stock must be preserved to ensure both housing quality and stability for current tenants. Efforts to expand the federally assisted housing stock and close the affordability gap also hinge on preservation, since the loss of federally assisted units can undermine efforts to expand supply through new production.

Background

WHAT IS PRESERVATION?

Federal project-based subsidies often provide a one-time upfront allocation of capital for development, or a time-limited operating subsidy (e.g., rental assistance contracts). Yet, federally assisted affordable housing receives limited rental revenue from tenants to finance future capital needs or ongoing operating costs when operating subsidies end. Sustained and renewed funding commitments are needed to ensure future affordability and habitability as federally assisted housing ages and existing rent and tenant eligibility requirements come up for renewal or extension. Ensuring sustained funding and the long-term affordability, quality, and financial viability of federally assisted housing is the cornerstone of affordable housing preservation.

Preservation efforts are shaped by different risks facing the federally assisted stock. Reina (2018) identifies three basic types of risks for preservation: expiration or exit, depreciation, and appropriations. The applicability and extent of each risk varies across federal project-based subsidy programs, and the risks can be interrelated.

Exit risk results from affordability and eligibility restrictions that can expire or policies that enable property owners to exit these restrictions early. In exchange for receiving a federal project-based subsidy, property owners typically agree to affordability and eligibility restrictions for a set period. The duration of these restrictions is determined before the awarding of a one-time capital subsidy, tied to the payment of a mortgage, or subject to the renewal of a rental assistance contract. In some instances, property owners can exit before affordability and eligibility restrictions are set to expire through prepayment of a mortgage, foreclosure, or a legal loophole such as the qualified contract (QC) option in the Low-Income Housing Tax Credit (LIHTC) program. Properties with for-profit owners are generally considered to be at greater risk for exit, particularly in tighter markets where the owners can operate the properties more profitably as market-rate housing.

Depreciation risk refers to the degree to which the financial stability and physical quality of federally subsidized housing can deteriorate over time. The risk of depreciation can be a greater threat than exit risk to the preservation of federally assisted housing. The limited rental income resulting from the eligibility and affordability requirements essential to affordable housing programs mean that owners of federally assisted housing typically require ongoing operating or subsequent capital support, or sometimes both, to maintain the financial stability and physical viability of such housing. Without continued public investment, federally assisted housing can become physically outdated, or even fall into disrepair, posing a threat to habitability. Failed physical inspections can lead to the removal of assisted housing from federal programs. Centralized data on the physical condition of the federally assisted stock are, however, only available for some federal programs, significantly limiting our knowledge of depreciation risk.

Appropriations risk refers to the degree to which federally subsidized housing depends on Congress to provide continual funding to operate as affordable

housing. Federally assisted housing is not a one-time cost. Funding for rental assistance contracts or operating assistance must not only be continually renewed by Congress but also be expanded to keep pace with inflation. Failing to do so means rental assistance contracts might not be renewed, or assistance might fail to keep pace with increasing operating costs, creating the potential for loss of affordable units through exits or depreciation. Capital subsidies must also continue to be made available by Congress after initial construction to ensure the availability of funds for physical preservation to prevent depreciation. In some programs, such as LIHTC, subsequent allocations of capital subsidies might present the only way to extend eligibility and affordability restrictions within a program.

WHY DOES PRESERVATION MATTER?

Preservation is essential for any realistic approach to protecting the lowest-income renters and expanding the supply of affordable housing. Preservation can stop potential displacement and housing instability for current tenants, prevents the loss of difficult-to-replace housing in desirable neighborhoods, mitigates further disinvestment from distressed communities, presents an opportunity to reduce greenhouse gas emissions through energy retrofitting, and prevents the further decline of the already limited federally subsidized housing stock.

Failure to preserve federally subsidized housing can lead to unaffordable rents, a loss of habitability, or potential evictions for current tenants. Preservation directly addresses these sources of housing instability. Though some federal housing programs offer tenant protection vouchers (TPVs) to tenants when preservation efforts fail, recent research questions their efficacy as a safety net and TPVs are not available to tenants of the largest federal housing production program, LIHTC (NLIHC and PAHRC, 2018). Preservation might be the only option to ensure housing stability for many LIHTC tenants so long as existing eligibility and affordability requirements are maintained in the process.

Replacing federally assisted housing lost from neighborhoods offering a high degree of amenities

such as access to transportation, good schools, and employment opportunities is also difficult, if not impossible. The cost of land, regulatory barriers, and Not in My Backyard mentality (NIMBYism) can present significant barriers to new development in such neighborhoods. Preservation of affordable homes provides continued access to these neighborhoods for low-income households and combats displacement and further residential segregation. The same issues that make it difficult to replace housing in high-cost and exclusionary neighborhoods can also make preservation more cost-effective than new construction. In disadvantaged neighborhoods, preservation has the potential to prevent further disinvestment.

Preservation also presents a clear opportunity to retrofit older federally assisted housing for energy-efficiency, lowering greenhouse gas emissions and figuring in a larger national strategy to combat climate change. These efforts could also lower utility costs. The residential sector, when including emissions from electricity use, accounted for 17.9% of US greenhouse gas emissions from fossil fuel combustion in 2023 (EPA, 2025). Further research is needed to fully compare the environmental impact of new construction and preservation.

Finally, preservation prevents the loss of units from the federally assisted stock. Given the current shortage of approximately seven million affordable and available units for the lowest-income renter households and chronic underfunding for federal programs, preventing the loss of the already limited assisted stock is critical. The stock will remain the same or decline if the loss of units equals or exceeds new production. Preservation, for all these reasons, is central to promoting housing stability and quality, as well as expanding the reach of federal affordable housing policy.

Forecasting Preservation Needs

Approximately 5 million affordable rental homes are supported by federal project-based subsidies, representing 10% of the total U.S. rental housing stock.

LIHTC supports half of federally assisted homes, making it the largest program, followed by project-based Section 8 (21%), and public housing (18%). Since some subsidies only provide a portion of the funding needed to build or maintain federally assisted housing, 41% of federally assisted homes rely on funding from multiple subsidy programs (NLIHC and PAHRC, 2024).

The National Housing Preservation Database (NHPD) allows users to examine federal subsidies associated with assisted housing at the property level, including when eligibility and affordability restrictions associated with these subsidies are set to expire. In cases where properties have multiple subsidies, the NHPD allows users to determine the latest effective end date for restrictions at a given property. Analysis of 2025 NHPD data indicates eligibility and affordability restrictions are set to expire for 417,515 federally assisted homes in the next five years, which is 8.3% of the federally assisted stock. LIHTC (58%) and project-based Section 8 (20%) currently account for most of these homes. The portion of expiring properties assisted by LIHTC is expected to continue rising towards the end of the decade as more properties begin to reach 30 years of service and the end of their federally mandated eligibility and affordability restrictions, though some states mandate or incentivize longer affordability. The NHPD accounts for state-mandated affordability restrictions beyond the federal 30-year minimum based on reviews of current and past state qualified allocation plans (QAPs). The availability of property-level LIHTC data regarding QC waivers and state-level incentives for longer use restrictions, however, is extremely limited, which undermines efforts to identify specific LIHTC properties at risk of loss and produce more accurate program-wide risk estimates (NLIHC and PAHRC, 2022).

Many properties losing their restrictions will renew their assistance or secure new funding to remain affordable, while a smaller share will not. Others might be subject to local voluntary eligibility or affordability restrictions that are longer in duration than required under federal law. Properties in strong housing markets owned by profit-minded owners are at the greatest risk for converting to market-rate housing. Whether these properties will continue to provide affordable rents in the private

market will depend on a variety of factors including the motivations of owners, local housing market conditions, and capital needs.

Centralized data on the physical condition of the federally assisted stock are limited and not all programs publish the results of property inspections, significantly limiting our knowledge of depreciation risk (NLIHC & PAHRC, 2022; NLIHC & PAHRC, 2024). Real Estate Assessment Center (REAC) inspection scores are available for public housing and HUD Multifamily assisted properties, however, which can serve as a proxy for physical conditions. REAC inspection scores are assigned based on the frequency and severity of housing quality and safety deficiencies observed while examining the building exterior, systems, and a sample of homes at each property.

NLIHC and PAHRC (2024) found that 30% of public housing homes and 4% of homes assisted by HUD multifamily programs were in properties that scored below 60 and failed their last REAC inspection. One in five homes assisted by public housing and 3% assisted by HUD multifamily programs were in properties that failed at least two of their past three inspections and probably face higher depreciation risk. These properties likely require immediate investment to cover outstanding maintenance deficiencies and provide safe and healthy living conditions for residents. While REAC scores can serve as a proxy for physical conditions in properties, REAC scores are not a substitute for capital needs assessments. Estimates for the capital needs in public housing have ranged over the years in both methodology and scale, but the most recent estimate places the backlog at \$169.1 billion (CLPHA, 2025).

In 2023, HUD began changing the inspection protocol that properties must follow from Real Estate Assessment Center (REAC) standards to the National Standards for the Physical Inspection of Real Estate (NSPIRE). The new NSPIRE standards more strongly weigh health and safety deficiencies identified within the living areas of properties. Data from inspections using the NSPIRE standard will likely provide more direct insight into the physical conditions experienced by tenants moving forward.

What to Say to Legislators

Advocates should make it clear to legislators that continual reinvestment is needed to preserve existing federally assisted housing, and that preservation is needed to close the affordable housing gap. Specifically:

- Federal capital and operating subsidies should be increased to both preserve and expand the existing supply of affordable housing. Priority should be given to funding programs such as the national HTF, public housing, project-based Section 8, and USDA rural rental assistance and preservation programs that serve the lowest income renters.
- Annual federal appropriations for public housing, project-based Section 8, and USDA rural housing programs must, at a minimum, keep pace with inflationary costs.
- Congress must address the capital needs backlog for public housing. The best way to do this is through direct investment in the public housing capital fund.
- Congress should close the QC loophole for future LIHTC properties and revise the formula for determining the QC sale price to reflect actual market value for existing LIHTC properties.
- Greater investments in staff and technology are needed to improve the quality and availability of property-level LIHTC data for preservation. Congress should also explore granting more explicit oversight and enforcement powers to collect program data to HFAs or HUD and require the IRS to share its program data with HUD. Better data collection is needed to improve the quality and completeness of existing LIHTC data for preservation, including property-level data on ownership, QC waivers, and use restriction end dates.

For More Information

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EMERGENCY RENTAL ASSISTANCE

By *Tori Bourret, State and Local Innovation Outreach,*
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Issue Summary

Millions of renters, spending a significant share of their income on housing, are too often one financial crisis away from losing their home. Emergency rental assistance for these renters can prevent their housing instability and its negative consequences during a financial crisis. In response to the COVID-19 pandemic, Congress established an [Emergency Rental Assistance \(ERA\) program](https://tr.ee/WnmyWt) (<https://tr.ee/WnmyWt>) administered by the U.S. Department of the Treasury to distribute critically needed emergency rental and utility assistance to millions of households at risk of eviction during the pandemic. As of June 2025, ERA program administrators had obligated [\\$44.4 billion](https://tr.ee/fad3MU) (<https://tr.ee/fad3MU>) in emergency rental assistance to over six million households. The program provided a unique opportunity to learn how best to implement emergency assistance and measure its impact. Research shows that emergency rental assistance is an effective tool for mitigating short-term housing instability.

Treasury's Emergency Rental Assistance Program

In mid-2020, many housing advocates were concerned about a looming eviction tsunami due to the number of renters experiencing [COVID-19 rental hardship](https://tr.ee/DTKy0q) (<https://tr.ee/DTKy0q>). Because of this concern, NLIHC launched and led a national campaign for “Rent Relief Now,” which called for a national moratorium on evictions for nonpayment of rent, and sufficient emergency rental assistance funds to assist low-income tenants and small landlords. By the end of 2020, renters had accrued an estimated [\\$50 billion](https://tr.ee/MKUab3) (<https://tr.ee/MKUab3>) in rent and utility arrears.

In December 2020, Congress passed an initial \$25 billion (known as ERA1) in the [“Consolidated Appropriations Act of 2021”](https://tr.ee/j3d2kd) (<https://tr.ee/j3d2kd>)

for emergency rent and utility assistance, and then an additional \$21.6 billion (known as ERA2) in March 2021 through the [“American Rescue Plan Act of 2021”](https://tr.ee/sprxBW) (<https://tr.ee/sprxBW>). The emergency rental assistance was allocated to 50 states, localities with populations above 200,000, U.S. territories, and Tribal nations and could be used for financial assistance, such as rent, rental arrears, utilities, and other expenses related to housing, housing stability services, and administrative costs. Households were eligible for the funds if they qualified for unemployment or faced financial hardships during COVID-19, had a household income at or below 80% AMI, and were at risk of housing instability or homelessness. Households could receive up to 18 months of assistance.

To ensure the lowest-income renters could access emergency rental assistance, NLIHC communicated with Treasury and the White House about challenges renters were facing in getting assistance. Because of NLIHC's advocacy, Treasury published [guidance](https://tr.ee/RLzGRY) (<https://tr.ee/RLzGRY>) to encourage or require jurisdictions to use program flexibilities not typically utilized in housing assistance programs, such as direct to tenant payments; self-attestation of income, hardship or housing instability, and rent; fact-specific proxy, which allows the use of other facts to infer a household's income eligibility; and categorical eligibility, which deems a household eligible for assistance if it has been verified as low income by another program. By the second quarter of 2022, public-facing program documents indicated that [67% of Treasury ERA programs](https://tr.ee/OYd1uG) (<https://tr.ee/OYd1uG>) allowed for at least one form of self-attestation, 54% used categorical eligibility, 29% used fact-specific proxy, and 61% allowed direct to tenant assistance. [Surveys of administrators](https://tr.ee/lu8Qo5) (<https://tr.ee/lu8Qo5>), however, indicated a far larger share of programs allowed self-attestation, but some did not publicly state such an option.

[Early research](https://tr.ee/MsBQDR) (<https://tr.ee/MsBQDR>) from NLIHC and Housing Initiative at Penn suggests that programs with fewer and more flexible documentation and eligibility requirements were able to get money to renters more

quickly, which is important for households in crisis. These flexibilities reduced documentation burdens for tenants and presumably for programs, as well. [Direct to tenant assistance](https://tr.ee/DXysEC) (<https://tr.ee/DXysEC>) also enabled programs to distribute money more quickly to distressed renters, given that landlord participation was a challenge for a significant share of applicants. [Early research](https://tr.ee/DXysEC) (<https://tr.ee/DXysEC>) suggests that these flexibilities enabled programs to better serve extremely low-income renters, but future evaluations will provide more insight.

Impacts of Emergency Rental Assistance Program

Research on the impacts of Treasury's ERA program provides evidence that emergency rental assistance has the desired effects of reducing rental arrears and eviction risk. Research also found positive correlations between receiving emergency rental assistance and non-housing aspects of well-being, including mental health, physical health, and food security.

EMERGENCY RENTAL ASSISTANCE CONNECTIONS TO HOUSING STABILITY

Emergency rental assistance provides renter households with short-term housing stability by helping them pay down rental arrears and cover prospective rent for a limited time. [The Joint Center for Housing Studies](https://tr.ee/gQ97VS) (<https://tr.ee/gQ97VS>) found that recipients of assistance had a 36% lower likelihood of being behind on rent, and if behind on rent, a 14% lower likelihood of perceiving eviction as likely or somewhat likely than applicants who were waiting to hear if they'd been approved. [Another study](https://tr.ee/qDB0qf) (<https://tr.ee/qDB0qf>) found low-income families with children that received emergency rental assistance were 36% less likely to report being behind on rent payments than similar households who had applied for assistance and were waiting for a response. [Fusaro et. al.](https://tr.ee/qMq8ml) (<https://tr.ee/qMq8ml>) found that the beneficial effect of emergency rental assistance on rental arrears was modestly

stronger for Black recipient households compared to white recipient households. All three studies used the U.S. Census Household Pulse Survey that asked renters about their ERA receipt and application.

[Research](https://tr.ee/dwZWud) (<https://tr.ee/dwZWud>) by NLIHC, Housing Initiative at Penn, and Reinvestment Fund involving ten ERA programs found that emergency rental assistance recipients were 6.2% less likely to report living with family or friends or being unhoused than applicants who did not receive emergency rental assistance. [Another study](https://tr.ee/8w3kv8) (<https://tr.ee/8w3kv8>) of four ERA programs, however, found no relationship between emergency rental assistance and extreme housing instability like homelessness and evictions. The authors suggest that widespread availability of other safety net features during COVID-19 may have kept people housed and mitigated the lack of emergency rental assistance.

While emergency rental assistance enables recipients to alleviate rental arrears and keep caught up with rent in the short-term, long-term financial challenges remain. [Focus groups](https://tr.ee/RyJAiA) (<https://tr.ee/RyJAiA>) of mostly non-Hispanic Black and Hispanic mothers of young children indicated that short-term assistance was helpful, but their financial struggles and associated stress continued, especially after the short-term relief ended. Most of them desired consistent and sustained assistance in paying their rent and other bills. Emergency rental assistance works well in helping families during short-term financial crises, but long-term housing solutions are needed to address the shortage of affordable housing and to stably house extremely low-income renters who face long-term affordability challenges.

SPILL OVER EFFECTS

Emergency rental assistance has impacts beyond housing on mental health, physical health, and food security. [Chen et al.](https://tree/qkrlQ5) (<https://tree/qkrlQ5>) show that low-income households with children who received emergency rental assistance were five percentage points less likely to experience household food insufficiency than similar households waiting for a response, and 14 percentage points less likely than

those denied emergency rental assistance. The authors acknowledge that households who received emergency rental assistance may have also received other assistance that helped with hardships, as well.

Surveys of applicants to ten [ERA programs \(https://tr.ee/kVyt8U\)](https://tr.ee/kVyt8U) found that 30% of non-recipients of emergency rental assistance said their health and well-being was worse than a year prior, compared to 25% of those who received assistance. Similar patterns were exhibited for mental health; respondents who received emergency rental assistance reported feeling less anxious and depressed than those who did not.

[Fusaro et. al. \(https://tr.ee/Gfa516\)](https://tr.ee/Gfa516) also found that emergency rental assistance improved both health and food sufficiency. Emergency rental assistance was associated with an average eight to ten percentage point lower likelihood of food insufficiency, depression, and anxiety. These outcomes were found to be the indirect result of emergency rental assistance addressing housing insecurity.

The Future of Emergency Rental Assistance

Despite the continued need for emergency rental assistance, as seen by [eviction filing rates \(https://tr.ee/LK6jhy\)](https://tr.ee/LK6jhy), there is no new federal funding for the continuation of the Treasury ERA program or emergency rental assistance in general. If introduced in this Congress, the “Eviction Crisis Act” would establish a new, [national Emergency Assistance Fund \(https://tr.ee/xaBwrE\)](https://tr.ee/xaBwrE) to help ensure that extremely low-income renters have access to emergency rental assistance in the event of a financial crisis. In the meantime, states and localities can initiate, continue, or expand funding for emergency rental assistance, providing stop gap measures to ensure housing stability during family financial crises.

The Treasury ERA program during the pandemic provided [lessons \(https://tr.ee/oK8Cbd\)](https://tr.ee/oK8Cbd) for Congress, states, and jurisdictions when considering emergency rental assistance programs. These lessons include:

- Sufficient and sustained funding is necessary for adequate staffing and infrastructure for emergency rental assistance programs. Administrators are better able to invest in a more permanent infrastructure, such as more sophisticated technology and training for permanent staff, if they know funding will be sustained for a longer period of time.
- Flexibility in documentation, as well as targeted outreach to high-risk populations, reduces barriers for individuals trying to access the program.
- Direct-to-tenant assistance can alleviate the challenge of needing the participation of both the tenant and the landlord, which is a [double take-up problem \(https://tr.ee/riRtCD\)](https://tr.ee/riRtCD) fairly unique to rental assistance.

[Program flexibilities used in ERA \(https://tr.ee/fqsmbD\)](https://tr.ee/fqsmbD) could possibly be implemented to improve access to other housing assistance programs. Renter households have historically faced challenges in both accessing and utilizing housing choice vouchers due to scarcity of resources, burdensome requirements, uninterested landlords, and racial discrimination. Learning from and incorporating flexibilities implemented during the pandemic, such as direct to tenant assistance, self-attestation, and categorical eligibility could help address some of these challenges.

Emergency rental assistance is an important mechanism for paying off arrears and providing short term housing stability, but it is just one tool in a toolbox needed to alleviate the housing crisis. Emergency rental assistance can provide a cushion for low-income families, staving off immediate evictions, but does not address the underlying shortage of affordable housing that the lowest-income renters face. Congress must ensure long-term affordability for the lowest-income renters through universal vouchers, the preservation and creation of housing affordable to renters with the lowest incomes, and robust and permanent tenant protections at the state, local, and federal levels.

For More Information

Treasury's ERA Program webpage: <https://tr.ee/5qRlq4>

NLIHC Emergency Rental Assistance Research: <https://tr.ee/qWJqjN>

NLIHC State and Local Innovation: <https://nlihc.org/state-and-local-innovation>

NLIHC Report: Beyond Housing Stability: Understanding Tenant and Landlord Experiences and the Impact of Emergency Rental Assistance, <https://nlihc.org/sites/default/files/beyond-housing-stability.pdf>

NLIHC Report: [End Rental Arrears to Stop Evictions \(ERASE\): History, Successes, and Highlight](https://tr.ee/llQZ4l) (<https://tr.ee/llQZ4l>)

FEDERAL HOUSING PROTECTIONS FOR PEOPLE WITH DISABILITIES

By Jennifer Kye, Director of Federal Housing Advocacy, Justice in Aging; Allie Cannington, Managing Director, The Kelsey; and Michelle Uzeta, Executive Director, Disability Rights Education and Defense Fund (DREDF)

Introduction

More than 70 million adults of all ages in the U.S. live with disabilities, and many face one or more barriers to living in affordable, accessible, and integrated housing. Disabled people experience some of the highest rates of homelessness, housing discrimination, and housing insecurity across the country. [More than 18 million disabled adults qualify for federal housing assistance \(https://tr.ee/1E8TzG\)](https://tr.ee/1E8TzG) but do not currently receive it. The nearly 7.5 million people who rely on Supplemental Security Income (SSI), including older adults and people with disabilities, are priced out of every housing market in the U.S. and, on average, need to [spend 142% of their income to afford basic housing \(https://tr.ee/DFxsJL\)](https://tr.ee/DFxsJL). Many also continue to be impacted by institutionalization—in part because of a lack of supportive, affordable, accessible housing. These individuals include roughly 1.2 million adults living in nursing homes, more than 36,000 people in psychiatric facilities, and more than 16,000 people with intellectual and developmental disabilities who live in congregate, institutional settings. The experiences of discrimination, housing insecurity, homelessness, and institutionalization are even more compounded for Black, Brown, Indigenous, immigrant, and LGBTQIA disabled people.

Thanks to people-led movements for disability rights and fair housing, a strong foundation exists of federal housing protections and rights for people with disabilities. This article summarizes key federal civil rights laws and issues, the forecast for protecting disability rights in 2026, and suggestions for advocating with federal policymakers. Beyond the current framework, significant work remains to defend and

strengthen existing protections and ensure they are fully realized for every disabled person.

Overview of Key Federal Civil Rights Laws

The federal “Fair Housing Amendments Act” (FHA), Section 504 of the “Rehabilitation Act,” and the “Americans with Disabilities Act” (ADA) provide housing protections for people with disabilities. People with disabilities are broadly defined as individuals with mental or physical impairments that substantially limit at least one major life activity (such as caring for yourself, learning, walking, etc). Federal civil rights laws also protect people who have a history of, or are perceived as having, such impairments.

Together, these civil rights laws cover most types of housing—from homeless shelters and private housing, to subsidized housing and nursing homes. In general, the FHA applies to most housing, Section 504 applies to federally assisted housing, and the ADA applies to housing provided by state and local governments and places of public accommodation.

These laws prohibit discrimination against people with disabilities and aim to ensure that they have equal access to housing opportunities. Some key legal requirements and issues are described below. Advocates should also note that states often have their own fair housing and disability discrimination laws, which may offer more protections than federal laws.

Key Issues

REASONABLE ACCOMMODATIONS

Federal civil rights laws generally require housing providers to grant [reasonable accommodations \(https://tr.ee/1k2zsq\)](https://tr.ee/1k2zsq) for people with disabilities. Reasonable accommodations are changes to rules, policies, or

practices that are necessary to ensure that people with disabilities have equal access to housing. For example, a housing provider may need to waive certain lease terms and allow a live-in aide as a reasonable accommodation for a disabled person. Many people with disabilities also need service or emotional support animals, and these individuals may need housing providers to waive no-pet or no-animal policies as a reasonable accommodation. Other reasonable accommodations may include providing auxiliary aids and services (large print documents, interpreters, etc.) to ensure effective communication with people with disabilities.

The denial of reasonable accommodations is a widespread type of housing discrimination and, depending on the context, may violate the Fair Housing Act, Section 504, and/or the ADA. [A 2022 report from the U.S. Department of Housing and Urban Development \(HUD's Office of Inspector General \(OIG\) \(https://tr.ee/UOEZb3\)](https://tr.ee/UOEZb3) revealed that, from 2009 to 2019, the number of federal fair housing complaints based on alleged failure to provide reasonable accommodations increased by 46.1% even as the total number of housing discrimination complaints decreased. More recent data show that reasonable accommodation cases continue to comprise a high percentage of all complaints filed—44.2% in 2022 and 44.6% in 2021.

PHYSICAL ACCESSIBILITY

Housing providers also generally have legal obligations to ensure that properties and units are physically accessible for people with disabilities. These obligations may include providing or permitting structural reasonable modifications (<https://tr.ee/Wip10V>) such as the installation of ramps or grab bars. In other cases, federal civil rights laws may require housing providers to design and construct housing according to specific accessibility standards. Section 504, for instance, requires covered multifamily housing projects to include a minimum of 5% of total dwelling units that are accessible for people with mobility impairments, as well as an additional 2% of units that are accessible for people with hearing or vision impairments.

Despite these legal requirements, the need for

physically accessible housing far exceeds the current supply. Nationally, less than 5% of housing is accessible for people with moderate mobility difficulties, and less than 1% of units are accessible for people using a wheelchair. In contrast, about 12.2% of all U.S. adults and about 25% of older adults have a mobility disability. And with the aging of the U.S. population, 1 in 5 Americans in 2030 will be 65 or older, further increasing the need for accessible housing.

COMMUNITY INTEGRATION

The ADA and *Olmstead* Supreme Court decision, along with Section 504, require HUD, federally assisted housing providers, and state and local governments to deliver programs and services in the most integrated setting possible for people with disabilities. This integration mandate means that disabled people should have the opportunity to live independently in the community among non-disabled people (rather than face unnecessary segregation and institutionalization in places like nursing homes). Additionally, the FHA includes a statutory duty for HUD and its grantees to “affirmatively further fair housing” (AFFH). This obligation may include working to ensure that people with disabilities have the option to live where they choose. For information regarding AFFH, refer to the *Affirmatively Furthering Fair Housing (AFFH)* section of this guide.

By offering integrated housing options, HUD housing programs help support state and local governments’ *Olmstead* efforts to help disabled people avoid or transition out of institutions. For example, the Mainstream and Non-Elderly Disabled (NED) Voucher programs serve people with disabilities aged 18-61, and vouchers are often targeted to those who are leaving institutions or at risk of institutionalization. The Section 811 Project Rental Assistance (PRA) program, meanwhile, provides funds to state housing agencies to incentivize property owners to offer integrated housing for younger people with disabilities. HUD’s Continuum of Care (CoC) program is another important source of housing opportunities. The CoC program helps fund permanent supportive housing (PSH) that serves disabled people experiencing chronic homelessness.

CIVIL RIGHTS ENFORCEMENT

HUD enforces the federal FHA and the agency's Section 504 regulations. The U.S. Department of Justice (DOJ) also enforces the FHA as well as the ADA. With regard to the FHA, HUD—through its Fair Housing Initiatives Program (FHIP) and Fair Housing Assistance Program (FHAP)—partners with nonprofit fair housing organizations and state/local government agencies to carry out education and enforcement activities across the country. More than 75% of housing discrimination complaints are processed by nonprofit fair housing organizations, such as legal aid agencies.

Year after year, the majority of [fair housing complaints](https://tr.ee/Bfj6DI) (over 50%) involve disability discrimination. Many housing providers intentionally or unknowingly (due to lack of knowledge and training) engage in disability discrimination, which can take many forms and commonly results from the denial of reasonable accommodations/modifications or non-compliance with accessibility standards in federal civil rights laws. Yet a [2023 Government Accountability Office \(GAO\) report](https://tr.ee/Ed7BPc) showed that HUD lacks a proactive oversight strategy to ensure that HUD-assisted housing providers comply with reasonable accommodation requirements and meet accessibility needs. GAO recommended that, in addition to investigating complaints, HUD develop and conduct more comprehensive front-end civil rights compliance reviews.

Forecast For 2026

The Trump administration's policies pose serious threats to disability rights in housing. In 2025, HUD began its efforts to weaken fair housing protections by curbing its own enforcement activities, rescinding a wide range of fair housing guidance, trying to defund FHIP agencies, and more. HUD will likely continue its efforts to undermine fair housing in 2026. One major avenue HUD may pursue is rulemaking to narrow the agency's interpretation of the FHA's disparate impact standard. In doing so, HUD will seek to limit the ability for complainants and plaintiffs to challenge discriminatory housing policies that have a disparate impact on

protected classes, including people with disabilities.

Another significant concern is the administration's policy vision for homelessness, which rejects the long-standing view that homelessness is best addressed by pairing long-term housing with supportive services. Through an Executive Order issued on July 24th, the administration indicated it favors a combination of short-term transitional living programs, punitive enforcement actions against those living "on the streets," and greater latitude for local governments to use involuntary commitment and institutionalization. This approach poses continual threats to community-based housing for people at risk of or experiencing homelessness, a disproportionate number of whom are older adults and people with disabilities.

On the legislative front, advocates are concerned about deep cuts to funding for HUD's affordable housing and homelessness programs, including fair housing programs. In 2025, the Trump administration proposed historic cuts to these programs or tried to eliminate them altogether. At the same time, the administration couched these cuts as allegedly redirecting limited resources away from "able-bodied" individuals towards older adults and people with disabilities. The administration will likely renew its push for drastic funding cuts in 2026. These cuts would harm older and disabled people, who are served across all major HUD programs. Massive cuts would increase homelessness and institutionalization for this group, as well as reduce capacity nationwide for the enforcement of fair housing and other civil rights laws.

What Advocates Can Do

- Ask members of Congress to oppose regulatory efforts to weaken the FHA and other civil and disability rights laws.
- Submit comments to HUD opposing proposed rules that would reduce housing access for people with disabilities, and urge HUD to increase oversight on reasonable accommodations and other fair housing issues.

- Make reasonable accommodation (and modification) requests whenever necessary to ensure people with disabilities can access, use, and remain in their housing. Promote awareness about the availability of reasonable accommodations/modifications, including in the admissions and eviction contexts. Refer people to legal services and [FHIP \(fair housing\) organizations \(https://tr.ee/wrR1Xh\)](https://tr.ee/wrR1Xh) as needed for advice and legal representation around reasonable accommodations and modifications.
- Report housing discrimination (including the denial of reasonable accommodations/modifications) against people with disabilities. People can contact a local FHIP agency for legal representation or help with filing fair housing complaints. Advocates can also [file complaints with HUD \(https://tr.ee/v52FsV\)](https://tr.ee/v52FsV). People who have faced housing discrimination can file an administrative fair housing complaint up to one year from the date of the last act of discrimination, and/or file a lawsuit for up to two years from that date. Both [Justice in Aging \(https://tr.ee/QBEky2\)](https://tr.ee/QBEky2) and the [Disability Rights Education and Defense Fund \(https://tr.ee/hACz49\)](https://tr.ee/hACz49) can provide case consultations on these issues.
- Connect with inclusive affordable housing developers, like [The Kelsey \(https://tr.ee/t36h4X\)](https://tr.ee/t36h4X), who can share best practices and models for not just compliant housing, but also how developers can build and foster affirmative and inclusive housing experiences for people with disabilities.
- Urge Congress to support maximum levels of funding for all HUD affordable housing and homelessness programs, as well as bills that would expand access to housing for disabled people (such as the “[VITAL Act \(https://tr.ee/Xxir8b\)](https://tr.ee/Xxir8b)”, the goal of which is to increase the stock of affordable, accessible housing).
- Advocate for more funding for fair housing programs and programs providing integrated housing, such as Mainstream and NED Vouchers and the Section 811 PRA program.

What To Say to Legislators

- Through storytelling and data, share how people with disabilities and older adults disproportionately experience housing discrimination, insecurity, homelessness and institutionalization in the legislator’s district.
- Share case studies of inclusive, affordable, accessible housing models and how those models can be replicated with disability-forward housing policy advancement and program investments.
- Share examples of the economic and social benefits to the lives of older adults and people with disabilities when they live in housing they can afford, access, and choose.
- Dismantle harmful stereotypes about people with disabilities that can lead to further noncompliance and discrimination and share examples of how implementing disability rights and fair housing protections supports not just the health and wellbeing of the disabled tenant or applicant but can also benefit the broader community.

For More Information

Powerful networks of people and organizations can support you in advocating for federal disability and housing protections, including the [Consortium for Constituents with Disabilities \(CCD\) Housing Task Force \(https://tr.ee/re6ZBG\)](https://tr.ee/re6ZBG), [Justice in Aging \(https://tr.ee/G3c6ui\)](https://tr.ee/G3c6ui), [Disability Rights Education and Defense Fund \(DREDF\) \(https://tr.ee/6BYQXe\)](https://tr.ee/6BYQXe), [The Kelsey \(https://tr.ee/aFRtya\)](https://tr.ee/aFRtya), and many more.

DISABILITY RIGHTS STRATEGIES FOR UNHOUSED RESIDENTS

By Michelle Uzeta, Executive Director, Disability Rights Education and Defense Fund (DREDF)

Introduction

Across the United States, the criminalization of homelessness has intensified. Cities are expanding anti-camping ordinances, conducting large-scale encampment removals, and increasing police involvement in public space management. These practices fall hardest on people with disabilities, who are dramatically overrepresented among unhoused adults nationwide and who face heightened risks when enforcement escalates. National data consistently shows that chronic illness, mobility limitations, psychiatric disabilities, cognitive disabilities, and aging-related impairments are both pathways into homelessness and conditions that make survival on the streets far more dangerous.

Yet disability is rarely centered in policy responses to homelessness—even though disability civil rights laws offer some of the strongest protections available to unhoused residents. Strict relocation deadlines, inaccessible shelter systems, the seizure of medically necessary equipment, and the failure to offer reasonable modifications can all violate the “Americans with Disabilities Act” (ADA), Section 504 of the “Rehabilitation Act,” and the “Fair Housing Act.” Recent case law confirms that, even after the U.S. Supreme Court’s decision in *Grants Pass v. Johnson* narrowed some constitutional arguments, disability rights claims remain a powerful avenue for challenging harmful enforcement practices and securing meaningful accommodations.

This article explains why disability and homelessness are deeply interconnected, how criminalization compounds disability-based inequities, and how federal disability rights laws can be used to protect unhoused people. It provides advocates with updated national data, a summary of recent case law (2023–2025), and practical

strategies to ensure that responses to homelessness respect the rights, needs, and dignity of disabled residents.

Disability & Homelessness Are Deeply Intertwined

Homelessness in the United States reached a modern high in the [January 2024 Point-in-Time \(PIT\) count](https://tr.ee/Fjf6iU) (<https://tr.ee/Fjf6iU>), with approximately 771,480 people experiencing homelessness on a single night—an 18% increase from the previous year. Roughly 36% were unsheltered, living in places not meant for human habitation. Disabled people make up a strikingly large share of this population: national data indicate that roughly 44–50% of unhoused adults report having a disability, compared to about 16% of the general adult population.

Several structural and systemic factors help explain this disproportionate representation:

Lack of Affordable Housing: The primary cause of current levels of homelessness is the unaffordable housing market. ([Record Homelessness Amid Ongoing Affordability Crisis](https://tr.ee/xiWRdp), <https://tr.ee/xiWRdp>), Joint Center for Housing Studies of Harvard University (February 12, 2024). The United States has a shortage of 7.3 million rental homes affordable and available to renters with extremely low incomes—that is, incomes at or below either the federal poverty guideline or 30% of their area median income, whichever is greater ([The Gap: A Shortage of Affordable Homes](https://nlihc.org/gap), <https://nlihc.org/gap>). Only 34 affordable and available rental homes exist for every 100 extremely low-income renter households. Extremely low-income renters face a shortage in every state and major metropolitan area. The lack of affordable and available rental housing presents a particularly onerous barrier to people with disabilities, a community that experience poverty at rates higher than non-disabled people, as discussed below.

Poverty: People with disabilities disproportionately live in poverty, creating significant barriers to securing and maintaining housing. In 2023, more than 24% of adults with disabilities lived below the federal poverty line—more than twice the rate of nondisabled adults ([Section 6: Poverty, https://tr.ee/6PnQOQc](https://tr.ee/6PnQOQc)). Many rely on Supplemental Security Income (SSI) benefits to meet basic needs. In an ongoing study, the Technical Assistance Collaborative found that “there is no United States housing market in which a person living solely on [SSI] can afford a safe, decent apartment without rental assistance” ([Priced Out: The Housing Crisis for People with Disabilities, https://www.tacinc.org/resources/priced-out/](https://www.tacinc.org/resources/priced-out/)).

Inaccessibility: Affordable housing that is physically accessible and accommodates disability-related needs is extremely scarce (U.S. Dept. Of Housing and Urban Development, “[Worst Case Housing Needs: 2023 Report to Congress, https://tr.ee/gwXaxl](https://tr.ee/gwXaxl)”). The most recent comprehensive structural-accessibility survey estimates that fewer than 5% of homes meet basic accessibility criteria, and just 0.15% are fully wheelchair accessible ([Accessibility of America’s Housing Stock: Analysis of the 2011 American Housing Survey, https://tr.ee/kFrVY7](https://tr.ee/kFrVY7)).

Discrimination: Disability is also the most frequently cited basis for housing discrimination complaints in the United States; more than half (55%) of all fair housing complaints in 2024 involved disability discrimination ([2025 Fair Housing Trends Report, https://nationalfairhousing.org/resource/2025-fair-housing-trends-report/](https://nationalfairhousing.org/resource/2025-fair-housing-trends-report/)).

Health and Support Needs: Health and support needs play a significant role. Chronic illnesses, psychiatric disabilities, developmental disabilities, and sensory disabilities may come with mobility limitations, reliance on medical equipment, or the need for reasonable accommodations, reasonable modifications, or consistent care. These realities make securing and maintaining housing more difficult—and losing housing far more dangerous.

Bureaucratic Barriers: Even when benefits or housing programs exist, delays, denials, and inaccessible administrative systems can interrupt long-term stability.

Taken together, these factors demonstrate that disability is not a marginal aspect of the homelessness crisis but a central structural driver.

Criminalization Intensifies Harm

Throughout 2024 and 2025, as homelessness rose, many cities responded by increasing encampment abatements, intensifying anti-camping enforcement, and expanding restrictions on sleeping or resting in public spaces. Reporting from statewide and national outlets documented significant growth in sweeps and enforcement activity following the U.S. Supreme Court’s decision in [City of Grants Pass, Oregon v. Johnson, \(https://www.supremecourt.gov/opinions/23pdf/23-175_19m2.pdf\)](https://www.supremecourt.gov/opinions/23pdf/23-175_19m2.pdf), with many localities accelerating clearance operations in the months that followed.

These enforcement practices carry profound civil rights and public health consequences, particularly for disabled residents.

Property loss: Court filings and advocacy reports show that sweeps routinely lead to the destruction of medications, mobility devices, medical equipment, identification documents, and records—items that are medically necessary and often irreplaceable. See **National Health Care for the Homeless Council’s Impact of encampment sweeps on people experiencing homelessness [Issue brief]** (<https://tr.ee/bO7S57>). Litigation in San Francisco and elsewhere highlights the need for property-protection procedures such as “bag-and-tag” systems to prevent these losses. See, e.g., [settlement \(https://tr.ee/uzJ5u0\)](https://tr.ee/uzJ5u0) in *Coalition on Homelessness, et al. v. City and County of San Francisco, et al.*

Health Impacts: Sweeps disrupt medical routines, interrupt access to care, eliminate refrigeration needed for medications, and increase exposure to extreme weather. For individuals with chronic health conditions, weakened immune systems, or psychiatric disabilities, even a single displacement can trigger cascading medical crises. See the **American Public Health Association’s Displacement of encampments: Public health policy brief** (<https://tr.ee/kbdUDc>);

NLIHC's [Research finds increased risk of death and hospitalization associated with encampment sweeps](https://tr.ee/l3MnAp) (<https://tr.ee/l3MnAp>); [Involuntary Displacements-Making a Bad Situation Worse](https://jamanetwork.com/journals/jama/article-abstract/2803840) (<https://jamanetwork.com/journals/jama/article-abstract/2803840>); and [Health Impact of Street Sweeps from the Perspective of Healthcare Providers](https://link.springer.com/article/10.1007/s11606-022-07471-y) (<https://link.springer.com/article/10.1007/s11606-022-07471-y>).

Practical Barriers: Policies that require rapid movement, limit allowable belongings, or prohibit storing bedding or tents can be impossible for those who need time, physical assistance, wheelchair-accessible transportation, or the ability to remain close to caregivers or service providers. Recent injunctions—most notably in [Alfred v. City of Vallejo](https://cdn.ca9.uscourts.gov/datastore/memoranda/2025/10/15/25-1658.pdf), (<https://cdn.ca9.uscourts.gov/datastore/memoranda/2025/10/15/25-1658.pdf>)—recognize that failure to consider these needs can violate the ADA.

Compounded Barriers to Services and Housing: Frequent displacement disrupts continuity of care, makes it harder to gather documentation needed for benefits or housing applications, and undermines long-term housing stability. When people lose ID or medical records in a sweep, their ability to enroll in programs or prove disability for housing eligibility is directly impeded.

Criminal Records and Fines: Arrests or citations for “illegal camping” or related infractions create collateral consequences—criminal records, fines, and barriers to employment or housing—which in turn exacerbate disability-related poverty and instability.

These enforcement practices do not reduce homelessness; they amplify health risks, destabilize lives, and disproportionately affect people with disabilities, often transforming enforcement into disability discrimination in practice and law.

Disability Laws: A Durable Legal Tool

Despite significant shifts in constitutional doctrine following *Grants Pass v. Johnson*, disability civil rights laws remain among the most powerful and durable tools available to protect unhoused residents from discriminatory enforcement and its myriad harms. The ADA, Section 504 of the “Rehabilitation Act,” and state anti-discrimination statutes continue to impose clear, affirmative obligations on public entities—including cities, counties, and law enforcement—to ensure that their policies and practices do not exclude or disproportionately burden people with disabilities.

- **Americans with Disabilities Act (ADA) – Title II:** Prohibits discrimination by state and local governments, including preventing laws and practices that disproportionately burden people with disabilities.
- **Section 504 of the “Rehabilitation Act”:** Bars discrimination by entities receiving federal funding. Substantively, liability under Section 504 and Title II of the ADA are analyzed similarly. *Pierce v. County of Orange*, 526 F.3d 1190, 1216 n.27 (9th Cir. 2008).
- **State Anti-Discrimination Statutes:** For example, **Government Code Section 11135 in California** incorporates ADA principles and prohibits disability discrimination by state-funded or assisted programs.

Under the ADA, enforcement activities such as anti-camping ordinances, encampment sweeps, and other policing of public spaces are considered covered “services, programs, or activities,” meaning that public entities must carry out these actions in ways that do not discriminate against people with disabilities. Even when an ordinance does not explicitly target disabled people, it can still violate the ADA if it disproportionately harms them—a concept known as disparate impact.

Because unhoused people with disabilities often cannot comply with rigid relocation timelines or physically demanding requirements, public entities are legally required to provide reasonable modifications to avoid

discrimination. These may include additional time to move, physical assistance, preservation of medications or medical devices, or permitting tents, bedding, or other disability-related equipment. Courts have repeatedly affirmed these obligations, demonstrating that disability civil rights laws remain one of the strongest, yet underutilized, tools for pushing back against the criminalization of homelessness when enforcement practices disproportionately harm disabled people.

Key case examples include:

- **Cooley v. City of Los Angeles, No. 2:18-cv-09053-CAS-PLA, 2019 U.S. Dist. LEXIS 135877 (C.D. Cal. Aug. 5, 2019):** Finding that demanding that a person with a physical disability remove all belongings before a sweep—without offering accommodations—violated the ADA.
- **Coalition on Homelessness v. City and County of San Francisco, No. 4:22-cv-05502 (N.D. Cal. filed Sept. 27, 2022) (stipulated final judgment entered September 22, 2025):** Case asserting ADA claims and highlighting due process protections around property and the critical role of “bag-and-tag” procedures.
- **Prado v. City of Berkeley, No. 3:23-cv-04537 (N.D. Cal. filed Sept. 27, 2023):** Court allowed ADA, Section 504, Fair Housing Act, and constitutional claims to move forward, underscoring the importance of multi-theory litigation.
- **Boyd v. City of San Rafael, No. 23-cv-04085-EMC, 2023 U.S. Dist. LEXIS 188335 (N.D. Cal. Oct. 19, 2023):** the court issued a preliminary injunction after finding that camping-space density restrictions had a disparate impact on unhoused disabled residents who needed proximity to caregivers and support networks.
- **Tyson v. City of San Bernardino, No. 5:23-cv-01539 (C.D. Cal. Aug. 2, 2023) (dismissed Oct. 29, 2024):** Lawsuit resulting in a first-of-its-kind agreement, creating a new citywide policy (<https://tr.ee/D794OC>) on the city’s response to encampments that will prevent the destruction of unhoused people’s personal property and ensure San Bernardino provides reasonable accommodations to unhoused people with disabilities.
- **Disability Rights Oregon v. City of Grants Pass, No. 25CV05989 (Josephine Cnty. Cir. Ct. Jan. 30, 2025):** Disability Rights Oregon secured a landmark settlement requiring the City of Grants Pass to create 150 ADA-compliant camping sites—an example of disability law producing tangible infrastructure changes.
- **Alfred v. City of Vallejo, Nos. 2:24-cv-03317-DC-SCR (E.D. Cal.) (prel. inj. granted Feb. 7, 2025) (9th Cir. dismissal as moot Oct. 15, 2025):** Court halted a sweep for likely failure to provide reasonable accommodations.
- **Housekeys Action Network Denver v. City & County of Denver, No. 1:25-cv-00622 (D. Colo. filed Feb. 25, 2025):** Case challenging discriminatory barriers to shelter access for disabled people.

Together, these cases suggest a post-Grants Pass landscape in which individualized disability claims are often the most effective—and sometimes the only—legal avenue for protecting unhoused disabled residents.

Best Practices: Disability Informed Advocacy

Effective disability-informed advocacy starts with identifying disability-related needs through trauma-informed screening, including physical, mental health, cognitive, or sensory disabilities and reliance on medical devices or support networks. Advocates should submit reasonable modification requests early, specifying harmful practices and needed adjustments.

Gathering evidence—medical records, mobility limitations, equipment documentation, and past harm—strengthens ADA, Section 504, Fair Housing, and state-law claims. When accommodations are denied, litigation may be necessary to secure relief.

Beyond individual cases, this evidence can drive systemic change. Advocates can push for low-barrier shelters, safe-parking programs, housing-first policies, and anti-displacement measures while building partnerships with disability organizations, service providers, legal aid, and community coalitions to advance rights-based solutions.

The checklist below breaks these principles into concrete actions that advocates can use to identify needs, document harms, and pursue legal and policy remedies.

- Screen for disability and disability-related needs – Use outreach, intake forms or interviews to identify if an unhoused individual has a disability (physical, mental health, cognitive, sensory, etc.) or relies on disability-related devices or support. Recognizing disability is often the first step toward requesting protection under disability law.
- Request reasonable modifications or accommodations early – If a person is subject to a camping ban, encampment sweep, or other enforcement, submit a reasonable modification request to the public entity (city, county, law enforcement). This could include extra time to relocate, assistance with moving items, permission to keep medical equipment or bedding, or alternative accessible shelter/housing options. *A sample request is included below, though it should be noted that requests do not have to be in writing, and can be made verbally, even when a sweep is in progress.*
- When possible, document the impact – Gather evidence of how anti-camping laws or sweeps disproportionately burden the person: medical needs, mobility limitations, reliance on assistive devices, need for proximity to caregivers or services, or challenges caused by frequent displacement. Documentation strengthens claims under ADA/Section 504.
- Use legal action where appropriate – If modifications are denied or accommodations not provided, advocates may bring claims under ADA, Section 504, and state anti-discrimination laws (where available). Courts have previously granted injunctive relief and damages in similar cases.
- Advocate for policy reform – Beyond individual cases, use findings from outreach and litigation to push for structural change: repeal of anti-camping laws, adoption of fair and humane alternatives (safe parking programs, low-barrier shelters, housing-first policies),

protection of disability rights in enforcement, and expanded access to affordable, accessible housing.

- Raise public awareness & build cross-sector coalitions – Engage with disability rights organizations, homeless services providers, public defenders, local government, community groups, and media to show how criminalization disproportionately harms disabled individuals and to build support for rights-based alternatives.

Sample Reasonable Accommodation Request Letter

[Date]

To:

[Name of Public Agency / Department]

[Address or Email, if known]

Re: Request for Reasonable Accommodation During Encampment Enforcement / Relocation

Dear [Agency/Official Name]:

I am writing to request **reasonable accommodations** under the **Americans with Disabilities Act (ADA)** and **Section 504 of the Rehabilitation Act** related to [the planned encampment sweep / enforcement action / relocation order] at [location].

I am a person with a disability. My disability includes:

[Describe disability or functional limitation in plain terms—for example: mobility limitations, chronic illness, mental health disability, sensory or cognitive disability, reliance on medical equipment, etc.]

I am providing this information so that you can understand the accommodations I need in order to safely comply with your directives.

Because of my disability, I am **unable to comply with the current relocation requirements** as written. Specifically, I need the following accommodations:

Requested Accommodations (select or customize):

- **Additional time** to pack, organize, or relocate my belongings.
- **Assistance** with moving belongings and/or medically necessary equipment.
- **Permission to stay temporarily in an accessible location** until safe and appropriate shelter or housing is available.
- **Access to an accessible placement** (e.g., ADA-compliant shelter bed, non-congregate placement, accommodation for a service animal, accommodation for medical devices requiring electricity, etc.).
- **Storage of my property**—including medication, mobility devices, important documents, or medical equipment—so it is not lost, damaged, or destroyed.
- **Advance notice** of any enforcement actions in accessible formats (written, verbal, large print, etc.).
- Other accommodations needed because of my disability:
[Describe]

These accommodations are **necessary for me to safely comply** with your policies and to avoid harm resulting from my disability. Without them, I cannot meet the stated deadlines or requirements.

Under the ADA and Section 504, public entities must provide reasonable accommodations unless doing so would fundamentally alter the program or create an undue burden. Please let me know **in writing** if you believe any requested accommodation cannot be provided and please propose any available alternatives that would meet my disability-related needs.

I ask that you respond to this request as **soon as possible**, and before taking any enforcement action that could affect me, my property, or my safety.

You may contact me at:

Phone (if available): _____

Email (if available): _____

Alternative contact person (optional): _____

Thank you for your prompt attention to this ADA accommodation request.

Sincerely,

[Name]

Location: [Encampment location / cross streets]

Optional Attachment (Advocates May Add):

- Medical verification letter
- List of medically necessary equipment
- Copy of prior accommodation requests

Advocate Takeaways

1. Even in the shifting legal environment, disability rights remain among the strongest tools available to advocates. Courts consistently affirm that public entities must consider disability-related needs before conducting sweeps or enforcing camping bans. Documented requests for reasonable modifications—such as extra time, physical assistance, access to medical equipment, or alternative shelter—can trigger legal obligations and often determine the success of a case. Advocates should encourage clients to articulate these needs clearly, even informally.
2. Litigation is most effective when it combines multiple legal theories. ADA and Section 504 claims can be reinforced through Fair Housing Act arguments, Fourth and Fourteenth Amendment claims related to property and due process, and state law claims requiring notice, property storage, and accessible services. Robust documentation—from medical records to descriptions of mobility limitations or reliance on support networks—often plays a decisive role in securing injunctions or settlements.

3. Courts increasingly recognize that sweeps uniquely harm disabled residents through the loss of medical devices, disruption of care, and the trauma of sudden displacement. Advocates should frame these harms explicitly as disability discrimination and emphasize that *Grants Pass* does not diminish ADA protections.
4. Improved data collection—including disability screening, tracking of accommodation requests, documentation of lost medical equipment, and audits of shelter accessibility—is essential for both litigation and policy reform. Cross-sector collaboration with healthcare providers, harm reduction teams, disability service agencies, and legal advocates strengthens documentation and helps tailor modification requests.
5. Engaging municipalities early can lead to meaningful reforms, such as establishing written reasonable accommodation policies, embedding ADA coordinators in homelessness response teams, improving advance-notice procedures, and ensuring safe storage of personal property. While preventing harmful sweeps is urgent, long-term goals should include accessible shelter design, reformed camping ordinances, improved coordinated entry systems, and expanded permanent supportive housing for disabled residents.

disability-conscious advocacy backed by careful documentation, community collaboration, and structural reform. Public entities have clear legal obligations, and advocates have a strong framework for holding governments accountable while advancing housing justice for disabled residents.

For More Information

For more information on how to use disability rights laws to challenge punitive policing and the criminalization of disabled unhoused people contact: [Disability Rights Education and Defense Fund](https://dredf.org/) (<https://dredf.org/>). To connect with advocates across the nation working to end homelessness and advocate for housing as a human right, visit [Housing Not Handcuffs](https://housingnothandcuffs.org/) (<https://housingnothandcuffs.org/>).

Conclusion

Criminalizing homelessness does nothing to address its root causes: lack of affordable housing, inadequate shelter capacity, insufficient disability and healthcare supports, deep economic inequality, and systemic ableism. For disabled people, criminalization magnifies instability, worsens health, strips away essential devices and documentation, and entrenches long-term exclusion.

Even after *Grants Pass*, disability rights laws remain powerful. Reasonable modifications can halt harmful sweeps; enforcement that disregards disability can constitute unlawful discrimination; and multi-theory litigation continues to win meaningful protections.

Grounding advocacy in disability civil rights is not only a legally effective strategy—it is a moral imperative. Upholding the dignity, safety, and human rights of unhoused disabled people requires persistent,

LIMITED ENGLISH PROFICIENCY (LEP) IN HUD PROGRAMS

By Ed Gramlich, Senior Advisor, NLIHC and Ben D'Avanzo, Senior Strategist, Health Advocacy, National Immigration Law Center

Limited English Proficiency (LEP) refers to a people who, as a result of national origin, do not speak English as their primary language and who have a limited ability to speak, read, write, or understand in English. This can be a major barrier when applying for admission to HUD housing programs, as well as maintaining HUD-assisted housing if problems arise. HUD's Office of Fair Housing and Equal Opportunity (FHEO) and the U.S. Department of Justice (DOJ) have historically been responsible for LEP monitoring and enforcement.

Title VI of the "Civil Rights Act of 1964" is interpreted to apply to citizens, documented non-citizens, and to undocumented non-citizens. Title VI LEP obligations apply to every HUD beneficiary who meets a program's requirements, regardless of the beneficiary's citizenship status. This remains true despite recent rollbacks in language access by the federal government.

The Legal Authority

Title VI of the "Civil Rights Act of 1964" protects people from discrimination on the basis of race, color, or national origin in programs or activities that receive "federal financial assistance," which includes HUD's programs. This means that people cannot be "excluded from participation in, be denied the benefits of, or be subject to discrimination" under HUD's programs. Title VI also requires all recipients and subrecipients of federal financial assistance to take reasonable steps to ensure that people with Limited English Proficiency have meaningful access to a recipient's programs or activities, including by ensuring meaningful access to information, benefits, services and other vital aspects of a recipient's programs or activities. In 1974, the U.S. Supreme Court, in *Lau v. Nichols*, ruled that refusing to provide meaningful language access constituted national origin discrimination under Title VI.

Title VIII of the "Civil Rights Act of 1968," also known as the "Fair Housing Act," makes it illegal to discriminate in the sale or rental of housing, mortgage lending, and other housing-related transactions on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, family status (having minor children or being pregnant), or religion. Regarding national origin discrimination, for example, a housing provider may not impose less favorable terms or conditions on a group of residents of a certain national origin by taking advantage of their limited ability to read, write, speak, or understand English. Failure by recipients of HUD funding to take reasonable steps to provide meaningful access to their programs and activities to people who do not speak, read, write, or understand English proficiently may constitute evidence of intentional discrimination under Title VIII.

FEDERAL AGENCY ACTIONS ON HOUSING AND LANGUAGE ACCESS

Historically, federal agencies have played an important role in providing technical assistance and enforcement to ensure recipients of HUD funding comply with legal requirements.

HUD's Office of General Council issued LEP guidance on September 15, 2016, discussing how the Fair Housing Act applies to a housing provider's consideration of an LEP person. The Fair Housing Act not only prohibits intentional housing discrimination, it also prohibits housing policies and practices that have an unjustified discriminatory effect. People with limited English proficiency are not a protected class under the Fair Housing Act. However, there is a close link between LEP and certain national origin groups. Because of this close link, selective application of a language-related policy, or use of LEP as a pretext for unequal treatment of individuals based on national origin violates the Fair Housing Act.

[Executive Order 13166](https://tr.ee/xQYCrJ) (<https://tr.ee/xQYCrJ>), “Improving Access to Services for Persons with Limited English Proficiency,” issued in 2000, required federal agencies and recipients of federal financial assistance to provide meaningful access to all programs and services leading HUD to develop a language access plan and guidance to HUD-funded entities. However, in 2025, President Trump issued [Executive Order 14224](https://tr.ee/UMvWuB) (<https://tr.ee/UMvWuB>), claiming to declare English as the national language and rescinding Executive Order 13166. While there is no statutory authority for the federal government to declare any national language, the Department of Justice subsequently rescinded all relevant guidance related to access to federal services for people with LEP. HUD followed suit in September of 2025, [rescinding its LEP guidance](https://tr.ee/Dnerf1) (<https://tr.ee/Dnerf1>). HUD has also indicated it will only provide information in English and deleted translated documents from its websites. The Department of Justice has indicated it will issue new LEP guidance in 2026 and HUD may follow suit. However, the lack of current guidance does not remove entities’ statutory obligations under the Civil Rights Acts of 1964 and 1968.

Note that HUD’s 20-21-2026 Language Access Plan is no longer in effect, but an archived version is available [here](https://tr.ee/KPDnbF) (<https://tr.ee/KPDnbF>).

Key Features of Complying with Title VI

WHO MUST COMPLY WITH TITLE VI LEP OBLIGATIONS?

All programs and operations of entities that receive financial assistance from the federal government must comply with the Title VI requirements, including but not limited to state agencies, local agencies, public housing agencies, assisted housing providers, and for-profit and nonprofit entities. Sub-recipients must also comply (i.e., when federal funds are passed through a recipient to a sub-recipient). Unfortunately, HUD has decided that private landlords participating in the Housing Choice Voucher program are not subject to Title VI. In addition, the U.S. Department of the Treasury does not consider the \$14 billion annual loss of federal taxes from the

Low Income Housing Tax Credit (LIHTC) program to be “federal financial assistance,” meaning LIHTC-assisted properties are not subject to Title VI LEP compliance, unless other federal funds are also used to help finance a LIHTC project, such as the HOME Investment Partnerships program.

THE LOSS OF GUIDANCE DOES NOT REMOVE OBLIGATIONS

While HUD currently lacks guidance for how its funding recipients can comply with Title VI, recipients still must do so or risk future enforcement or legal actions. The current administration lacks the authority to end longstanding laws and court precedent making clear that federal funding recipients must provide meaningful access to their people for people with LEP. Entities can look to the rescinded HUD LEP guidance for best practices to ensure they are in compliance with the law.

HOW TO COMPLY WITH TITLE VI LEP OBLIGATIONS

Federally assisted recipients are required to make reasonable efforts to provide LEP persons language assistance to ensure meaningful access to their programs and activities. To do this, a recipient should: conduct a “four-factor analysis,” develop a Language Access Plan (LAP), and provide appropriate language assistance. The four-factor analysis has been used by federal civil rights offices to determine whether an entity is in compliance with Title VI.

The Four-Factor Analysis

To conduct a four-factor analysis, a recipient should consider:

1. The number or proportion of LEP people from a particular language group is eligible to be served by a program or that is likely to be encountered by a program;
2. The frequency LEP people come into contact with a program;
3. The nature and importance of a program, activity, or service to LEP people; and

4. The resources available to the recipient and the costs of providing LEP services.

Language Access Plans (LAPs)

After conducting a four-factor analysis, a recipient should develop and implement a Language Access Plan (LAP) to address the identified needs of the LEP people a program serves. Components of an LAP include:

- Identifying data on which LEP people in their service area may need language assistance and the specific language assistance needed;
- Identifying the points and types of contact a recipient or subrecipient might have with LEP people (for example at the front desk, at a leasing office, over the telephone);
- Identifying how those potentially encountering people with LEP will proactively identify their preferred language (such as during the intake process or proactively providing information on how to request language services);
- Identifying the ways language assistance will be provided, such as oral interpretation with an in-person interpreter;
- Identifying how frequently staff training will need to take place; and
- Identifying which documents and informational materials are vital.

Recipients should have a policy for updating an LAP according to a specific timetable. Advocates should review a recipient's existing LAP and work to improve or update the LAP. For example, advocates can take advantage of a jurisdiction's required annual planning obligations such as their Consolidated Plan's Annual Action Plan public comment periods and a public housing agency's annual PHA Plan comment periods.

Types of Language Assistance

Language access assistance a recipient might provide to LEP people includes oral interpretation service, bilingual staff, telephone service line interpreters, written translation services, notices to staff and recipients about the availability of LEP services, and referrals to community liaisons who are proficient in the language

of an LEP person. HUD's prior guidance indicated that a recipient does not need to provide language access assistance itself, instead it can partner with other organizations. Generally, recipients should not rely on an LEP person's family or friends as interpreters, especially children.

Vital Documents

HUD's prior LEP Guidance defined vital documents as those that are critical for ensuring meaningful access by beneficiaries or potential beneficiaries generally and by LEP people specifically. Whether a document is considered vital might depend on the importance of the program, information, encounter, or service and the consequence to an LEP person if information is not provided accurately and in a timely manner. While there is no exhaustive or definitive list of documents, HUD's guidance suggested some documents that might be considered vital, such as: intake forms, applications, and leases; tenant rules; consent and complaint forms; written notices concerning rights, or the denial, loss, or decrease in benefits or services; notices, forms, summaries, and decisions pertaining to grievance hearings; eviction notices; and notices about public hearings. HUD's Office of Multifamily Housing Programs had model leases in various languages that private owners could use, but they are no longer available. In general, advocates should argue that any document that relates to a tenant's rights, responsibilities, and access to housing is a vital document.

Safe Harbor Provision

HUD's prior LEP Guidance provided a "safe harbor" that will be considered strong evidence that a recipient is complying with its Title VI LEP obligations. However, the safe harbor only applied to written language access; it did not apply to oral interpretation. According to HUD's prior guidance, a recipient should provide written translations of vital documents for language groups that make up more than 5% or 1,000 people, whichever is less, of the population eligible to be served or that is likely to be encountered.

While there is no safe harbor provision regarding oral interpretation, HUD's prior guidance indicated that recipients should use the four-factor analysis to determine whether they should provide reasonable and timely oral language assistance at no cost to the LEP person(s). A public housing agency should take affirmative steps to ensure a tenant has meaningful access during a grievance hearing.

Filing a Complaint

If someone thinks that a recipient is not taking reasonable steps to ensure meaningful access to LEP people, that individual should consult with a local legal aid attorney about the right courses of action. Some states may have their own civil rights offices that can advocate for the person who did not receive meaningful access due to their language. Given HUD's rollback of LEP guidance and current reported cooperation with immigration enforcement agencies, the attorney would be also best positioned to help determine if it is the person's best interest to file a claim with HUD's Office of Fair Housing and Equal Opportunity.

LEP in Public Housing and Housing Choice Voucher Program

HUD's Office of Public and Indian Housing (PIH) issued Notice PIH 2024-04 (<https://tr.ee/Dc6BJa>) on January 31, 2024. Congress, through the FY22 appropriations act, directed PIH to develop guidance of using PIH program funds for LEP-related activities and to identify best practices (NLIHC has not found any best practices on the PIH websites). Notice PIH 2024-04 provides a nice overview of LEP as well as how public housing agencies (PHAs) can use federal funds available to them. Unlike HUD's LEP guidance, it has not been formally withdrawn as of the publication of this resource.

PUBLIC HOUSING OPERATING FUND

PHAs can use their public housing Operating Fund to ensure meaningful language access for LEP people. The Notice gives an example pertaining to eviction proceedings, an event that would warrant providing appropriately translated eviction notices. PIH states that "In-person interpretation assistance is necessary for termination and eviction hearings, and a PHA should provide qualified and trained interpretation services." The Notice also states that a PHA should use their public housing Operating Fund to create a greeting message for telephone numbers with options in multiple languages.

PUBLIC HOUSING CAPITAL FUND

PHAs can use up to 20% of their public housing Capital Fund for any cost that would be eligible under the Operating Fund—instead of using Capital Funds for public housing building maintenance and repair. In addition, PHAs can also use up to 10% of their Capital Fund for "Management Improvement Activities." If a PHA does use Capital Funds for Management Improvement Activities, the PHA must identify LEP requirements as a "management deficiency" in the PHA's Capital Fund 5-Year Action Plan. Some possible uses under Management Improvements include:

- Upgrading the PHA's online systems to enable future residents to apply for public housing in languages other than English.
- Training PHA staff to enable them to better serve LEP people.
- Facilitating communication during resident consultation for the development, financing, or modernization of public housing, such as hiring or contracting a qualified interpreter or translator. NLIHC imagines this would apply to applications for converting public housing to Project-Based Vouchers or to Project-Based Rental Assistance under the Rental Assistance Demonstration (RAD), or applications to demolish or dispose of public housing through the Section 18 process (see the Rental Assistance Demonstration and Repositioning of Public Housing entries in this *Advocates' Guide*).

HOUSING CHOICE VOUCHER ADMINISTRATIVE FEES

PHAs can use their Housing Choice Voucher Administrative Fees or unrestricted net position (UNP) to address LEP requirements for Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) program activities and materials. The Notice offers several possible uses:

- Facilitating communication through on-site or remote translation during the required HCV oral briefing for HCV applicants and for informal review and informal hearings.
- Providing software upgrades to enable LEP households to use on-line application or recertification systems in languages other than English.
- Translating program resources such as written materials in the HCV household information packet and other key forms, notices, and policies.

For More Information

[Executive Order 14224 \(https://tr.ee/UMvWuB\)](https://tr.ee/UMvWuB) claiming to declare English as the national language and rescinding Executive Order 13166, is available [here](#)

HUD's notice [rescinding its LEP guidance](#) is available [here \(https://tr.ee/Dnerf1\)](https://tr.ee/Dnerf1)

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

CHAPTER 7

TENANT PROTECTIONS AND EVICTIONS PREVENTION

STRENGTHENING RENTERS' RIGHTS: EMPOWERING RENTERS THROUGH STATE AND LOCAL TENANT PROTECTIONS

By Nada Hussein, State and Local Innovation, NLIHC

Affordable, safe, stable, and accessible housing are all key components upon which the foundation of just and equitable communities are not only built, but how neighborhoods—and their residents—thrive as well. Unfortunately, today, a lack of uniform renter protections at the federal level coupled with a lack of affordable and available rental housing for the lowest-income renters has left tenants in a precarious position where they are often at the will of their landlords. For renters, this power imbalance means being at a greater risk of experiencing harassment, racial inequity, and eviction, while in the worst cases, the lowest-income and most marginalized renter households can even experience a higher risk of homelessness as well.

Tenant protections, which are renter rights that are codified into law through legislation, policies, and programs—and can be passed at the federal, state, and local levels—are critical to preventing evictions and keeping renters stably housed. When passed, tenant protections level the playing field between landlords and renter households. By strengthening renters' rights through legislative means, tenants are in a better position to assert their rights and defend themselves against any—and all—threats to their housing stability.

During the COVID-19 pandemic especially, lawmakers at all levels of government recognized the crucial importance of enacting tenant protections. With many short-term policies in place to provide support to renters against the public health crisis, tenants felt relief from policies such as federal, state, and local eviction moratoriums, emergency rental assistance, landlord-tenant mediation and eviction diversion programs, pay-to-stay provisions, right-to-counsel programs, and even eviction safe-harbors that delayed the eviction process

while tenants applied for emergency rental assistance support.

It was through these legal supports that saw nationwide decreases in eviction filings. According to the Eviction Lab at Princeton University, in the 31 cities that the organization tracks, [it was found that pandemic-era policies led to eviction filings to fall by more than half of their historical average in the time between March 2020 and December 2021](https://tr.ee/TZmtQR) (<https://tr.ee/TZmtQR>). Not only that, but the Eviction Lab also estimates that the federal eviction moratorium, which lasted until July 2021, helped to prevent at least 1.36 million eviction cases in 2021. With many of these policies now having been rolled back, expired, or depleted, the need for stronger renter rights is wholly important—especially at the state and local level.

Why are Renter Protections Needed?

As mentioned, housing is out of reach for the lowest-income renters, which also includes seniors, people with disabilities, and working families. One of the main factors contributing to this is the lack of affordable and available housing, which in 2024, amounted to a [shortage](https://nlihc.org/gap) (<https://nlihc.org/gap>) of 7.1 million affordable and available homes for renters with extremely low incomes. When coupled with high [rental costs that rose by more than 26% during the COVID-19 pandemic](https://www.azibo.com/blog/average-rent-increase-per-year) (<https://www.azibo.com/blog/average-rent-increase-per-year>), and worker wages that have been unable keep up with the high cost of renting, it is no surprise that a staggering number of renter households have become cost-burdened renters as a result.

According to the U.S. Department of Housing and Urban Development, housing is [considered](https://archives.hud.gov/local/nv/goodstories/2006-04-06glos.cfm) (<https://archives.hud.gov/local/nv/goodstories/2006-04-06glos.cfm>) “affordable” if a tenant is not paying more than 30% of their monthly income towards rent and utilities. By this definition, [there is no single state across the country today that has enough affordable and available housing](https://nlihc.org/gap) (<https://nlihc.org/gap>) to meet these criteria. As a result, there were more than [21 million renter households who were cost-burdened by 2023](https://nlihc.org/oor) (<https://nlihc.org/oor>), while 11.7 million renter households were “severely cost-burdened,” meaning they were paying at least 50% of their monthly income on rent. When renters overextend their budgets to cover just the cost of housing and utilities, there is little money to spend at the end of the month on other necessary expenses, such as healthcare, childcare, and transportation.

Who is Impacted by Evictions?

Evictions can impact everyone, though the risk is disproportionate amongst the lowest-income and most marginalized renter groups. Between 2007 and 2016, the Eviction Lab [found](https://tr.ee/lauld5) (<https://tr.ee/lauld5>) that, on average, 7.6 million individuals were threatened with an eviction annually, with an average of 3.9 million people receiving an eviction judgement during each year throughout this period. Of those who face eviction, [those who are most impacted include children, individuals with the lowest-incomes, and Black households](https://tr.ee/wmPy0m) (<https://tr.ee/wmPy0m>), who according to the Eviction Lab, represent over half of all eviction filings (51.1% between 2007 and 2016).

What Tenant Protections Exist for Renters?

Tenant protections can be passed to protect renters at all stages of their lease terms. Not only can renter protections be passed to ensure that tenants can access housing free of discrimination, such as through source-of-income anti-discrimination policies or policies that regulate tenant screening practices, but tenant

protections can also be passed to protect tenants when they are faced with eviction, including through legal assistance programs or relocation support.

There are a plethora of protections that can be advanced to protect renter households at the state and local level, with the National Low Income Housing Coalition, the National Housing Law Project, and the Tenant Union Federation’s [National Tenant’s Bill of Rights](https://nlihc.org/sites/default/files/TBOR-Final.pdf)’ (<https://nlihc.org/sites/default/files/TBOR-Final.pdf>) document serving as one example of the types of protections that can be passed. As per the National Tenant’s Bill of Rights, there are seven categories of tenant protection laws and policies, including: (1) the right to a fair application process, (2) the right to a fair lease, (3) the right to freedom from discrimination and harassment, (4) the right to a habitable home, (5) the right to reasonable rent and costs, (6) the right to organize, and (7) the right to safeguards against eviction. In this ecosystem, there is a range of individual, standalone, protections that can be passed, though renters’ rights are strongest when passed together. The following details what kinds of tenant protections exist for renters in each of the seven categories mentioned:

The Right to a Fair Application Process: renter protections that fall into this category ensure that tenants are able to secure housing in a fair and equitable manner. By promoting transparency in the application process—and later throughout a tenant’s lease—tenants are better positioned to secure and remain stable housed in the housing of their choice. Some protections that exist under this category seek to mitigate the risk of tenants being denied housing, including by passing laws and policies that regulate tenant screening practices, such as clarifying the criteria a tenant will be screened for.

The Right to a Fair Lease: renter protections that fall into this category work to ensure that prospective renters are not only aware of their legal rights and obligations as a renter, but the legal responsibilities of their landlords as well. To create and enforce a fair lease, some protections that exist under this category include ensuring that tenants have a written lease, contact information for their landlords, mandatory disclosures of rent and other fees, and notice requirements for lease renewals.

The Right to Freedom from Discrimination and Harassment:

renter protections that fall into this category prohibit prejudice against tenants based on protected characteristics or status such as race, color, national origin, religion, sex (including gender identity and sexual orientation), familial status, disability, and even income source. Existing renter protections that are commonly passed under this category include source-of-income protections and right to counsel laws to protect against discrimination. As of 2025, 22 states have enacted source-of-income protections for renters, including California, Maryland, Utah, Virginia, and Washington.

The Right to a Habitable Home: renter protections that fall into this category seek to ensure that tenants are able to live in safe and healthy homes free from conditions that compromise a tenant's mental and physical well-being, including conditions that are dangerous or harmful. Protections that fall into this category include ensuring that there is a minimum set of habitability standards, proactive rental inspections, enforcement procedures for emergency repairs, and anti-retaliation protections. As of 2025, 12 states nationwide have passed laws strengthening a tenant's right to a habitable home and strengthening code enforcement processes. Such states include Georgia and Minnesota.

The Right to Reasonable Rent and Costs: renter protections that fall under this category seek to ensure that tenants do not face the disparate impacts of sky-high rental costs. Under this category, lawmakers seek to enact protections that mitigate cost burden, and that the lowest-income renter households are not disproportionately harmed. Protections that fall under this category can include rent stabilization protections and protections against excessive or surprise rental fees, known commonly as "junk fees." As of 2025, 24 states have enacted laws to protect tenants against unreasonable rental costs and fees, commonly known as "junk fees."

The Right to Organize: renter protections that fall into this category protect a tenant's ability to advocate for their own rights, such as by joining a tenant union. Existing renter protections that are commonly passed

under this category include guaranteeing a tenant's right to organize free from retaliation.

The Right to Safeguards Against Eviction: renter protections that fall into this category ensure that once a tenant has signed a lease that they are protected from arbitrary and discriminatory evictions. Some protections that are commonly passed under this category include laws that prohibit no-fault evictions, secure a tenant's right to cure—or rectify a lease violation, eviction diversion programs, eviction record sealing and expungement protections, a right to appeal a eviction, and a right to reinstate tenancy by paying off the eviction judgement. As of 2025, 19 states have enacted eviction record sealing or expungement laws, while five states have enacted right to counsel protections for tenants.

NLIHC works to support state and local partners in advancing, implementing, and enforcing state and local tenant protections. Through NLIHC's state and local initiatives, which not only works to strengthen tenants' rights and prevent evictions, also works to advocate for permanent emergency rental assistance programs, prevent the criminalization of homelessness, provide technical assistance around state housing trust funds, and support the advancement of housing innovations that keep eviction rates down and prevent homelessness.

NLIHC supports its partners by providing technical assistance and research support as well. Not only has NLIHC tracked the passage of more than 700 renter protections, but NLIHC has also released a set of toolkits and case studies as part of its State and Local Protection Series: A Primer on Renters' Rights. The toolkits cover four key protections: just cause eviction standards, rent stabilization policies, laws that strengthen habitability standards and code enforcement procedures, and laws that limit excessive rental fees. Each toolkit provides an overview of one major tenant protection, details the common components of the protection, lists information about state and local jurisdictions that have adopted the protection, suggests provisions that should be taken into consideration when enacting the protection, and highlights complementary policies that can be passed alongside the protection to ensure the greatest impact

possible. The toolkits can be found [here](https://nlihc.org/resource/now-available-four-new-tenant-protection-toolkits) (<https://nlihc.org/resource/now-available-four-new-tenant-protection-toolkits>).

Conclusion

Overall, in the absence of federal tenant protection policies, there are a number of state and local level safeguards that lawmakers can employ to protect tenants against the risk of housing instability, eviction, and homelessness. Strengthening renters' rights can ensure that tenants are not only able to access safe and stable housing of their choice, but that the lowest-income renters, and those most disproportionately impacted by rising rental costs are able to remain stably housed—in housing of their choosing.

For More Information

National Housing Law Project, National Low Income Housing Coalition, & Tenant Union Federation. (2024).

[*National Tenants Bill of Rights*](#)

National Low Income Housing Coalition.

[*State and Local Innovation*](#)

EVICTON RECORD SEALING AND EXPUNGEMENT

By Nada Hussein, State and Local Innovation, NLIHC

Eviction filings can have lasting and harmful consequences for individuals, regardless of the outcome of the eviction case. Even in instances where an eviction judgement does not result in the immediate displacement of a tenant, the mere presence of an eviction on a tenant's public record can be a barrier to securing safe, stable, accessible, and affordable housing long into the future. For low-income and marginalized renter groups particularly, the effects can be detrimental to aspects of life well beyond housing stability, impacting an individual's and their family's ability to access reliable transportation, quality schools, and work opportunities.

To help mitigate the negative effects of eviction records and support renters at risk of eviction, one safeguard that state and local lawmakers and advocates can pursue is to pass eviction record sealing and expungement protections. The general purpose of enacting such protections is to prevent eviction filings from impacting the ability of tenants to secure stable housing by removing a tenant's eviction record from public view or even erasing it altogether. When an eviction record is sealed, it is removed from public view, with restrictions put in place detailing who can access the eviction record. Expungement is a comparatively more permanent process that completely erases an individual's eviction record, making it seem as if it were never there.

Currently, there are 19 states, as well as the District of Columbia, that have passed policies or programs related to the sealing or expunging of eviction records, with Delaware and North Dakota being the two most recent states to have passed such protections for renters in 2025.

As interest for such protections has been growing at the state and local levels, it is important to understand what factors contribute to a tenant having an eviction

filed against them, who is most impacted by the threat of eviction, and what legal avenues lawmakers can take to enact eviction record sealing and expungement protections within their jurisdictions. Most importantly, there are several core components that housing advocates should consider when drafting eviction record sealing and expungement protections to ensure that tenants do not face the collateral consequences of having an eviction record.

What Causes an Eviction?

Evictions can happen for many reasons. During or at the end of a tenant's lease term, a landlord can file to legally remove a tenant from their residence for reasons such as nonpayment of rent, violation of the lease agreement, criminal activity, or even verifiable intent by the landlord to move back into the unit occupied by the tenant. The most common cause of eviction, typically, is nonpayment of rent. In many states, clearing a rental balance with a landlord is one of the only options for diverting the threat of eviction once a "notice to quit" has been issued against a tenant. However, because eviction cases disproportionately impact low-income renters, many tenants who are evicted for nonpayment of rent find it difficult to pay back any arrears and have their eviction case dismissed. Consequently, a tenant who is aware that they have not met this requirement will often not challenge an eviction order brought against them. The tenant may then choose not to appear in court, resulting in a default eviction judgement against the tenant, usually in favor of the landlord.

Lack of legal services, particularly for low-income renters, can also result in eviction judgements being brought against tenants. Low-income families usually cannot afford private lawyers, while legal aid attorneys are often unavailable due to high demand (indeed, approximately 50% of individuals seeking representation through legal aid are turned away). As a result, in eviction cases nationwide, approximately

82% of landlords are [represented in court](https://tr.ee/y6q8CC) (<https://tr.ee/y6q8CC>), while only 3% of tenants are represented.

Eviction lawsuits can be filed against tenants without good or “just” cause as well, meaning landlords can evict tenants for no reason—or fault of the tenant—whatsoever. In many states and localities around the country, landlords are not required to provide a reason for evicting a tenant at the end of a lease term or for evicting a tenant without a lease (i.e., a resident with a month-to-month tenancy). Moreover, a landlord who is unable to evict a tenant during their lease term may choose not to renew the tenant’s lease and use the lease holdover as grounds for eviction. In all but eight states nationwide, including the District of Columbia, a landlord does not have to provide just cause for evicting a tenant and can instead do so with impunity.

Eviction Filings Do Not Impact Renters Equally, but the Consequences Can Be Detrimental for Everyone

Once an eviction has been filed with the court, the filing can follow an individual for years, making it more difficult to obtain and maintain future housing as a renter. Eviction filings pose a threat to individuals because they appear during tenant background screenings. Landlords often utilize background screenings through third-party screening companies during the rental application process, which can result in outdated and inaccurate or misleading information about applicants being shared with landlords (Duke & Park, 2019). As a consequence, property owners and landlords often reject applications from prospective tenants whose screening reports reveal eviction filings, regardless of the outcome or circumstances surrounding the filing.

Unfortunately, eviction filing rates are not felt equally across all population groups. Black and Indigenous renter households and households of color are more likely to feel the disparate impacts of having an eviction filed against them than white renters do, with low-income Black women experiencing the highest eviction

rates. Over the course of their lifetime, one out of every five Black women is evicted, while one out of every 15 white women is evicted. Low-income households with children are also disproportionately more likely to face eviction. More than 14% of children who live in low-income households have experienced an eviction by the time they are 15 years old.

Avenues for Passing Eviction Record Sealing and Expungement Protections

No federal legislation mandates the sealing or expungement of an individual’s eviction record, making state and local legislation even more important. State and local lawmakers can pursue eviction record sealing and expungement protections through statutory laws (employing legislative means) and through administrative policies and orders (using executive means).

STATUTORY LAWS

Statutory laws are passed in the form of bills or acts at either the federal or state levels that are signed into law by members of the executive branch. At the local level, statutory laws are passed by city or town councils and then signed into law by a mayor. Several benefits to enacting tenant protections through statutory—or legislative—means are:

- **Clarity and permanence:** as outlined in the text of a bill or act, statutory laws help individuals or organizations better understand their rights. Statutory laws, once enacted, can also extend permanent protections to individuals, especially when these protections are codified into law.
- **Flexibility:** once passed, statutory laws can be updated or amended by a state or local legislature, allowing them to be responsive to the needs of the public.
- **Public input and transparency:** statutory laws allow public input and debate, which can in turn promote transparency and increase accountability.

- Legitimacy: insofar as they result from democratic processes, statutory laws can be seen as more legitimate, especially when such laws are passed with input from the public.

ADMINISTRATIVE POLICIES AND ORDERS

A second avenue for enacting eviction record sealing and expungement protections is through administrative policies and orders. Administrative policies are rules and regulations that deal specifically with the implementation and interpretation of laws. Administrative—or executive—orders, are temporary policies passed by the executive branch at the federal or state level that do not require support from a legislative body. When administrative policies and orders are issued, the court system oversees their implementation to ensure that the laws are upheld both consistently and efficiently. Administrative policy differs from statutory law. While statutory law deals with the creation of laws and legislation, administrative policy focuses on its implementation. Administrative policies are thus more technical than statutory laws, insofar as they detail the processes and procedures needed to implement and interpret laws and legislation. While administrative policies are not laws per se, they are rules and regulations that have a power akin to law. The State of Texas is one example of a state having implemented eviction record sealing protections through administrative means, though such protections expired in 2023.

What Should be Included in Eviction Record Sealing and Expungement Legislation

To date, 19 jurisdictions have passed eviction record sealing or expungement legislation: Arizona, California, Colorado, Connecticut, Delaware, the District of Columbia, Idaho, Indiana, Maine, Maryland, Massachusetts, Minnesota, Nevada, North Dakota, Oregon, Rhode Island, Utah, Virginia, and Wisconsin. California was the first state to enact such protections for

tenants (in 2016), while other states followed suit during, and after, the COVID-19 pandemic.

While each jurisdiction has implemented their own, unique sealing and expungement protections, many of protections that have been implemented share similar components, including (1) when the sealing or expungement of an eviction record should be triggered; (2) how long an eviction record is sealed for; (3) the process for having an eviction record sealed or expunged; (4) who is able to access an eviction record once it has been sealed; and (5) how the law will be enforced.

Based on an examination of existing protections and their common components, NLIHC offer the following recommendations for lawmakers and advocates developing new eviction record sealing and expungement protections:

1. **Clarify the options available to individuals wishing to seal or expunge their eviction records**, including under what circumstances an individual can have their eviction record sealed or expunged (1) if a tenant prevails in court and is found to not be at fault, (2) if a tenant has their eviction record dismissed, (3) if a landlord and tenant resolve their case outside of court, (4) if the landlord and tenant file a joint request to have an eviction record sealed, and (5) if a certain amount of time passes following an eviction judgement, after which time the tenant may qualify for an expungement.
2. **Ensure the protections cover all types of eviction cases**, not just evictions that happen under specific circumstances such as noncompliance with a lease agreement or failure to pay rent.
3. **Require that eviction filings are sealed at the point of filing**. Eviction records can be sealed automatically, at the point of an eviction being filed, or at the end of the eviction process when a judgement is brought down. Yet because third parties can access eviction data as soon as a case is filed, it is imperative that eviction records be sealed at the point of filing.
4. **Streamline eviction record sealing and expungement processes by reducing documentation**. When eviction records are not sealed automatically, individuals must apply to have their records sealed. Typically, this process

can create undue burden for a tenant, including having to fill out the proper and necessary paperwork needed to apply for respite. In some states, like Oregon, an individual must convince a landlord to affix a signature to a document asserting that an individual has satisfied the terms of an eviction judgement. Oftentimes, a landlord can refuse to sign the individual's paperwork – creating additional barriers for the tenant. To mitigate this challenge, lawmakers should implement policies that seal eviction records at the time of filing.

5. **Limit access to eviction data** by ensuring that an eviction record is not readily available to a third party, such as a credit reporting company. Instead, the law should clarify that a record may only be opened by a tenant named on the eviction case, or when the court shows compelling need for the record (such as when the data are being used for scholarly, educational, journalistic, or governmental purposes). Even when a court can show compelling need for the record, the tenant's identifying information is made private.
6. **Ensure that sealed records are sealed permanently** and closed off from public view for as long as possible.

Implementation

When eviction record sealing and expungement policies and programs are put in place, the courts play a critical role in their implementation. Throughout the eviction process, the courts are involved in every aspect of a tenant's case. At the beginning of the eviction process, when an eviction order is levied against a tenant, court clerks are tasked with maintaining a tenant's eviction file. If sealing or expungement policies are in place, court clerks maintain the confidentiality of these records. A court's capacity and resources, or lack thereof, play an important role in its ability to effectively implement eviction record sealing and expungement policies or programs.

Due to budget constraints, local courts often have outdated infrastructures, leading to difficulties for court clerks when it comes to efficiently tracking or accessing individuals' records. Court clerks can also be hesitant to change processes because of a lack of staff capacity. Therefore, for states and localities working to enact sealing and expungement protections within their

jurisdictions, it is imperative that lawmakers engage court staff when drafting these bills. In California, for example, when advocates were working to pass "[Assembly Bill 2819](https://tr.ee/BnCjJR)" (<https://tr.ee/BnCjJR>), court staff were included in deliberations about the bill, ensuring that courts would have the capacity to implement the law effectively (Dada & Duarte, 2022).

Conclusion

Eviction record sealing and expungement protections can be important interventions for minimizing the impacts of eviction. While eviction record sealing and expungement protections do not prevent evictions from occurring, these protections can be used to reduce the threat of future housing instability for many renter households. It is imperative that state and local lawmakers work to enact protections for tenants that address evictions in all forms and at all stages of the eviction process.

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RENT REGULATION

By Andrew Aurand, Senior Vice President for Research, NLIHC

Rent regulation refers to policies that either limit the maximum rent or the rate of rent increases for privately owned rental homes. While such policies will not solve the housing affordability crisis on their own, research suggests they can dampen price appreciation, slow displacement, and improve housing stability for some lower-income renters.

Types of Rent Regulation

Rent regulation policies come in many forms. While historically some policies imposed a ceiling on rents, most forms of rent regulation today instead regulate the speed and size of rent increases, referred to as rent stabilization. Some rent stabilization policies sharply restrict increases, while others merely prohibit large and sudden spikes or price gouging. Rent regulation policies also vary in the proportion of the private-market rental stock they cover. While some cover all rental homes in an area, most policies target older rental homes to avoid discouraging new construction. Some rent regulations exempt smaller buildings, and some allow homes to be brought up to market rate when they are vacated.

Recently, support for rent regulation measures in some states and cities has increased, though most jurisdictions with rent regulation are still found in New York, New Jersey, and California. In 2019, for example, [Oregon limited annual rent increases](https://tr.ee/KG75YA) (<https://tr.ee/KG75YA>) on many rental homes more than 15 years old to 7% plus the consumer price index (CPI) measure of inflation, prohibiting large increases far greater than general inflation. In 2023, [Oregon](https://tr.ee/IPkwKQ) (<https://tr.ee/IPkwKQ>) further limited annual rent increases at covered properties to either 7% plus CPI-based inflation or 10%, whichever is lower. Washington State passed similar [rent stabilization legislation](https://tr.ee/WquSKx) (<https://tr.ee/WquSKx>) in 2025, which also limits rent increase to 7% plus inflation or 10%, whichever is lower. At the other end of the spectrum, in 2021, St. Paul, Minnesota voters passed

stringent [rent stabilization](https://tr.ee/QemVdK) (<https://tr.ee/QemVdK>) that limited annual rent increase to 3% for most rental housing. However, the city established a process for landlords to request an exemption to the rent-increase cap. The city also approved additional amendments to the rent control policy that took effect January 1, 2023, including a 20-year exception for newly constructed rental buildings and the allowance of a rent increase of as much as the CPI plus 8% after a just cause vacancy. In 2022, voters in Pasadena, CA passed a ballot initiative, [Measure H](https://tr.ee/LkCaf5) (<https://tr.ee/LkCaf5>), which created a board to limit rent increases to 75% of the percentage increase in the CPI annually for multifamily rental units built before February 1, 1995. A lawsuit challenging Measure H has not been settled as of September 2025.

Rent regulation remains overwhelmingly an issue for state and local politics, rather than a federal issue—partly because a permanent national policy would face greater legal challenges and partly because a uniform set of regulations would not serve high- and low-cost markets equally. In 2023, NLIHC and 351 other organizations [called on](https://tr.ee/pCK5KI) (<https://tr.ee/pCK5KI>) the Federal Housing Finance Agency to use rent stabilization as an anti-rent gouging measure and prevent landlords with federally backed mortgages from imposing exorbitant rent increases that put tenants at greater risk of unjust treatment, housing instability, and evictions.

Rent Regulation as an Anti-Displacement Tool

In some jurisdictions, rent regulation may be a useful means of preventing the displacement of renters in rapidly gentrifying areas. Proponents argue that regulation can correct power imbalances between landlords and renters and give due recognition to long-term tenants' interest in staying in their homes. Because rent regulation lowers the rent burden for existing tenants and protects them from sudden increases, renters in controlled rental homes tend to remain in their homes longer than those in uncontrolled homes. Longer tenures may reflect greater housing stability and

better access to neighborhood opportunities. On the other hand, longer tenures may also reflect restricted mobility if renters stay in regulated homes of the wrong size or far from work to keep lower rents.

Rent regulation benefits renters who happen to occupy regulated homes, not necessarily the renters who have the greatest need. While some higher-income renters will benefit, renters in regulated homes are much less likely than renters in unregulated homes to be wealthy. In New York City, the median income of renters in rent-stabilized homes is considerably lower than the median income of renters in unregulated homes. All the same, critics argue that insensitivity to need makes rent regulation inefficient, wasting resources on higher-income tenants.

Lower-income renters may be disadvantaged by poorly designed regulations. Low-income households are more likely to need to move for work, health, or family, so they may not be able to stay in regulated homes. Higher-income renters may be willing to initially pay above-market rents for stabilized units, confident that they will eventually benefit from slower increases, which lower-income renters are less likely to be able to do. Some have argued that regulations give landlords incentives to apply stricter screening criteria, which could make housing searches harder for younger tenants and tenants with children.

Broader Effects of Rent Regulation

The benefits and risks of rent regulation for low-income renters not yet living in the area or not living in rent-regulated homes are less well understood. Research provides mixed evidence of how rent regulation affects overall housing supply, rent levels in uncontrolled homes, and housing quality. There is little evidence that rent regulation increases economic or racial integration or reduces homelessness.

HOUSING SUPPLY

Conventional wisdom holds that strict rent control will diminish the supply of available rental homes by discouraging new construction and encouraging

landlords to pull homes out of the market, but empirical evidence is mixed. Several studies found that rent regulation does not dampen new construction, though that likely depends on how much the policy restricts increases and how long new construction is exempted from regulation. Rent regulation can increase the likelihood that owners convert rental homes to condos or redevelop them for other purposes. What effect rent regulation has on housing supply may depend on related regulations, like whether landlords are prevented from taking homes off the market or are guaranteed a certain rate of return.

RENT LEVELS IN UNREGULATED HOMES

If rent regulation limits housing supply, then it might raise rents in unregulated homes, but the empirical evidence is also mixed on this point. Some studies show rising housing costs for uncontrolled homes in cities with rent regulations, while other research has found no impact or even a decrease in the rents of nearby uncontrolled rental homes. Given this uncertainty, it may be best to consider this an unresolved worry about the side effects of rent regulation—low-income renters who do not secure a regulated home may have to spend more on rent than they would in a city without regulation. Of course, the design of rent regulation affects the size of the unregulated market.

HOUSING QUALITY

It is unclear what effect rent regulation has on housing quality. Some economists argue that regulation discourages landlords from investing in their buildings. While some research has found a modest decline in the quality of regulated buildings, which could point to decreased investment, others argue that factors like the state of economy matter more. A study of rent control in the District of Columbia found that unregulated homes had more maintenance issues than regulated homes. A recent review of studies from the University of Minnesota found some evidence that major capital improvements may not be impacted by rent regulation, especially if the costs can be passed through to rent, but more general upkeep may suffer.

OTHER EFFECTS

No consistent relationship has been observed between rent regulation and rates of homelessness. Likewise, existing research does not find any consistent effect on rates of overcrowding. While some proponents of rent regulation tout mixed-income neighborhoods as a goal of rent control policies, there is little evidence that rent control consistently increases economic integration in the long term. However, to the extent that rent regulation slows displacement, it could allow lower-income renters to stay in a neighborhood longer. Finally, there is mixed evidence whether people of color access rent-controlled homes in proportion to their share of the population. While people of color were overrepresented in regulated homes in New Jersey, they were underrepresented in Boston.

Proponents readily admit that rent regulation needs to be paired with other measures to create more affordable housing, since it does not increase the supply, benefit all lower-income renters, or ensure economic and racial integration. One common argument for rent regulation is that it is fast, scalable, and cheap, since it does not require a direct subsidy. It may allow many lower-income renters to remain in place in cities with rising housing prices. Opportunity costs are still involved, since rent regulation requires administrative oversight and enforcement, and lower rents can affect property values and tax revenue that could be used for other purposes. Given the uncertainties about how rent regulation affects housing supply, unregulated rent levels, and housing quality, any rent regulation policy needs to be carefully designed and paired with supplementary regulation to protect low-income renters.

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PROMOTING HOUSING STABILITY THROUGH JUST CAUSE LEGISLATION

By Sarah Gallagher, NLIHC and Nada Hussein, State and Local Innovation, NLIHC

Background

The end of a lease term is a particularly vulnerable time for low-income tenants. In many states and localities around the country, landlords are not required to provide a reason for evicting a tenant at the end of a lease term or for evicting a tenant without a lease (i.e., a resident with a month-to-month tenancy). Landlords who are unable to evict a tenant during their lease term may choose not to renew the tenant's lease and use the lease holdover as grounds for eviction. Moreover, a tenant at the end of their lease is also at risk of unreasonable rental increases.

To support renters, a growing number of state and local jurisdictions have passed “just cause” eviction laws. “Just cause”—often known as “good cause” or “for cause”—protections prevent arbitrary, retaliatory, and discriminatory evictions by establishing standards that limit the reasons for which a landlord can evict a tenant or refuse to renew a tenant's lease when the tenant is not at fault or in violation of any laws. Just cause eviction laws allow landlords and property owners to levy a formal, court-ordered, eviction proceeding against a tenant only for certain verifiable reasons, such as nonpayment of rent, criminal activity, or documented violation of the tenant's lease agreement. By establishing that a tenant can only be evicted for particular reasons, just cause laws rein in the practice of informal and illegal evictions that occur outside of a court of law.

Just cause laws can be enacted at federal, state, or local levels. Currently, no federal just cause laws exist. And as of this writing, ten state-level jurisdictions across the country, as well as the District of Columbia, have implemented some form of just cause legislation, including: California, Colorado, Connecticut, Louisiana,

Michigan, New Hampshire, New Jersey, New York, Oregon, and Washington. New Jersey was the first state to pass such renter protections (in 1974), with Colorado and New York being the most recent (in 2024). In the absence of federal or state just cause laws, many housing advocates have worked to advance such protections at the local level, in the hopes of scaling the protections up into state legislation.

What is Just Cause Legislation?

Just cause—also known as “good cause” or “for cause”—eviction laws are tenant protections that prevent evictions and promote housing stability by limiting the causes for which a landlord can evict a tenant or refuse to renew a tenant's lease when the tenant is not at fault or in violation of any law ([Just Cause Eviction Policies. Local Housing Solutions](#); <https://tr.ee/AYLhHQ>). Just cause laws aim to benefit low-income tenants by:

- Protecting renters from evictions for no fault of their own.
- Delivering a sense of stability to tenants.
- Discouraging renters from self-evicting when they receive eviction notices from landlords.
- Empowering tenants experiencing poor living conditions, discrimination, or other illegal landlord behavior to advocate for improvements with landlords or file complaints without fear of retaliation.
- In some cases, protecting tenants from unreasonable rent increases.

While the specific protections embedded in just cause legislation vary by jurisdiction, protections always include provisions that define the legal causes for which a landlord can evict a tenant or refuse to renew a tenant's lease. Legal definitions of “just cause” usually

involve substantial violations of a lease by a tenant, such as failure to pay rent or destruction of property. If a tenant receives an eviction notice without just cause, the tenant can challenge the eviction in court ([Why New York Needs Good Cause Eviction](#); <https://tr.ee/MAnyTD>). Additionally, just cause laws have also included provisions placing caps or limiting the power of landlords to increase rents and expanding eviction notice provisions.

Core Components of Just Cause Legislation

Just cause legislation enacted by state and local jurisdictions typically includes four core components: (1) a clear definition of the term “just cause,” and a clear account of the legal grounds for eviction, (2) the enhancement of written notice requirements, (3) definition of the scope of the law, including exemptions of coverage, and (4) an explanation of enforcement mechanisms. While the protections discussed in this article display similarities, they also exhibit unique characteristics that reflect the state and local contexts shaping their enactment and that are important to consider in efforts to develop new just cause legislation.

DEFINING THE LEGAL GROUNDS FOR EVICTION

Just cause laws aim to prevent evictions of tenants who are not at fault by defining the legal grounds on which a landlord can evict tenants or refuse to renew a lease. Just causes for eviction commonly include failure to pay rent, property damage, disturbance or disorderly conduct, other lease violations, criminal activity in a unit, and intent on the part of the landlord to sell, repair, or move into the unit.

For example, New Jersey’s “Anti-Eviction Act,” enacted 50 years ago, was designed to address the state’s severe housing shortage by preventing landlords from unfairly and arbitrarily displacing their tenants (447 ASSOCIATES v. Miranda. 115 N.J. 522, 1989). The act limits the ability of landlords to remove tenants who have not violated the terms of their lease and defines the legal causes for eviction as failure to pay rent or rent increases, disorderly conduct, damage or destruction

to property, illegal activity, violation of landlord rules or the lease agreement, or a desire on the landlord’s part to convert rental property to a condominium or use the property personally. The act further establishes that for failure to pay rent after a rent increase to be considered grounds for eviction, “the rent increase must not be unconscionable and must comply with all other laws or municipal ordinances, including rent control” ([Grounds for An Eviction Bulletin](#); https://www.nj.gov/dca/codes/publications/pdf_lti/grnds_for_evicti_bulltin.pdf).

Washington State’s House Bill 1236, passed in May 2021, requires landlords to provide a valid reason for ending a tenancy. Under the law, just causes for eviction include failure to pay rent, unlawful activity, destruction of property, and the landlord’s intent to sell or move into the rental property.

Oregon’s Senate Bill 608, enacted in 2019, protects tenants from no-cause evictions after their first year of occupancy. However, unlike the New Jersey and Washington State legislation, SB 608 provides exemptions allowing landlords to evict tenants who have not violated any lease terms in cases in which (1) the landlord wishes to demolish a building or convert it into a business or make substantial repairs to or renovate the unit; (2) the landlord or their relative wishes to move into the unit; or (3) the landlord has sold the unit to someone who wants to move into it.

California’s just cause legislation, the “Tenant Protection Act of 2019” (Assembly Bill 1482), applies to renters who have lived in their units for 12 months or more and distinguishes between at-fault and no-fault evictions. According to the California Rental Housing Association (CalRHA), at-fault evictions are based on the actions and activities of renters. To justify an eviction, a landlord must have evidence of any of the following: failure to pay rent, violation of a lease term, criminal activity, disturbance on the property as defined by California law, or refusal to execute a landlord’s request of a written extension or renewal of the lease based on similar terms of a tenant’s previous lease.

Like Oregon’s legislation, California’s law provides exemptions allowing no-fault evictions to proceed in certain cases. California’s exemptions include cases in which the owner intends to withdraw the unit from

the rental market or demolish or substantially remodel the unit, or the owner or the owner's relative intends to occupy a unit, as well as cases in which the owner is complying with a local ordinance, court order, or other governmental entity that requires a tenant to vacate the property. However, because the reason for eviction is beyond the tenant's control, in such cases the evicting landlord must assist the tenant in relocating, regardless of the tenant's income, by providing a direct payment of one month's rent to the tenant or providing a written waiver for the tenant's last month of rent.

ENHANCEMENT OF WRITTEN NOTICE REQUIREMENTS

Notice requirements are a critical component of just cause laws. In most states and localities that have passed just cause eviction laws, before the formal eviction process reaches the courts, landlords and property owners are required to provide to a tenant, typically in writing, an explanation of their intent to file an eviction or to provide a tenant with notice of a lease violation. Requiring advance notice of an impending eviction is beneficial to tenants. When a tenant is given sufficient notice of a probable eviction, they can remedy any lease violations that have been levied against them or prepare the necessary documentation for their court hearing. Whether a notice has been issued for nonpayment of rent or damage to the rental property—both common causes for a just cause or no-fault eviction—a tenant who has been given proper notice is better positioned to address any infractions in the time they are given or to get legal representation, increasing the chances of diverting eviction and remaining stably housed.

In Oregon, if a no-cause eviction occurs that utilizes one of the exemptions listed above, Senate Bill 608 requires that the landlord provide the evicted tenant with a 90-day notice. If the property owned by the landlord has five or more units, the landlord is also required to provide the evicted tenant with a payment equaling one month's rent.

Under Washington's House Bill 1236, a landlord who wishes to evict a tenant must serve the tenant a written notice that specifies the lease violation and gives the renter the opportunity to cure that violation. The

law also increases the time landlords are required to provide advance written notice from when the tenancy is deemed expired from 20 to 60 days, granting tenants more time to find housing.

New Hampshire's just cause law requires landlords to give tenants 30-days' advance notice of any new lease term that includes a rental increase. The law also requires landlords to provide evicted tenants a 30-day written notice to vacate a rental unit. However, if the reason for eviction is nonpayment of rent, the length of the notice decreases to seven days.

Defining Scope and Establishing Exemptions

To defend against eviction in a court of law, tenants must first understand what rights are afforded to them in jurisdictions with just cause protections, especially because such laws typically do not cover all units or all situations. Many just cause laws include exemptions for certain tenants or unit types or allow landlords to take over a unit under certain circumstances. Typically, when a just cause law includes no explicit exemptions, it extends to all units and tenants. Some localities do not permit any exemptions regarding who is covered under their law. In Baltimore, Maryland, Ordinance No. 21-0031 targets lease renewals specifically. Under the law, a landlord or property owner must offer a tenant a lease renewal when there is no good reason why a tenant's lease should not be renewed.

Yet many states do establish exemptions. Common exemptions include situations when an owner intends to withdraw the unit from the rental market or demolish or substantially remodel the unit or when the owner or a relative of the owner intends to occupy a unit, while other exemptions relate to length of tenancy.¹⁸ California's Assembly Bill 1482 and Oregon's Senate Bill 608, for example, condition coverage of their protections on length of tenancy, with both laws stipulating that just cause protections are activated for a tenant in a given place of residence only after that tenant has occupied that place of residence continuously for a 12-month period.

Enforcement of the Law

To ensure successful implementation of just cause laws, lawmakers often embed penalties for landlords and property owners who do not adhere to the standards set forth by just cause protections, though these penalties vary between jurisdictions. Typical penalties embedded in just cause laws include financial penalties for landlords, which can include damages to be paid out to a tenant. Louisiana is one just cause jurisdiction that mandates financial penalties for landlords found not to be in compliance with its law.

Under Louisiana's House Bill 160, which extends just cause protections to individuals who have been displaced due to a natural disaster, if a landlord or property owner is found to be in violation of the law, they may be required to pay a tenant \$500 or two-months' rent, whichever amount is greater.

In addition to financial penalties, some states give tenants who are wrongfully evicted the right to assert a defense in a court of law. New Hampshire's State Statute Section 540-2 is one such law that gives tenants the right to defend themselves against an eviction case that has been brought without just cause.

Local Legislation Can Set the Path for Statewide Reform

With no federal just cause standards in place, and only eleven states with enacted protections, many housing advocates have focused their advocacy efforts on passing local just cause laws and other needed tenant protections. Local governments have opportunities to build buy-in from the public and their state legislatures by passing just cause ordinances in their jurisdictions and collecting eviction data to demonstrate the impact of the laws and influence future state legislation. Decades before Washington State passed just cause legislation, for example, Seattle adopted a local ordinance from which state lawmakers would later learn. Similarly, in California, about 20 cities and counties had enacted their own form of rent control prior to the

passage of AB 1482 ([Building an ADU? What you need to know about rent control](https://tr.ee/YI2Ewu); <https://tr.ee/YI2Ewu>).

Once it was enacted, Assembly Bill 1482 extended protections to renters who were not covered by local ordinances or who lived in areas where local ordinances prohibited protections, applying rental caps and just cause standards to an additional 2.4 million apartments across California, as well as single-family rental homes meeting the act's requirements, according to an analysis by researchers at the University of California, Berkeley's Turner Center for Housing Innovation ([Here's how California's new plan to cap rent increases would work](https://tr.ee/xbaoVS); <https://tr.ee/xbaoVS>).

Conclusion

As renters continue to contend with threats to their housing stability, local, state, and federal governments must intervene to protect low-income and marginalized households from eviction and, in the worst cases, homelessness. Just cause eviction legislation is an important tenant protection that can provide stability and predictability at the end of a lease term and mitigate the harms resulting from unprecedented rental increases in cities and states across the country. As the federal government continues to delay actions to address the country's housing affordability and homelessness crisis, state and local governments must work to provide robust and permanent tenant protections at all stages of the eviction process.

RIGHT TO COUNSEL

By John Pollock, Coordinator, National Coalition for a Civil Right to Counsel

A right to counsel guarantees that an eligible person will be offered a lawyer who will provide full legal representation at government expense. The national civil right to counsel movement focuses on establishing such a right in “basic human needs” civil cases, such as those involving shelter, safety, sustenance, health, child custody, and physical liberty. In the landlord/tenant context, “eviction right to counsel” means that eligible tenants are offered full legal representation in an eviction proceeding (and sometimes proceedings functionally equivalent to an eviction, such as housing subsidy terminations), while “tenant right to counsel” includes additional proceedings such as affirmative actions to enforce tenant rights

History of Civil Right to Counsel

While the federal constitution provides a right to counsel for indigent defendants in criminal cases, there is no similarly broad federal constitutional right in civil cases. In 1967, the U.S. Supreme Court recognized a right to counsel for children in juvenile delinquency cases, which are technically civil but quasi criminal. Since then, the Court has twice more considered the right to counsel in civil cases, once in 1981 for termination of parental rights and once in 2011 for parents civilly incarcerated due to being unable to pay child support. In both instances, the Court declined to recognize a federal constitutional right to counsel, adding that where physical liberty is not at stake there is a presumption that there is no right to counsel. While the Court has never addressed the right to counsel for eviction cases, it has said there is no fundamental right to housing, which when combined with its right to counsel jurisprudence makes it highly unlikely that it would recognize such a right to counsel under the federal constitution for the foreseeable future. Because

of this landscape, the right to counsel in civil cases, including eviction matters, is left for state and local governments to determine.

Based on their own state constitutions, state courts can recognize constitutional rights to counsel that the Supreme Court does not. [Many have done so \(https://tr.ee/q0ta4y\)](https://tr.ee/q0ta4y) for various civil matters, particularly those involving parental rights or physical liberty. However, to date, there has not been a decision from a state court that fully addresses, much less recognizes, the right to counsel for tenants facing eviction.

Regardless of the position of the courts, city and state governments can pass laws to enact a right to counsel. Each year, [hundreds of bills \(https://civilrighttocounsel.org/current-legislative-developments/\)](https://civilrighttocounsel.org/current-legislative-developments/) are introduced around the country that create or strengthen the right to counsel in one or more types of civil cases. In the housing context, [twenty six jurisdictions \(https://tr.ee/8e9X2a\)](https://tr.ee/8e9X2a), including five states, nineteen cities, and two counties, have passed ordinances or bills (or have had ballot initiatives approved by voters) that create a right to counsel for tenants facing eviction.

A right to counsel law creates a legal obligation for a city, county, or state to provide eligible tenants with a lawyer. In most jurisdictions, over half of tenants do not respond to the eviction complaint or participate in the proceedings, often due to justifiable feelings of disempowerment, confusion, or despair. Enacting a law sends a message to the community that the jurisdiction is firmly committing to changing the existing system. A law is far more visible to the community than a budget appropriation that can appear one year and disappear quietly the next, which helps with accountability, and ensures that the government has a stake in making the program work. Finally, the law provides more assurances to legal aid providers that the program will last, which is critically important as such providers will have to invest substantial time and resources into scaling up to meet the demands of increased representation.

Essential Parameters and Structure of Eviction Right to Counsel Laws

Covered proceeding: All eviction right to counsel laws cover court proceedings in which a landlord seeks to evict a tenant, although it is possible for a right to counsel to be limited to certain kinds of eviction proceedings (such as those involving the housing authority). Some enactments go further to cover situations where a housing authority seeks to terminate a housing subsidy such as Section 8, as losing the subsidy will almost always cause the tenant to fall behind on rent and be evicted and sometimes cover some matters where the tenant seeks to enforce rights (like habitability, anti-discrimination, or lead paint laws). Further, some have chosen to go further and provide representation before an eviction is filed in court.

Eligibility: The [gold standard](https://tr.ee/GBGonG) (<https://tr.ee/GBGonG>) provides coverage for all tenants facing eviction. Some jurisdictions limit eligibility to people under a certain income level (for instance, 200% of the federal poverty level) and/or have other requirements, such as only covering tenants with children. For a law to be considered to provide a right, the eligibility parameters must be “objective” (such as income level, presence of children in the household, etc.), not “subjective” (such as the perceived merit of the case).

Full legal representation: In the traditional legal services model, attorneys “triage” cases, directing the most resources to the cases they perceive to be most meritorious and providing brief or limited services to others (while turning some away entirely). But under a right to counsel model, all eligible tenants are provided full representation, meaning the attorney must provide whatever services are necessary to best fulfill the tenant’s goals regardless of resources. This does not mean that the attorney is obligated by the law to take any particular action, such as seeking a full hearing or filing motions. Rather, the attorney must identify the actions that would benefit the particular case and pursue those actions. In some instances, the best outcome can be obtained through negotiating with the landlord or helping the tenant obtain rent assistance.

Funding: Right to counsel programs are paid for by the city, county, and/or state government. Sometimes this comes from general revenue, while at other times a specific revenue source is created or tapped, such as a tax or fee on rental units, a developer fee, or a fee on transfers of properties. Some jurisdictions relied initially on COVID-19 emergency federal funding (https://civilrighttocounsel.org/major_developments/1463), such as the Emergency Rental Assistance Program and Fiscal Recovery Funds, but many have [already replaced such funding](https://tr.ee/77Z9Ge) (<https://tr.ee/77Z9Ge>) with a long-term revenue source.

Justifications for a Right to Counsel for Tenants Facing Eviction

There are many reasons why a right to counsel for tenants facing eviction is essential. Below are some of the reasons, and others have been [outlined elsewhere](https://www.rtcadvocacy.org/stage1-4) (<https://www.rtcadvocacy.org/stage1-4>).

DIRECT AND COLLATERAL CONSEQUENCES OF EVICTIONS

The destructive consequences of eviction have been [well documented](https://tr.ee/130roa) (<https://tr.ee/130roa>). Some evicted tenants become homeless, potentially facing incarceration and criminal prosecution, serious health consequences, and loss of child custody, employment, and belongings. Tenants who are evicted but avoid homelessness may still come face to face with similar consequences due to rapid displacement, relocation, and housing instability. Additionally, an eviction record, often referred to as a “Scarlet E” (<https://theappeal.org/the-lab/report/erasing-the-scarlet-e-of-eviction-records/>), is typically a public record that can make it extremely difficult to secure new housing.

RACE EQUITY AND FAMILY STABILITY

Data has conclusively shown that [tenants of color are disproportionately affected](https://tr.ee/iWpiMw) (<https://tr.ee/iWpiMw>) by the 3.6 million evictions filed annually. In particular, Black Americans made up only 18.6% of all renters yet accounted for 51.1% of those threatened with

eviction and 43.4% of those who were evicted. [Recent data](https://evictionlab.org/eviction-and-educational-trajectories/) (<https://evictionlab.org/eviction-and-educational-trajectories/>) has also shown that families with children face eviction twice as often.

IMBALANCE OF POWER

In a landlord/tenant relationship, the imbalance of power begins the moment the landlord and tenant enter a contract to rent because the contract is prepared by the landlord, with set terms the tenant typically cannot negotiate. When eviction is in the picture, the power imbalance is further amplified by the unequal interests at stake, since only the tenant is facing loss of their home. Without a right to counsel in place, [on average](https://tr.ee/Boq3vj) (<https://tr.ee/Boq3vj>) only 4% of tenants are represented nationwide, compared to 83% of landlords. This massive disparity has affected the way housing courts operate. For instance, landlord attorneys or representatives are often “repeat players” in the court: they appear frequently, build substantive and procedural experience, and develop relationships with court staff and judges that benefit their clients. Additionally, the imbalance has led many courts to establish a practice of sending unrepresented tenants to meet with the landlord’s attorney in the hallway prior to tenants attempting to present their case. During these hallway meetings, tenants are often pressured to agree to terms set out by the landlord’s attorney.

LEGAL COMPLEXITY OF EVICTIONS

Evictions are complex legal proceedings that move extremely quickly, and like most legal proceedings they were not designed with unrepresented litigants in mind. Evictions can raise issues as varied as whether the lease terms have been breached, whether the tenant was properly served with notice of the eviction, whether the landlord has complied with the Fair Housing Act, whether the landlord has properly credited all rent paid or has tacked on illegal surcharges, and whether other federal, state, and local laws have been followed (such as eviction moratoria, just cause eviction laws, lead paint registration, landlord licensing, or filing requirements related to rental assistance). In fact, any tenant protections enacted by a jurisdiction may be ineffective if there is no tenant’s attorney to ensure they are being complied with, as courts do not proactively screen

landlord cases for legal flaws. In nonpayment of rent cases, a landlord’s failure to maintain and repair the unit can be a defense to eviction, but [studies have shown](https://tr.ee/uNPu6Y) (<https://tr.ee/uNPu6Y>) tenants cannot successfully assert such a defense without counsel.

Even where there are no legal issues to be addressed, courts still have to make three important determinations in a case where the tenant is going to vacate the unit: 1) whether the eviction will be on the tenant’s record; 2) whether the landlord will receive a judgment for rent owed in addition to regaining possession of the unit; and 3) the amount of time the tenant will have to relocate. Without counsel, tenants are hard pressed to succeed on any of these fronts, and these matters can conclusively determine whether the tenant is able to both obtain new housing and avoid homelessness.

EFFECTIVENESS OF COUNSEL

Even before any jurisdiction had enacted a right to counsel for tenants facing eviction, decades of studies had demonstrated that the presence of counsel makes a determinative difference in eviction cases. For instance, a [California study](https://tr.ee/LmgaHS) (<https://tr.ee/LmgaHS>) found that fully represented tenants stayed in their units three times as often as those receiving limited or no legal assistance. When tenants did have to move, fully represented tenants were given twice as long to do so. A [study out of Hennepin County Minnesota](https://tr.ee/SBll65) (<https://tr.ee/SBll65>) found that a) represented tenants were twice as likely to stay in their homes, received twice as long to move if necessary, and were four times less likely to use a homeless shelter than those without counsel; and b) 78% of represented tenants left with a clean eviction record, compared to 6% of unrepresented tenants.

The enacted right to counsel programs have only reinforced these success statistics. For instance, in [New York City](https://tr.ee/wpGdmG) (<https://tr.ee/wpGdmG>), 72-93% of represented tenants (depending on the borough) were able to remain in their homes, while in [San Francisco](https://tr.ee/YY1kN0) (<https://tr.ee/YY1kN0>), the figure is 63% (with 92% avoiding homelessness), and in [Boulder](https://tr.ee/maSzBZ) (<https://tr.ee/maSzBZ>), it has been 59%. In [Cleveland](https://tr.ee/H906V6) (<https://tr.ee/H906V6>), only 14% of defendants with representation received a writ, compared with 50% of unrepresented defendants. In [Kansas City](https://tr.ee/LVyxkE) (<https://tr.ee/LVyxkE>), 82% of

represented tenants have had their evictions dismissed or the judge ruled in their favor. In [Louisville \(https://tr.ee/uAD3Aj\)](https://tr.ee/uAD3Aj), 1,515 children were prevented from becoming homeless, while [2024 data from the program \(https://tr.ee/NEscRx\)](https://tr.ee/NEscRx) shows that 99% of the tenants who received extended representation either delayed or avoided an eviction in 2024 Q4.

Also notable is the effect that right to counsel has had on the eviction filing rate. A recent [report \(https://tr.ee/F91mNX\)](https://tr.ee/F91mNX) cited filing drops of 40%, 10%, 25%, and 11% in NYC, San Francisco, Cleveland, and Connecticut respectively. Such a drop in the filing rate, besides reducing the scourge of evictions, has a positive effect on court resources and takes pressure off of RTC programs.

COST SAVINGS

Beyond the impacts on individual tenants and families, evictions take a high toll on communities due to the high costs of homeless shelters, emergency medical care, foster care for children, unemployment benefits, and school displacement costs. However, [studies have repeatedly shown \(https://tr.ee/cKs86t\)](https://tr.ee/cKs86t) that providing a right to counsel saves substantially more than it costs. For instance, a report out of Detroit found that “For every dollar invested in a right to counsel for low-income tenants facing eviction in Detroit, Stout conservatively estimates an economic benefit to Detroit of at least \$3.52.”

SYSTEMIC IMPACT

[Studies](#) have shown that RTC’s impact goes well beyond the individual eviction cases. The RTC changes the way courts and landlords behave, empowers tenants to enforce their rights even outside the eviction context, improves the overall delivery of legal services, and leads to policy and court procedure reform.

For More Information

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EVICTON PREVENTION AND DIVERSION

By Samira Nazem, Managing Director, Access to Justice,
National Center for State Courts

Summary

Housing courts have long been viewed as places of last resort. They are often overcrowded and under-resourced and have come to be defined by their shortcomings and systemic power imbalances. Conventional wisdom suggests that by the time a landlord-tenant dispute ends up in court, it is too late to change its trajectory. But what if, instead, housing court was not something that happened to tenants, but a place that worked with them? This is the idea behind court-based eviction diversion—repositioning the courthouse as a place where landlords and tenants in crisis can connect with resources to help resolve disputes and find a path towards housing and financial stability.

Housing instability does not begin or end in state courts, but they are the institutions charged with authorizing evictions. However, not every housing dispute has to become an eviction case, and not every eviction case has to result in an eviction order. In 2021, NCSC's Eviction Diversion Initiative (EDI) was launched with the goal of testing this concept and helping courts create permanent, transformative change by implementing court-based eviction diversion programs. Twenty-four courts were selected to receive grant funding and technical assistance and to participate in a multi-jurisdictional evaluation. This article summarizes the lessons learned from this effort along with the impacts and outcomes of this work.

Eviction Diversion Guiding Principles

While the mechanics of each eviction diversion program are different, the idea is the same—reimagining the court process as an opportunity to strategically provide landlords and tenants with resources and alternatives to eviction. Each EDI site was guided by the following

principles, modified from the [Guiding Principles for Civil Diversion Programs](https://perma.cc/3E4K-YDVG) (<https://perma.cc/3E4K-YDVG>) and adopted by the Conference of Chief Justices and Conference of State Court Administrators in 2024:

- 1. Courts should implement eviction diversion programs that offer alternative pathways for litigants to resolve disputes outside of litigation, and they should adopt rules and process changes to support program operations.**

Impartiality does not mean inaction. Courts must retain their neutrality as landlord-tenant disputes move through the formal court process, but they can still be active and engaged partners in addressing and mitigating housing and financial insecurity for both landlords and tenants. Each EDI program is operated by, or in partnership with, a state or local court system. While most programs operate during the life cycle of a pending case, some EDI sites have taken an even broader approach, using the authority of the court to connect landlords and tenants with resources before a case is filed or after a final disposition is entered.

Courts may adopt rules and procedural changes that support the effective operations of eviction diversion programs by modifying how they schedule, manage, and provide notice about their eviction dockets. None of these changes preclude courts from ruling on disputed cases that move forward through the formal court process, but they can create an environment where litigants are presented with additional options and resources.

- 2. Housing disputes do not begin or end in court, and effective diversion programs require collaboration with a broad range of community partners to meet the legal and non-legal needs of landlords and tenants.**

Court-based eviction diversion programs are not direct service programs; they do not fund legal aid organizations, pay mediators, or provide rental assistance. Instead, these programs are designed to build capacity and deepen connections to existing community resources and services. Each diversion

program offers structured connections to both legal and non-legal service providers at different points in time throughout the eviction process.

A holistic combination of legal and non-legal services is more impactful than any one intervention in isolation. Legal resources—legal information, legal advice, and legal representation—are critical in helping litigants navigate the court process, identify and raise defenses, and advocate for themselves. However, tenants at risk of eviction often have coexisting non-legal needs that may be a contributing factor or result of the housing instability. The most effective programs will provide connection to wraparound services to address interconnected needs related to education, employment, healthcare, public benefits, food security, and more.

3. Diversion programs should have clearly defined points of access and address litigant needs through timely and efficient referrals.

Courts should work with their partners to determine when and how litigants will access a diversion program. Programs may be open to all litigants, or they may have limited eligibility based on factors including the nature and timing of the case, the income of the parties, or the capacity of the service providers. They may be opt-in programs (where litigants request to participate) or opt-out programs (where judges or court staff screen and refer cases into the program).

Given the short timeframes that govern most eviction cases, litigants are not well positioned to navigate the patchwork of existing community resources in search of help. To bridge this gap, each EDI program serves as a point of connection between the court and the service provider community by creating referral networks that can function within the compressed eviction timeline and working with litigants to access resources. This removes the burden on landlords and tenants to independently seek out and apply for services by closing information gaps and, when possible, integrating services directly into the court process.

4. Courts should collect and share data on their diversion programs and adjust as necessary to meet the evolving needs of the community.

Program data is critical to understand if and how an eviction diversion program is working and to better understand and address litigant needs. By collecting structured data beyond that typically captured in a case management system, courts and other partners will be better able to establish and maintain strong and effective diversion programs.

5. Diversion programs are stronger when courts simultaneously focus on improving processes and user experiences.

Eviction diversion programs work best within well-functioning court systems. Courts should take proactive steps to improve court procedures that can create a more user-centered experience for all litigants. No matter what trajectory a case takes once it enters the court system, housing courts should strive to be accessible and inclusive for all court users.

Eviction Diversion Program Design

A successful court-based eviction diversion program requires three key elements:

Time: Eviction cases move notoriously quickly, but eviction diversion does not happen instantaneously. It is often a multi-staged process that takes time and involves careful coordination between the court, the legal community, and the referral network of service providers. Courts may need to adjust how eviction cases are scheduled to allow enough time for a diversion program to work.

Information: Diversion programs cannot work if landlords and tenants do not understand how or why they should use them. Housing courts often struggle with low tenant appearance rates, and courts must be proactive in addressing this challenge through improved communications, community engagement strategies, and self-help materials.

Resources: Even landlords and tenants who are highly motivated to work together will often need help resolving a dispute. Each diversion program should establish a coordinated referral network that effectively

leverages the existing legal, financial, and social service providers in the community.

Court-based eviction diversion programs may focus on resolving issues before a case has been filed (pre-filing), after a case has been filed (post-filing), or during the initial court date (in-court).

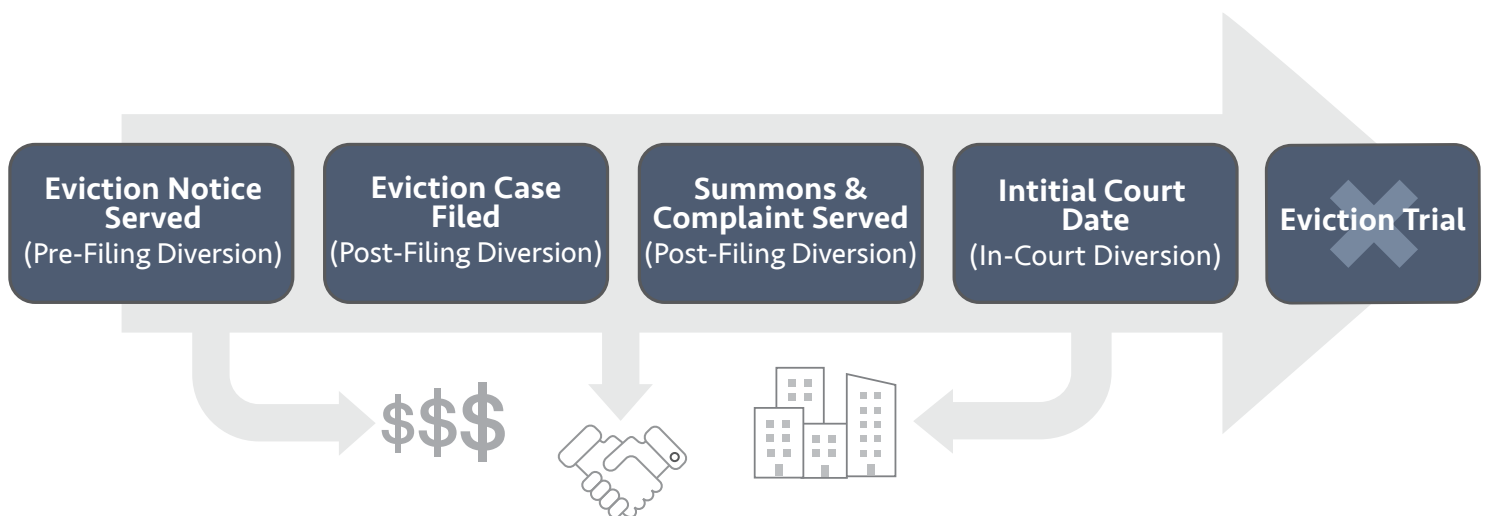
Each program model is centered on the idea of building an “offramp” to divert cases at a certain stage of the eviction process (see the image below). Some programs have also built in post-judgment support, for individuals who have been evicted or have agreed to a voluntary move, to help families in transition avoid the most severe, long-term consequences of displacement. Many diversion programs offer multiple points of entry, encouraging early intervention where possible, but also building safeguards into later stages of the court process.

Eviction Diversion Outcomes and Impacts

The initial findings laid out in the 2024 EDI Interim Report shows the enormous potential for eviction diversion programs to reduce the number of evictions, increase engagement with stabilizing resources, and improve the housing court experience. The following trends observed across the EDI sites highlight the many benefits to both the court and community:

- **Fewer Eviction Judgments:** Tenants are more likely to resolve their landlord-tenant disputes without receiving an eviction order. Across the EDI cohort, 89% of cases that worked with a diversion program were resolved without an eviction judgment. Instead, cases were voluntarily dismissed by the landlord or settled by agreement.
- **Improved Appearance Rates:** Tenants are more likely to show up at court and to avoid default judgments.
- **More Sealed Eviction Records:** More tenants have their past eviction records erased or restricted from public view, allowing them to move forward without the stigma of eviction.
- **Stronger Connections to Resources:** Landlords have more alternatives to costly litigation and, where available, easier access to rental assistance dollars. Tenants can more easily access resources to resolve housing problems (including legal aid, mediation, and financial assistance) and to address other interrelated needs (including financial counseling, social services, housing navigation, job training, and more).
- **Higher Levels of Trust and Confidence in the Justice System:** Litigants are more likely to report a positive experience with the court system and to get help reaching their housing stability goals.

The EDI sites have demonstrated that it is never too early or too late to intervene in a case: upstream



interventions can prevent the current eviction while downstream support can avoid the next one. When courts and service providers work together, they increase their collective capacity to serve their communities. The lessons learned and shared through EDI should inspire other housing courts across the country to consider how they too can become a part of this transformation.

For More Information

For more information and data on eviction diversion programs, read the full report at ncsc.org/eviction. The National Center for State Courts has also compiled national best practices and examples and created supplemental resources to support courts in designing and implementing eviction diversion programs and making related court improvements.

Visit ncsc.org/a2j to learn more.

NATIONAL TENANTS BILL OF RIGHTS

By Kayla Blackwell, Senior Housing Policy Analyst, NLIHC

In June 2024, NLIHC, National Housing Law Project (NHLP), and Tenant Union Federation (TUF) launched the National Tenants Bill of Rights, a policy agenda that would provide uniform protections for renter households nationwide, helping to ease the power imbalance between tenants and landlords that puts renters at risk of eviction. The proposal was written with input from tenant leaders, people with lived experience of housing instability, legal aid experts, and advocates across the country. When introduced and enacted as federal legislation, the National Tenants Bill of Rights will correct the power imbalance between tenants and landlords that fuels racial inequities and puts the 114 million people who rent their homes at greater risk of housing instability, harassment, eviction, and homelessness.

Since 2024, over 900 individual renters, homeowners, organizations, and elected officials have endorsed the National Tenants Bill of Rights. As tenant unions continue to build power in their local communities, the platform remains a useful tool for local and state level advocates to compare their landlord-tenant law to [a visionary platform](https://tr.ee/B65JfF) for tenants' rights (<https://tr.ee/B65JfF>).

Since the start of the second Trump administration in January 2025, there have been multiple attacks on the federal agencies tasked with enforcing tenant rights and protections, including HUD's Department of Fair Housing and Equal Opportunity. In the absence of national enforcement, state and local governments have taken action to enact new tenant protections; while this work is crucial, it leaves renters with a patchwork of protections that vary depending on where someone lives. Strong, enforceable federal tenant protections are required to prevent housing instability and homelessness, redress long-standing racial and social inequities, and advance housing justice across the country.

Renters Need a Federal Baseline of Rights and Protections

Everyone deserves a safe, stable, and affordable home. However, many of the 114 million renters in the United States lack basic rights. This lack of tenant protections perpetuates housing instability and, in the worst cases, leads to homelessness. When tenants have the rights they deserve, their lives and their communities improve. The typical tenant is [rent-burdened](https://www.nlihc.org/gap) (www.nlihc.org/gap), spending 30% or more of their income on rent. As of 2024, landlords have hiked rents [nearly 30% higher than they were before the pandemic](https://tr.ee/QpW7Bj) (<https://tr.ee/QpW7Bj>); though they have cooled slightly, rents remain [Out of Reach](https://www.nlihc.org/OOR) for millions of extremely low-income renters (www.nlihc.org/OOR). Millions of tenants are forced to make impossible choices between rent and other necessities, like medicine or food for their children. The systemic lack of protections paves the way for precarity that often results in barriers for tenants to access safe, stable, and affordable housing of their choice.

In most parts of the country, a landlord can evict a tenant for no reason and with only a few days' notice. Eviction courts provide only the thinnest veil of due process for tenants. Faced with threats of eviction and homelessness, unlivable living conditions and few avenues for recourse, tenants endure egregious rent increases and landlord harassment, with few options for recourse against their landlords. This precarity is amplified for tenants of color, disabled tenants, families with children, and older tenants, whose rental housing options are limited by historical segregation and present-day discrimination.

Institutional investors and corporate landlords have exploited the lack of tenant protections in the housing market to amass excessive profits and power, putting small landlords at a disadvantage and harming renters

and their communities. Treating tenants' homes as vehicles for profit, these bad actors have cultivated a predatory rental market with business models built on aggressive rent hikes and displacement. This market has thrived because of widespread industry capture of state legislatures, attacks on local tenant protections, and federal unwillingness to intervene in the tenant-landlord relationship. Even in states and localities where advocacy and organizing have resulted in vitally important tenant protections, this patchwork of safeguards leaves many renters behind. Tenants need a national solution to meet the scale of this problem.

NLIHC, NHLP, and TUF created the National Tenants Bill of Rights to correct the balance of power between tenants and landlords and advance racial and social equity. The National Tenants Bill of Rights is a practical policy agenda for renters that affirms the federal government's duty to provide all tenants with fundamental protections. Tenants, organizers, legal experts, and housing justice advocates from across the country helped craft this policy agenda. Designed to shape action at the federal level and provide a floor of basic protections for all tenants, the policy agenda's principles are also applicable at the state and local levels to strengthen and enforce tenants' rights.

The National Tenants Bill of Rights

LEGISLATIVE PLATFORM

The National Tenants Bill of Rights sets out seven essential rights that establish a baseline of tenant protections in the rental housing market. These rights follow a tenant's experience applying for housing, signing a lease, and living in their home. The following 7 rights are an overview of the full policy platform, and don't encompass the full platform. Read the [complete National Tenants Bill of Rights](https://tr.ee/M4wMdl) at <https://tr.ee/M4wMdl>.

The National Tenants Bill of Rights includes seven essential rights:

- 1. The Right to A Fair Application** – Discriminatory screening practices by landlords and tenant screening companies prevent prospective tenants from being fairly considered when they apply for housing. To ensure fair opportunity for all, landlords should only consider information relevant to an applicant's ability to perform their obligations as a tenant.
- 2. The Right to A Fair Lease** – Leases shape the legal relationship between landlords and tenants, often reflecting their imbalance of power. To correct this imbalance, leases should clearly define the duties and rights of both landlords and tenants and avoid predatory and deceptive terms.
- 3. The Right to Freedom from Discrimination and Harassment** – Home should be a sanctuary for tenants. Currently, tenants are vulnerable to discrimination, violations of privacy, and harassment by their landlords. To ensure a basic level of privacy and quiet enjoyment, tenants should have the tools to prevent this behavior. Tenants also need the federal government to robustly enforce federal anti-discrimination laws to prevent landlord abuses.
- 4. The Right to A Habitable Home** – Tenants deserve to feel safe in their homes. Safe homes include working appliances and fixtures, reliable utilities, effective pest control, and prevention from deadly health hazards. When something is in need of repair, tenants should have a clear way to communicate their concerns to a landlord and the landlord should be obligated to fix habitability concerns promptly.
- 5. The Right to Reasonable Rent and Costs** – Rent is often the largest expense in a household's budget, and financial stability is largely absent in a system where landlords hike rents dramatically higher and at a faster rate than the growth of wages. To protect tenants from financial shocks that put them at risk of eviction and

further harm, safeguards are necessary to prevent rent gouging and excessive or hidden fees. Landlords should be limited to reasonable rent increases, and they should only be allowed to assess fees that have been clearly disclosed in the lease.

6. The Right to Organize – To correct the power imbalance between tenants and landlords, tenants must have the ability to organize without fear of retaliation or eviction from landlords, owners, and management.

7. The Right to Safeguards Against Eviction – Tenants should not have to risk losing their homes in eviction court in a manner of minutes. Tenants deserve a basic level of due process in eviction proceedings and have protections from illegal evictions and evictions without good cause.

A BRIEF HISTORY OF THE NATIONAL TENANTS BILL OF RIGHTS

Tenant organizers have worked tirelessly in their communities to improve safety and living conditions for decades. Organizations like the National Alliance of HUD Tenants (NAHT), Residents United Network (RUN) in California, Resident Action Project (RAP) in Washington, Residents Organizing for Change (ROC) in Oregon, Residents Organized for Housing Louisiana (ROHLA), Housing Justice for All in New York, Kents Tenants Union in Ohio, Autonomous Tenants Union in Chicago and many, many more have paved the way for tenants' rights. The COVID-19 pandemic drew much attention to the imbalance of power between landlords and renters, and the short-term policies enacted to protect millions from evictions helped both stabilize households and bring awareness to the need for improvements in tenants' rights. The National Tenants Bill of Rights is the result of decades of national and local organizing by tenants, advocates, and organizations to secure tenants' rights. This policy agenda was built on their historic and effective leadership.

During the COVID-19 pandemic, tenants across the country recognized the need for legislation to address the power imbalance with landlords and advocated fiercely to find safety in their own homes. However, the differences between local and state jurisdictions, combined with the barrier of state preemption laws, created a patchwork of tenant protection legislation. Now, too many renters are left without basic renter protections, and there is no standard of tenant protections for the nation's 114 million renters. In forming the National Tenants Bill of Rights, NLIHC, NHLP, and TUF drew inspiration from the over 300 tenant protections enacted since the COVID-19 pandemic began and worked with tenant leaders to build upon these policies. Leaning on NLIHC, NHLP, and TUF's respective tenant leader networks was pivotal, and having tenant leader support will be critical to the success of any tenant protection legislation. NLIHC urges advocates to work with tenant leaders in drafting similar policies at the state, local, and federal levels. Specifically, the National Tenants Bill of Rights was formed in consultation with NLIHC's Tenant Leader Collective, Tenant Talk Live, the ERASE Cohort, and the NHLP Housing Justice Network.

THE BIDEN ADMINISTRATION'S 2023 BLUEPRINT FOR A RENTERS BILL OF RIGHTS

In January 2023, the Biden-Harris administration released a "[White House Blueprint for a Renters Bill of Rights](https://tr.ee/94DPze)" (<https://tr.ee/94DPze>) prepared by the Domestic Policy Council and National Economic Council. The Blueprint was a statement of principles, and though it was not binding and did not establish new federal policy, the Blueprint signaled the Biden administration's support for policies and practices that would help strengthen and enforce critical renter protections. The commitments in the Blueprint are aligned with five principles for renter protections, including (1) access to safe, quality, accessible, and affordable housing; (2) clear and fair leases; (3) enforcement of renter rights and protection from unlawful discrimination and exclusion; (4) the right to organize without obstruction or harassment from landlords; and (5) eviction prevention, diversion, and relief.

The Blueprint required federal agencies implementing housing assistance to take new actions:

- The Federal Housing Finance Agency (FHFA) held a public comment process on tenant protections for properties with federally backed mortgages.
- HUD advanced a rule requiring public housing authorities and owners of project-based rental assistance properties to provide at least 30 days' advanced notice before terminating a lease due to nonpayment of rent. The Trump administration in 2025 took steps to revoke the 30-Day Notification Requirement Prior to Termination of Lease for Nonpayment of Rent (<https://tr.ee/tUjtNo>). Advocates are encouraged to monitor the *Federal Register* for potential revocation of this rule.
- The Federal Trade Commission (FTC) and Consumer Financial Protection Bureau (CFPB) collected information to identify unfair practices that prevent tenants from accessing or staying in housing.
- The U.S. Department of Agriculture (USDA) planned a pilot for independent inspection protocol across its housing portfolio.

Other agencies, like the Department of Justice (DOJ), Department of Defense (DoD), and Department of the Treasury (Treasury) planned efforts to increase anticompetitive information sharing, the right to organize for military families, and reducing evictions in LIHTC properties, respectively.

FHFA TENANT PROTECTIONS STALL UNDER TRUMP ADMINISTRATION

As a part of the Biden administration's Blueprint for a Renter's Bill of Rights, FHFA held a public process to examine renter protections and anti-rent gouging measures for properties with new federally backed mortgages. In 2023, FHFA opened a Request for Input (RFI) concerning how the agency can create and enforce renter protections for households living in rental properties with federally backed mortgages. Over 3,500 comments were submitted in support of federal renter protections, including comments from NLIHC, the NLIHC Tenant Leader Collective, Partnership for

Just Housing, and a Congressional sign-on letter led by Senator Sherrod Brown (D-OH) and joined by 17 senators (NLIHC's summary of comments is [here](https://tr.ee/okEfAS); <https://tr.ee/okEfAS>).

FHFA received over 3,500 public comments, and more than 3,500 additional comments submitted confidentially. NLIHC, the Revolving Door Project, and People's Action Homes Guarantee submitted a Freedom of Information Act (FOIA) request to make available the non-public comments submitted to FHFA. NLIHC and the Revolving Door Project sent a [letter](https://tr.ee/WtZKkN) (<https://tr.ee/WtZKkN>) on November 13, 2024 to former FHFA Director Sandra Thompson presenting conclusions from an analysis of the more than 3,500 publicly available comments and urging Director Thompson to make public the additional 3,500 comments submitted confidentially, as well as comments submitted after the deadline. The letter also urged Director Thompson to act swiftly to enact clear, strong, and enforceable renter protections for households living in properties with federally backed mortgages. In January 2024, FHFA released [a summary of the RFI comments](https://tr.ee/H8AazA) (<https://tr.ee/H8AazA>), but did not commit to further action.

On July 12, 2024, FHFA [announced](https://tr.ee/5ohuYS) (<https://tr.ee/5ohuYS>) the introduction of minimal new renter protections in properties receiving a federally backed mortgage, requiring covered housing providers to provide tenants with a) 30-day written notice of a rent increase, b) 30-day written notice of a lease expiration, and c) a 5-day grace period for rent payments. These policy changes would have done little to protect renters; nonetheless, the Trump administration's FHFA director, Bill Pulte [rescinded](https://tr.ee/mNp0MH) (<https://tr.ee/mNp0MH>) the requirements in March 2025.

TRUMP ADMINISTRATION RESCINDS FAIR HOUSING FUNDING, STALLS HUD FAIR HOUSING ENFORCEMENT

As part of its efforts to dismantle foundational civil rights and fair housing protections, in February 2025 the Trump administration suddenly and unlawfully terminated Fair Housing Initiatives Program (FHIP) grants awarded to fair housing organizations. FHIP

grants are vital sources of funding that help advocates educate tenants on the rights under the Fair Housing Act, perform outreach to communities, and carry out enforcement activities, including investigating complaints of discrimination or harassment. Four fair housing organizations filed a [class action lawsuit](https://tr.ee/1P7e4a) (<https://tr.ee/1P7e4a>) on March 13, 2025, on behalf of 66 fair housing groups whose FHIP grants were “arbitrarily terminated without notice, reason, or sensible explanation” on February 27, 2025, jeopardizing \$30 million in congressionally authorized funding intended to counter housing discrimination and enforce fair housing laws. The funding was restored after a [Temporary Restraining Order](https://tr.ee/9SDvbi) (<https://tr.ee/9SDvbi>) was issued on March 26, 2025, reinstating the FHIP grants.

Whistleblowers from HUD’s Office of Fair Housing and Equal Opportunity (FHEO), responsible for upholding fair housing and federal civil rights protections, detailed in a September 2025 [New York Times article](https://tr.ee/B8vqeK) (<https://tr.ee/B8vqeK>) the efforts officials from the Trump administration have undertaken to undermine federal fair housing laws and directly impede implementation of the Fair Housing Act. The [“whistleblowers’ accounts](https://tr.ee/E4K2WU) (<https://tr.ee/E4K2WU>) state:

1. The Trump administration views a well-staffed Office of Fair Housing (OFH) as an “optics problem” and has intentionally reduced the size of the office responsible for enforcing fair housing and civil rights laws by 70%.
2. HUD will no longer have the capacity to enforce the housing protections in the “Violence Against Women Act,” leaving domestic violence, sexual assault, and human trafficking survivors without needed protections.
3. HUD officials are systemically undermining OFH’s civil rights enforcement and compliance obligations, including subjecting OFH attorneys to an unprecedented “gag order”—increasing the risk of waste, fraud, and abuse.
4. HUD has inappropriately closed or halted at least 115 housing discrimination cases by intercepting referrals to the Department of Justice and withdrawing legal charges.
5. Congressionally mandated FHIP funds are in limbo due to Trump administration delays.

Following the whistleblower report, Palmer Heenan and Paul Osedebe, two HUD civil rights lawyers who spoke out about the Trump administration’s efforts to limit enforcement of the Fair Housing Act, were [fired](https://tr.ee/1XsgH8) (<https://tr.ee/1XsgH8>).

While the Trump administration has targeted OFH employees for dismissal in particular, between January and June 2025 an estimated 2,300 staff—around [23% of HUD’s workforce](https://tr.ee/8VvQPd) (<https://tr.ee/8VvQPd>)—had either retired, been placed on administrative leave, or accepted an offer for the Deferred Resignation Program (<https://www.opm.gov/about-us/fork/original-email-to-employees/>), which allowed federal employees to leave their job but continue to receive their salary and benefits through September 2025. HUD’s staff are critical for implementing vital housing, homelessness, and fair housing programs, conducting safety inspections for HUD properties, and ensuring resources reach communities.

How Advocates Can Take Action

While the National Tenants Bill of Rights has not yet been formally introduced in Congress, there are many members of Congress who have introduced similar tenant protection legislation. Advocates at NLIHC, NHLP, and TUF will continue to identify Congressional champions and advocate for legislation to fully enact federal tenant protections.

- Endorse the National Tenants Bill of Rights at <https://nlihc.quorum.us/campaign/81461/>.
- Invite your neighbors and anyone in your local community to endorse and get involved, including your tenants’ union or homeowners’ association!
- Stay tuned with NLIHC, NHLP, and TUF at <https://nlihc.org/national-tenants-bill-rights>.

URGE LEGISLATORS TO:

- [Endorse](#) the National Tenants Bill of Rights!
- Introduce legislation modeled in the National Tenants Bill of Rights.
- Hold hearings on the need for national tenant protections and the power imbalance between landlords and renters.
- Meet with their local tenant organizers to understand the impact of a lack of tenant protections.
- Meet with community advocates, legal aid attorneys, housing and homeless service providers to better understand the housing needs of their communities.

For More Information

NLIHC's National Tenants Bill of Rights homepage:

<https://nlihc.org/national-tenants-bill-rights>

The National Tenants Bill of Rights full policy platform:

<https://bit.ly/4cc0VXa>

The National Tenants Bill of Rights fact sheet: <https://bit.ly/4bgqyES>

The National Tenants Bill of Rights section summaries:

<https://bit.ly/3zbmCI2>

Tenant Union Federation: <https://tenantfederation.org/>

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

CHAPTER 8

HOUSING TOOLS

HOUSING COUNSELING ASSISTANCE

By Bruce Dorpalen, Executive Director, National Housing Resource Center

Administering Agency: HUD's Office of Housing Counseling

Year Started: 1968

Number of Persons/Households Served: More than 22.5 million counseling units from 2006-2024

Populations Targeted: Low- and moderate-income households, people, first-time homebuyers, renters, first-generation homebuyers, financially distressed homeowners, senior citizens, and rural households

Funding: \$57.5 million in FY2024

The Housing Counseling Assistance (HCA) Program provides competitive grants to nonprofit HUD-approved housing counseling agencies.

History

HUD's Housing Counseling Assistance Program was originally authorized by the "Housing and Urban Development Act of 1968" "to provide counseling and advice to tenants and homeowners, to assist them in improving their housing conditions, meeting their financial needs, and fulfilling the responsibilities of tenancy or homeownership."

Later, the Obama administration signed the "Dodd-Frank Wall Street Reform and Consumer Protection Act" into law in 2010. This legislation made changes to HUD's Housing Counseling Assistance program, including the creation of the Office of Housing Counseling (OHC) within HUD. It also required all housing counselors in HUD-approved counseling agencies to become certified by August 2021.

Program Summary

HUD-approved housing counseling agencies have been on the frontlines of helping predominantly low and moderate-income households achieve their housing

goals including purchasing their first home, saving their home from foreclosure, and affordable rental housing. Housing counselors also work to improve their clients' financial outlooks by teaching them household budgeting skills, steps on paying down debt, and ways to increase savings.

HUD-approved counseling agencies provide both counseling services and educational programs. Housing counseling is conducted one-on-one with clients to deliver personalized information including a review of income, credit, household budget, and savings. HUD-approved counseling agencies provide one-on-one counseling and group education workshops. All one-on-one counseling begins with an in-depth review of household finances, including income, expenses, credit, and debts. When the counselor and client have a better understanding of the client's financial picture, they work together to create an action plan to address the client's specific housing needs. Education programs deliver general information in a group workshop setting or online.

Nearly two-thirds of counseling clients seek to either purchase a home, often for the first time, or resolve or prevent mortgage delinquency or default. The remaining one-third of counseling clients seek rental assistance or households interested in a reverse mortgage.

Housing Counseling Assistance Funding

Federal funding for housing counseling is a constant legislative effort among advocates, especially in recent years. At its peak, federal funding for HUD's HCA program was \$87.5 million for fiscal year (FY) 2010. Unfortunately, since the elimination of the National Foreclosure Mitigation Counseling (NFMC) program, and major reductions to HUD HCA allocations, the housing counseling field has had to manage operations with lower overall funding, staff cuts, and agency closings.

For FY19, the Housing Counseling Assistance program was funded at \$50 million. For FY20, the House and Senate Conference funded the program at \$53 million. For FY21, FY22, FY23, and FY24, congressional funding was \$57.5 million. The program was flat funded four years in a row, which acts as a program cut in today's inflationary environment.

Housing counseling advocates will remain involved in a broad range of housing policy advocacy, including the expansion of language capacity in the lending and servicing industries for people with limited English proficiency, expanding homeownership opportunities, bridging the wealth gap for minorities, eviction prevention, and integrating housing counseling into the mortgage process. There will be opportunities to include housing counseling in various federal government programs and housing initiatives.

Disaster recovery legislation is a major concern for housing advocates. Disaster recovery efforts should include housing counseling services to help families meet their housing needs. The bipartisan "Reforming Disaster Recovery Act" would permanently authorize Community Development Block Grant Disaster Recovery funding and make it year-round rather than requiring separate authorizations for each disaster, speeding up the availability of recovery funding and housing counseling services.

Tips for Local Success

When talking with legislators, keep advocacy as locally focused as possible.

- Schedule meetings with Republican and Democrat leaders and appropriators to discuss HCA funding. Include housing counselors who work in their home district.
- Discuss the local communities served by counselors, why people from low-moderate income communities are seeking housing counseling services, and the outcomes housing counselors are helping them to achieve. Quantify any outcomes if possible or share client stories when appropriate.
- Describe some of the local trends that advocates are seeing (e.g., are more first-time homebuyers seeking

pre-purchase counseling, or are large numbers of folks seeking delinquency and default counseling?).

- Focus on the real-life impact that HUD-approved counseling agencies have on people in the state/district. Meeting a first-time homebuyer or a client of a housing counseling agency with a real-life story can have a lasting impact on a legislator or his or her staff. Offer to help constituents who call their district offices with housing issues to connect with local housing counseling agencies, which is the best way to develop an ongoing and valued relationship with the legislator.

Do not assume that every congressional office is aware of the HUD-approved counseling agencies in their district or state. Provide a list of HUD-approved counseling agencies that serve relevant communities (search for HUD-approved counseling agencies by state using the HUD search tool at <https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm> or by zip code using the CFPB search tool at <https://www.consumerfinance.gov/find-a-housing-counselor/>). When providing a list of local agencies to staff, explain its value to their constituents who call the legislative office about housing issues.

Finally, data is always a powerful tool to showcase impact. Every HUD-approved counseling agency provides data to HUD (9902 data), including client income level, race and ethnicity information, and types of counseling sought. In addition to HUD 9902 data, local counseling agencies can provide their local data to present at advocate meetings. The national 9902 data is available [here \(https://www.hudexchange.info/programs/housing-counseling/9902/data-displays/\)](https://www.hudexchange.info/programs/housing-counseling/9902/data-displays/) (the fourth quarter data is the full data for the year).

What to Say to Legislators

The profile and perception of housing counseling have improved in recent years. With the creation of the OHC, past concerns about HUD's administration of the program seem to have dissipated and housing counseling advocates are generally well-received by both Democratic and Republican offices. That said, advocates should adjust their messaging appropriately for the office with which they are meeting.

- **Have a concrete ask.** If talking with a member of the Appropriations Committee, “Please support \$57.5 million for HUD Housing Counseling in the upcoming budget.” If talking with a legislator, “Please tell your Appropriations Committee leadership that you support \$57.5 million for HUD Housing Counseling in the upcoming budget.” Early in the Appropriations cycle, Representatives and Senators can submit Appropriations Request Letters to Appropriators. Including HUD Housing Counseling in their letters is impactful.
- **Focus on local issues.** Focus on the local impact counseling has in the legislator’s state or district, including using localized data as often as possible, if available (please see “Tips for Local Success,” above). Data and stories from your local agency are always effective.
- **Use current data and research.** Make sure any data presented demonstrates the effectiveness and value of counseling. Advocates should be prepared to point to one or two studies and talk to their representatives about the value of housing counseling services, not just for consumers but for all participants in the housing process (i.e., benefits to lenders, investors, servicers, etc.). OHC has a comprehensive review of research into the effectiveness of housing counseling at: X

Connect program effectiveness to funding. Highlight the connection between funding levels and the ability to start, continue, and/or expand operations to serve their communities (please see “Funding,” above).

- **Be a resource.** Turnover is very common on the Hill, so many legislators and their staff may hold a meeting with very little knowledge or understanding of housing counseling. In these instances, advocates must position themselves as a resource for the office. Highlight how an agency can be of assistance to their office, either for constituent services or if they need housing data for internal or external policy documents.
- **Build a champion.** The overall goal when meeting with legislators is to win them over as champions for housing counseling who will be willing to tell leadership that fully funding counseling is a top priority. Try to approach meetings with legislators as an opportunity to give

that legislator a reason to want to be a champion for housing counseling.

- **Stay on message.** Not all lawmakers understand or support housing counseling assistance. Explain what a typical counseling session looks like. Be specific but clear. Focus on the holistic approach counseling takes to improve clients’ overall financial well-being and sustainability. Emphasize stories and data from the local district.
- **Tell the National Housing Resource Center (NHRC) about a housing counseling champion.** Contact Bruce Dorpalen at NHRC about a strong housing counseling supporter at bdorpalen@hsgcenter.org. NHRC will follow up on your good work.

Talking to Appropriators

When talking to appropriators or their staff, advocates are likely to hear either that they are unable to fully fund all of the programs because spending levels are too low or that they would love to fully fund HCA but do not have much say because they are in the minority. Several responses include:

- In today’s difficult home buying market, housing counselors can help first-time and first-generation homebuyers.
- Housing counseling is a small program with a high return on investment.
- Housing counseling is a much cheaper investment than unnecessary foreclosures and evictions.
- Additional funding could help create more housing counseling jobs and further increase the capacity of local agencies to meet high demand of services among local communities.
- Demand for pre-purchase counseling and rental assistance is soaring. Potential homebuyers must be given the tools they need to become successful homeowners.
- Although foreclosures are down from their peak, default, and delinquency continue to be a major share of our work (if that is true for your agency).

Resources for Housing Counseling

HUD's OHC website has relevant resources for housing counselors, advocates, homeowners, and tenants:

<https://www.hudexchange.info/programs/housing-counseling/>

Find housing counseling in a specific area: <https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm> (to search by state) or <https://www.consumerfinance.gov/find-a-housing-counselor/> (to search by ZIP code)

OHC has an excellent summary of research into the effectiveness of housing counseling: <https://www.huduser.gov/portal//portal/sites/default/files/pdf/Housing-Counseling-Works-2023-Update.pdf>

A particularly helpful study on pre-purchase counseling: <https://www.huduser.gov/portal/periodicals/cityscape/vol18num2/ch4.pdf>

A particularly helpful congressionally-mandated study on foreclosure prevention counseling: <https://www.urban.org/sites/default/files/publication/24966/412475-National-Foreclosure-Mitigation-Counseling-Program-Evaluation-Final-Report-Rounds-and-.PDF>

NHRC (<https://www.hsgcenter.org/>) is an advocacy organization for the nonprofit housing counseling community and has resources for counselors and advocates. NHRC is always interested in supporting your lobbying efforts. Contact Bruce Dorpalen at bdorpalen@hsgcenter.org

FAIR HOUSING PROGRAMS

Updated by Monica L. Reid, Director of Advocacy and Government Affairs, National Fair Housing Alliance

Administering Agency: HUD's Office of Fair Housing and Equal Opportunity (FHEO)

Year Started: The Fair Housing Assistance Program (FHAP) was created in the federal "Fair Housing Act of 1968." The Fair Housing Initiatives Program (FHIP) was created in the "Housing and Community Development Act of 1987."

Number of Persons/Households Served: According to the National Fair Housing Alliance (NFHA) [2025 Fair Housing Trends Report \(https://tr.ee/mWmar0\)](https://tr.ee/mWmar0), in 2024, organizations primarily funded by FHIP investigated 23,957 complaints of housing discrimination, local or state civil and human rights government agencies that participate in FHAP processed 6,754 complaints, HUD FHEO processed 1,566 complaints in its administrative complaint process, and the Department of Justice processed 44 complaints. The numbers represent one of the highest in more than two decades. A total of 32,321 complaints were filed in 2024.

Population Targeted: Protected classes under the "Fair Housing Act" are based on race, color, religion, sex, national origin, familial status, and disability.

Funding: \$56 million for FHIP, \$26 million for FHAP, and \$86 million for HUD FHEO Salaries and Expenses in FY24.

Note: FY24 funding levels were carried over in the FY25 Continuing Resolution.

See Also: For related information, refer to the *Affirmatively Furthering Fair Housing (AFFH)* section of this guide.

The federal Fair Housing Act protects the public from discrimination on the basis of race, national origin, color, religion, sex, familial status, and disability in all housing transactions, public and private. HUD has also applied the Supreme Court's decision in *Bostock v. Clayton County*, 140 S. Ct. 1731, 590 U.S. (2020) to the

Fair Housing Act's prohibition on sex discrimination to prohibit discrimination based on sexual orientation or gender identity in HUD-assisted housing and housing insured by the Federal Housing Administration.

Administration

HUD's Office of Fair Housing and Equal Opportunity (FHEO) is responsible for administering FHIP, FHAP, and HUD's investigation of fair housing and fair lending complaints submitted through its administrative complaint process. The Civil Rights Division of the U.S. Department of Justice (DOJ) may also investigate complaints and is responsible for litigating on behalf of the federal government in cases of fair housing and fair lending violations. DOJ also retains exclusive fair housing authority over complaints the government receives involving zoning, land use, and pattern and practice cases.

History and Purpose

The federal Fair Housing Act was passed in 1968 to prohibit discrimination based on race, national origin, color, and religion. The Fair Housing Act was amended in 1974 to prohibit discrimination on the basis of sex. In 1988, the Fair Housing Act was amended to prohibit discrimination based on familial status and disability status and to provide additional enforcement powers to HUD to better implement the goals and purpose of the Act. FHIP and FHAP were created to carry out the objectives of the Act.

The Fair Housing Act has a dual purpose, including eliminating discrimination and affirmatively furthering fair housing (AFFH). The AFFH obligation requires recipients of federal housing and community development dollars to do more than stop discrimination; they must take active steps to tackle residential segregation and housing inequality. They are responsible for creating inclusive communities where everyone has access to the resources and amenities necessary to thrive. While it is a well-known

fact that HUD has clear AFFH responsibilities, all federal executive level agencies, including the U.S. Department of Treasury, U.S. Department of Transportation, U.S. Department of Commerce, and the U.S. Environmental Protection Agency, share in this mandate. For more information, refer to the *Affirmatively Furthering Fair Housing (AFFH)* section of this guide.

Programs Summary

Two federal programs support enforcement of the Fair Housing Act. The Fair Housing Initiatives Program (FHIP) is a competitive grant program that funds private fair housing organizations serving local housing markets throughout the nation. The Fair Housing Assistance Program (FHAP) reimburses state and local government agencies that enforce a local fair housing law that is substantially equivalent to the Fair Housing Act.

FAIR HOUSING INITIATIVES PROGRAM

FHIP supports private nonprofit fair housing organizations in their efforts to provide education and outreach to the public and housing providers and to enforce the Fair Housing Act by investigating allegations of rental, real-estate sales, homeowner insurance, appraisal bias, lending discrimination, exclusionary zoning requirements, and property tax bias in their local housing markets. FHIP is a competitive grant program administered by FHEO. FHIP supports three primary activities:

- The Private Enforcement Initiative, which enables qualified private non-profit fair housing enforcement organizations to conduct complaint intake, testing, investigations, and other enforcement activities.
- The Education and Outreach Initiative funds organizations to educate the public about fair housing rights and responsibilities and local housing providers about how to comply with the law.
- The Fair Housing Organizations Initiative builds the capacity and effectiveness of fair housing organizations and funds the creation of new organizations.

According to NFHA's [2025 Fair Housing Trends Report](https://tr.ee/mWmar0) (<https://tr.ee/mWmar0>), in 2024, FHIP-funded organizations investigated 23,957 complaints of

housing discrimination. The 2024 complaint data shows that private fair housing organizations continued to process the majority of housing discrimination complaints reported throughout the country. Private, nonprofit fair housing organizations processed 74.12% of complaints, compared to 4.85% by HUD, 20.90% by FHAP agencies, and 0.14% by DOJ.

FAIR HOUSING ASSISTANCE PROGRAM

State and local government agencies certified by HUD to enforce state or local fair housing laws that are substantially equivalent to the Fair Housing Act receive FHAP funds. HUD funds FHAP agencies by reimbursing them based on the number of cases they process successfully. In addition, FHAP funds help cover administrative expenses and training. New FHAP organizations receive three years of capacity building funding before moving to the reimbursement phase. According to the [2025 Fair Housing Trend's Report](https://tr.ee/mWmar0) (<https://tr.ee/mWmar0>), in 2024, FHAP entities investigated 6,754 complaints of housing discrimination.

Funding

The FY24 enacted budget included \$56 million for FHIP and \$26 million for FHAP (Note: FY24 funding levels were carried over in the FY25 Continuing Resolution).

According to fair housing and civil rights advocates, at least \$125 million must be provided for the FHIP program going forward. FHAP must be funded at \$36.6 million.

An increased FHIP appropriation would provide fair housing groups with the capacity to address larger systemic issues, such as discriminatory sales practices, insurance industry policies, and to investigate increasingly harmful algorithmic bias policies that have a widespread impact on available housing choice in entire markets. FHIP must also be increased to allow for private non-profit fair housing organizations to address discrimination based on sexual orientation and gender identity to fully implement the Bostock decision, as well as to continue to address discrimination in mortgage lending, home appraisals, and the increasing use of artificial intelligence and machine learning which may discriminate on a prohibited basis.

Forecast for 2026

Unfortunately, actions taken in 2025 by the U.S. Department of Housing and Urban Development (HUD) have undermined the effective enforcement of the Fair Housing Act, contributing to devastating outcomes for our nation's most vulnerable populations, including disabled veterans, seniors, families with children, people with disabilities, and others.

These include, but are not limited to:

- Systemic attacks on FHEO that are effectively dismantling the office and rendering it powerless in executing its duties under the Fair Housing Act;
- Changes to FHEO's housing discrimination complaint intake process, which raise serious concerns, as they may impede the ability of all complainants to submit complaints, and likely compromise the accessibility and availability of the complaint intake services for individuals with disabilities;
- HUD's refusal to administer the Fair Housing Initiatives Program (FHIP) lawfully and in good faith;
- HUD's refusal to process valid complaints under the Fair Housing Act regarding claims of disparate impact, upending the use of a longstanding legal tool that is essential to effectively rooting out housing discrimination;
- HUD's refusal to process valid complaints regarding claims of LGBTQ based discrimination at a time of escalating complaints on the basis of sexual orientation, gender identity, and gender expression; and
- HUD's roll back of policies that seek to address and eliminate bias in home appraisals, leveraging another attack to equitable access to homeownership and home equity

[Click here \(https://tr.ee/gU9Ewe\)](https://tr.ee/gU9Ewe) for a comprehensive listing of ways the administration's actions have worsened the fair and affordable housing crisis.

In light of the aforementioned actions taken by the administration, advocates must call on Congress to provide increased oversight of HUD to ensure the enforcement of the Fair Housing Act.

Advocates should continue to call on Congress to preserve the FHIP program and increase funding for FHIP and FHAP to ensure grantees can retain their highly trained staff and attract new fair housing experts to the field. Advocates must also urge Congress to increase its oversight into HUD's Office of Fair Housing and Equal Opportunity (FHEO) in light of the reduction in force efforts, as well as advocate for increased funding for salaries and expenses to better staff HUD's FHEO, which is responsible for processing complaints submitted through HUD's administrative complaint portal by the public and FHIP grantees, ensuring housing and community development programs affirmatively further fair housing, and managing FHIP and FHAP. These funds will be critical to ensuring that community-based nonprofit fair housing enforcement organizations and city and state civil and human rights agencies have the necessary resources to investigate and address various emerging issues. This includes increasingly complicated and systemic discrimination in housing, lending, and insurance products and services that rely on artificial intelligence and machine learning; sexual orientation and gender identity discrimination; appraisal discrimination; and source of income discrimination.

Tips for Local Success

- Individuals and advocates who suspect or observe a fair housing violation, including a failure to affirmatively further fair housing, should contact a local fair housing organization, the National Fair Housing Alliance, or submit a request for assistance using the "Report Housing Discrimination" feature at www.nationalfairhousing.org.
- Fair housing complaints can be submitted to local fair housing organizations, state or local government agencies, or HUD.
- Individuals who experience hate crimes in a dwelling should call the local authorities, as well as reach out to their local fair housing organization or the National Fair Housing Alliance. The Fair Housing Act has a criminal section that protects victims of certain hate crimes at their place of dwelling.

- Advocates working with distressed homeowners who believe they may have been victims of lending discrimination should encourage borrowers to submit mortgage complaints to the Consumer Financial Protection Bureau (CFPB). Individuals and advocates may submit mortgage complaints by visiting www.consumerfinance.gov or by calling 855-411-CFPB (2372). Non-English speakers can receive information and submit mortgage complaints in 200 languages by calling the CFPB.

What to Say to Legislators

Advocates should meet with legislators and remind them of the longstanding and bipartisan support for fair housing. And they should seek increased funding for local fair housing enforcement agencies. Key talking points to highlight:

- Discrimination based on disability accounted for the majority (54.59 percent) of complaints filed with FHOs, HUD, FHAP agencies, and the DOJ.
- In 2024, there were 1,836 complaints based on national origin reported, an increase of 8.45 percent from the 1,693 complaints reported in 2023.
 - » This is the highest number of complaints based on national origin discrimination reported since 2018, when a total of 2,351 complaints were reported.
- Retaliation complaints more than doubled from 2023 to 2024, increasing from 234 complaints to 472 complaints in 2024.
- In fact, the 32,321 fair housing complaints received in 2024 by private non-profit fair housing organizations, HUD, FHAP agencies and the DOJ, represent one of the highest in more than two decades.

Additional key talking points to highlight when advocating for additional funding for FHIP:

- Private, non-profit fair housing organizations provide the largest support for people alleging housing discrimination.
 - » These groups processed 74.12% of complaints filed in 2024.

- Historically, the FHIP program has been underfunded and as a result, fair housing and fair lending violations remain under-reported and unaddressed.
- In the past year, the administration's actions have threatened the existence of the network of highly-experienced, private, community-based fair housing enforcement organizations throughout the nation that work to foster compliance with the Fair Housing Act and state and local fair housing laws as well as provide enforcement and education.
- Funding for FHIP should be at least \$125 million.

In addition to increased funding for FHIP, advocates should also urge legislators to increase funding for FHAP. Key talking points include:

- FHAP agencies play an important role in handling complaints filed through HUD's administrative complaint process.
- FHAP agencies processed 6,754 complaints in 2024, representing 20.90% of complaints.
- Additional funding is needed for FHAP agencies to better support the work of local and state civil and human rights agencies that HUD relies on to process administrative complaints.
- Funding for FHAP should be \$36.6 million going forward.

Lastly, advocates should also urge Congress to provide \$153 million for salaries and expenses for HUD's Office of Fair Housing and Equal Opportunity (FHEO). Key talking points include:

- HUD's FHEO has historically been underfunded, leading to significant delays in complaint investigations by HUD staff, and other program administration delays that affect justice for victims of discrimination.
- These consequences have been exacerbated by ongoing changes to staffing levels at FHEO.
- This past year we've seen an unprecedented assault on HUD's FHEO through various systemic attacks that are effectively dismantling the office and rendering it powerless in executing its duties under the Fair Housing Act.

- With the administration's use of deferred resignations and other reduction-in-force efforts, we are already seeing the adverse impacts at FHEO, as investigations and conciliations slow or halt altogether.
- Funding for HUD FHEO should be \$153 million going forward.

It will be important to drive home that now is not the time to cut funding to fair housing enforcement programs, as the nation continues to grapple with an unprecedented fair and affordable housing crisis. Use of the national housing discrimination complaint data will help to support this statement. Also consider incorporating state and local data, as well as any applicable examples.

Additionally, it will become increasingly important for advocates to personalize their messaging and tactics in driving home the value and importance of fair housing enforcement programs. For national organizations with state and local members or chapters, consider utilizing your membership as credible messengers for your narrative and talking points, allowing them to be the voice of what is happening in their communities. In your narrative and messaging, make sure to demonstrate how what you are advocating will impact the elected officials' district and state. Also consider incorporating other local partners impacted by these issues.

For More Information

National Fair Housing Alliance, 202-898-1661 (phone), 800-910-7315, www.nationalfairhousing.org

DISPARATE IMPACT

*By Ed Gramlich, Senior Advisor, NLIHC; updated by
Renee Williams, Senior Advisor for Public Policy, NLIHC*

Administering Agencies: HUD's Office of Fair Housing and Equal Opportunity (FHEO), and U.S. Department of Justice

Year Started: 1968

Population Targeted: Members of "Fair Housing Act" "protected classes," which include race, color, national origin, sex, disability, familial status (in other words, households with minor children), and religion.

See Also: *Affirmatively Furthering Fair Housing* section of this Advocates' Guide

Title VIII of the "Civil Rights Act of 1968," also known as the "Fair Housing Act," prohibits discrimination on the basis of race, color, national origin, sex, disability, familial status, or religion (the "protected classes") in the sale, rental, or financing of dwellings and in other housing-related activities.

The Fair Housing Act not only prohibits intentional discrimination but also prohibits policies that have an unjustified "discriminatory effect" on the protected classes. The discriminatory effects doctrine (which includes both "disparate impact" and "perpetuation of segregation") is a tool for addressing policies that unnecessarily cause systemic inequality in housing, regardless of whether the policies intended to discriminate.

In simple terms, "disparate impact" refers to a method of proving housing discrimination without having to show that discrimination is intentional.

Some common examples of policies that could result in an unjustified disparate impact include:

- Nuisance ordinances that endanger women experiencing domestic violence;
- Occupancy limit policies that adversely affect families with children;

- Policies that restrict access to housing for people who have arrest records or criminal convictions;
- Restrictive zoning laws and building codes that harm people with disabilities;
- Restrictive zoning laws and building codes that disproportionately impact people of color;
- Restrictive zoning laws and building codes that prevent the development of affordable housing, disproportionately harming people of color;
- Policies and practices that harm those relying on vouchers who are disproportionately people of color or who experience disabilities;
- Redevelopment policies and practices that result in greatly increased rents and/or displacement disproportionately harming people of color; and
- Disaster recovery policies and programs that disproportionately harm or underserve people of color.

The 2023 final Disparate Impact rule (<https://tr.ee/OQliiZ>) which became effective on May 1, 2023, reinstated the 2013 rule that was briefly held in abeyance by the first Trump administration. Given the second Trump administration's statements and actions regarding disparate impact theory more broadly, it is no surprise that in early 2026 HUD proposed (<https://tr.ee/h89hRP>) repealing the fair housing disparate impact regulations. Importantly, despite such actions by the second Trump administration, U.S. Supreme Court precedent from 2015 affirming disparate impact under the "Fair Housing Act" remains the law and cannot be undone by HUD or executive action.

The 2013 Disparate Impact Rule

For more than 45 years, HUD interpreted the Fair Housing Act to prohibit housing policies or practices that had a discriminatory effect, even if there was no apparent intent to discriminate. Because minor variations existed over the years in how the courts and HUD applied the concept of discriminatory effects, HUD published a proposed rule (<https://tr.ee/OPJaQJ>) for public comment in 2011.

The preamble to the proposed rule provided examples of “disparate impact” and “perpetuating segregation,” each based on court decisions. Examples included: zoning ordinances that restrict construction of multifamily housing to areas predominantly occupied by people of color, public housing agency use of a local residency preference for distributing Housing Choice Vouchers where most residents are white, and demolition of public housing principally occupied by African Americans.

A final Disparate Impact rule (<https://tr.ee/OhfkNe>) was published February 15, 2013. It defined the term “discriminatory effect” as a practice that actually or predictably results in a “disparate impact” on a group of people or creates, increases, reinforces, or perpetuates segregated housing patterns because of race, color, sex, disability, familial status, national origin, or religion. Importantly, the 2013 rule established a uniform standard for determining when a housing policy or practice with a discriminatory effect violates the Fair Housing Act.

The three-step “burden shifting standard” in the 2013 rule was very simple:

1. The plaintiff/complainant (the party alleging disparate impact) has the burden of proving that a policy or practice caused or predictably will cause a discriminatory effect.
2. If the plaintiff/complainant makes a convincing argument (satisfies that burden of proof), then the burden of proof shifts to the defendant/respondent (the housing provider, business, government, or other entity) to show that the challenged policy or practice is necessary to

achieve one or more of the defendant/respondent’s substantial, legitimate, nondiscriminatory interests.

3. If the defendant/respondent satisfies the above burden of proof, the plaintiff/complainant can still win by proving that the defendant/respondent’s substantial, legitimate, nondiscriminatory interests could be served by another policy or practice that has a less discriminatory effect.

The U.S. Supreme Court Upholds Disparate Impact Theory

On June 25, 2015, U.S. Supreme Court issued its decision in *Texas Department of Housing and Community Affairs v. Inclusive Communities Project*. In a 5-4 opinion, the Court concluded that the “Fair Housing Act” allows housing discrimination cases to be based on a disparate impact theory. This decision remains an important legal victory for challenging discriminatory housing policies.

This case arose when the Inclusive Communities Project (ICP), a Dallas-based nonprofit that helps low-income people find affordable housing and that seeks racial and socioeconomic integration in Dallas housing, sued the Texas Department of Housing and Community Development. Specifically, ICP challenged the siting of Low-Income Housing Tax Credit properties in predominantly Black communities in Texas. ICP won in federal district court. Eventually, Texas appealed to the U.S. Supreme Court.

The Supreme Court considered whether the Fair Housing Act prohibits not only intentional discrimination, but also policies and practices that have a disparate impact (i.e., policies and practices that do not have a stated intent to discriminate but that have the effect of discriminating against the Fair Housing Act’s protected classes). In its opinion, the Supreme Court cited the 2013 HUD rule with approval multiple times and did not indicate that the 2013 rule required modification.

NLIHC prepared a summary (<https://tr.ee/8126cO>) of the Supreme Court decision.

Disparate Impact During the First Trump Administration

During the first Trump administration, HUD issued an [advance notice of proposed rulemaking](https://tr.ee/E4o28a) (<https://tr.ee/E4o28a>) (ANPR) in the *Federal Register* on June 20, 2018. HUD acknowledged that the Supreme Court upheld the use of disparate impact theory, but HUD asserted that the Court “did not directly rule upon it [the disparate impact rule].” Advocates and their attorneys asserted that the Court implicitly endorsed the rule by not questioning it or challenging it. Since the Inclusive Communities Supreme Court decision, courts have found that the rule is consistent with the Supreme Court’s decision.

The first Trump administration subsequently [proposed](https://tr.ee/zZHq9x) (<https://tr.ee/zZHq9x>) a drastic revision of the 2013 rule in August 2019 and issued a [final rule on September 24, 2020](https://tr.ee/5CKN5m) (<https://tr.ee/5CKN5m>) that would make it far more difficult for people experiencing various forms of discrimination to challenge the practices of housing providers, governments, businesses, and other large entities. The 2013 rule’s three-part “burden shifting” standard to show disparate impact would be radically changed to a five-component set of tests placing virtually all the burden on people who are in protected classes. The changes were designed to make it much more difficult, if not impossible, for people in protected classes to challenge and overcome discriminatory effects in housing policies or practices.

The proposed rule would have tipped the scale in favor of defendants (housing providers, governments, and businesses) accused of discrimination. In effect, victims of discrimination would be asked to try to guess what justifications a defendant might invoke, and plaintiffs would have to preemptively counter those justifications. HUD further proposed making a profitable policy or practice immune from challenge of disparate impact unless the victims of discrimination could prove that a company could make at least as much money without discriminating. In other words, according to the 2020 rule, profit justifies discrimination.

NLIHC prepared a [summary of key features](https://tr.ee/oZRNsl) (<https://tr.ee/oZRNsl>) of the proposed rule and an [analysis of the final 2020 rule](https://tr.ee/Bs2PbY) (<https://tr.ee/Bs2PbY>).

U.S. District Court Issues Preliminary Injunction on Trump 2020 Final Disparate Impact Rule

On October 25, 2020, the U.S. District Court for the District of Massachusetts issued a preliminary nationwide injunction to halt implementation of HUD’s final disparate impact rule, thanks to the efforts of Lawyers for Civil Rights and Anderson & Kreiger, with the Massachusetts Fair Housing Center and Housing Works, Inc. serving as plaintiffs on the case.

The court wrote, “There can be [no] doubt that the 2020 [disparate impact] Rule weakens, for housing discrimination victims and fair housing organizations, disparate impact liability under the Fair Housing Act. It does so by introducing new, onerous pleading requirements on plaintiffs,[] and significantly altering the burden-shifting framework by easing the burden on defendants of justifying a policy with discriminatory effect while at the same time rendering it more difficult for plaintiffs to rebut that justification.[] In addition, the 2020 Rule arms defendants with broad new defenses which appear to make it easier for offending defendants to dodge liability and more difficult for plaintiffs to succeed. In short, these changes constitute a massive overhaul of HUD’s disparate impact standards, to the benefit of putative defendants and to the detriment of putative plaintiffs (and, by extension, fair housing organizations, such as MFHC).”

An NLIHC [summary](https://tr.ee/38tR5R) (<https://tr.ee/38tR5R>) provides more detail.

Disparate Impact in the First Year of the Biden Administration

President Biden issued “[Memorandum on Redressing Our Nation’s and the Federal Government’s History of Discriminatory Housing Practices and Policies](https://tr.ee/zUXFIW)” (<https://tr.ee/zUXFIW>) to the HUD Secretary on January 26, 2021, instructing HUD to examine the effect of the previous administration’s September 24, 2020 final disparate impact rule replacing the 2013 disparate impact rule.

The memorandum further instructed the HUD Secretary to take the necessary steps to prevent practices that have a disparate impact. The memorandum stated, “Based on that examination, the Secretary shall take any necessary steps, as appropriate and consistent with applicable law, to implement the Fair Housing Act’s requirements that HUD administer its programs in a manner that affirmatively furthers fair housing... including by preventing practices with an unjustified discriminatory effect.”

In addition, the U.S. Department of Justice withdrew the previous Trump-era HUD appeal of the case postponing implementation of the 2020 disparate impact rule. By withdrawing the appeal, the preliminary injunction described above continued to delay implementation of the Trump 2020 disparate impact rule.

The 2023 Disparate Impact Rule Published

The final rule, “[Restoring HUD’s Discriminatory Effects Standard](https://tr.ee/F2whBi)” (<https://tr.ee/F2whBi>) was formally published in the *Federal Register* March 31, 2023 and became effective May 1, 2023. It restored the 2013 discriminatory effects rule and rescinded the first Trump Administration’s 2020 rule. The final 2023 rule recodified the 2013 rule’s discriminatory effects three-step burden shifting standard and returned the definition of “discriminatory effect” eliminated from the 2020 rule, which also erased “perpetuation of segregation” as a recognized type of discriminatory effect distinct from disparate impact.

Second Trump Administration Actions Regarding Disparate Impact

The second Trump administration has expressed a strong disapproval of disparate impact theory. On April 23, 2025, President Trump issued [Executive Order 14281](https://tr.ee/oq6pbD) (<https://tr.ee/oq6pbD>) which wrongly characterizes disparate impact theory as both undermining U.S. values and unconstitutional. The Executive Order declares it “the policy of the United States to eliminate the use of disparate-impact liability in all contexts to the maximum degree possible to avoid violating the Constitution, Federal civil rights laws, and basic American ideals.” The order also requires agencies to outline their plans to repeal or amend existing disparate impact regulations or guidance. Furthermore, the order deprioritizes federal enforcement of statutes or regulations to the extent they provide for disparate impact liability.

The Trump administration has been working to rescind federal agency disparate impact regulations. For example, in November 2025, the Consumer Financial Protection Bureau [proposed rulemaking](https://tr.ee/N8gX9B) (<https://tr.ee/N8gX9B>) that interprets the “Equal Credit Opportunity Act” as not providing for disparate impact liability, despite the existence of contravening legislative history. On December 10, 2025, the Department of Justice published a final rule rescinding its longstanding disparate impact regulations for “Title VI of the Civil Rights Act of 1964.” Title VI prohibits discrimination on the basis of race, color, and national origin in programs or activities receiving federal financial assistance, including in federally assisted housing.

In early 2026, HUD proposed (<https://tr.ee/h89hRP>) repealing its 2023 disparate impact regulations. Importantly, despite Executive Order 14281 and HUD’s proposed rulemaking, the Inclusive Communities precedent affirming disparate impact under the “Fair Housing Act” remains the law and cannot be undone by executive order or HUD.

Forecast for 2026

Given the above context, advocates can expect that the government-wide effort to undercut the use of disparate impact theory, including under the “Fair Housing Act,” will continue in accordance with administration policy outlined in the April 2025 Executive Order.

For More Information

NLIHC (<https://tr.ee/WAnkUm>), 202-662-1530

NLIHC’s Fair Housing: Disparate Impact webpage
(<https://tr.ee/2n082x>)

NLIHC Disparate Impact Resources (<https://tr.ee/PgnC3r>)

Federal Register version of the 2023 final rule,
“[Reinstating HUD’s Discriminatory Effects Standard](https://tr.ee/udrbp5)”
(<https://tr.ee/udrbp5>)

A 2023 archived version of a HUD [three-page fact sheet](https://tr.ee/DbTkbX)
(<https://tr.ee/DbTkbX>) (no longer on HUD’s website and
provided for historical purposes only)

National Fair Housing Alliance (<https://tr.ee/At1cBf>),
202-898-1661

NAACP Legal Defense and Educational Fund, Inc.
(<https://tr.ee/Rmuu2g>) (LDF), 202-682-1300

AFFIRMATIVELY FURTHERING FAIR HOUSING (AFFH)

By Ed Gramlich, Senior Advisor, NLIHC; updated by
Kayla Blackwell, Senior Housing Policy Analyst, NLIHC

Administering Agency: HUD's Office of Fair Housing
and Equal Opportunity (FHEO)

Year Started: 1968

Population Targeted: The "Fair Housing Act's"
"protected classes"—race, color, national origin, sex,
disability, familial status (in other words, households
with children), and religion

See Also: *Consolidated Planning Process*, and *Public
Housing Agency Plan* sections of this guide.

Affirmatively Furthering Fair Housing

Title VIII of the "Civil Rights Act of 1968" (the "Fair Housing Act") requires jurisdictions receiving federal funds for housing and urban development activities to affirmatively further fair housing. The Fair Housing Act not only makes it unlawful for jurisdictions to discriminate; the law also requires jurisdictions to take actions that can undo historic patterns of segregation and other types of discrimination, as well as to take actions to promote fair housing choice and to foster inclusive communities. The "protected classes" of the Fair Housing Act are determined by race, color, national origin, sex, disability, familial status, and religion.

This article summarizes the history of AFFH implementation, including the Trump administration's 2025 Interim Final Rule (IFR) "[Affirmatively Furthering Fair Housing Revisions](https://tr.ee/j1sigc)" (<https://tr.ee/j1sigc>). Notably, HUD in 2025 removed many resources on AFFH from the HUD.gov website. An archived version of the AFFH website is available [here](https://tr.ee/VHKkyZ) (<https://tr.ee/VHKkyZ>).

History

"THE FAIR HOUSING ACT OF 1968"

Although affirmatively furthering fair housing has been law since the "Fair Housing Act of 1968," meaningful regulations to provide jurisdictions and PHAs with guidance on how to comply had not existed, and even today, resources are scarce to support clear AFFH implementation. The 1974 law creating the Community Development Block Grant (CDBG) program required jurisdictions to certify that they would affirmatively furthering fair housing. Eventually, that certification was defined in CDBG regulations (and later in Consolidated Plan/ConPlan regulations) to mean that the executive of a jurisdiction "certified" (pledged) that the jurisdiction had an Analysis of Impediments (AI) to fair housing choice, that the jurisdiction would take appropriate actions to overcome the effects of the impediments, and that the jurisdiction would keep records of its actions. In addition, the 1990 statute creating the Comprehensive Housing Affordability Strategy; CHAS (the statutory basis of the ConPlan) and the HOME Investment Partnerships Program, as well as the 1998 statute creating the PHA Plan for public housing agencies, each require jurisdictions and PHAs to certify in writing that they are affirmatively furthering fair housing (AFFH) in accord with the Fair Housing Act.

Obama Administration Takes Steps to Implement AFFH

On July 16, 2015, HUD published the long-awaited [final rule](https://tr.ee/uqgyYw) (<https://tr.ee/uqgyYw>) implementing the Fair Housing Act obligation for HUD to administer its programs in a way that affirmatively furthers fair housing. Details about the 2015 final AFFH rule, are available on NLIHC's [Racial Equity and Fair Housing webpage](https://tr.ee/BbCn3F) (<https://tr.ee/BbCn3F>).

The 2015 rule and process were to be implemented on a staggered basis. Only an estimated 22 CDBG entitlement jurisdictions were required to use this new

rule and process in 2016. Another estimated 105 CDBG entitlement jurisdictions were to begin in 2017. All other CDBG entitlement jurisdictions, states, and public housing agencies were required to use the pre-existing Analysis of Impediments (AI) process.

Trump Administration Reduces AFFH Obligations

HUD under Secretary Ben Carson suspended use of the 2015 AFFH rule on May 23, 2018, for all but 32 jurisdictions. Then, on August 16, HUD published an Advanced Notice of Proposed Rule Making (ANPR) inviting public comment regarding amending the AFFH rule. Subsequently, Secretary Carson published a proposed rule on January 14, 2020 that was not an AFFH rule; in fact, it would gut fair housing by, among other means, falsely equating increasing the housing supply with fair housing choice. Finally, without public review and comment, the Trump administration abruptly issued a final rule, "[Preserving Community and Housing Choice](https://tr.ee/UhgpmK)" (<https://tr.ee/UhgpmK>) on August 7, 2020 repealing the 2015 regulations implementing the statutory obligation to "affirmatively further fair housing" (AFFH).

In its final form, the Preserving Community and Housing Choice rule in essence was reduced to three lines, two of which were in a definition section. One line defined "fair housing" to mean "housing that, among other attributes, is affordable, safe, decent, free of unlawful discrimination, and accessible as required under civil rights laws." The other line defined "affirmatively further" to mean "to take **any** action rationally related to promoting **any** attribute or attributes of fair housing" (emphasis added). Theoretically, to "affirmatively further fair housing" a city could merely donate one abandoned building in a disinvested neighborhood to a developer to rehabilitate and rent to low-income households, some of whom might use Housing Choice Vouchers to make it affordable.

States, local governments, and PHAs receiving HUD funds ("program participants") had to certify that they were affirmatively furthering fair housing. The third line stated that such a certification "is sufficient if the program participant takes **any** action that is rationally related to promoting one or more attributes of fair housing." (emphasis added) Although the final rule was

voluminous, the bulk of the document simply removed from all HUD regulations, reference to the Assessment of Fair Housing (AFH) that the 2015 rule required.

Biden Administration Restores AFFH, But Fails to Finalize

On January 26, 2021, the Biden White House issued a Memorandum to the Secretary of Housing and Urban Development, which declared that the affirmatively furthering fair housing provision in the Fair Housing Act, "...is not only a mandate to refrain from discrimination but a mandate to take actions that undo historic patterns of segregation and other types of discrimination and that afford access to long-denied opportunities." The Memorandum ordered HUD to examine the effects of the previous administration's actions against the AFFH Rule and the effect that it has had on HUD's statutory duty ensure compliance with the Fair Housing Act and the duty to affirmatively further fair housing.

HUD published the Interim Final Rule (IFR), "[Restoring Affirmatively Furthering Fair Housing Definitions and Certifications](https://tr.ee/36mBNa)" (<https://tr.ee/36mBNa>) in the *Federal Register* on June 10, 2021, becoming effective on July 31. The IFR restored definitions from the 2015 AFFH rule and the certifications that were removed by the previous administration.

Advocates sent [recommendations](https://tr.ee/PbDbCn) (<https://tr.ee/PbDbCn>) for a renewed AFFH regulation to HUD's Office of Fair Housing and Equal Opportunity (FHEO) on August 27, 2021. In October 2021, FHEO held listening sessions with stakeholders to gather thoughts that might inform drafting of a proposed AFFH rule. In addition to detailed suggestions made during the listening sessions, advocates, including NLIHC sent a [letter](https://tr.ee/3hQSDt) (<https://tr.ee/3hQSDt>) to FHEO highlighting suggestions made during those listening sessions.

HUD subsequently published a complete, [proposed AFFH rule](https://tr.ee/7i2sRw) (<https://tr.ee/7i2sRw>) on February 9, 2023, taking as its starting point the fair housing planning process created by the 2015 AFFH Rule and proposing refinements informed by lessons HUD learned from implementation of the 2015 AFFH Rule and by feedback provided by stakeholders. The 2023 proposed rule would provide a framework under which program participants would set and implement meaningful fair

housing goals that would determine how they would leverage HUD funds and other resources to affirmatively further fair housing. In short, program participants would identify fair housing issues, prioritize the issues that they would focus on, and develop fair housing goals they would implement to overcome fair housing issues over the next three to five years (depending on their ConPlan cycle). NLIHC was generally pleased with the proposed rule, but had concerns about the community engagement provisions and the failure to define “affordable housing” as housing that requires a household to spend no more than 30% of its adjusted income on rent or mortgage plus utilities. (This definition is known as the “Brooke Rule”.) NLIHC’s [formal comment letter](https://tr.ee/EOhlld) (<https://tr.ee/EOhlld>) to the proposed rule offered a number of suggestions to further improve the draft rule and raised serious concerns regarding several provisions. Advocates are urged to go to NLIHC’s [Racial Equity and Fair Housing webpage](https://tr.ee/e51p5p) (<https://tr.ee/e51p5p>) for more detailed analyses of the 2023 proposed rule.

A new final AFFH rule was sent to the Office of Information and Regulatory Affairs (OIRA) of the Office of Management and Budget (OMB) on December 22, 2023, where it languished. With the election of Donald Trump for a second term in 2024, the Biden administration [withdrew the final AFFH rule](https://www.govinfo.gov/content/pkg/FR-2025-01-16/pdf/2025-00981.pdf) (<https://www.govinfo.gov/content/pkg/FR-2025-01-16/pdf/2025-00981.pdf>) on January 16, 2025. If a final rule had been published this late, it is possible that the Trump administration would have used the “Congressional Review Act” (CRA) to challenge it in both houses of Congress. A successful CRA challenge would mean that in the future, an administration that viewed fair housing, and especially affirmatively furthering fair housing, more favorably could not propose a new AFFH rule that seemed substantially similar to the one Congress challenged through the CRA.

Trump Administration Releases Weakened AFFH Rule

On March 3, 2025, HUD Secretary Scott Turner [announced](https://www.hud.gov/news/hud-no-25-034) (<https://www.hud.gov/news/hud-no-25-034>) the termination of the 2023 Affirmatively Furthering Fair Housing (AFFH) rule, replacing it with an Interim Final Rule (IFR) “[Affirmatively Furthering Fair Housing Revisions](https://tr.ee/)” <https://tr.ee/>

[hfkq8c](#)) that merely requires HUD grantees to take “any action during the relevant period rationally related to promoting fair housing.”

In response, House Financial Services Committee Ranking Member Maxine Waters (D-CA) and Senate Banking, Housing and Urban Affairs Committee Ranking Member Senator Elizabeth Warren (D-MA) released a [statement](https://tr.ee/WPDctD) (<https://tr.ee/WPDctD>) denouncing the change, stating Secretary Turner had “[abandoned] HUD’s legal obligation to eliminate housing discrimination in the United States.” NLIHC submitted a comment [letter](https://tr.ee/yMAzdB) (<https://tr.ee/yMAzdB>) with the National Fair Housing Alliance urging Secretary Turner to immediately withdraw the 2025 AFFH Interim Final Rule, and reinstate the 2021 AFFH Interim Final Rule.

PolicyLink has a helpful [explainer](https://tr.ee/iMtNBj) (<https://tr.ee/iMtNBj>) on the new AFFH rule.

THE NEED FOR THE AFFH RULE

The pre-existing system based on the Analysis of Impediments (AI) to fair housing was not effective, as noted by the [Government Accountability Office \(GAO\)](https://tr.ee/3MkQ8f) (<https://tr.ee/3MkQ8f>). There were numerous limitations of the pre-existing AFFH system, beginning with the absence of regulatory guidance (HUD published a booklet in 1996, the [Fair Housing Planning Guide](https://tr.ee/UXewzO); archived copy available at <https://tr.ee/UXewzO>, but it did not have the authority of regulation, policy notice, or policy memorandum). Consequently, there was no authoritative source to suggest what might constitute impediments to fair housing choice, nor was there guidance to indicate what actions to overcome impediments might be adequate.

Without guidance, many jurisdictions did not take meaningful actions to overcome impediments to fair housing. A classic abuse on the part of some jurisdictions was to assert that they were taking actions to overcome impediments to fair housing by placing fair housing posters around public places during Fair Housing Month. Without guidance and because public participation was not required in the preparation of an AI, many wholly inadequate AIs were drafted. Although some AIs were quite extensive, they seemed destined to sit on a shelf in case HUD asked to see them (AIs were

not submitted to HUD for review). In addition, AIs were not directly linked to a jurisdiction's ConPlan or Annual Action Plan, or to a PHA's Five-Year PHA Plan and Annual Plans. AIs also had no prescribed schedule for renewal; consequently, many were not updated in a timely fashion.

BRIEF HIGHLIGHTS OF KEY PROVISIONS OF THE 2023 PROPOSED RULE

Below is a high-level overview of some of the 2023 rule's key provisions. For a more detailed analysis, see [NLIHC's 2024 Advocates' Guide article \(https://tr.ee/rYmZkQ\)](https://tr.ee/rYmZkQ). Even though the proposed 2023 AFFH rule was not issued in a final form by the Biden administration, advocates can use the proposed 2023 AFFH rule as the baseline for updating and strengthening AFFH regulations in the future:

- **Greatly Increased Community Engagement Requirements.** In general, the proposed rule would have required program participants to "actively engage with a wide variety of diverse perspectives within their communities" and to "proactively facilitate" community engagement "during the development" of the "Equity Plan," enabling the public to identify fair housing "issues" and set fair housing "goals," taking into consideration views and recommendations received from the community.
- **Greater Public Transparency.** The proposed rule would have provided the public with more opportunities to directly engage with HUD and provided HUD with regulatory ability to respond to the public and to encourage program participants to take necessary actions. All Equity Plans (see below) submitted to HUD for review would be posted to a HUD webpage, and the public would be able to directly provide HUD with additional information about an Equity Plan still under HUD review, information that HUD would use in its review.
- **Equity Planning.** Every five years, program participants would be required to develop and submit an Equity Plan to overcome local fair housing "issues" by conducting an analysis in their "geographic area of analysis" that identified fair housing issues, and the circumstances and factors that cause, contribute to, maintain, increase, or perpetuate those fair housing issues. After engaging the community, program participants would be required to prioritize the identified fair housing issues in order to set one or more fair housing goals to overcome the prioritized fair housing issues. Examples of potential goals included: siting future affordable housing outside of segregated areas; expanding mobility programs; reducing land use and zoning restrictions; removing nuisance or crime-free ordinances; enacting and enforcing source of income laws; enhancing housing accessibility features for people with disabilities; enacting protections for LGBTQ+ people; and revising PHA eviction, admissions, and prior criminal records policies.
- **More Direct Incorporation of the New Fair Housing Equity Plan into ConPlans and PHA Plans.** After HUD "accepted" an Equity Plan, a program participant would be required to incorporate the Equity Plan's fair housing goals, strategies, and actions necessary to implement the goals into its ConPlan, Annual Action Plans of the ConPlan, or PHA Plan. In addition, program participants would be required to identify specific, expected allocations of HUD funds (as well as other federal, state, local, and charitable funds) that would be used to carry out a program participant's programs, activities, and services in ways consistent with the obligation to affirmatively further fair housing.
- **Clarification and Emphasis on the Need for a Balanced Approach.** The proposed rule provided a detailed definition of "balanced approach" to affirmatively furthering fair housing. It meant an approach to community planning and investment that balances a variety of actions to eliminate housing-related disparities using a combination of place-based and mobility actions and investments.
- **Annual Evaluation of Progress Toward Achieving Fair Housing Goals.** While an Equity Plan was in effect, program participants would be required to conduct and submit to HUD for posting on a HUD website, Annual Progress Evaluations regarding the status of each fair housing goal. Program participants would be required to assess whether to establish a new fair housing goal(s) or whether to modify an existing fair housing goal because it could not be achieved in the amount of time previously anticipated. In addition, an Equity Plan

would be required to include a summary of a program participant's progress in meeting its fair housing goals set in prior-year Equity Plans.

- **Phased Implementation for Program Participants Based on Size.** When a state, local jurisdiction, or a PHA would be required to have an Equity Plan would be phased in over many years, starting with the largest jurisdictions or PHAs. When a PHA must have an accepted Equity Plan would depend on the combined number of public housing and Housing Choice Vouchers they administer.
- **Complying with the AFFH Planning and Certification Requirements (of the IFR) Until the First Equity Plan Is Due.** It would be years before most program participants would have to develop and submit an Equity Plan. However, they would still have to meet their AFFH obligations.
- **HUD Review of Equity Plans.** Program participants would be required to submit an Equity Plan for HUD review. HUD would post a submitted Equity Plan on a HUD-maintained website and the public could submit comments regarding it within 60 days from the date the Equity Plan was submitted to HUD. HUD would have 100 days to determine whether the Equity Plan included the required fair housing issue analysis, had identified fair housing issues, and had established fair housing goals in order to accept the Equity Plan. HUD would not accept an Equity Plan if it was not in compliance with any of the provisions of the AFFH rule.

Tips for Local Success

Advocates should organize to convince their local jurisdictions and PHAs to follow the lead of the 2015 AFFH rule or voluntarily follow some or all of the 2023 proposed AFFH rule to create an Equity Plan and incorporate its fair housing goals, strategies, and actions into their ConPlans or PHA Plans. AFFH implementation must be required, and by incorporating AFFH implementation into ConPlans or PHA Plans, advocates can be assured that the Fair Housing Act of 1968 is not treated as optional.

PRRAC and PolicyLink have released a [policy brief](https://tr.ee/Rr9ouj) (<https://tr.ee/Rr9ouj>), “Affirming Belonging” that provides guidance to states and localities on how they can affirmatively further fair housing in response to the federal government’s abandonment of its role in implementing and enforcing the Fair Housing Act.

Forecast for 2026

Given experience with the first Trump administration, it is likely that the second Trump administration will continue to negate the civil rights movement and downplay any evidence behind fair housing. Follow NLIHC’s [Memo to Members and Partners](https://nlihc.org/explore-issues/publications-research/memo-to-members) (<https://nlihc.org/explore-issues/publications-research/memo-to-members>) for updates.

What to Say to Legislators

Be prepared to oppose any harmful Trump administration proposal or action to further undermine fair housing laws, regulations, and programs, including cuts to critical funding through the annual appropriations process.

For More Information

NLIHC’s page, “Racial Equity and Fair Housing” <https://tr.ee/wLcAbS>, particularly a webpage containing archived information, <https://tr.ee/Ksxn4E>

National Fair Housing Alliance’s AFFH webpage, <https://tr.ee/ltll8C>

Poverty & Race Research Action Council’s AFFH webpage, <https://tr.ee/KSKVbH>

National Housing Law Project, <https://tr.ee/4wH5YY>

The Trump administration’s Interim Final Rule, <https://tr.ee/hfkq8c>

CONSOLIDATED PLANNING PROCESS

*By Ed Gramlich, Senior Advisor, NLIHC; updated by
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Administering Agency: HUD's Office of Community Planning and Development (CPD)

Year Started: 1990 as the Comprehensive Housing Affordability Strategy (CHAS), significantly modified in 1995 as the Consolidated Plan

The Consolidated Plan, popularly called the ConPlan, is a tool advocates can use to influence how federal housing and community development dollars are spent in their communities. The ConPlan merges into one process and one document all the planning and application requirements of five HUD block grant programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grants (ESG), Housing Opportunities for Persons With AIDS (HOPWA), and national Housing Trust Fund (HTF). States, large cities, and urban counties that receive any of these grants must have a ConPlan. In addition, Public Housing Agency Plans (PHA Plans) must be consistent with the ConPlan.

History

The statutory basis for the ConPlan is the Comprehensive Housing Affordability Strategy (CHAS), a provision of the "Cranston-Gonzalez National Affordable Housing Act of 1990." CHAS established a state and local planning process that required a housing needs analysis and assignment of priorities for addressing those needs. To receive CDBG, HOME, ESG, or HOPWA dollars, jurisdictions had to have a CHAS. In 1995, HUD amended the CHAS regulations to create the ConPlan; there is no ConPlan statute.

The ConPlan regulations interwove the planning, application, and performance reporting processes of the four block grants and the CHAS, resulting in one long-term plan (the Strategic Plan), one application document (the Annual Action Plan), and one set of performance reports, the Consolidated Annual

Performance and Evaluation Report (CAPER), which no longer includes CDBG's Grantee Performance Report (GPR). The HTF was added to the ConPlan in 2015 when the regulations implementing the HTF required the HTF Allocation Plan to be integrated into a state's Strategic Plan and Annual Action Plans.

Summary

Jurisdictions develop ConPlans at least once every three to five years (most choose five years) in the form of the long-term Strategic Plan. Jurisdictions must prepare Annual Action Plans during that period to show how resources will be used in the upcoming year to address Strategic Plan priorities. The regulations are at [24 CFR Part 91](https://tr.ee/p4pCZI) (<https://tr.ee/p4pCZI>).

THE SEVEN KEY CONPLAN ELEMENTS

- 1. Housing and Community Development Needs:** The ConPlan must estimate housing needs for the upcoming five years. It must also describe "priority non-housing community development needs." According to the regulations, the needs in the ConPlan should reflect the public participation process and the ideas of social service agencies, must be based on U.S. Census data, and "shall be based on any other reliable source." NLIHC's [Out of Reach](https://tr.ee/XfNXCY) (<https://tr.ee/XfNXCY>) and "[Housing Needs by State](https://tr.ee/OLr1A3)" (<https://tr.ee/OLr1A3>) (select "Resources" after selecting a state) are excellent sources of data.

The ConPlan must estimate housing needs by:

- Income categories, including households with income: less than 30% of the area median income (AMI) or less than the federal poverty line, called "extremely low-income"; between 30% and 50% of AMI (low-income); between 50% and 80% of AMI (moderate-income); and between 80% and 95% of AMI (middle-income).
- Tenure type (whether the household rents or owns).

- Family type, including large families (five or more people), individuals, and elderly households.
- A summary of the number of people who: have a housing cost burden (pay more than 30% of their income for rent and utilities) or severe cost burden (pay more than 50% of their income for rent and utilities); live in very poor-quality housing; or live in overcrowded housing. Each of these characteristics must be presented by income category and by tenure type.

The ConPlan must estimate the housing needs of:

- Domestic violence survivors,
- Persons with disabilities,
- Persons with HIV/AIDS and their families, and
- Persons who were formerly homeless and receive rapid re-housing assistance that is about to expire.

The ConPlan must also estimate:

- The need for public housing and Housing Choice Vouchers (Section 8), referring to waiting lists for those programs.
- The supportive housing needs of people who are elderly, have physical or mental disabilities, are facing addiction, are living with HIV/AIDS, or are public housing residents.
- The number of housing units containing lead-based paint hazards occupied by low-income households.

The ConPlan must describe the nature and extent of homelessness, addressing:

- The number of people experiencing homelessness on any given night, the number who experience homelessness each year, and the number of days people are homeless.
- The nature and extent of homelessness by racial and ethnic groups.
- The characteristics and needs of people, especially extremely low-income people, who are housed but who are threatened with homelessness.

2. Housing Market Analysis: The housing market analysis requires a description of key features of the housing market, such as the supply of housing, demand for housing, and the condition and cost of housing. It must also have an inventory of facilities and services for people experiencing homelessness, with categories for permanent housing, permanent supportive housing, transitional housing, and emergency shelters. A description of facilities and services for people who are not homeless but require supportive housing must be included, along with a description of programs ensuring that people returning from mental and physical health institutions receive supportive housing.

Localities (not states) have additional requirements:

- A description of the housing stock available to people with disabilities, HIV/AIDS, or special needs.
- An estimate of the number of vacant or abandoned buildings, with an indication of whether they can be rehabilitated.
- A narrative or map describing areas where low-income people and different races and ethnic groups are concentrated.
- A list of public housing developments and the number of units in them, along with a description of their condition and revitalization needs.
- A description of the number of units assisted with other federal (e.g., Project-Based Section 8), state, or local funds, including the income levels and types of families they serve.
- An assessment of whether any units are expected to be lost, such as through Section 8 contract expiration or Low-Income Housing Tax Credit (LIHTC) units that no longer must house lower income households after the 30-year affordability period.

3. Strategic Plan: This long-term plan must be done at least every three to five years (most jurisdictions chose five years). It must indicate general priorities for allocating CPD money geographically and among different activities and needs ("CPD money" is used here to refer to each of the five block grant programs administered by CPD subject to the ConPlan). The Strategic Plan must describe the rationale for the

fund allocation priorities given to each category of priority needs among the different income categories. Needs may refer to types of activities, such as rental rehabilitation, as well as to demographic groups, such as extremely low-income renter households. Although the regulations do not specifically require it, past HUD guidance required jurisdictions to assign to each priority need a relative priority of high, medium, or low. Since August 2012, HUD has only required priority assignments of high or low priority. The ConPlan must identify proposed accomplishments in measurable terms and estimate a timetable for achieving them.

For housing, the regulations add that the Strategic Plan must explain the reasoning behind priority assignments, the proposed use of funds, and how the reasoning relates to the analysis of the housing market, the severity of housing problems, the needs of the various income categories, and the needs of renters compared to owners. The number of families who will receive affordable housing must be shown by the income categories of extremely low, low, and moderate. The Strategic Plan must also describe how the need for public housing will be met.

Priority homeless needs must be shown. The Strategic Plan must also describe strategies for reducing and ending homelessness by helping people to avoid becoming homeless, reaching out to people experiencing homelessness to determine their needs, addressing needs for emergency shelter and transitional housing, and helping people experiencing homelessness make the transition to permanent housing.

For people with special needs who are not experiencing homelessness, the Strategic Plan must summarize the priority housing and supportive service needs of people who are elderly or who have disabilities (mental, physical, or developmental), HIV/AIDS, who are facing alcohol or drug addiction, or who are public housing residents.

For jurisdictions receiving CDBG funds, the Strategic Plan must summarize non-housing community development needs, such as daycare services, health centers, parks, roads, and commercial development.

- 4. Anti-poverty Strategy:** The statute calls for a description of goals, programs, and policies for reducing the number of people with income below the poverty level. It also requires a statement of how affordable housing programs will be coordinated with other programs and the degree to which they will reduce the number of people in poverty.
- 5. Lead-based Paint:** The Strategic Plan must outline actions to find and reduce lead paint hazards.
- 6. Fair Housing:** Each year the jurisdiction must certify that it is affirmatively furthering fair housing (AFFH). In March 2025, the second Trump administration issued an [interim final rule \(https://tr.ee/Z5uuuD\)](https://tr.ee/Z5uuuD) that significantly scaled back the certification requirement, such that jurisdiction's "AFFH certifications will be deemed sufficient provided they took any action during the relevant period rationally related to promoting fair housing, such as helping to eliminate housing discrimination" (emphasis added). The interim final rule does not require any "specific fair housing planning mechanism," and does not reinstate any requirement that jurisdictions complete an Analysis of Impediments (AI) to fair housing choice. Furthermore, the interim final rule also removed the requirement that state and local governments assess the disproportionate housing needs of any racial or ethnic groups. See the *Affirmatively Furthering Fair Housing* article.
- 7. Annual Action Plan:** The Annual Action Plan must describe the amounts of all federal resources reasonably expected to be available in the coming year, including those in addition to CDBG, HOME, ESG, HOPWA, and HTF, such as Low-Income Housing Tax Credits (LIHTCs), Continuum of Care (CoC) funds, and Housing Choice Vouchers. The Annual Action Plan must also indicate other private and local and state resources expected to be available. The geographic areas that will get assistance in the upcoming year must be indicated, and the Annual Action Plan must give reasons why these areas have priority.

Local jurisdictions' Action Plans must describe the activities and amount of assistance to be provided to each activity that a jurisdiction plans to carry out in the upcoming year and the reasons for making these choices. Local jurisdictions must describe the use of

CDBG for each activity in enough detail, including location, to enable people to determine the degree to which they could be affected.

State Action Plans must describe their method for distributing funds to local governments and nonprofits, or the activities the state will undertake itself. States must describe the criteria used to select CDBG applications from localities. States must also describe how all CDBG money will be allocated among all funding categories (e.g., housing, economic development, public works, etc.).

The Action Plan must have an estimate of the number and type of households expected to benefit from the use of CPD funds (this does not apply to states). In addition, based on any funds available to the jurisdiction, the Action Plan must specify one-year goals for the number of non-homeless, homeless, and special needs households to be provided affordable housing through new construction, rehabilitation, acquisition, and rental assistance.

The Annual Action Plan must indicate the activities that will be carried out in the upcoming year to reduce homelessness by: preventing homelessness, especially for those with income less than 30% of AMI, meeting emergency shelter and transitional housing needs, helping people make the transition to permanent housing and independent living, and meeting the special needs of people who are not homeless but have supportive housing needs.

of a proposed Strategic Plan or Annual Action Plan must be provided at no cost. There must be at least one public hearing during the development of the Strategic Plan or Annual Action Plan (this does not apply to states). The public must have at least 30 days to review and comment on the proposed Strategic Plan or Annual Action Plan.

3. Final ConPlan Strategic Plan or Annual Action Plan:

The jurisdiction must consider the public's comments about the proposed Strategic Plan or Annual Action Plan, attach a summary of the comments to the final Strategic Plan or Annual Action Plan, and explain in the final Strategic Plan or Annual Action Plan why any suggestions were not used. The final Strategic Plan or Annual Action Plan must be sent to the CPD Field Office at least 45 days before the start of a jurisdiction's "program year." Program years vary from jurisdiction to jurisdiction – most start on July 1 and a number start on October 1. A copy of the final Strategic Plan or Annual Action Plan must be available to the public.

HUD can disapprove the final Strategic Plan or Annual Action Plan for several reasons, including if a jurisdiction did not follow the public participation requirements, did not "satisfy all of the required elements," or if the jurisdiction provided an inaccurate certification.

4. **The Annual Performance Report:** In this report a jurisdiction shows what it did during the past year to meet housing and community development needs. The report must include: a description of the money available and how it was spent; the location of projects; and the number of families and individuals assisted, broken down by race and ethnicity as well as by income category, including income less than 30% of AMI. For CDBG-assisted activities, the performance report must describe the assisted activities and explain how they relate to the ConPlan priorities, giving special attention to the highest priority activities. The Annual Performance Report must describe the actions taken to affirmatively further fair housing (AFFH). Note that under HUD's 2025 AFFH Interim Final Rule, HUD defines "affirmatively further" as meaning "to take any action rationally related to promoting any attribute or attributes of fair housing."

There are several public participation features related to the Annual Performance Report. There must be

THE FIVE STEPS OF THE CONPLAN CALENDAR

1. **Identify Needs:** The CDBG and CHAS laws require a public hearing to gather the public's ideas about housing and community development needs. HUD's regulations require this hearing to take place before a proposed Strategic Plan or Annual Action Plan is published for comment.
2. **Proposed ConPlan Strategic Plan or Annual Action Plan:** There must be a notice in the newspaper that a proposed Strategic Plan or Annual Action Plan is available. Complete copies of the proposed Strategic Plan or Annual Action Plan must be available in public places, such as libraries. A reasonable number of copies

reasonable notice that a report is completed, and the report must be available to the public. The public has only 15 days to review and comment on it; nevertheless, the jurisdiction must consider public comments and attach a summary of the comments.

The annual performance reporting requirements of the five block grant programs have been merged into a set of computer-based records, the Consolidated Annual Performance and Evaluation Report (CAPER) for local jurisdictions and the Performance and Evaluation Report (PER) for states. They must be submitted to the CPD Field Office 90 days after the close of a jurisdiction's program year. These performance reports only offer a general, aggregate picture of what a jurisdiction accomplished. Although no longer a part of the CAPER, local jurisdictions receiving CDBG must still complete a Grantee Performance Report (GPR), which also goes by the term IDIS Report PR03 ([IDIS stands for Integrated Disbursement and Information System](https://tr.ee/5byJFS)) (<https://tr.ee/5byJFS>). The GPR should provide detailed information about each activity funded by CDBG. Although many jurisdictions do not make the GPR known to the public, it must be provided if requested—and advocates should request the latest GPR.

5. Amendments to the ConPlan or Annual Action Plan: The ConPlan or Annual Action Plan must be amended if there are any changes in priorities, or in the purpose, location, scope, or beneficiaries of an activity, or if money is used for an activity not mentioned in the Annual Action Plan. If there is a "Substantial Amendment," then public participation similar to that for Annual Performance Reports is required, but with a 30-day comment period. HUD allows a jurisdiction to define Substantial Amendment. At a minimum, the regulations indicate that a Substantial Amendment must include a change in the use of CDBG funds, and a change in the way a state allocates CDBG money to small towns and rural areas.

PUBLIC PARTICIPATION

In addition to the public participation requirements mentioned in the previous paragraphs, each jurisdiction must have a written "citizen participation plan" available to the public. The plan must provide for and encourage public involvement in the creation of the

ConPlan Strategic Plan or Annual Action Plan, review of the Annual Performance Report, and any Substantial Amendment. It must encourage involvement by people with low incomes, especially in low-income neighborhoods and areas where CDBG money might be spent. HUD regulations require that jurisdictions "take appropriate actions to encourage the participation of all its citizens, including minorities and non-English speaking persons...as well as persons with disabilities." Jurisdictions must also encourage involvement by residents of public and assisted housing.

There must be reasonable and timely access to information and records relating to the Strategic Plan or Annual Action Plan. The public must be able to review records from the previous five years related to the ConPlan and any use of federal money covered by the ConPlan. For local jurisdictions (not states) the public must have reasonable and timely access to local meetings, such as community advisory committee meetings and city council meetings.

Public hearings must be held after adequate notice to the public. "Publishing small print notices in the newspaper a few days before the hearing is not adequate notice," according to the regulations, but "two weeks' notice is adequate." Public hearings must be held at times and places convenient for people with low incomes. Where there are a significant number of people with limited English proficiency, the public participation plan must show how they can be involved. The jurisdiction must give written, meaningful, and timely responses to written public complaints; 15 days is considered timely if the jurisdiction gets CDBG funding.

CONPLAN TEMPLATE AND MAPPING TOOLS

Jurisdictions must submit ConPlan Strategic Plans, their subsequent Annual Action Plans, and CAPERs electronically using an electronic template tied into CPD's management information system, known as IDIS.

The template is a combination of data tables and narratives that set a baseline of HUD's expectations for the type and amount of information required. Jurisdictions can customize their templates by adding additional text, data, or images from other sources. The data tables required by the regulations pertaining

to housing and homelessness needs and the housing market are automatically pre-populated with the required data; however, jurisdictions may substitute better data if they have it. Some of the data includes the five-year American Community Survey data from the Census Bureau, special Census CHAS tabulations, public housing resident characteristics from HUD's [Picture of Subsidized Housing](https://tr.ee/F36cmp) (<https://tr.ee/F36cmp>), and business and employment data from the Census.

Most jurisdictions' ConPlans are [posted](https://tr.ee/wfQFuL) (<https://tr.ee/wfQFuL>) on [HUD's ConPlan website](https://tr.ee/rFDrDn) (<https://tr.ee/rFDrDn>). Advocates will benefit from reviewing the [ConPlan Desk Guide](https://tr.ee/1Za5Jq) (<https://tr.ee/1Za5Jq>) containing the components of the template because it outlines the regulatory requirements that jurisdictions must follow and because it helps advocates know what the various template tables should look like (especially starting on page 78 of the June 2021 version, with the Strategic Plan on page 167, Action Plan on page 203, and CAPER on page 253). Unfortunately, advocates cannot use the template to electronically create their own alternative ConPlan because only jurisdictions have access to IDIS. Nevertheless, the Desk Guide provides advocates an outline of what jurisdictions must submit that advocates can use to manually fashion their own ideal ConPlan to promote prior to the public participation process.

CPD also has a [mapping tool](https://tr.ee/Vzg57M) (<https://tr.ee/Vzg57M>) that allows both grantees and members of the public to access a large amount of data in a relatively user-friendly, web-based format. Jurisdictions are not required to use the maps. Users can search, query, and display information on the map that will help them identify trends and needs in their communities. Some of the features available on the mapping tool include the capacity to show where CDBG and HOME activities have been provided and where public housing and private, HUD-assisted housing and LIHTC housing is located. It is also possible to see housing, economic, and demographic characteristics of an area down to the census tract level. The web-based software enables advocates to draw custom geographies, such as neighborhood boundaries, which might not fit neatly into census tracts.

THE CONPLAN AND THE NATIONAL HOUSING TRUST FUND

The national Housing Trust Fund (HTF) statute requires states to prepare an Allocation Plan each year showing how the state will allot the HTF dollars it will receive in the upcoming year. Each state must distribute its HTF dollars throughout the state according to the state's assessment of priority housing needs as identified in its approved ConPlan.

HTF advocates should determine which state agency is responsible for drafting the HTF Allocation Plan [available on [HUD's HTF website](https://tr.ee/vrqHxz) (<https://tr.ee/vrqHxz>), at [HUD Exchange](https://tr.ee/A7Tnn5) (<https://tr.ee/A7Tnn5>), and on [NLIHC's HTF website](https://tr.ee/yzV5FG) (<https://tr.ee/yzV5FG>)]. It is probably not the same agency that drafts the ConPlan Strategic Plan or Annual Action Plan. Advocates should inform the ConPlan agency (if it is different than the HTF state agency) that they are interested in participating in the process for planning where and how HTF money will be used.

Although the HTF statute requires public participation in the development of the HTF Allocation Plan, the HTF interim rule does not explicitly declare that, in order to receive HTF money, states must develop their Allocation Plans using the ConPlan public participation rules. It merely requires states to submit an HTF Allocation Plan following the ConPlan rule, which does have public participation requirements. Most state HTF Allocation Plans are found in a section of the Strategic Plan or Annual Action Plan concerning "program-specific" information toward the end of the document at "AP-90 Program Specific Requirements," under "Housing Trust Fund (HTF)." Some states place their HTF Allocation Plan in an appendix to the Strategic Plan or Annual Action Plan.

Action around the HTF Allocation Plan takes place at the state level. For advocates only accustomed to ConPlan Strategic Plan or Annual Action Plan advocacy at the local level because a locality gets CDBG and HOME directly from HUD, the state HTF process will be an important new experience. To better ensure that HTF

dollars are used properly, it might be necessary for advocates to learn how to influence their state ConPlan.

The interim HTF rule requires states receiving HTF dollars to submit a performance report according to the ConPlan regulations. The HTF performance report must describe HTF program accomplishments, and the extent to which the state complied with its approved HTF Allocation Plan and all of the requirements of the HTF rule.

HUD 2024 Proposed Rulemaking and Withdrawal

On January 10, 2024, CPD published proposed changes to the ConPlan as part of a larger set of proposed changes to the CDBG regulations. In addition to the current rule's requirement that an Entitlement Jurisdiction consider a change in the use of CDBG funds from one eligible activity to another to be a substantial amendment, CPD proposed adding that an activity not previously identified in the ConPlan Strategic Plan or an Annual Action Plan to the Strategic Plan is a "substantial amendment." A final version of the proposed rule reached the Office of Information and Regulatory Affairs (OIRA), a part of the Office of Management and Budget (OMB) on October 18, 2024. The proposed rule has since been [withdrawn \(https://www.reginfo.gov/public/do/eoDetails?rrid=744561\)](https://www.reginfo.gov/public/do/eoDetails?rrid=744561) by the second Trump administration. For reference, the formerly proposed changes are briefly discussed here.

The ConPlan "citizen" participation regulations require jurisdictions to "publish" a draft ConPlan Strategic Plan or Annual Action Plan in general circulation newspapers so that residents can examine the draft and submit comments. It also requires a summary of the draft document and a list of locations where complete copies can be examined, such as libraries, government offices, and public places. CPD proposed requiring the drafts to also be posted on a jurisdiction's official website. In addition to a summary, the proposed rule "encourage[d]" jurisdictions to use all available social media and electronic communication, such as emails, text messages, media advertisement, public service announcements, pre-recorded messages delivered via automatic telephone dialing systems, and electronic

notices to public and private organizations. The proposed rule offered grocery store bulletin boards and neighborhood centers as examples of public places. The proposed rule explicitly reminded jurisdictions that publications must be accessible to people with disabilities and to people with limited English proficiency.

Tips for Local Success

The ConPlan is a potentially useful advocacy tool for directing funds toward activities more beneficial to people with low incomes because jurisdictions must provide for and encourage public participation, particularly by people with low incomes. Advocates and residents should monitor the needs assessment and priority setting processes, making sure that all needs are identified and assigned the level of priority they deserve. With the mapping tool, advocates can add information and data that a jurisdiction might not include, such as data from studies conducted by local universities. Advocates can also devise an alternative plan using the mapping tool to draw neighborhood boundaries that more realistically reflect community dynamics. Through the Annual Action Plan's public participation process, advocates and residents can strive to ensure that federal dollars are allocated to activities that will truly meet the high priority needs of low-income people.

Forecast for 2026

Advocates should continue in 2026 to monitor CPD notices, the *Federal Register*, and HUD guidance to understand how administration policies will impact the ConPlan process. Given the recent regulatory changes to the substance of the AFFH certification requirement, advocates should determine how to best raise fair housing concerns with their state and local jurisdictions. Advocates may need to educate jurisdictions of the value of meaningfully addressing longstanding fair housing issues and of the need for fair housing planning. Furthermore, advocates may wish to consider strategies on how to best present the

disproportionate housing needs of communities of color to state and local jurisdictions, given the removal of the requirement that state and local governments assess the disproportionate housing needs of any racial or ethnic groups. Finally, advocates should advocate with their local jurisdictions to make ways for everyone--including communities of color, people with disabilities, and persons with limited English proficiency--to meaningfully access public participation opportunities.

For More Information

NLIHC (<https://tr.ee/wXzBeA>) 202-662-1530

HUD Consolidated Plan on HUD Exchange
(<https://tr.ee/ZG8Y8c>)

Consolidated Plan on HUD's basic website
(<https://tr.ee/RlgTn4>)

eCon Planning Suite (<https://tr.ee/wvQlyx>)

ConPlan template Desk Guide (<https://tr.ee/ELWGbE>)

ConPlan mapping tool (<https://tr.ee/CGaHla>) and CPD
Maps Desk Guide (<https://tr.ee/eqZuDa>)

Find jurisdictions' ConPlan Strategic Plans and Annual
Action Plans (<https://tr.ee/6mpg5G>)

End of year reporting (<https://tr.ee/GRzwEx>)

PUBLIC HOUSING AGENCY PLAN

By Ed Gramlich, Senior Advisor, NLIHC; updated by
Renee Williams, Senior Advisor for Public Policy, NLIHC

Administering Agency: HUD's Office of Public and
Indian Housing (PIH)

Year Started: 1998

See Also: For related information, refer to the *Public
Housing* and *Consolidated Plan* sections of this guide.

The Public Housing Agency Plan (PHA Plan) is the collection of a public housing agency's key policies (such as admissions policies) and program intentions (such as demolition). This includes a Five-Year Plan and Annual Plan updates. The PHA Plan was meant to ensure local accountability through resident and community participation. However, various administrative and legislative efforts have weakened PHA Plans.

Administration

PHA Plans are created by local public housing agencies (PHAs), with oversight by HUD's Office of Public and Indian Housing (PIH). There are approximately 3,800 PHAs. PHA Plan regulations are at [24 CFR Part 903, Subpart B](https://tr.ee/PFq6HM) (<https://tr.ee/PFq6HM>).

History

The "Quality Housing and Work Responsibility Act of 1998" (QHWRA) established the PHA Plan because of the significant shift of authority to PHAs provided by that law. The PHA Plan was meant to ensure local accountability through resident and community participation opportunities. Resident Advisory Boards (RABs) were also created by QHWRA to ensure participation by public housing residents and voucher-assisted households in the PHA Plan process. One provision of the "Housing and Economic Recovery Act of 2008" (HERA) eliminated the requirement to submit an Annual PHA Plan for PHAs administering fewer than 550 units of public housing and vouchers combined, known as "[Qualified PHAs](https://tr.ee/JNu7uP)" (<https://tr.ee/JNu7uP>) (there

are nearly 2,700 Qualified PHAs) (<https://tr.ee/IWWfGz>). Also in 2008, PIH took administrative action to dilute the information provided to residents and the general public through the PHA Plan template.

Plan Summary

All PHAs must develop Five-Year PHA Plans that describe the overall mission and goals of a PHA regarding the housing needs of low-income households in its jurisdiction. Larger PHAs, called "non-qualified PHAs," must also develop an Annual Plan, which is a gathering of a PHA's program intentions, such as intention to demolish public housing, as well as key policies, such as those relating to admissions, income targeting, rents, and pets. However, these larger PHAs must submit only a [short PHA Plan template](https://tr.ee/3dmapd) (<https://tr.ee/3dmapd>) to HUD each year.

THE 19 REQUIRED PHA PLAN COMPONENTS

1. **Housing Needs** of extremely low-, very low-, and low-income households, elderly households, households with a member who has a disability, and households on public housing and Section 8 waiting lists.
2. **Tenant Eligibility, Selection, and Admissions Policies** as well as waiting list procedures, admissions preferences, unit assignment policies, and race and income deconcentration policies.
3. **Financial Resources** and planned uses of these resources for the upcoming year listed in categories such as operating funds, capital funds, other federal funds, and non-federal funds.
4. **Rent Determination** including rent policies for tenants, and for landlords receiving vouchers.
5. **Operations and Management** of facilities, including PHA programs, their organization, and policies governing maintenance (including policies regarding pest infestation).

6. **Grievance Procedures** for residents and applicants.
7. **Capital Improvement Needs** and planned actions for the long-term physical and social health of public housing developments. This should include plans and costs for the upcoming year and a Five-Year Plan.
8. **Demolition and Disposition Plans** that the PHA has applied for, or will apply for, including timetables.
9. **Designation of Public Housing for Elderly or Disabled** identified.
10. **Conversion of Public Housing** to tenant-based vouchers through Section 33 (required conversion) or Section 22 (voluntary conversion) of the “United States Housing Act.”
11. **Homeownership Programs** described, such as Section 8(y) or Section 5(h).
12. **Community and Self-Sufficiency Programs** that aim to improve households’ economic or social self-sufficiency, including those that will fulfill community service requirements. This also refers to a PHA’s Section 3 jobs, training, and contracting efforts.
13. **Safety and Crime Prevention** including coordination with police.
14. **Pet** policy.
15. **Civil Rights** as reflected in a formal pledge that the PHA will comply with the “Civil Rights Act of 1964,” the “Fair Housing Act,” Section 504 of the “Rehabilitation Act,” and the “Americans with Disabilities Act.”
16. **Financial Audit** from the most recent fiscal year.
17. **Asset Management** for long-term operating, capital investment, rehabilitation, modernization, or sale of the PHA’s inventory.
18. **Domestic Violence** activities, services, or programs that prevent or serve survivors of domestic violence, dating violence, sexual assault, or stalking as added by the “Violence Against Women Act of 2005” as amended in 2013 and 2022.
19. **Additional Information** including progress in meeting or deviating from the PHA’s mission and goals as listed in the Five-Year Plan.

MOVING TO WORK (MTW) PHAS

The PHA Plan process is different for Moving to Work (MTW) PHAs.

Each year, the 100 Expansion (or Operations Notice) MTW PHAs are required to submit a [MTW Supplement to the Annual PHA Plan](https://www.hud.gov/sites/dfiles/OCHCO/documents/50075-MTW.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/50075-MTW.pdf>) as part of the standard PHA Plan process. MTW Expansion PHAs indicate the MTW activities they intend to implement from the list of MTW Waivers provided in the MTW Operations Notice. In 2025, [Notice PIH 2025-18](https://tr.ee/VwaiXI) (<https://tr.ee/VwaiXI>) announced that the “MTW Supplement” that the Expansion PHAs have been using would need to be submitted to HUD via a web-based form. The 2025 notice announces that the MTW Supplement, [HUD-50075-MTW](https://tr.ee/Kh3l6U) (<https://tr.ee/Kh3l6U>), has been added “to the collection of PHA Plan templates.” Notice PIH 2025-18 is discussed further below.

The 39 “original” Moving to Work (MTW) PHAs do not submit a PHA Plan. Instead, they have a “MTW Standard Agreement” that requires the PHA to include any planned new MTW initiatives in an Annual MTW Plan which must be approved by PIH before implementing any new initiatives. The original MTW Agencies must provide information on the items listed in Attachment B (<https://tr.ee/bgeCJ3>) of the MTW Agreement in their Plan, which includes evaluation metrics and descriptions of anticipated impacts.

A list of [MTW agencies with HUD contacts](https://tr.ee/teUgpC) (<https://tr.ee/teUgpC>) (as of February 26, 2025) is available. Another link with information about MTW agencies is no longer operational, but an [archived version can be found here](https://tr.ee/aAjXW0) (<https://tr.ee/aAjXW0>) for historical purposes (archived March 27, 2025; last updated November 5, 2024). [HUD Exchange](https://tr.ee/EfhJ8N) (<https://tr.ee/EfhJ8N>) has MTW resources as well.

See the Moving to Work Demonstration entry in Chapter 4 of this *Advocates’ Guide*.

RESIDENT ADVISORY BOARDS

As part of this planning process, PHAs are required to have at least one Resident Advisory Board (RAB) to assist in the development of the PHA Plan and any

significant amendments to the Plan. RAB membership must adequately reflect and represent residents served by the PHA, including voucher holders if they make up at least 20% of all those assisted.

To ensure that RABs can be as effective as possible, a PHA must provide reasonable means for RAB members to become informed about programs covered by the PHA Plan, communicate with residents in writing and by telephone, hold meetings with residents, and obtain information through the Internet.

A PHA must consider RAB recommendations when preparing a final PHA Plan or any significant amendment. A copy of the RAB's recommendations and a description of whether those recommendations were addressed must be included with the final PHA Plan.

Notice PIH 2025-18 cites a [HUD Exchange webpage with resources for RABs \(https://tr.ee/psJs3A\)](https://tr.ee/psJs3A). The link for the Resident Advisory Board (RAB) webpage on HUD's main website is no longer operational, but [an archived version is linked to here for historical purposes \(https://tr.ee/BMEtE1\)](https://tr.ee/BMEtE1) and may not contain current information (archived March 11, 2025).

RESIDENT AND COMMUNITY PARTICIPATION

The law and regulations provide for a modest public participation process. A PHA must conduct reasonable outreach to encourage broad public participation. A PHA's board of commissioners must invite public comment regarding a proposed PHA Plan and conduct a public hearing to discuss the plan. The hearing must be held at a location convenient to PHA residents. At least 45 days before the public hearing, the PHA must publish a notice indicating the date, time, and location of the public hearing. Non-Qualified PHAs must also inform the public that the proposed PHA Plan, required attachments, and other relevant information is available for public inspection at the PHA's main office during normal business hours. Notice from Qualified PHAs must make information relevant to any changes in the PHA's goals, objectives, or policies available for public inspection at the PHA's main office during normal business hours.

The final, HUD-approved PHA Plan, along with required attachments and other related documents, must be available for review at the PHA's main office during normal business hours. Small PHAs, those with fewer than 250 public housing units and any number of Housing Choice Vouchers (HCVs) submitting so-called streamlined Annual PHA Plans must certify that any revised policies and programs are available for review at the PHA's main office during normal business hours.

There are four places in the regulations indicating that writing and calling PIH to raise concerns about the PHA Plan might secure attention and relief from PIH:

1. If a RAB claims in writing that a PHA failed to provide adequate notice and opportunity for comment, PIH may make a finding and hold up approval of a PHA Plan until this failure is remedied.
2. Before approving a PHA Plan, PIH will review "any... element of the PHA's Annual Plan that is challenged" by residents or the public.
3. PIH can decide not to approve a PHA Plan if the Plan or one of its components:
 - Does not provide all the required information.
 - Is not consistent with information and data available to PIH.
 - Is not consistent with the jurisdiction's Consolidated Plan.
4. To ensure that a PHA complies with all of the policies adopted in its PIH-approved PHA Plan, "HUD shall, as it deems appropriate, respond to any complaint concerning PHA noncompliance with the plan...HUD will take whatever action it deems necessary and appropriate."

SIGNIFICANT AMENDMENTS

A PHA Plan must identify a PHA's basic criteria for determining what makes an amendment significant. "Significant Amendments" can only take place after formal adoption by a PHA's board of commissioners at a meeting open to the public and after subsequent approval by HUD. Significant Amendments are subject

to all RAB and public participation requirements discussed above.

All year long advocates should be on the lookout for significant amendments to the PHA Plan because any policy or program in it can be modified. Advocates and residents should review the PHA Plan's criteria defining Significant Amendments and work to change them if they are written so that few modifications would be judged significant and therefore escape the RAB and public participation requirements.

Notice PIH 2025-18 notes that Significant Amendment procedures apply when HUD "publishes a new rule and guidance directing PHAs update their Administrative Plans or Admissions and Continued Occupancy Policy (ACOPs) with certain discretionary policy decisions, and those policies are considered significant amendments." Administrative Plans detail a PHA's voucher policies, whereas ACOPs outline a PHA's public housing policies. Revisions to ACOPs and Administrative Plans provide residents with an important avenue for advocacy, as these documents contain a PHA's day-to-day policies, including policies where the PHA is exercising its discretion.

MAJOR CHANGES SINCE 2008

Congress weakened the usefulness of the PHA Plan with changes made in the "Housing and Economic Recovery Act of 2008" (HERA). This law included a provision greatly diminishing PHA Annual Plan requirements for PHAs that administer fewer than 550 units of public housing and vouchers combined. In 2020 there were nearly 2,700 so-called "Qualified PHAs." This means that about 70% of the nation's PHAs were exempt from developing an Annual Plan. Qualified PHAs only need to certify that they are complying with civil rights law and that their Five-Year PHA Plan is consistent with the local or state government's Consolidated Plan. Qualified PHAs must still hold a public hearing annually regarding any proposed changes to a PHA's goals, objectives, or policies. They must also have RABs and respond to RAB recommendations at the public hearing. PIH has a [Qualified PHA webpage](https://tr.ee/pawyCR) (<https://tr.ee/pawyCR>).

PIH also took action in 2008 that weakened the usefulness of the PHA Plan for larger PHAs. Previously,

PIH required PHAs to use a computer-based PHA Plan template. The template was a helpful outline of all PHA Plan components required by the law. But PIH drastically diminished the template in 2008, reducing it from a helpful 41-page, easy-to-access electronic guide, to a mere page-and-a-half-long form, making it much more difficult for residents and the public to know what the law requires and what changed at the PHA during the previous year.

The 2008 PHA Plan template made it more difficult for residents and others to understand the PHA Plan process, engage in it, and have access to information associated with the 19 statutorily required PHA Plan components. The template merely asked PHAs to indicate which of the components were revised, not how the components were revised. Also, there was no longer a list of required plan components prompting residents and others to proactively recommend their own revisions to an Annual Plan.

After proposing changes to the 2008 template in 2011 and 2012, PIH issued Notice PIH 2015-18 announcing four final revised PHA Plan templates. These templates included several modest improvements over the streamlined PHA Plan in use since November 2008; however, they were still far less helpful for residents and advocates than the pre-2008 template. Additional revisions to the four PHA Plan templates were made in 2022.

In 2025, HUD published Notice PIH 2025-18, which supersedes PIH 2015-18 and adds the MTW Supplement as a fifth PHA Template.

As of 2025, HUD now has five types of Annual PHA Plan templates to be used for different categories of PHAs.

- **HUD-50075-ST** (<https://tr.ee/nGibWu>) for **Standard PHAs and Troubled PHAs**. A Standard PHA owns or manages 250 or more public housing units and/or any number of vouchers for a combined total of more than 550. The PHA was designated "standard" in its most recent assessments for the Public Housing Assessment System (PHAS) and/or Section Eight Management Assessment Program (SEMAP). A Troubled PHA has an overall PHAS or SEMAP Score of less than 60%.

- **HUD-50075-HP** (<https://tr.ee/xdAgiR>) **for High Performer PHAs.** A High-Performer PHA owns or manages any number of public housing units and any number of vouchers, for a combined total of more than 550, and the PHA was designated a “high performer” in its most recent assessments for PHAS and SEMAP.
- **HUD-50075-SM** (<https://tr.ee/kUjLo0>) **for Small PHAs.** A Small PHA owns or manages fewer than 250 public housing units and any number of vouchers, for a combined total of more than 550, and the PHA was not designated as troubled in the most recent PHAS or SEMAP assessment.
- **HUD-50075-HCV** (<https://tr.ee/fgX9Vv>) **for HCV Only PHAs.** A Housing Choice Voucher (HCV)-only PHA does not own or operate any public housing units but does administer more than 550 vouchers, and the PHA was not designated as troubled in its most recent SEMAP assessment.
- **HUD-50075-MTW** (<https://tr.ee/HbewKM>) **for MTW PHAs.** As noted above, this MTW Supplement template is used by the MTW Expansion PHAs.

Per Notice PIH 2025-18, a “Qualified PHA” is one that “administers 550 or fewer public housing dwelling units and/or HCVs combined and is not designated as a Troubled PHA in the most recent Public Housing Assessment System (PHAS) assessment, the most recent Section Eight Management Assessment Program (SEMAP) score and most recent Small Rural Assessment.” Qualified PHAs are not required to complete and submit an Annual PHA Plan. However, Qualified PHAs must submit a Five-Year PHA Plan.

Previously, the PHA Plan template for the Five-Year PHA Plan and the Annual Plan were the same. Notice PIH-2015-18 introduced a separate template for the Five-Year PHA Plan to be used by all PHAs. The latest version of the [Five-Year PHA Plan template](https://www.hud.gov/sites/dfiles/OCHCO/documents/HUD-50075-5Y.pdf) (<https://www.hud.gov/sites/dfiles/OCHCO/documents/HUD-50075-5Y.pdf>) is available on HUD’s website.

THE CURRENT TEMPLATES

In 2025, HUD made additional changes to the PHA Plan templates with the issuance of Notice PIH 2025-18; as noted above, HUD also identified the MTW

Supplement PHA Template as an additional template. Here, the current templates are described generally (though individual templates vary). NLIHC’s more detailed description of the 2025 changes [can be found here](https://tr.ee/uqfbax) (<https://tr.ee/uqfbax>). Advocates should note that because of the many recent changes to the HUD website, hyperlinks included in the templates may no longer be operational.

The four non-MTW templates clearly state that each of the following must be made readily available to the public: a proposed PHA Plan, each of the statutorily required PHA Plan elements, all information relevant to the public hearing about a proposed PHA Plan, and the proposed PHA Plan itself. The non-MTW templates also require PHAs to indicate where the public can access that information. At a minimum, PHAs are required to post PHA Plans at each Asset Management Project (public housing developments or a group of developments) and at the PHA’s main office. PHAs are strongly encouraged to post PHA Plans on their official websites and provide copies to resident councils. The PIH website does not have links to individual PHA Plans. For the MTW Supplement, PHAs must certify the availability of the MTW Supplement and accompanying attachments to the public.

In the section titled “Revision of Existing PHA Plan Elements,” the non-MTW templates list key statutorily required PHA Plan elements (for example, rent determination policies or grievance procedures in the Standard PHA Template), with boxes to check if a change has been made. PHAs that check boxes must then describe the identified revisions.

The non-MTW templates have a “New Activities” section for a PHA to indicate whether it intended to undertake a new activity, such as project-basing vouchers, converting public housing units under the Rental Assistance Demonstration (RAD), demolishing or selling public housing developments, or undertaking a mixed-finance project. Any new activities must be described.

The non-MTW templates require PHAs to include any comments received from the RAB, along with the PHA’s analysis of the RAB’s comments and a description of the PHA’s decision regarding RAB comments. The MTW Supplement template also requires that RAB comments

be attached, accompanied by a discussion of how RAB comments were considered.

The non-MTW templates require PHAs to include information about any challenged element of the PHA Plan, including a description of the challenge, the source of the challenge, and the PHA's public response.

Regarding the Violence Against Women Act (VAWA), only the Standard PHA Plan Template mentions VAWA in the instructions regarding any revision to an existing PHA Plan element, specifically the "Safety and Crime Prevention" element. The MTW Supplement template lists VAWA among other statutes in the MTW Certifications of Compliance.

Perhaps the most significant substantive change regarding the 2025 non-MTW template updates is the removal of most references to affirmatively furthering fair housing (AFFH) from both the templates and the instructions. For the four non-MTW templates, the single AFFH reference to AFFH is a reference to certification, consistent with HUD's March 2025 [interim final rule](https://tr.ee/Z5uuuD) (<https://tr.ee/Z5uuuD>) that significantly scaled back the AFFH certification requirement. See the *Affirmatively Furthering Fair Housing* article.

Ongoing Concerns

NLIHC remains concerned that resident involvement in the PHA Plan will continue to diminish due to the loss of guidance in the PHA Plan template. The template still has few reminders about the role of the RAB in developing the PHA Plan. The template no longer includes the list of RAB members or residents on the PHA Board, nor does it include a description of the process for electing residents to the PHA board.

NLIHC is also concerned that PIH no longer posts a directory of approved PHA Plans by state. PIH should resume posting PHA Plans on its website.

PHA Annual Plans should be enhanced to provide additional data on:

- The number of Annual Contributions Contract (ACC) units a PHA has, by development, the occupancy level at each development, and a plan to reduce any development's vacancy rate that is above 3%.

- The number of ACC units planned for redevelopment that will no longer be available or affordable to extremely low-income households.
- The number of authorized housing vouchers that a PHA has under lease.
- A PHA's SEMAP ratings, any audits of the PHA performed by HUD, and any corrective action the PHA took regarding SEMAP or audit findings.

In addition, NLIHC thinks that more PHAs must be required to comply with the PHA Plan so that residents and community members can have an opportunity to learn about and participate in the decisions affecting the nation's investments in public housing and vouchers.

Tips for Local Success

Advocates should participate in the development of their local agency's PHA Plan. Find out the date your PHA's PHA Plan is due to HUD; those dates are based on a PHA's fiscal year start dates. Ask your PHA to provide notice well in advance of the required public hearing and ask specifically about proposed changes. Review all PHA Plan components thought to be important and prepare written comments as well as comment at the public hearing. Of particular interest may be a PHA's ACOP and/or Administrative Plan, as those policies govern day-to-day PHA operations.

Work with others, especially residents of public housing, voucher households, and other low-income people in the community to increase participation in the PHA Plan process. All year long advocates should be on the lookout for significant amendments and submit written comments as well as verbal comments at the public hearing required for significant amendments.

What to Say to Legislators

Advocates should let their members of Congress know that:

- The PHA Annual and Five-Year Plans are important, local tools that should be expanded to more PHAs and enhanced to require more information about components important to residents and other community members.

- HUD's diminished template for Annual PHA Plan submission should be returned to its original state.
- HUD should post all PHA Plans on its website as it had in the past.

For More Information

[NLIHC](https://www.nlihc.org/), 202-662-1530, in particular at NLIHC's [Public Housing webpage](https://tr.ee/vY487j) (<https://tr.ee/vY487j>) including an [outline](https://tr.ee/O0mZBO) (<https://tr.ee/O0mZBO>) of resident participation in the PHA Plan process

[HUD PHA Plan webpage](https://www.hud.gov/helping-americans/public-indian-housing-pha-plans) (<https://www.hud.gov/helping-americans/public-indian-housing-pha-plans>)

[HUD list of Qualified PHAs](https://tr.ee/DRSn2u) (<https://tr.ee/DRSn2u>)

HUD had a webpage about nonqualified PHAs, but the link is no longer operational. An [archived link](https://tr.ee/cSCmEg) (<https://tr.ee/cSCmEg>) is provided for historical purposes; please note that the site may not have current information (archived March 13, 2025)

THE “COMMUNITY REINVESTMENT ACT”

National Community Reinvestment Coalition

Congress passed the “Community Reinvestment Act” (CRA) in 1977 to address redlining and discrimination in US credit and financial markets. The [CRA establishes that banks](https://tr.ee/Ud7QwC) (<https://tr.ee/Ud7QwC>) have a “continuing and affirmative obligation to help meet the credit needs of the local communities in which they are chartered” and that banks will be evaluated on their “record of meeting the credit needs of its entire community.” The CRA implements this by directing the Office of the Comptroller of the Currency (OCC), Federal Deposit Insurance Corporation (FDIC), and the Federal Reserve (the agencies) to regularly evaluate a bank’s loans, investments, branches, and services to borrowers and census tracts with low-to-moderate incomes (LMI), with penalties for banks that continue to ignore these needs.

The CRA has brought many benefits to LMI communities. Just since 2010, banks have [lent nearly \\$5 trillion](https://ncrc.org/communityreinvestmentact/#Lending) (<https://ncrc.org/communityreinvestmentact/#Lending>) in CRA-qualified mortgages and small business loans throughout the country. Without the CRA, there are fewer opportunities for homeownership and entrepreneurship. When census tracts lose eligibility for CRA-qualified lending, [the number of bank originated home purchase loans](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2991557) (https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2991557) decreases by 10-20% in those neighborhoods, and [small business lending declines by nearly 10%](https://tr.ee/i6e7ev) (<https://tr.ee/i6e7ev>) in urban census tracts. The CRA increases the supply of affordable rental housing by driving investment in Low-Income Housing Tax Credits (LIHTC), with banks accounting for 85% of LIHTC investment dollars. Advocates have also successfully used the CRA to negotiate [meaningful community benefits agreements](https://tr.ee/hWu0Nm) (<https://tr.ee/hWu0Nm>) where banks commit to increasing loans and investments in underserved communities, opening branches, and developing new loan products.

However, aspects of the CRA have struggled to keep up with modern banking and technology. In 2023, the agencies attempted to bring the CRA into

the 21st century and address longstanding issues since the CRA was last updated. This was the first comprehensive update to the CRA regulations finalized by all three of the relevant agencies since 1995, and a significantly better framework than the widely criticized approach the OCC [attempted to implement by itself in 2020](https://tr.ee/8YjZAs) (<https://tr.ee/8YjZAs>). The agencies received approximately 950 unique comments on the proposed rule from a wide range of interested parties. Despite the resulting final rule modifying the proposal in numerous ways in response to bank feedback, shortly after the rule was announced, [several bank trade organizations and the Chamber of Commerce](https://tr.ee/YIHxXY) (<https://tr.ee/YIHxXY>) filed a lawsuit to prevent it from being implemented.

In 2025, the agencies [announced their plan to rescind the 2023 CRA regulations](https://tr.ee/79q2Xj) (<https://tr.ee/79q2Xj>) in response to the industry lawsuit and leave the 1995 rules in place. While the [agencies said they would not pursue further regulatory changes](https://tr.ee/nONKPY) (<https://tr.ee/nONKPY>), congressional testimony from the OCC Comptroller in late 2025 indicated that [potentially harmful modifications](https://tr.ee/0lc0iH) (<https://tr.ee/0lc0iH>) could be coming in 2026. There is also the possibility that Congress could attempt to alter the CRA and change its mandate that banks serve the credit needs of all communities. Advocates must be prepared to defend CRA against any harmful rollbacks or rewrites. The long-term prospects for national and local economies that truly provide everyone with a fair shot to succeed is very much tied to the continued strength and relevancy of the CRA, and we simply cannot afford for the CRA to be rolled back.

History and Purpose

Congress passed CRA in 1977 at a time when many banks and other financial institutions would routinely “redline” communities of color and low-income neighborhoods, refusing to invest in them or to extend credit to their residents. Since its enactment, CRA has expanded access to banking services and increased the flow of private capital into LMI communities.

Program and Administration Summary

Three bank regulatory agencies ensure that banks comply with CRA: the Board, the OCC, and the FDIC. These three agencies are charged with evaluating the extent to which banks are meeting local credit needs. This takes the form of a periodic CRA examination of a bank, during which the bank is given a rating for its performance.

Banks are subject to different tests according to their size, as determined by asset thresholds set by the regulators. Large banks undergo a more comprehensive range of tests. The tests assess bank performance across numerous activities which include single-family and multi-family housing lending and investments, as well as other community development needs and services such as housing counseling. Banks receive CRA credit on exams for these activities and can receive downgrades for negative performance (for example, due to fair lending violations). On this basis, CRA exams issue ratings, such as outstanding, satisfactory, needs-to-improve, or substantial noncompliance. As of 2022, about 98% of banks passed their CRA exams on an annual basis with just less than 10% receiving an outstanding rating and almost 90% of them receiving a satisfactory rating. The 2023 rule would have strengthened CRA exams by comparing a bank's lending to demographics and total lending in specific markets, with performance ranges for each possible rating.

Ratings influence banks' public relations and business strategies and failing ratings (needs-to-improve and substantial noncompliance) have additional implications. The federal agencies consider banks' CRA records when ruling on merger applications. A weak CRA record may be grounds for denying a merger application. Although denials are rare, federal agencies occasionally approve merger applications subject to specific conditions around improving CRA and fair lending performance. As described below, mergers also provide the opportunity for community groups to push banks to make specific commitments within community benefit agreements. These commitments can include

housing-related loans and resources and other support for community development.

Results

Because it holds lenders publicly accountable and empowers citizens and communities to engage in the regulatory process, CRA is effective in increasing access to credit and capital for traditionally underserved communities. Since 1996, CRA-covered banks have made over **\$2.5 trillion** (<https://www.prrac.org/pdf/racial-justice-in-housing-finance-series-2021.pdf>) in small business and community development loans in LMI tracts.

A HUD publication (<https://tr.ee/zuJAlr>) reviewed CRA's accomplishments over its 40-year history. Studies conclude that lending is higher in low- and moderate-income census tracts than in tracts with median incomes just above CRA-income thresholds. In addition, the Penn Institute for Urban Research (<https://tr.ee/WfOO5V>) also published a series of CRA research and policy papers, one of which found that CRA has prevented branch closures in LMI communities.

CRA also spurs the creation of community benefits agreements (CBAs). During [merger applications](https://www.ncrc.org/ncrc-comments-on-doj-merger-review-guidelines/) (<https://www.ncrc.org/ncrc-comments-on-doj-merger-review-guidelines/>), regulatory agencies and the public at large review the banks' past CRA records and future plans for providing a public benefit after the merger as required by law. These reviews have prompted banks to negotiate community benefit plans with community-based organizations. The plans specify future levels of loans, investments and services to communities of color and LMI neighborhoods.

As just one example, NCRC and our members negotiated a community plan that committed PNC Bank to make **\$88 billion in reinvestment available** (<https://tr.ee/hanR54>) over a four-year time period. The plan included \$47 billion in home purchase lending and \$14.5 billion in community development lending and investment (CDLI) such as investments in housing tax credit programs, economic empowerment and social justice initiatives, as well as loans and investments to Community Development Financial Institutions (CDFIs).

Recent Activities

Advocates, as well as concerned state and local officials, are increasingly looking at how state legislation can fix gaps in federal CRA. [Seven states and the District of Columbia](https://tr.ee/w33TOM) (<https://tr.ee/w33TOM>) have their own state CRA laws that apply to state-chartered banks. Illinois is the most recent state to pass one, with their 2021 law extending CRA to cover state-chartered credit unions and state licensed mortgage companies. Illinois also directs its financial regulator to study disparities in accessing credit by race and other protected classes, and to identify communities that have significant gaps in loans, investments and branch locations. The results of the study can then be factored into the state's CRA exams to assess how well banks, credit unions and mortgage companies are serving those that currently benefit the least from our banking system. Legislators in New Jersey and California also introduced similar state CRA bills in 2025.

On the federal level, several recent bills have focused on measures to strengthen CRA. For example, the "[American Housing and Economic Mobility Act](https://www.congress.gov/bill/117th-congress/senate-bill/1368)" (<https://www.congress.gov/bill/117th-congress/senate-bill/1368>) would strengthen CRA as applied to banks by updating assessment areas to include geographical areas in which banks make considerable numbers of loans and engage in other business activity but do not have branches. It would also mandate the inclusion of mortgage company affiliates on bank CRA exams. Finally, it would expand CRA to include independent mortgage companies.

Tips for Local Success

CRA is vital to promoting safe and sound lending and investing in communities, including in affordable housing and community development. Community organizations are encouraged to comment on CRA exams and merger applications. The federal agencies post lists on their websites every quarter of upcoming CRA exams. Additionally, organizations should establish and expand upon dialogues with CRA officers at banks in their service areas to see how banks can increase their support of affordable housing, and to push for increased investments that support long term affordable housing and avoid displacement. Efforts should include the expansion of housing to high opportunity areas, as well as community development resources for disinvested areas and preservation resources for rising-cost areas.

What To Say to Legislators

Legislative efforts to weaken CRA may arise at any time. Advocates should:

- Oppose bills that would weaken or repeal CRA.
- Support any proposed bills that update and strengthen CRA.
- Ask members of Congress to oppose regulatory efforts to weaken CRA and support those that would strengthen CRA.

An important means to preserving and strengthening CRA is to use it. Comment on CRA exams and merger applications. Engage with the regulatory agencies and insist that their CRA exams and merger reviews are rigorous, including with regard to affordable housing and community development resources.

For More Information

National Community Reinvestment Coalition,
<http://www.ncrc.org/>

This letter covers how the regulatory agencies could enhance the benefits of the CRA by clarifying existing regulations and reversing their recent decision to repeal the updated 2023 regulations. <https://ncrc.org/ncrcs-2025-egrpra-comment-on-the-community-reinvestment-act/>

For CRA exam results, www.ffiec.gov

This CFPB report has detailed information on state CRA laws. <https://www.consumerfinance.gov/about-us/newsroom/cfpb-issues-new-report-on-state-community-reinvestment-laws/>

SECTION 3: JOB TRAINING, EMPLOYMENT, AND BUSINESS OPPORTUNITIES RELATED TO HUD FUNDING

By Ed Gramlich, Senior Advisor, NLIHC; updated by Renee Williams, Senior Advisor for Public Policy, NLIHC

Administering Agency: HUD's Office of Field Policy and Management (FPM)

Year Started: 1968

Population Targeted: Public housing residents, other low- and very low-income households

Funding: None

Summary

Section 3 is a federal obligation tied to a significant portion of HUD funding. The Section 3 statute states that recipients of HUD housing and community development funding must provide, "to the greatest extent feasible," job training, employment, and contracting opportunities for low-income and very low-income residents, "particularly those who are recipients of government assistance for housing."

Section 3 applies to all HUD funding for public housing and Indian housing, such as the public housing Operating Fund and Capital Fund, Resident Opportunity and Self-Sufficiency (ROSS) grants, Family Self-Sufficiency (FSS) grants, and to a limited extent the Rental Assistance Demonstration (RAD). Section 3 also applies to other housing and community development funding that entails construction-related activities, including HOME Investment Partnerships, national Housing Trust Fund, and Housing Opportunities for Persons with AIDS (HOPWA), as well as certain activities assisted with Community Development Block Grants (CDBG) (see "Section 3 Project" toward the end of this article). Public housing agencies (PHAs) and jurisdictions using those non-public housing programs, such as HOME, are "recipients" of "Section 3-covered funds;"

they must comply with Section 3 and ensure that contractors and subcontractors comply.

Administration

Historically, Section 3 regulations had been at 24 CFR part 135 under the umbrella of the Office of Fair Housing and Equal Opportunity (FHEO). The final rule, published in the *Federal Register* on [September 29, 2020](https://tr.ee/U4aljX) (<https://tr.ee/U4aljX>), moved Section 3 regulations from part 135 to a new [24 CFR part 75](https://tr.ee/GZmfO4) (<https://tr.ee/GZmfO4>) under the Office of the HUD Secretary. Monitoring and enforcement of Section 3 was removed from FHEO and transferred to the relevant HUD program offices.

The relevant program offices are those that provide the funds that trigger the Section 3 obligation, such as the Office of Public and Indian Housing (PIH), the Office of Community Planning and Development (CPD), and the Office of Recapitalization (Recap) for Rental Assistance Demonstration (RAD) demolition, rehabilitation, or new construction. Moving oversight from FHEO is problematic. Section 3 monitoring and enforcement should be carried out by HUD staff independent of PIH, CPD, and Recap, as programmatic staff in these offices have close relationships with PHAs, jurisdictions, and the development projects funded by their programs. A separate *Federal Register* notice on [October 5, 2020](https://tr.ee/zNePAV) (<https://tr.ee/zNePAV>) [announced](https://tr.ee/zNePAV) a separate HUD office to manage Section 3 evaluation and reporting: the Office of Field Policy and Management (FPM).

History

The Section 3 obligation was created as part of the Housing and Urban Development Act of 1968. The Section 3 statute has been amended four times; each time the amendments primarily sought to expand the

reach of Section 3 and to better benefit low-income households. After statutory amendments in 1992, revised regulations were proposed. Ultimately, an interim set of regulations was published on June 30, 1994 and remained in effect until a final regulation was issued on September 29, 2020.

The Section 3 obligation is too often ignored or given token treatment by the recipients of HUD funds and not enforced by HUD; therefore, Section 3's potential benefits for low-income and very low-income people and for qualified businesses are not fully realized. At the beginning of the Obama administration in 2009, both lawmakers and HUD officials expressed interest in strengthening the program. Proposed improvements to the 1994 interim Section 3 regulations were published on March 27, 2015, but a final rule was not sent to the Office of Information and Regulatory Affairs (OIRA) at the Office of Management and Budget (OMB) as the Obama administration ended. On May 9, 2018, HUD's spring Regulatory Agenda under the first Trump administration removed the 2015 proposed rule. Then-new HUD Secretary Ben Carson publicly expressed support for Section 3. On April 4, 2019, HUD published a proposed rule; a [final rule](https://tr.ee/hkoIRQ) (<https://tr.ee/hkoIRQ>) was published September 29, 2020, and became effective November 30, 2020.

HUD Eliminates Section 3 Complaint Process

The 2020 final rule eliminates any Section 3-specific complaint process. Instead, complaints may be reported to the relevant HUD program office or to the local HUD field office. The relevant program offices are those that provide the funds that trigger the Section 3 obligation, such as CPD for HOME or CDBG funds or PIH for public housing.

There is potential for program office staff to be uncritical of a development project's Section 3 compliance, as complying with the Section 3 obligation might take extra time and effort. The final rule preamble causes confusion by stating that the Office of Field Policy and Management (FPM) will filter complaints to the appropriate HUD program office, instead of every HUD program office having its own complaint process.

To date, there is no additional guidance for residents wishing to register a complaint. In [Section 3 FAQs](https://www.hudexchange.info/section-3/faqs/) (<https://www.hudexchange.info/section-3/faqs/>) found on the HUD Exchange website, the [single question](https://tr.ee/JVclnv) (<https://tr.ee/JVclnv>) about complaints simply directs complainants to the relevant HUD program office or the local HUD field office.

In contrast to the 2020 rule, the 1994 Section 3 interim rule had an entire section about complaints and compliance, including a section with details explaining how residents could submit complaints to FHEO. Other HUD program areas such as public housing, HOME, CDBG, and RAD do not have detailed provisions for residents to register a PHA's or jurisdiction's failure to meet a program requirement like Section 3.

Switch to "Labor Hours Worked" from "New Hires"

The 1994 interim rule required PHAs and jurisdictions to have goals that 30% of "new hires" at projects be so-called Section 3 residents. However, advocates had long observed that some contractors would hire Section 3 residents for a short time so that they would "count" toward the 30% goal but lay them off in short order. Or, a Section 3 resident would only be given 20 hours or less of work per week. Some contractors would shift some of their existing workforce to a Section 3 project so that the contractor could claim that they did not need to hire anyone new for the Section 3 project.

The final rule follows advocates' recommendations: PHAs and jurisdictions had to switch their employment opportunities compliance and reporting from "new hires" to "labor hours worked" by "Section 3 workers."

However, Small PHAs, those with fewer than 250 public housing units, are not required to report the number of labor hours worked by Section 3 workers (Note: The Section 3 definition of "Small PHA" differs from that of the PHA Plan definition.) Instead, they have the option to report "qualitative efforts," such as holding job fairs, referring residents to services supporting work readiness, and outreach efforts to generate job applicants. "Qualitative efforts" are discussed later in the "Reporting" section of this article.

Section 3 Worker

The final rule introduced a new term, “Section 3 worker,” which is someone who currently fits or when hired within the past five years fit at least one of the following criteria:

- i. The worker’s income for the previous or annualized calendar year is less than the income limit set by HUD for the program triggering Section 3 (for example 80% of the area median income, AMI, for CDBG and HOME); or,
- ii. The worker is employed by a “Section 3 business” (explained later); or
- iii. The worker is a YouthBuild participant. ([YouthBuild \(https://tr.ee/rvRIUW\)](https://tr.ee/rvRIUW) programs receive assistance under the “Workforce Innovation and Opportunity Act” and are administered by the U.S. Department of Labor.)

HUD explains that the addition of “or when hired within the past five years” is intended to encourage an employer to keep someone who met the eligibility requirement to be a Section 3 worker before the employer received HUD funding that triggers Section 3.

The definition of Section 3 worker states that someone’s status as a Section 3 worker shall not be negatively affected if they have had a prior arrest or conviction. In addition, the rule clearly states that an employer is not required to hire someone just because they meet the definition of a Section 3 worker, and the Section 3 worker must be qualified for the job.

NLIHC comment: Retention is good, but does a five-year look-back period unduly reward a business that hired a low-income person at low wages five years ago and still pays low wages? HUD assumes that a person’s income grows over five years, but is that a realistic assumption and is that too long to look back?

NLIHC comment: The definition is not written to clearly state that a low-income person hired today could still be counted for five years going forward, but the preamble to the final rule shows that HUD intends a business to also have a five-year forward option. The rule’s section on “Recordkeeping” makes it clear that a business can look forward or backward five years.

NLIHC comment: Option ii, a worker “employed by a Section 3 business,” (discussed next) is a circular definition; it is not meaningful because one option in the definition of a “Section 3 business” (Option ii) uses the definition of Section 3 worker. HUD apparently agrees. For several years, HUD has indicated on its [Regulatory Agenda \(https://tr.ee/VwOBGd\)](https://tr.ee/VwOBGd) an intent to [correct \(https://www.reginfo.gov/public/do/eAgendaViewRule?pubId=202504&RIN=2501-AE02\)](https://www.reginfo.gov/public/do/eAgendaViewRule?pubId=202504&RIN=2501-AE02) the final rule, recognizing the circular nature of the current rule. As of the date this *Advocates’ Guide* went to press, a formal correction has not been published.

Section 3 Business

Section 3 is not just about employment and training opportunities. There is also an obligation to make “best efforts” to give preference in awarding contracts to businesses owned and controlled by low-income people, or to businesses that hire a substantial number of low-income people.

A “Section 3 Business” is one that meets one of the following criteria documented within the last six-month period:

- i. Is a business at least 51% owned and controlled by low- or very low-income persons;
- ii. Is a business at which more than 75% of the labor hours performed for the business over the prior three-month period were performed by Section 3 workers; or
- iii. Is a business at least 51% owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

The final rule states that the status of a Section 3 business shall not be negatively affected by a prior arrest or conviction of the owners or employees. In addition, the rule clearly states that there is no requirement to contract or subcontract with a Section 3 business, and any Section 3 business must meet the specifications of a contract.

NLIHC comment: Option ii depends on labor hours worked by “Section 3 workers,” but as NLIHC indicated above, the definition of a “Section 3 worker” (Option

ii) can be a worker who is employed by a Section 3 business—a circular definition, rendering it meaningless. HUD apparently agrees because it intended to correct the final rule.

Section 3 Employment Priorities

The final rule reflects the statute's requirements for giving priority to certain categories of Section 3 workers.

PHAS

PHAs and their contractors and subcontractors must make "best efforts" to provide employment and training opportunities to Section 3 workers in the following order of priority:

- i. Residents of the public housing project funded with public housing money;
- ii. Residents of a PHA's other public housing projects, or residents with Section 8 vouchers or Section 8 project-based rental assistance at privately owned multifamily properties;
- iii. YouthBuild participants; and
- iv. People in the metro area (or non-metro county) with income less than 80% of the area median income (AMI).

JURISDICTIONS

The final rule states that jurisdictions and their contractors and subcontractors must, "to the greatest extent feasible," ensure that employment and training opportunities "arising in connection with" Section 3 projects are provided to Section 3 workers who live in the metro area (or non-metro county).

The final rule adds that "where feasible," jurisdictions "should" give priority to providing employment and training opportunities to Section 3 workers who live

in a project's "service area or neighborhood" and to YouthBuild participants. HUD defines the "service area or neighborhood" of a project as an area within one mile of the Section 3 project. If there are fewer than 5,000 people within one mile, then the service area is within a circle centered on the Section 3 project that includes at least 5,000 people.

While the final rule repeats the language in the statute, it strays from the old rule's priorities, which gave first priority to residents of the service area or neighborhood of a project, second priority to YouthBuild participants, third priority to persons experiencing homelessness, and only as a last priority other Section 3 residents in the metro area or non-metro county.

Section 3 Contracting Priorities

PHAS

PHAs and their contractors and subcontractors must make "best efforts" to award contracts and subcontracts to businesses that provide economic opportunities to Section 3 workers in the following order of priority:

- i. Section 3 businesses that provide economic opportunity for residents of the public housing project funded with public housing money;
- ii. Section 3 businesses that provide economic opportunity for residents of the PHA's other public housing projects, or residents assisted with Section 8 vouchers or Section 8 project-based rental assistance at privately owned multifamily properties;
- iii. YouthBuild participants; and
- iv. Section 3 businesses that provide economic opportunity to low-income people living in the metro area (or non-metro county).

JURISDICTIONS

Jurisdictions and their contractors and subcontractors must, “to the greatest extent feasible,” ensure that contracts for work awarded “in connection with” Section 3 projects are provided to Section 3 businesses that provide economic opportunities to Section 3 workers in the metro area (or non-metro county).

Where “feasible” jurisdictions “should” give priority to:

- i. Section 3 businesses that provide economic opportunities to Section 3 workers living in the service area or neighborhood of the project, and
- ii. YouthBuild participants.

HUD defines the “service area or neighborhood” of a project as an area within one mile of the Section 3 project. If there are fewer than 5,000 people within one mile, then the service area is within a circle centered on the Section 3 project that includes at least 5,000 people.

Targeted Section 3 Worker

This is an idea that HUD intends as an incentive to PHAs and jurisdictions to focus on reaching workers given priority in the statute and workers at Section 3 businesses. Targeted Section 3 workers are a subset of all Section 3 workers.

PHAS

A Targeted Section 3 Worker for PHAs is:

1. A Section 3 worker employed by a Section 3 business; or,
2. A Section 3 worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:
 - i. A resident of any of the PHA’s public housing or any resident assisted by Section 8, whether with a voucher or project-based rental assistance;
 - ii. A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is using public housing assistance; or
 - iii. A YouthBuild participant.

The five-year look-back is HUD’s intent to encourage long-term employment.

NLIHC comment: A worker employed by a Section 3 business might be an acceptable but not entirely accurate substitute for an actual low-income person when defining “Section 3 worker” (someone employed at a Section 3 business is merely assumed to be low income—documentation is not needed). However, it is not acceptable for the definition of “Targeted Section 3 worker” when that definition is “a worker employed by a Section 3 business concern.” Repeating a “worker employed by a Section 3 business” as one option in the definition of a “Targeted Section 3 worker” dilutes HUD’s targeting idea for benchmarking (see next section).

JURISDICTIONS

A Targeted Section 3 worker for jurisdictions is:

1. A Section 3 worker employed by a Section 3 business; or
2. A Section 3 worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:
 - i. Living in the service area or neighborhood of a project; or,
 - ii. A YouthBuild participant.

The problems are the same as those regarding PHAs (explained above), compounded by the geographic limitations of the rule’s definition of service area, which HUD defines as an area within one mile of the Section 3 project. If there are fewer than 5,000 people within one mile, then the service area is within a circle centered on the Section 3 project that includes at least 5,000 people. Just because someone lives in the service area or neighborhood does not mean that they are low-income.

Section 3 Benchmarks

The final rule establishes Section 3 “benchmarks” to replace the old rule’s “goals.”

The benchmarks will be used to monitor a PHA’s and a jurisdiction’s accomplishments toward directing job opportunities to Section 3 workers and the new

subcategory of Section 3 worker called “Targeted Section 3 worker.” The benchmarks are the same for PHAs and jurisdictions:

1. Section 3 workers make up 25% of the total number of labor hours worked by all workers; and
2. Targeted Section 3 workers make up 5% of the total number of labor hours worked by all workers

(the 5% of Targeted Section 3 workers is included as part of the overall 25% threshold).

NLIHC and other advocates commented that the benchmark of 5% for Targeted Section 3 workers was far too low; at least 15% was recommended. A separate [Federal Register notice](https://tr.ee/11JX6c) (<https://tr.ee/11JX6c>) on September 29, 2020 stated that FPM will review benchmarks every three years and adjust if appropriate. On October 5, 2023, a [new Federal Register notice](https://tr.ee/81e7Or) (<https://tr.ee/81e7Or>) announced that FPM would not update the benchmark because FPM could not obtain sufficient labor hour data to support changing the 2020 benchmark. The notice stated that another notice regarding an update to the Section 3 benchmark would be made no later than three years from October 5, 2023.

Safe Harbor

- » If a PHA or jurisdiction certifies (pledges) that it has met the priorities for job and contract opportunities and has met the jobs benchmark, then HUD presumes the PHA or jurisdiction is complying with Section 3—unless residents or advocates tell HUD about evidence that contradicts the PHA or jurisdiction. HUD calls this the “safe harbor.” At this stage, a PHA or jurisdiction would not have to continue reporting any additional Section 3 employment or contracting activities. If a PHA or jurisdiction cannot certify that it has met the job and contract priorities and jobs benchmark, then it will have to send “qualitative efforts” reports to HUD describing those efforts (discussed in “Reporting” next). Residents and advocates should monitor and report to HUD any evidence that contradicts a PHA’s or jurisdiction’s certifications or qualitative efforts.

Reporting

The reporting requirements are the same for PHAs and jurisdictions, requiring them to report to HUD each year their benchmark data:

- Total number of labor hours worked;
- Total number of labor hours worked by Section 3 workers; and,
- Total number of labor hours worked by Targeted Section 3 workers.

This includes labor hours worked by contractors and subcontractors.

Section 3 workers’ and Targeted Section 3 workers’ labor hours may be counted for five years from when their status as a Section 3 worker or Targeted Section 3 worker is established following the “recordkeeping” section of the rule. HUD states that this five-year period is there to “ensure that workers meet the definition of a Section 3 worker or Targeted Section 3 worker at the time of hire or the first reporting period...” This means a PHA or jurisdiction can count back five years or count forward for five years.

The final rule does not require professional services to be included in the benchmark. Professional services are defined as non-construction services that require an advanced degree or professional licensing such as legal services, financial consulting, accounting, environmental assessments, and architectural and engineering services. PHAs and jurisdictions may include labor hours worked by people in professional services when counting Section 3 workers and Targeted Section 3 workers for their benchmark, without including them in the total number of hours worked. This could increase a PHA’s or jurisdiction’s benchmark number.

If a contractor or subcontractor does not track labor hours, a PHA or jurisdiction “may” accept the contractor’s or subcontractor’s “good faith assessment” of the labor hours of full-time or part-time employees.

If the benchmark is not met, a PHA or jurisdiction will be required to use a HUD form to report on the “qualitative” nature of its activities or the activities of contractors and

subcontractors. Small PHAs may choose to only report their qualitative efforts. The final rule lists 14 examples of possible qualitative efforts, such as conducting outreach activities to generate job applicants, holding job fairs, connecting people with entities that help draft resumes and prepare for job interviews, referring people to job placement services, and reaching out to identify bids from Section 3 businesses.

PIH issued Notice [PIH 2022-38/FPM-19-2022](https://tr.ee/0lhgN9) (<https://tr.ee/0lhgN9>) on December 20, 2022, informing PHAs that they were not required to report on Section 3 labor hours or other Section 3 compliance efforts until further notice. The reason is that PIH had not developed an online reporting system to replace the previous system, SPEARS. On November 18, 2025, HUD issued [Notice PIH 2025-29 / FPM-01-2025](https://tr.ee/rk0M8m) (<https://tr.ee/rk0M8m>), which stated that the Section 3 Reporting system (S3R) would replace SPEARS. Beginning January 1, 2026, PHAs must use S3R to submit Section 3 reports; deadlines are being gradually phased in for the initial reporting cycle, but are generally tied to a PHA's fiscal year dates. The November 2025 notice specifically applies to "PIH programs, including the Public Housing Operating and Capital Fund programs," as well as predevelopment work before (but not after) a RAD conversion that uses "pre-conversion public housing financial assistance." Other programs, such as the Community Development Block Grant program, are not covered by Notice [PIH 2025-29 / FPM-01-2025](https://tr.ee/rk0M8m), [though the notice includes a reminder that](#) "Section 3 statutory, regulatory, and contractual requirements" still apply for those programs.

Notice [PIH 2025-29 / FPM-01-2025](https://tr.ee/rk0M8m) includes a reminder about recordkeeping requirements as outlined in the Section 3 final rule. Additionally, the notice says that HUD may conduct periodic monitoring for compliance.

Section 3 Project

The final rule defines a "Section 3 project" as one that is not funded with public housing Capital and Operating Funds but instead receives at least \$200,000 in funds from other HUD programs, such as HOME and CDBG, for housing rehabilitation or new housing construction or for other public construction projects (such as road

repair). The per-project threshold is \$100,000 for various Lead Hazard and Healthy Homes programs. NLIHC has long raised concerns about the old rule's \$100,000 per project threshold (for non-lead projects); the final rule makes things even worse by going up to \$200,000. \$200,000. In 2026, HUD announced (<https://tr.ee/YiH8uu>) that it was raising the thresholds to \$300,000 for projects receiving HUD housing and community development assistance and to \$150,000 for projects for projects receiving Lead Hazard and Healthy Homes funds.

A "project" is defined as "the site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing." With this definition of "project" and a \$300,000 per project threshold, many contractors would not have to comply with Section 3. Contractors awarded significant amounts of Section 3 covered funds in a single year to spend, all together, on a number of small, discreet activities (such as homeowner housing rehabilitation) would not have to hire Section 3 workers or subcontract with Section 3 businesses because each component activity costs less than \$300,000. For example, if a contractor receives \$1 million in CDBG funds to rehabilitate seven single-family homes and the contractor spends \$130,000 per home, that contractor would not have to comply with Section 3 because each home is considered a single project and not one of the seven rehabs had a contract for more than \$300,000.

Rental Assistance Demonstration (RAD)

The Notices that govern the Rental Assistance Demonstration (RAD) program limit Section 3 to the construction- or rehabilitation-related activities identified in the RAD Financing Plan and RAD Conversion Commitment. The public housing related provisions of the Section 3 rule no longer apply after a RAD project is "closed," when the property converts from "public housing" to either Project-Based Vouchers (PBVs) or to Project-Based Rental Assistance (PBRA). However, the Section 3 rules that apply to "housing and community development" projects do apply to the rehabilitation or new construction that takes place after a RAD closing—except in the case of RAD, first priority

for employment and contracting must be given to residents of public housing or Section 8 assistance.

After the conversion, the Section 3 public housing rule no longer applies (unless additional federal financial assistance is later used for rehabilitation). NLIHC has long urged HUD to extend Section 3 obligations post RAD conversion because application of Section 3 public housing obligations that apply to permanent PHA staff can greatly shrink if a significant portion of the public housing portfolio is converted—or can be totally lost if an entire portfolio is converted. The formerly permanent PHA staff can include maintenance workers, those who prepare units at turnover, or central office staff—a potential pool for Section 3 training and employment.

The public housing portion of the Section 3 statute that applies to the operating assistance provided by the public housing program does not extend to public housing converted to Project-Based Rental Assistance. PHAs will continue, however, to “manage” or have a controlling interest in public housing converted to Project-Based Vouchers (PBVs). Therefore, NLIHC has urged that the RAD Notice be modified to state that Section 3 will still apply to the permanent staff slots of the entities owning or managing a development converted to PBVs. This would extend some Section 3 training and employment opportunities post-conversion, rather than reduce or eliminate them. Without such a change in the RAD Notice, economic opportunities shrink for residents of RAD-converted properties because only new construction or rehabilitation funded by other HUD programs will trigger Section 3 after RAD conversion; as with public housing, Section 3 obligations should continue to apply to non-professional services staff involved in project operations.

Multiple Funding Sources

When a project is funded with public housing funds and also meets the “Section 3 project” criteria (receiving additional HUD funds such as CDBG), the project must follow the public housing Section 3 requirements for the public housing portion of the funds and may follow the public housing Section 3 requirements or the Section 3 project requirements for the community development funds. When a Section 3 project receives housing and community development funds from two different HUD

programs (for example CDBG and HOME), HUD will tell the jurisdiction which HUD program office to report to. This *Advocates’ Guide* does not summarize this section of the final rule.

Funding

There is no independent funding for Section 3.

Forecast for 2026

HUD’s Spring 2025 Regulatory Agenda [references](https://tr.ee/NWPxp3) (<https://tr.ee/NWPxp3>) amending the final Section 3 rule to clarify the definition of “Section 3 business”; HUD recognizes that the definition “creates a circular definition by using the term Section 3 worker.” HUD could issue a final rule replacing the circular definition with the statutory requirement that workers be low-income or very low-income workers.

NLIHC previously recommended that the Biden administration review the Section 3 proposed rule published by the Obama administration, identify acceptable provisions of the final rule, meet with advocates and residents, and issue a revised Section 3 rule. There is no current indication that HUD will revisit the final Section 3 rule under the second Trump administration.

Tips for Local Success

The successes of Section 3 are almost exclusively attributed to oversight, monitoring, and advocacy by local advocates and community groups, as well as some local staff of recipient agencies implementing Section 3.

Advocates should contact resident organizations, local unions, minority and women-owned businesses, community development corporations, and employment and training organizations to discuss how they and their members or clients can use the Section 3 preferences to increase employment and contracting opportunities for the targeted low-income and very low-income individuals and Section 3 businesses.

In addition, advocates should meet with PHAs and other local recipients of housing and community development dollars (generally cities and counties) to discuss whether

they are meeting their Section 3 obligations with respect to public housing funds or the HOME, CDBG, and RAD programs. Advocates should create or improve upon a local plan to fully implement Section 3 (a [sample Section 3 plan](https://tr.ee/ma3dl2) (<https://tr.ee/ma3dl2>) is on the [Section 3 page of HUD Exchange](https://tr.ee/XvsP2N) (<https://tr.ee/XvsP2N>). Advocates should seek information about the number of labor hours worked by low-income and very low-income individuals in accordance with Section 3, as well as the number of contracts made with Section 3 businesses. Compliance with Section 3 should be addressed in the annual PHA Plan process or the Annual Action Plan updates to the Consolidated Plan process.

If compliance is a problem, urge HUD to monitor and conduct a compliance review of the non-complying recipients of federal dollars for public housing or housing and community development. Low-income people and businesses with a complaint about recipients of HUD funds or their contractors' failure to comply with their Section 3 obligations should consider filing an official complaint with HUD. Raise complaints to both the Office Field Policy and Management as well as the Field Office overseeing the program area (such as PIH, CPD, or Recap) where there is a lack of compliance. Advocates contacting Recap should consider reaching out to the Resident Engagement and Protections Branch. Unfortunately, there is no specific email address, phone number, or person identified for any of these offices responsible for Section 3 compliance.

HUD has removed several previous contact lists from its website. Archived versions are provided here for historical purposes; importantly, please note that the information in the below archived links may no longer be current:

- » [Office of Field Policy and Management Section 3 Contact staff](https://tr.ee/LWkAP8) (<https://tr.ee/LWkAP8>) (archived Mar. 10, 2025)
- » [CPD list of Field Offices \(and Headquarters staff\)](https://tr.ee/ma0r6e) (<https://tr.ee/ma0r6e>) (archived Mar. 7, 2025)
- » [Recap's Staff Directory](https://tr.ee/gpNgO4) (<https://tr.ee/gpNgO4>) (archived Mar. 13, 2025)
- » [PIH list of Field Offices](https://tr.ee/FAK5qV) (<https://tr.ee/FAK5qV>) (archived Feb. 24, 2025)

For More Information

NLIHC's [Public Housing webpage](https://tr.ee/le5lYJ) (<https://tr.ee/le5lYJ>), which includes NLIHC's detailed Summary and Analysis of the final Section 3 rule and a shorter outline summary

[The HUD Exchange Section 3 webpage](https://tr.ee/XbEU5H) (<https://tr.ee/XbEU5H>), which includes resources such as:

- » [A set of online FAQs](https://tr.ee/2BMEy0) (<https://tr.ee/2BMEy0>)
- » [An online Section 3 Guidebook and related tools](https://tr.ee/vszQ4a) (<https://tr.ee/vszQ4a>)
- » [A final rule training](https://tr.ee/zJynrF) (<https://tr.ee/zJynrF>)
- [The Final Rule](https://tr.ee/evl7Q3) (<https://tr.ee/evl7Q3>), as published in the *Federal Register* (Sept. 29, 2020)
- [The Initial Section 3 Benchmarks Notice](https://tr.ee/DDspYN) (<https://tr.ee/DDspYN>), as published in the *Federal Register* (Sept. 29, 2020)
- [HUD publications implementing the new Section 3 rule for various programs:](#)
- [Notice PIH 2022-10](https://tr.ee/vhM5Uw) (<https://tr.ee/vhM5Uw>) (public housing)
 - » [Notice PIH 2022-38/FPM 19-2022](https://tr.ee/lk1VZZ) (<https://tr.ee/lk1VZZ>) (public housing)
 - » [Notice CPD-21-07](https://tr.ee/bNhJ5C) (<https://tr.ee/bNhJ5C>) (HOME and the national Housing Trust Fund)
 - » [Notice CPD-21-09](https://tr.ee/uYbf1G) (<https://tr.ee/uYbf1G>) (CDBG)
 - [HUD Office of Recapitalization, "The New Section 3 Rule \(24 CFR Part 75\) and RAD"](https://tr.ee/VqvsYh) (<https://tr.ee/VqvsYh>)
 - [Notice PIH 2025-29 / FPM-01-2025](https://tr.ee/rk0M8m) (<https://tr.ee/rk0M8m>) (PHA reporting)
- HUD's Office of Field Policy and Management issued this [2021 FAQ document](https://tr.ee/VgjhQy) (<https://tr.ee/VgjhQy>) for which the HUD website link no longer works (archived link provided for informational and historical purposes only).
- [HUD Local Office Directory](https://tr.ee/b3K1m0) (<https://tr.ee/b3K1m0>)

CONTINUUM OF CARE PLANNING

By Steve Berg, National Alliance to End Homelessness

Administering Agency: HUD's Office of Special Needs Assistance Programs within the Office of Community Planning and Development

Year Started: 1994

Population Targeted: People experiencing homelessness

See Also: For related information, refer to the *McKinney-Vento Homeless Assistance Programs, Ten-Year Plans to End Homelessness*, and the *Federal Surplus Property to Address Homelessness* sections of this guide.

The Continuum of Care (CoC) planning process is used by communities to apply for funding from HUD's CoC program. Through the CoC planning process, government agencies, service providers, advocates, and other stakeholders evaluate the needs of homeless people in the community, assess the performance of existing activities, and prioritize activities going forward. The CoC process was introduced by HUD in the mid-1990s. It was codified into law by Congress through the "Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009."

As of this writing, HUD is proposing major changes to the Continuum of Care program, that are being challenged by the author and others, in Congress and in the courts.

History and Purpose

The CoC process was developed by HUD in 1994 to coordinate the distribution of several competitive homeless assistance programs. Before the CoC process, organizations applied individually for funding from several homeless assistance programs. As a result, there was little coordination between these programs or between different organizations receiving funding in the same community. The CoC process was established to promote coordination within communities and between programs. It was also designed to bring

together a broader collection of stakeholders such as public agencies, faith and business communities, and mainstream service providers. Guidelines for the CoC planning process were included in annual Notices of Funding Availability (NOFAs), recently changed to Notices of Funding Opportunity (NOFOs) in 2021. HUD regularly modifies the process.

On May 20, 2009, President Barack Obama signed the "HEARTH Act" (Public Law 111-22), providing congressional authorization of the CoC process. The "HEARTH Act" reauthorized the housing title of the "McKinney-Vento Act." HUD began issuing regulations in 2011, with the release of interim regulations on the Emergency Solutions Grant and the Homeless Management Information Systems, along with a final regulation on the definition of homelessness.

Regulations on the CoC program were published in the summer of 2012. Key changes included updated outcome measures, funding incentives, eligibility for assistance, matching requirements, rural assistance, and administrative funding.

Summary

The term Continuum of Care (CoC) is used in many ways and can refer to the planning process, the collection of stakeholders involved in the planning process, the geographic area covered by the CoC, or the actual grant received from HUD.

The CoC planning process is typically led and staffed by either a local government agency or a community-based nonprofit. The geography covered by a CoC can vary, covering an entire city, state, or a collection of counties. The goal of the CoC is to create a system-wide response to ensure that homelessness is rare, brief, and nonrecurring. The CoC is tasked with compiling information about homelessness in the community, including information about homeless populations and performance of homeless service programs and the community in reducing homelessness.

In recent years, HUD has incentivized coordination between CoCs and various entities including Consolidated Plan jurisdictions, public housing authorities, Housing Opportunities for Persons with AIDS, Temporary Assistance for Needy Families, Runaway and Homeless Youth, Head Start programs, health care, and other programs.

Due to the pandemic, there was no fiscal year (FY) 2020 CoC Program Competition. Instead, HUD awarded \$2.5 billion to renew approximately 6,600 existing grants for local homeless assistance programs across the country. The CoC process was picked up again in 2021 through 2024 and awards were made. For FY 2025 HUD has issued and rescinded several NOFOs, some proposing major changes in the program. These have been challenged in Congress and in litigation. As of this writing in mid-December 2025, HUD has rescinded its most recent NOFO and there is no active NOFO for FY 2025 CoC funding. The National Alliance to End Homelessness, the National Low-Income Housing Coalition and others have asked HUD, given the late date, to renew FY 2024 grants with its FY 2025 funding, similarly to how it handled FY 2020 funding. Congress has not yet passed funding measures for FY 2026.

Forecast for 2026

The “HEARTH Act” placed more of the responsibility for measuring outcomes and overseeing performance on the leaders of local CoCs. The FY 2024 NOFO continued to require CoCs to submit data on their system’s performance and to place a strong emphasis on performance measures that ensure homelessness is a rare, brief, and one-time experience.

System performance should include emphasis on racial equity in homelessness and emphasize the roles in planning and service delivery of people with lived experience of homelessness. It should also emphasize using evidence-based practices, including moving people quickly into housing and partnering with housing, health, and services agencies to improve all available resources. Whether the current administration or Congress will emphasize these issues appears unlikely due to past behavior, but localities should do so.

Tips for Local Success

The CoC planning process should focus on the most effective strategies for reducing homelessness. CoCs should monitor grantee performance and assist lower performing providers to improve their performance or shift to more effective strategies. Similarly, accessing mainstream resources, generally available for low-income people, is often difficult for people experiencing homelessness. For example, there are numerous barriers for homeless people to access employment services, housing assistance, cash assistance, and treatment services, and due to historical and ongoing structural racism, these barriers are magnified for Black, Indigenous, and other people of color (BIPOC) experiencing homelessness.

Advocates play a crucial role in ensuring that the CoC equitably serves people most in need of assistance and expands access to mainstream resources. For CoCs to be effective, it is important that key stakeholders have a seat at the table. In many communities, the needs of children, BIPOC, LGBTQ people, veterans, people with disabilities, youth, and domestic violence survivors are not always adequately represented. Advocates should work to ensure that they are part of the CoC planning process. By joining their local CoC, advocates can inform and shape a community’s priorities in addressing homelessness for current and emerging populations.

Critically, all stakeholders should participate in data collection efforts whenever appropriate and safe and ensure that programs achieve positive and equitable outcomes.

For More Information

National Alliance to End Homelessness, 202-638-1526, www.endhomelessness.org

HOUSING FIRST

By Alayna Calabro, Senior Policy Analyst, & Kim Johnson, Senior Director of Policy, NLIHC

Homelessness is a crisis that demands urgent action. To end homelessness once and for all, federal, state, and local governments must invest in proven solutions at the scale necessary to address the problem. Housing First—an approach that pairs rental assistance with individualized health and social services—is an evidence-based approach backed by multiple, national studies showing it is the most effective approach to ending homelessness for most individuals and families. Under the Housing First model, stable, affordable, and accessible housing is provided to people experiencing homelessness quickly and without prerequisites, and voluntary supportive services are offered to help improve housing stability and well-being when needed for the long term.

About Housing First

Housing First is not a program—it is a whole systems approach to housing and service provision, which should be applied across all components of the homelessness response system. Housing First prioritizes access to permanent, stable housing with services when needed and wanted.

Housing First is not “housing only.” To be effective, both housing and supportive services that meet the needs and choices of the people being served must be available. Housing First recognizes that stable housing is a prerequisite for effective psychiatric and substance abuse treatment, for stable employment, and for improving quality of life. Once stably housed, individuals are better able to take advantage of wrap-around services that help support stability, employment, and recovery—goals that are difficult to attain without stable housing. Housing First uses a trauma-informed approach to meet people where they are, without imposing preconditions or requirements. The approach involves continuously engaging individuals and responding to what they say they need.

Housing First is a flexible model that can be adapted to address the unique needs in local communities and tailored to the challenges facing individuals. Rapid re-housing (RRH) and permanent supportive housing (PSH) can both utilize the Housing First model. In RRH, individuals and families experiencing homelessness receive assistance identifying, leasing, and moving into new housing quickly and are connected to supportive services if needed. Similarly, PSH provides longer-term housing assistance and voluntary supportive services, including health care, employment, and treatment services, to ensure people experiencing chronic homelessness can attain long-term housing stability.

EVIDENCE SUPPORTING HOUSING FIRST

Housing First rapidly ends homelessness, is cost-effective, and improves quality of life and community functioning. Housing First is the most effective approach to ending homelessness for most individuals and families, particularly for people experiencing chronic homelessness, [people with substance use disorders \(https://tr.ee/Zk1L01\)](https://tr.ee/Zk1L01), and people with disabilities, including [individuals with mental health conditions \(https://tr.ee/HlaVgU\)](https://tr.ee/HlaVgU). This model was first developed for people with serious psychiatric or substance use disorders who had been homeless for long periods of time and was later extended to all homeless populations. Housing First has been credited with helping reduce chronic homelessness by 20% since 2007.

Housing First is supported by the U.S. Department of Veterans Affairs (VA) in its two largest homelessness programs—Supportive Services for Veteran Families (SSVF) and HUD-Veterans Affairs Supportive Housing (HUD-VASH). These programs, which are considered the gold standard for homelessness programs both domestically and abroad, have been instrumental in reducing veteran homelessness by 55% since 2010. Nationally, the number of veterans experiencing homelessness decreased by 11.7% since 2020 and by 7.5% between 2023 and 2024, dropping to its [lowest level on record \(https://tr.ee/A02jQl\)](https://tr.ee/A02jQl) since the

annual Point-in-Time started counting this data in 2009. This drop in veteran homelessness coincides with the return of Housing First practices under the Biden administration and historic resources provided through the American Rescue Plan.

Housing First programs are twice as effective at ending homelessness, compared to the older, outdated “stairstep” or “linear” approach that Housing First has replaced. The earlier model risked lives and increased costs to communities. The “stairstep” approach set housing as the end goal—requiring participants to first participate in various service programs, abstain from drugs and alcohol, and adhere to a set of behavioral requirements before they could access housing. Far too many people experiencing homelessness were unable to meet the high barriers to set by “stairstep” programs, leaving them to languish in shelters for long periods of time with no clear path to exit homelessness. Because shelters are far more expensive than providing individuals with housing, the “stairstep” approach drove up costs for communities. Communities spent more on emergency health care, corrections, and law enforcement.

Key to the success of Housing First is its emphasis on low-barrier access to permanent, stable housing with supportive services when needed and wanted. Access to Housing First programs is not contingent upon minimum income requirements, sobriety, criminal history, successful completion of a treatment program, or participation in supportive services; rather, Housing First recognizes that stable, supportive, accessible housing is fundamental to being able to effectively utilize wrap-around services. The model eschews a “one-size-fits-all” approach to addressing homelessness and instead pairs people and families with the level of financial assistance and supportive services necessary to achieve long-term housing stability.

Several major studies have found that Housing First resulted in large improvements in housing stability. [Early evaluations \(https://tr.ee/HLhfbt\)](https://tr.ee/HLhfbt) found that homelessness programs that eliminated barriers to service, like Housing First, were more successful in reducing homelessness than programs where housing and services were contingent on sobriety and progress in treatment. The world’s [largest study \(https://tr.ee/1typUt\)](https://tr.ee/1typUt) on Housing First found that individuals

participating in Housing First programs rapidly obtained housing and retained their housing at a much higher rate than non-Housing First participants. A [systematic review \(https://tr.ee/XNfQhi\)](https://tr.ee/XNfQhi) of 26 studies found that Housing First programs decrease homelessness, increase housing stability, and improve quality of life for people experiencing homelessness.

In addition to greater housing retention, Housing First can lead to better treatment outcomes and improved quality of life and other outcomes. Multiple studies have shown that participation in supportive housing [improves residents’ mental health \(https://tr.ee/pJcxG1\)](https://tr.ee/pJcxG1) and their engagement in mental health treatment. Recent studies indicate that Housing First participants are more likely to report improved overall health and reduced usage of [alcohol \(https://tr.ee/HyS2bZ\)](https://tr.ee/HyS2bZ), [stimulants, and opiates \(https://tr.ee/RUuStx\)](https://tr.ee/RUuStx). Furthermore, Housing First programs are [more effective \(https://tr.ee/6BIscg\)](https://tr.ee/6BIscg) at increasing utilization of home- and community-based services and increasing outreach to and engagement of clients not appropriately served by the public mental health system. Housing First provides a vital option to the many people who are not able to maintain perfect treatment immediately after exiting homelessness and ensures they will not be relegated to long-term homelessness.

The Housing First model [reduces \(https://tr.ee/JSuvAS\)](https://tr.ee/JSuvAS) unnecessary and preventable costs associated with homelessness. Studies consistently show that Housing First [reduces \(https://tr.ee/ON2hrP\)](https://tr.ee/ON2hrP) [use \(https://tr.ee/P1VEGC\)](https://tr.ee/P1VEGC) of more costly resources, such as shelters, inpatient psychiatric hospitals, emergency rooms, and jails and prisons. Supportive housing, for example, [effectively ends \(https://tr.ee/TZttoi\)](https://tr.ee/TZttoi) homelessness for people with mental health disabilities, and [reduces health care costs \(https://tr.ee/HUy418\)](https://tr.ee/HUy418) for high-need, high-cost users of health care systems. The average cost savings to the public ranges from [\\$900 to \\$29,400 \(https://tr.ee/WR3mgR\)](https://tr.ee/WR3mgR) per person per year after entry into a Housing First program. Overall public spending is reduced by nearly as much as is spent on housing. A [systematic review \(https://tr.ee/YW4pii\)](https://tr.ee/YW4pii) found that the economic benefits exceed the intervention cost for programs that utilize a Housing First approach in the U.S., with societal cost savings of \$1.44 for every dollar invested.

Despite the clear benefits of Housing First, Congress has not funded long-term solutions at the scale necessary. To address homelessness, Congress should expand rental assistance to all eligible households, build and preserve homes affordable to people with the lowest incomes, and expand voluntary supportive services. Without this investment, more people are pushed into homelessness every day.

EFFORTS TO DISMANTLE HOUSING FIRST UNDER THE TRUMP ADMINISTRATION

Housing First has been proven successful and has a long history of bipartisan support. Under past administrations, HUD and the U.S. Interagency Council on Homelessness (USICH) have endorsed Housing First as a best practice to ending homelessness, and the model has enjoyed bipartisan support from congressional leaders. First incorporated into federal recommendations under the George W. Bush administration, Housing First was credited with reducing homelessness by 30% between 2005 and 2007. During the Great Recession, implementation of RRH under the Obama administration helped an estimated 700,000 people at-risk of or experiencing homelessness find stable housing.

Rather than building on these successes, during its tenure, the first Trump administration sought to replace Housing First models with programs that would deny people and families experiencing homelessness stable housing if they were unable to maintain treatment or attain perfect sobriety. This shift in policy not only ignored decades of research, learning, and bipartisan support attesting to the validity of Housing First but failed to address the underlying, systemic causes of homelessness and housing instability. The Trump administration focused instead on returning to failed “behavioral modification” strategies and supported its arguments through false claims about Housing First that relied on manipulated data and misrepresented research.

The second Trump administration has escalated its attacks on Housing First. The administration released in November 2025 the Fiscal Year (FY) 2025 Continuum of Care (CoC) [Notice of Funding Opportunity](#) (NOFO) ([grants.gov/search-results-detail/360861](https://www.grants.gov/search-results-detail/360861)) that makes drastic, harmful changes to how the federal government

funds homelessness assistance programs. The new policy outlined in the NOFO slashes support for permanent housing programs by more than half, putting as many as 170,000 people who rely on CoC assistance for stable, affordable housing at risk of returning to homelessness.

The CoC program is the largest source of federal funding for homelessness assistance. CoC funds serve over 750,000 people experiencing homelessness each year, including older adults, people with disabilities, veterans, and families with children.

The NOFO was released very late in the CoC funding cycle, which the National Alliance to End Homelessness (The Alliance) [warns](https://tr.ee/m3SGxW) (<https://tr.ee/m3SGxW>) will cause significant funding gaps and delays. Approximately one-third of the current CoC funding awards expire between January 2025 and June 2025; even if the funding contracts are ultimately selected for renewal, these programs will run out of money before they receive new funding, resulting in unpaid rental assistance, a significant decrease in services, and more people experiencing homelessness.

The NOFO makes significant changes to which projects receive funding and how much communities can spend on permanent housing. Currently, approximately 87% of CoC funds are allocated to permanent housing, including permanent supportive housing and rapid rehousing, [proven solutions](https://tr.ee/3lkqYI) (<https://tr.ee/3lkqYI>) to homelessness that pair housing with voluntary supportive services to help individuals find and maintain a safe, stable home. The NOFO limits how much CoC funding communities can spend on permanent housing to 30%, which The Alliance [warns](https://tr.ee/wse88b) (<https://tr.ee/wse88b>) will force communities to make major changes to the programs they offer, including shifting funding from PSH and RRH programs to high-barrier transitional housing, emergency shelter, and street outreach, which are less effective at addressing and ending homelessness.

The Trump administration’s NOFO changes CoC funding to prioritize competitive “Tier 2” projects over protected “Tier 1” projects. Tier 1 projects, protected by HUD to ensure the continued operation of CoCs’ most important programs, received 90% of funding in

the previous year's NOFO. The new NOFO reduces Tier 1 funding to just 30% and increases funding for Tier 2 projects from 10% to 70%. Funding for Tier 2 projects are awarded on a competitive basis.

The Trump administration also changed the NOFO's scoring criteria to prioritize funding for CoCs and organizations that align with President Trump's Executive Order (EO), "Ending Crime and Disorder on America's Streets." NLIHC previously [condemned the EO \(https://tr.ee/LrVvxx\)](https://tr.ee/LrVvxx), which calls for harmful and ineffective policies and practices for addressing homelessness, including mandated services, work requirements, and camping bans. Applicants for either Tier 1 or Tier 2 project funding can be rejected if they currently use or previously used "racial preferences," utilized harm reduction measures like safe injection sites, or defined "sex" as "other than binary." Projects serving youth experiencing homelessness, who are more likely to identify as trans or non-binary, may be especially impacted by this provision. In addition, projects that require individuals to participate in services, that are in places with laws that arrest, ticket, or fine people experiencing homelessness, or that "promote self-sufficiency" through policies like work reporting requirements will be prioritized for funding under the new NOFO.

The NOFO also threatens billions of dollars in public and private investments in permanent housing and services. CoCs work with developers to support the construction and operating costs of deeply affordable, accessible housing and supportive services for people who formerly experienced homelessness. Failing to renew CoC grants will discourage developers from pursuing affordable housing projects that depend on consistent federal funding. The NOFO's new restrictions on how CoC funds can be used—including funding that has already been allocated and committed to projects—will jeopardize current and future affordable housing investments and strain affordable housing pipelines. Moreover, funding uncertainty will make landlords less likely to partner with CoC-funded organizations to rent housing units, making it more difficult for people to exit homelessness. Learn more about how states and communities will be impacted by the CoC changes through The Alliance's interactive resource <https://tr.ee/RMV7Vh> here (<https://tr.ee/Vnjx59>).

Despite successful efforts to house individuals experiencing homelessness using the Housing First approach, particularly among veterans, homeless systems cannot keep up with the increased inflow due to inadequate funding by Congress. Amid the intensifying affordable housing and homelessness crisis, the Trump administration's changes to the CoC NOFO will quickly upend homelessness response systems throughout the country and increase homelessness. These drastic changes to the CoC NOFO reject decades of evidence finding that permanent housing paired with supportive services is the most effective approach to ending long-term homelessness.

THE "HOUSING PLUS ACT" WOULD UNDERMINE HOUSING FIRST

Representative Andy Barr (R-KY) introduced legislation in the last several Congresses, most recently in the 119th Congress that would undermine federal investments in proven solutions to homelessness. The "Housing Promotes Livelihood and Ultimate Success (PLUS) Act" (H.R.5618) would undermine HUD's ability to prioritize evidence-based solutions to homelessness by directing HUD to set aside 50% of federal homeless assistance funds for programs that require sobriety, treatment, and/or other supportive services as a precondition to housing assistance for people experiencing homelessness. The bill creates a rigid, arbitrary requirement to fund high-barrier programs, regardless of evidence showing this approach tends to be more expensive and less effective. Such a requirement could force CoCs to defund existing permanent supportive housing programs. Any attempt to divert limited federal resources to outdated, ineffective, and costly strategies will result in fewer people becoming stably housed and undermine access to effective treatment.

Forecast for 2026

The Trump administration's EO and changes to the CoC program signal a fundamental shift in federal homelessness policy away from effective, humane approaches and toward wasteful cruelty and criminalization.

The CoC NOFO changes will result in the loss of housing assistance and supportive services for more

than 170,000 people, many of whom have disabilities and complex health needs. These actions also threaten to distract from real solutions to the affordable housing and homelessness crisis: long-term, large-scale investments in the programs and policies that help people find and maintain safe, affordable, accessible housing.

Advocates and allies in Congress must be unified in pushing back against counterproductive and dehumanizing efforts to criminalize homelessness, impose punitive requirements, and end federal support for proven approaches, including Housing First. Advocates should continue to oppose any cruel or harmful measures that would exacerbate racial, social, and gender inequities and worsen the housing and homelessness crisis.

To end homelessness and housing poverty, the administration and Congress must ensure rental assistance is universally available to all eligible households, expand the supply of affordable, accessible, and available housing for people with the lowest incomes, and ensure critical services are available and accessible.

What to Say to Legislators

Advocates can use NLIHC's [Housing First resources](https://tr.ee/96nCAg) (<https://tr.ee/96nCAg>) to educate their members of Congress about why pairing permanent housing with voluntary supportive services is a critical strategy for ending homelessness and urge them to proactively support the model. Having a safe, stable, affordable place to live and the right supports can lead to positive outcomes beyond those provided by services alone. Over two decades of research prove that housing stability, quality of life, and community functioning are consistently higher among participants in Housing First programs.

Advocates should urge their members of Congress to oppose the "Housing PLUS Act" and any legislation or amendments that would undermine federal investments in proven solutions to homelessness. Advocates should also urge lawmakers to oppose measures seeking to criminalize homelessness and impose rigid requirements, like time limits, work requirements, forced

treatment, and sobriety. Moving away from evidence-based approaches to addressing homelessness would deny individuals and families in need of safe, decent, affordable and accessible homes. Requiring treatment or sobriety as a prerequisite to receiving stable housing does not solve homelessness—rather, it can make solving homelessness more difficult by demanding people overcome the challenges of substance abuse or mental illness without the stability and safety of a home. "Treatment first" ignores the systemic issues that allow people to live unhoused and ensures there will always be people who are homeless.

Congress and the administration should work together to increase investments in decent, safe, affordable, and accessible rental homes for people with the lowest incomes; work to actively undo the generations of racist policies that have disproportionately exposed Black and Native people to housing instability and homelessness; and continue to pursue Housing First as a proven solution to homelessness.

For More Information

NLIHC's Housing First webpage: <https://tr.ee/96nCAg>

Learn more about the FY2025 CoC Program NOFO at: <https://tr.ee/cl9DCL>

Learn more about how states and communities will be impacted by the CoC changes through The Alliance's interactive resource [here](https://tr.ee/s1jzfd) (<https://tr.ee/s1jzfd>)

HUD-FUNDED SERVICE COORDINATION PROGRAMS: ROSS, FAMILY SELF-SUFFICIENCY, AND SERVICE COORDINATORS IN MULTIFAMILY HOUSING FOR ELDERLY AND DISABLED

*By Melissa Harris, Director of Government Affairs,
American Association of Service Coordinators*

Service coordinators are the foundation of successful affordable housing. They ensure that older adults who reside in the limited number of federally subsidized rental units can thrive in their communities instead of moving to costlier facilities that provide higher levels of care, or to inappropriate or sub-standard housing. Service coordinators in family housing understand that putting a roof over a family is just the first step to a journey of economic and personal stability that could break a cycle of generational poverty.

HUD currently has three distinct service coordinator programs, each with its own federally appropriated funding stream:

- Service Coordinators in Multifamily Housing for the Elderly/Disabled.
- The Resident Opportunities and Self-Sufficiency (ROSS) Service Coordinator Program.
- The Family Self-Sufficiency (FSS) Program.

HUD's Office of Public and Indian Housing (PIH) administers the ROSS Service Coordinator and FSS programs. The Service Coordinators in Multifamily Housing for the Elderly/Disabled program funds the work of service coordinators in Section 202 housing and is administered by HUD's Office of Multifamily Housing Programs.

A service coordinator is a social service staff person hired or contracted by a property owner, housing

management company, public housing agency (PHA), resident association (RA), or Tribal Housing entity.

In the past, a service coordinator acted as an information and referral resource for families, seniors, and persons with disabilities residing in publicly funded subsidized apartments or other affordable housing environments. However, the role of the service coordinator has evolved to a more hands-on, enhanced level of coordination, motivation, and assistance.

This model represents a proactive approach to service coordination in which the service coordinator reaches out to and engages residents, conducts non-clinical assessments of resident interests and needs, and makes referrals to service providers in the community as necessary and appropriate. The service coordinator's primary role is to coordinate the provision of supportive services and provide access to benefits and community-based resources for low-income residents. Service coordinators also empower residents to remain independent and increase their assets and self-sufficiency by influencing positive behavior changes.

History

Service coordination is a growing profession that expanded when Congress created HUD's Service Coordinator Program through Section 808 of the "National Affordable Housing Act of 1990" (also known as the "Cranston-Gonzalez Affordable Housing Act," Public Law 101-625). This law gave HUD the authority to use Section 8 funds to employ service coordinators

in Section 202 Multifamily Housing for the Elderly/Disabled. The act also enacted the FSS program.

Service coordination programs received additional authority through the 1992 “Housing and Community Development Act” (HCDA; Public Law 102-550). The HCDA Amendments of 1992 amended Section 808 through Sections 674 and 677 and added Sections 675 and 676. Section 851 of the “American Homeownership and Economic Opportunity Act of 2000” (Public Law 106-569) further amended these acts. These amendments allowed service coordinators to serve low-income elderly and disabled persons living in the vicinity of the development and expanded the program by broadening authority for funding of service coordinators in most HUD-assisted and conventional public housing (PH) developments designated for the elderly and people with disabilities. The “Consolidated Appropriations Act of 2015” authorized voluntary FSS participation for owners of private multifamily projects that have a project-based Section 8 Housing Assistance Payment contract.

As a response to the “Quality Housing and Work Responsibility Act of 1998” (the “Public Housing Reform Act”), ROSS is a redefined and restructured combination of programs funded in prior years: The Tenant Opportunities Program, Economic Development and Supportive Services Program, and Public Housing Service Coordinators Program.

Program Success

Ninety-five percent of elderly residents with service coordinators continued living independently instead of moving to facilities with higher care levels in 2024. This is significant because it means residents continued living in their communities and saved the costs associated with a move to an institutional setting. Most people in federally assisted housing do not have the financial means to support their care and must rely on Medicaid to afford long-term care, assisted living, or nursing homes. Nationally, it costs taxpayers 66% less to serve low-income older adults in affordable housing with a service coordinator than in a nursing home. Further, national research conducted in the past 30 years has chronicled the widely recognized preference

by older adults to remain independent and in their own homes and communities for as long as possible.

HUD has invested in a new reporting model called Standards for Success (SfS) that all Multifamily Service Coordinators and ROSS Service Coordinators began using in 2019. For the first time in program history, HUD can track outcomes that may be related to service coordinator-led programming and assistance using resident-level data in addition to aggregate data. HUD PIH has created a data dashboard that allows ROSS grantees to track outcomes and compare their programs with others using the SfS data.

National data about service coordination is also currently available from the American Association of Service Coordinators’ AASC Online documentation system, which has shown the benefits of service coordination in terms of providing access to services and supports, increased length of independent living, and improved health outcomes for elderly residents through wellness and healthy habits programs, health status checks, and other services arranged for and brought to the property by the service coordinator. Additionally, the AASC Online system has identified cost savings for residents through their access to needed services, benefits, and supports and for property owners/managers by preventing evictions, intervening faster when tenancy issues arise, and keeping the property “leased up.”

HUD’s Office of Policy Development and Research evaluated satisfaction among property managers in multifamily housing properties with the provision of service coordination. The report, *Multifamily Property Managers’ Satisfaction with Service Coordination*, was based on a survey of property managers in multifamily developments who have or did not have a service coordinator program in place.

The report details a high level of overall satisfaction among property managers regarding the service coordinator program, as well as a strong belief that service coordinators improve the quality of life for residents in their housing properties. The report also describes longer resident occupancies in properties with a service coordinator when compared to properties without the position. Specifically, the length of

occupancy in developments with a service coordinator was 10% longer than at developments without a service coordinator. This increased length of independent living serves to reduce the long-term care costs for this population.

The value of service coordination was underscored during the coronavirus pandemic. Surveys of service coordinators conducted in 2020 separately by the Joint Center for Housing Studies at Harvard University (JCHS) and Johns Hopkins University Bloomberg School of Public Health found that service coordinators played an especially critical role in the health and safety of older adults during the pandemic. As trusted leaders in their communities, service coordinators were a source for reliable information, ensured supports were in place when services were disrupted, and facilitated on-site vaccination clinics during COVID-19. As a result of the pandemic, service coordinators also increased their focus on preventing social isolation and helping residents use the internet and devices to remain connected to their communities and manage chronic conditions through telehealth during this time. A follow-up survey by JCHS informed a 2021 paper published in the *Journal of Gerontological Social Work* that further details the important ongoing role of service coordination in affordable housing settings.

Program Summaries

SERVICE COORDINATORS IN MULTIFAMILY HOUSING FOR THE ELDERLY/DISABLED AND RESIDENT OPPORTUNITIES AND SELF-SUFFICIENCY SERVICE COORDINATORS

On average, service coordinators assist each of the residents they serve more than 30 times per year. Most of that assistance addresses social determinants of health, including access to meals, transportation, and positive social interaction. Service coordinators also regularly help residents understand medical plans and billing, access translation services, and adhere to care plans once they return to the property from hospital, rehab or long-term care stays.

Service coordinators also collaborate with community providers to host regular programs that inform residents

about managing chronic health conditions such as diabetes and Chronic Obstructive Pulmonary Disease (COPD). Preventive programs are even more common, with service coordinators bringing to the property fall prevention instructors and mobile podiatrists and dentists. They also partner with nursing schools to host blood pressure checks and flu vaccine clinics. Service coordinators reporting through the AASC online case management system organized more than 28,000 wellness programs in 2024.

The service coordinator position is funded to carry out the following activities:

- Assess each elderly resident's needs in Activities of Daily Living and determine their respective service needs.
- Assist residents with obtaining needed community-based services and/or public benefits.
- Motivate residents to adopt self-directed care options that maximize independence and promote wellness.
- Monitor and evaluate the effectiveness of the supportive services provided to residents individually and collectively.
- Identify and network with appropriate community-based supports and services.
- Advocate on behalf of residents individually and collectively to ensure their needs are met.
- Assist residents with establishing and working with RAs/ Resident Councils, as requested.
- Assist residents in setting up informal support networks.
- Assist heads of family households with removing barriers to gainful employment and self-sufficiency.
- Assist residents with resolving problems with their tenancy.
- Develop and update a profile of the property through resident capacity and needs assessments to acquire appropriate health, wellness, education, and other programs for the housing community.
- Develop and acquire appropriate health and wellness programs for the housing community.

- Develop after-school youth, job readiness, literacy, volunteer, and financial management programs for residents and their families.
- Develop health/wellness and other property-wide outcomes to promote improved health conditions among residents as well as increased independence and financial self-sufficiency.
- Perform other functions to eliminate barriers to enable frail and at-risk low-income elderly, people with disabilities, and families to live with dignity and independence.

Eligible applicants for Service Coordinator in Housing for the Elderly and Disabled funds include owners of HUD-assisted multifamily housing, namely developments built with or subsidized by the following programs: Section 202, project-based Section 8, Section 236, and Section 221(d)(3) Below-Market Interest Rate. All housing must be designed or designated for sole occupancy by elderly persons aged 62 and older, or by people with disabilities aged 18 to 61. Before FY14, funds were distributed by national competitive grant processes through HUD Notices of Funding Availability (NOFAs).

In 2025, new Multifamily Service Coordinator grants were awarded for the first time in more than a decade. More than 700 properties applied for \$40 million to hire new service coordinators. HUD announced 107 awardees, which are set to receive funding in 2026. Beginning with FY14, federal appropriations have been insufficient to allow for new grants in the Service Coordinator in Housing for the Elderly and Disabled program. While these new grants will provide three years of funding, all existing grants are extended annually based on congressional appropriations.

Although HUD allows service coordinators to be funded through a property's residual receipts funds or to be incorporated into the property's operations budget, most federally assisted properties and PHAs do not have sufficient resources in their operating budgets or are unable to complete a modest rent increase to staff service coordinators.

Eligible applicants for ROSS Service Coordinator funds include PHAs, Tribes/Tribally designated

housing entities, RAs such as resident management corporations, resident councils, and intermediary resident organizations and nonprofit organizations supported by residents and/or PHAs. In 2023, ROSS grants were made available for the first time to PHAs and multifamily owners to continue to serve or restart service to residents of projects with assistance converted from public housing to Rental Assistance Demonstration (RAD) Project-Based Voucher (PBV) or RAD Project-Based Rental Assistance (PBRA). ROSS funds are distributed by national competitive grant processes through annual HUD NOFOs. Grants cover program costs for three years.

As of 2024, only renewal applicants have been awarded ROSS grants. Not enough funding is available to provide grants to new applicants.

FAMILY SELF-SUFFICIENCY

The FSS program helps Housing Choice Voucher (HCV) holders and residents of public and multifamily housing to build assets, increase their earnings, and achieve other individual goals including homeownership, if desired. FSS supplements stable, affordable housing in two ways: (1) with case management to help families overcome barriers to work and develop individualized skills training and services plans and (2) with escrow accounts that grow as families' earnings rise. The program is voluntary and allows participants up to five years to achieve their goals and "graduate" from the program.

The FSS program is administered through PHAs that elect to participate in FSS by filing an FSS Action Plan with HUD. Housing agencies may apply for funding for FSS coordinator costs as part of an annual competitive grant process. In recent years, HUD has expanded the FSS program to include owners of privately-owned HUD-assisted Project-Based Rental Assistance housing with Section 8 contracts. These owners can voluntarily establish and operate an FSS program at their housing sites.

Each family participating in the FSS program works with an FSS coordinator who assists the family in developing an individual training and services plan and helps the family access work-promoting services in the

community, such as résumé building, job search, job counseling, and education and training. The nature of the services varies based on families' needs and local program offerings.

A significant component of the FSS program is the escrow account that serves as both a work incentive and an asset-building tool. Like most families in public or assisted housing, participants in the FSS program must pay higher rental payments if their incomes increase. FSS participants, however, have an opportunity to obtain a refund of some or all of these increased rent payments. As the rent of an FSS participant increases due to increased earnings, an amount generally equal to the rent increase is deposited into an escrow account monthly. Upon graduation, the participant receives escrowed funds to meet a need they have identified. If the housing agency agrees, the participant may also make an interim withdrawal when needed to meet expenses related to work or other goals specified in the participant's FSS plan. A participant who fails to successfully complete the FSS program loses the funds in his or her escrow account.

Congress has appropriated funds for FSS grants, but private multifamily projects that have a project-based Section 8 Housing Assistance Payment contract are not eligible. However, owners who participate in FSS may now use residual receipts to hire FSS coordinators.

Funding

In fiscal year 2025, the "Full-Year Continuing Appropriations and Extension Act" (H.R. 1968) provided level, ongoing funding for all service coordinator programs.

This includes level funding of \$112 million for the Service Coordinators in Multifamily Housing for the Elderly and Disabled grant program. This was an \$8 million decrease from FY23 funding and was able to fund existing grantees. The House's FY26 appropriations bill seeks to increase funding to \$115 million for existing grants while the Senate has requested \$122 million to bring funding in line with prior years' levels.

The FSS program saw a notable funding increase in FY24 to \$140.5, which was up from \$125 million from

FY23. Based on proposed funding levels at the time of this guide's writing, the program could see level funding from the House or would receive another increase to \$156.4 million from the Senate bill.

The ROSS program saw its first increase in many years in FY24 when Congress appropriated \$40 million. This was a \$5 million increase from a total that had remained stagnant for a number of budgets. The House is proposing to bring the program total back down to \$35 million for FY25, while the Senate has requested an increase to \$45 million.

In August 2025, Congressman Adam Smith (D-WA), Joyce Beatty (D-OH) and Suzanne Bonamici (D-OR) reintroduced the Expanding Service Coordinators Act (H.R. 5057), which would authorize \$225 million for Multifamily service coordinators in each fiscal year for five years. It would also provide \$45 million for ROSS coordinators each year for the same time period. The measure also includes provisions that would create a \$2,500 set aside for training for each Multifamily service coordinator and make service coordinators eligible for the Public Student Loan Forgiveness program.

Forecast for 2026

SERVICE COORDINATORS IN MULTIFAMILY HOUSING FOR THE ELDERLY AND DISABLED GRANT PROGRAM

There continues to be a need for a multifaceted strategy for funding service coordinators that includes maintaining the service coordinator grant programs and increasing the ability for routine staffing of service coordinators from a property's operating budget through modest rent adjustments or through the property's residual receipts. Although statutory authority exists to allow HUD-subsidized properties to fund service coordinators, many senior housing facilities continue to be unable to secure the necessary rent adjustments to accommodate them. Currently, fewer than half (approximately 5,000) of the eligible properties have a service coordinator on staff. Service coordinators are critically needed to aid with accessing benefits and supportive social and health/wellness services to

maintain independence as well as improve the health outcomes for these low-income elderly tenants.

There is also a need to expand the funding for community-based service coordinators to assist frail older adults and non-elderly people with disabilities in the surrounding community where the property is located. Even though Section 851 of the “American Homeownership and Economic Opportunity Act of 2000” (Public Law 106-569) granted authority to enable service coordinators to assist residents in the surrounding community, there are insufficient funds to enable service coordinators to effectively assist these residents, especially as the needs of this population are increasing as residents age in place.

Additionally, Section 515 of the “American Housing Act of 1949” (Public Law 81-171) provided preliminary language for the use of service coordinators at rural multifamily housing developments administered by the U.S. Department of Agriculture (USDA). In the 515 program, the service coordinator can be funded through the property’s operations budget. Again, lack of sufficient resources in the operations budgets at these properties has prevented many of them from staffing a service coordinator. If a Section 515 Rural Housing property has a Section 8 contract, they are also eligible to apply for Service Coordinators in Multifamily Housing for the Elderly/Disabled new grant funds, if available, and are eligible for one-year extension funding for existing grants.

RESIDENT OPPORTUNITIES AND SELF-SUFFICIENCY SERVICE COORDINATOR GRANT PROGRAM

The need for service coordination in PHAs continues to be a critical concern as older adults are becoming the predominant residents of public housing properties. For the past few funding cycles, the Operating and Capital Funds appropriated to PHAs have decreased to the point that funds are insufficient to meet PH operating and repair needs, much less fund a service coordinator. It is imperative that PHA residents have access to the information, assistance, and case management of a service coordinator that would enable them to gain or maintain their independence, improve their health

outcomes, and achieve economic self-sufficiency. If a \$55 million funding level could be achieved without any carve-outs for other initiatives, there would be a modest amount available to fund new ROSS Service Coordinators in additional PHAs.

HUD must continue to consider the impact of refinancing on the ROSS program. The 2023 NOFO was a good first step as it allowed projects that previously funded a ROSS coordinator to seek grant funds once again even if it repositioned and is no longer eligible for the program. As HUD encourages PHAs to take advantage of recapitalization tools that provide operational financial security, it may need to expand the types of properties that are eligible for a ROSS service coordinator. Losing a service coordinator is devastating to properties and it’s important that any refinancing decisions at the ownership level don’t prevent residents from realizing the benefits of service coordination.

FAMILY SELF-SUFFICIENCY GRANT PROGRAM

For the FSS program, the key issue is expansion and making effective use of the program to help families build assets and make progress toward self-sufficiency. There is no limit to the number of families that may be enrolled in FSS, so one key goal for local advocacy is expansion of current programs to serve additional families. For housing agencies without an FSS program, advocates may wish to focus on starting a new FSS program at a multifamily property operated by a nonprofit housing organization.

At the same time, the number of families that can be effectively served with a given number of coordinators is limited. HUD generally uses 50 families per coordinator as a rule of thumb. Caseloads vary dramatically from agency to agency, and in some cases, it may be more important to add FSS coordinator staff to reduce caseloads to manageable levels at the outset and then work to expand the number of enrolled families. Advocates should work collaboratively with local housing agencies to find local in-kind or cash resources to expand the number of FSS program coordinators to serve additional families.

The key federal advocacy issue related to FSS is funding stability, principally for FSS coordinators. Congress should renew and expand funding for FSS coordinators. AASC continues to advocate for a change in the program's funding restrictions and an increase in funding for FSS coordinators to cover the costs of training, computer equipment, and case management software for FSS coordinators. It should be noted that shortfalls in Section 8 and PH funding hurt FSS by making it more difficult for housing agencies to rely on HUD funding to cover the costs of escrow deposits for FSS participants.

What To Say To Legislators

SERVICE COORDINATORS IN MULTIFAMILY HOUSING FOR THE ELDERLY AND DISABLED GRANT PROGRAM

Advocates are encouraged to contact their members of Congress with the message that Service Coordinators in Multifamily Housing for the Elderly/Disabled save taxpayer dollars by keeping frail, low-income older adults living independently in cost-effective housing instead of being placed in costly institutional care. They are also playing a vital part in nationwide goals to improve health outcomes and reduce healthcare costs by addressing social determinants of health. Funding for service coordinators remains very limited despite the critical need in eligible properties without a service coordinator on staff.

Members of Congress should be urged to:

- Deploy service coordinators to all federally subsidized housing properties serving older adults. An additional

\$100 million for new, three-year HUD multifamily service coordinator grants would be an incremental approach to this long-term goal.

- Explore innovative approaches to placing service coordinators in community settings with the goal of improving wellness outcomes and increasing the number of residents capable of aging in place, particularly in rural communities.
- Recognize the opportunity for service coordinators to be a workforce solution as the nation faces a social worker shortage and a sharp increase in the number of older adults who must age in place because of a severe lack of senior housing.
- Fully fund Section 8, Project Rental Assistance Contracts, other rent subsidies, and project operating funds to permit the staffing of a service coordinator as a routine part of the housing property's operating budget. Just like the property manager and maintenance person, the service coordinator should be considered essential staff for the operation of affordable housing for the elderly. The service coordinator position not only saves funds for the residents on fixed incomes but also saves taxpayer dollars by keeping residents in less costly, independent living environments as opposed to assisted living or even more costly nursing home care.
- Appropriate a minimum of \$10 million to fund a competitive grant for service coordinators in Section 514, 515, and 516 programs under USDA.
- Direct HUD and its regional hub offices to provide necessary budget adjustments and regulatory relief to remove any barriers restricting the staffing of service coordinators through a property's operating budget.

RESIDENT OPPORTUNITIES AND SELF-SUFFICIENCY SERVICE COORDINATOR GRANT PROGRAM

Advocates are urged to contact their members of Congress with the message that service coordination in public housing is as critical a need as it is in multifamily housing for the elderly. Residents of PHAs should be afforded access to information, assistance, and linkages to community-based supports and services afforded by a service coordinator to enable them to gain or maintain their independence, improve health and wellness outcomes, and achieve economic self-sufficiency.

Members of Congress should be urged to increase the funding level for ROSS Service Coordinator grants to \$55 million without any carve-outs for other programs. This would ensure that existing ROSS grants are maintained and would allow more PHAs to have access to grant funds for service coordinators.

FAMILY SELF-SUFFICIENCY COORDINATORS GRANT PROGRAM

Advocates should speak to the person in the office of their member of Congress who deals with housing policy with the message that HUD's FSS program is critical for helping families in subsidized housing to build assets and make progress toward self-sufficiency and economic independence.

To support FSS, Congress should appropriate additional funding for FSS program coordinators to include training for FSS coordinators as well as needed case management tools and equipment as allowable expenses.

For More Information

American Association of Service Coordinators, 614-848-5958, www.servicecoordinator.org

HUD's Office of Public and Indian Housing's ROSS website, https://www.hud.gov/program_offices/public_indian_housing/programs/ph/ross/about

HUD's Office of Public and Indian Housing's FSS website, https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/fss

HUD's Office of Multifamily Housing Program's Service Coordinator's website, https://www.hud.gov/program_offices/housing/mfh/scp/scphome

Running ROSS Step-By-Step, <https://tr.ee/U0PzAd>

The HUD report Multifamily Property Managers' Satisfaction with Service Coordination, <http://bit.ly/XoZo5d>

Joint Center for Housing Studies Report: Service Coordinators Helped Older Adults who live in Publicly Funded Housing Response to COVID-19, <https://tr.ee/Bv5vnR>

Journal of Gerontological Social Work Paper: Service Coordination in HUD Housing During the COVID-19 Pandemic: Bridging the Gap, <https://tr.ee/pPFEXH>

Johns Hopkins Bloomberg School of Public Health Report: Impact of COVID-19 on Residents Living in Federally-Assisted Housing, <https://tr.ee/EqYjq8>

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

CHAPTER 9

COMMUNITY DEVELOPMENT RESOURCES

CAPITAL MAGNET FUND

By Mark Kudlowitz, Senior Director of Policy, Local Initiatives Support Corporation

Administering Agency: Community Development Financial Institutions (CDFI) Fund at the U.S. Department of the Treasury.

Year Started: 2008 (with nine awarded funding rounds to date: fiscal year 2010 and fiscal years 2016 – 2024).

Number of Persons/Households Served: Recipients have five years to complete projects after receiving an award. As of September 30, 2023, projects completed by fiscal year 2016- fiscal year 2021 award recipients include: 1) 55,665 affordable rental housing units; 2) 7,431 affordable homeownership units; and 3) 11 community serving facility projects, such as health care and other community facilities.

Population Targeted: Households with income less than 120% area median income (AMI); at least 51% with income less than 80% AMI.

Funding: In fiscal year 2024, \$246.4 million was awarded to 48 organizations. These awardees plan to develop more than 26,400 affordable housing homes, including more than 25,600 rental units and more than 750 homeownership units. Eighty nine percent of the homeownership projects will be developed for low-income families and 54% of the rental units will be developed for very low-income families.

To date, the CDFI Fund has awarded grants totaling nearly \$1.4 billion to CDFIs and qualified nonprofit organizations, requiring a minimum of \$13.9 billion in public and private investment. Of reported projects, recipients have attracted nearly \$18.7 billion in total leverage.

See Also: For related information, refer to the *Community Development Financial Institutions Fund* section of this guide.

The Capital Magnet Fund (CMF) provides competitive grants to community development financial institutions (CDFIs) and nonprofit housing developers to finance

and develop housing for low- and moderate-income households, as well as community facilities and economic development projects that support housing. CMF grants are used to fund financing tools such as loan loss reserves or loan guarantees and must be matched at least 10 to 1 with funding from other sources. Moving forward, the administration should continue to support funding for the CMF under current law, and Congress should preserve the program as part of any housing finance reform effort.

History

The CMF was created as part of the “Housing and Economic Recovery Act (HERA) of 2008” to provide flexible public funds to attract private investment into housing projects for low- and moderate-income households. As originally envisioned, the CMF (along with the national Housing Trust Fund, HTF) would have received funding through an assessment on new business of the Government Sponsored Enterprises (GSE) Fannie Mae and Freddie Mac. However, in the fall of 2008, financial losses at the GSEs caused them to be placed in conservatorship and their obligation to contribute to the CMF and to the HTF was suspended. The suspension of contributions of assessments on new business of the GSEs was lifted at the end of 2014; contributions began January 1, 2015 and have been distributed to the CMF and HTF since March 2016.

The legislation creating the CMF also allowed it to be funded through regular appropriations, which occurred in FY10 with an appropriation of \$80 million to kick off the program. Until the FY16 funding round, the FY10 round was the only funding provided to the CMF. For the FY10 round, the CDFI Fund received applications requesting more than \$1 billion. In October 2010, the CDFI Fund announced the inaugural CMF awardees. Out of 230 applicants, 23 organizations received awards; 13 were nonprofit housing developers, nine were CDFIs, and one was a Tribal housing authority. According to the CDFI Fund, the \$80 million appropriation for CMF grants resulted in each \$1 of CMF funding attracting more than \$22 in other capital

for affordable housing. Thus, \$80 million in CMF grants created upwards of \$1.8 billion in investment in affordable housing and community facilities, creating more than 13,000 homes.

Program Summary

The CMF is administered by the Treasury's CDFI Fund as a competitive grant program to attract private capital for high-performing organizations to develop, preserve, rehabilitate, or purchase housing for low-income families. Unlike other federal programs such as HOME, the CMF is not a block grant to state or local governments.

A minimum of 70% of an awardee's CMF money must be used for housing. One hundred percent of housing project costs must be for units for households with incomes less than 120% of AMI; at least 51% of housing project costs must be for units for households with incomes less than 80% of AMI. If CMF finances rental housing, then at least 20% of the units must be occupied by households with incomes less than 80% of AMI. CMF award recipients normally commit to utilizing the award for deeper income targeting than the minimum standards described. For instance, 98% of all housing units to be developed from the FY24 CMF funding round are for households with incomes less than 80% of AMI. Maximum rent is fixed at 30% of either 120% AMI, 80% AMI, 50% AMI, or 30% AMI, depending on the household's income. For example, if an assisted household has income at 120% AMI, its maximum rent is 30% of 120% AMI. CMF funded housing must meet affordability requirements for at least 10 years.

To leverage funds, CMF dollars may be used to provide loan loss reserves, loan guarantees, capitalize a revolving loan fund or an affordable housing fund, or make risk-sharing loans. The CMF can also finance economic development activities or community service facilities, such as daycare centers, workforce development centers, and healthcare clinics, which in conjunction with affordable housing activities implement a concerted strategy to revitalize low-income or underserved rural areas.

Eligible recipients are Treasury-certified CDFIs or nonprofit organizations that include the development or management of affordable housing as at least one of their purposes. Applications for the competitive grants are required to include a detailed description of the types of housing and economic and community revitalization projects for which the entity would use the grant, and the anticipated timeframe in which they intend to use the grant. No institution can be awarded more than 15% of all CMF funds available for grants in a given year and those receiving grants must commit the funds within two years of the date they were received. All projects funded with CMF awards must be completed within five years.

Prohibited uses include political activities, advocacy, lobbying, counseling services, travel expenses, and endorsement of a particular candidate or party. Each grantee must track its funds by issuing periodic financial and project reports and by fulfilling audit requirements.

Funding

The CMF's funding source was designed to come from a percentage of new business of Fannie Mae and Freddie Mac. Under current law there is to be a 4.2 basis point assessment on each enterprise's new business, with the CMF receiving 35% and the HTF receiving 65%. However, these assessments were previously suspended due to the government conservatorship. In December 2014, the Federal Housing Finance Agency (FHFA) lifted the suspension and the assessment has been collected since then. Sixty days after the close of the calendar year, the FHFA is to distribute funds to the CMF and HTF.

Forecast for 2026

The Capital Magnet Fund is funded through an annual assessment on the GSE's new business, so the main threat to the program is if, and when, Congress begins GSE reform efforts or Treasury and the FHFA begin a process to release the GSEs from conservatorship. For the latter, FHFA could suspend the CMF transfer as the GSEs go through that process and build their capital base.

What to Say to Legislators and the Administration

If Congress begins housing finance reform or FHFA and Treasury begin a process to release the GSEs from conservatorship, in 2026, advocates need to ensure that any subsequent reforms of the housing finance system include continued funding for the CMF.

For More Information

The CDFI Fund, 202-653-0421, www.cdfifund.gov

Local Initiatives Support Corporation, 202 739-9279,
<http://www.lisc.org>

COMMUNITY DEVELOPMENT BLOCK GRANT AND SECTION 108 LOAN GUARANTEE PROGRAMS

By Ed Gramlich, Senior Advisor, NLIHC; updated by Renee Williams, Senior Advisor for Public Policy, NLIHC

Administering Agency: HUD's Office of Community Planning and Development

Year Started: 1974

Population Targeted: Households with income less than 80% of the area median income (AMI)

Funding: Congress appropriated \$3.3 billion in FY25, the same as FY24, FY23, FY22, FY19, and FY18, but less than \$3.475 billion in FY21 and \$3.4 billion in FY20. For FY26, the administration proposed no funding for CDBG formula grants, the House proposed \$3.3 billion, and the Senate proposed \$3.1 billion. As of the date this *Advocates' Guide* went to press, Congress has not made a final appropriation for CDBG.

See Also: For related information, refer to the Consolidated Planning Process section of this guide.

The "primary objective" of the Community Development Block Grant (CDBG) program is to have viable urban communities by providing funds to improve housing, living environments, and economic opportunities, "principally for persons with low- and moderate-income," which according to the CDBG statute, means at least 70% of CDBG funds received by a jurisdiction must be spent to benefit people with income equal to or less than 80% of the area median income, AMI.

The Section 108 Loan Guarantee program involves a jurisdiction pledging up to five years' worth of its entire CDBG entitlement as backup (collateral) for a larger loan. If estimated revenues are not sufficient at a project financed with a Section 108 guaranteed loan, then the jurisdiction's regular annual CDBG allocation must be used to make up the "short fall." If this happens,

then housing rehabilitation, job creation projects, or other activities that low-income people want might be reduced—or even eliminated.

History

The CDBG program was established under Title I of the "Housing and Community Development Act of 1974," which combined several existing "categorical" programs, such as Urban Renewal and Model Cities, into one "block grant." This change was intended to provide greater local flexibility in the use of federal dollars.

Program Summary

The "primary objective" of the CDBG program is to have viable communities by providing funds to improve housing, living environments, and economic opportunities – "principally" for persons with low and moderate income. The regulations for entitlement jurisdictions are at [24 CFR Part 570 \(https://tr.ee/GzC1Sf\)](https://tr.ee/GzC1Sf) and the states and small cities regulations are at [24 CFR Part 570, Subpart I \(https://tr.ee/aFJj5e\)](https://tr.ee/aFJj5e). The Section 108 Loan Guarantee program is discussed further at the end of this article.

ELIGIBLE ACTIVITIES

CDBG funds can be used for a wide array of activities, including: rehabilitating housing (through loans and grants to homeowners, landlords, nonprofits, and developers); constructing new housing (but only by certain neighborhood-based nonprofits); providing down payment assistance and other help for first-time home buyers; detecting and removing lead-based paint hazards; purchasing land and buildings; constructing or rehabilitating public facilities such as childcare centers, health centers, and shelters for domestic violence

survivors, as well as street and sidewalk improvements, flood drainage improvements, water and sewer improvements, and parks and recreation facilities; making buildings accessible to those who are elderly or experience disabilities; providing public services such as job training, transportation, healthcare, and childcare (public services are capped at 15% of a jurisdiction's CDBG funds); building the capacity of nonprofits; rehabilitating commercial or industrial buildings; and making loans or grants to businesses.

FORMULA ALLOCATION

The program's emphasis on people with low incomes is reinforced by the formulas that determine how much money local jurisdictions and states receive. The formulas are based on factors heavily weighted by the degree of poverty and indicators of poor housing conditions in a jurisdiction; the more poverty and the worse the housing conditions, the more CDBG a jurisdiction receives. Seventy percent of each annual congressional appropriation is automatically distributed to cities with a population of 50,000 or more people and counties with a population of 200,000 or more people; these are called "entitlement jurisdictions." The remaining 30% goes to states for distribution to small towns and rural counties.

BENEFICIARIES

At least 70% of CDBG funds received by a jurisdiction must be spent to benefit people with low and moderate incomes (often referred to as "lower income"). The remaining 30% can also benefit people with lower incomes, or it can be used to aid in the prevention or elimination of "slums or blight" (often used by local governments to justify downtown beautification) or to meet an urgent need such as a hurricane, flood, or earthquake relief. Major hurricane, flood, wildfire, or earthquake needs are generally addressed by special congressional appropriations referred to as CDBG-Disaster Relief (DR) that usually have much less rigorous provisions regarding eligible uses and income targeting. See *HUD Disaster Recovery Programs* in Chapter 10.

Low and moderate income is defined as household income equal to or less than 80% of AMI, which can be quite high. In FY25, for instance, 80% of the AMI in

Chicago was \$ 95,900 for a four-person household. AMI in some jurisdictions is so high (like in the Lowell, MA, metropolitan area where the AMI was \$136,900 for FY25) that HUD caps the qualifying household income at the national median income, which in FY25 was \$104,200 for a four-person household. However, HUD makes upward adjustments in high-cost areas such as the Boston metropolitan area that had an AMI of \$160,900 in FY25, allowing CDBG to benefit four-person households with income up to \$132,300.

A CDBG activity is counted as benefiting people with low and moderate income if it meets one of four tests:

- 1. Housing Benefit.** If funds are spent to improve a single-family home, the home must be occupied by a low- or moderate-income household. In multifamily buildings, at least 51% of the units must be occupied by low- or moderate-income households. There is an exception to the 51% benefit test when it can be demonstrated that it is necessary to reduce the cost of developing a multifamily, non-elderly rental property: in that case at least 20% of the units must be occupied by low- and moderate-income households. In addition, the housing must be affordable, as defined by the jurisdiction.

According to CPD's "[CDBG Activity Expenditure Reports](https://tr.ee/wWDjGB)" (<https://tr.ee/wWDjGB>) (automatically downloads as an Excel file) for FY23, only 27.6% of CDBG was allocated for some type of housing program, an increase from 26.6% for FY22, and from 24% which was more typical for many years. Key housing-related uses included 12.9% for single-unit rehabilitation, 4.4% for rehabilitation administration, 2.7% for multi-unit rehabilitation, 2.3% for code enforcement, 1.36% lead hazard abatement (up from a more typical 0.22%), 1.3% for homeowner assistance, 0.74% for public housing modernization, 0.7% for acquisition for rehabilitation, 0.64% for new construction, 0.12% for rehabilitation of other publicly owned residential buildings, and 0.1% for energy efficiency improvements.

On October 26, 2023, CPD released [Notice CPD-23-10: Use of CDBG Funds in Support of Housing](https://tr.ee/0cldSk) (<https://tr.ee/0cldSk>), superseding [Notice CPD-07-08](https://tr.ee/D2xow3) (<https://tr.ee/D2xow3>). It provided updates regarding eligible CDBG housing or housing-related activities.

Highlights of CPD-23-10 include:

- How CDBG funding can assist with Consolidated Plan development and fair housing planning activities that relate to multiple HUD programs;
 - Ways that CDBG may be used to support resilience planning, rehabilitation, optional relocation, and tornado-safe homes;
 - Changes to the eligibility approach of manufactured housing, simplifying unit purchases and more closely aligning with the HOME program's approach.
2. **Area Benefit.** Some CDBG-eligible projects, such as road and park improvements, can be used by anyone. To judge whether such a project primarily benefits people with lower incomes, CPD looks at a project's "service area." If 51% of the residents in the activity's service area are people with lower income, then CPD assumes people with lower income will benefit. The regulations provide several ways to challenge that assumption. The primary challenge is to show that "the full range of direct effects" of an activity do not benefit people with lower incomes.
 3. **Limited Clientele.** A service or facility assisted with CDBG funds must be designed so that at least 51% of its users have lower income. The three most common ways to meet this test are to: (a) limit participation to people with lower income; (b) show that at least 51% of the beneficiaries are lower income; or (c) serve a population that CPD presumes is lower income, including abused children, domestic violence survivors, people with disabilities, individuals who are illiterate, migrant farm workers, and seniors. Advocates can challenge a presumed benefit claim if an activity does not actually benefit people with lower incomes.
 4. **Job Creation or Retention.** If job creation or retention is used to justify spending CDBG money, then at least 51% of the resulting jobs on a full-time-equivalent basis must be filled by or be available to people with lower incomes. "Available to" means either the job does not require special skills or a particular level of schooling, or the business agrees to hire and train people with lower incomes. Those with lower incomes must receive first consideration for the jobs.

PUBLIC PARTICIPATION

Every jurisdiction must have a public participation plan that describes how the jurisdiction will provide for and encourage involvement by people with lower incomes. Public hearings are required at all stages of the CDBG process. Hearings must give residents a chance to indicate community needs, review proposed uses of CDBG funds, and comment on past uses of these funds. There must be adequate public notice to people who are likely to be affected by CDBG-funded projects, and people must have reasonable and timely access to information. Since the creation of the Consolidated Plan (ConPlan) in 1995 (see Consolidated Planning Process in Chapter 8), the CDBG public participation process is the statutory basis for and is merged into the ConPlan public participation process. To effectively participate in this process, advocates should get a copy of the draft Annual Action Plan of the ConPlan and the latest Grantee Performance Report (GPR). Many jurisdictions will try to deny providing copies of the GPR to the public, but it must be made available. The GPR also goes by the name IDIS Report PR03. It is not part of the larger Consolidated Annual Performance and Evaluation Report (CAPER).

HUD 2024 PROPOSED RULEMAKING AND WITHDRAWAL

On January 10, 2024, CPD published proposed changes to the CDBG regulations. A final version of the proposed rule reached the Office of Information and Regulatory Affairs (OIRA), a part of the Office of Management and Budget (OMB) on October 18, 2024. The proposed rule has since been withdrawn by the second Trump administration. For reference, the formerly proposed changes are briefly discussed here.

CPD proposed two additional exceptions to the requirement that that 51% of the units in a multifamily property be occupied by low- or moderate-income households; allowing fewer than 51% of the units to benefit lower-income households if necessary to reduce the development cost for either substantially rehabilitating a property or converting a non-residential

structure to a multifamily, non-elderly rental project. For these two exceptions, at least 20% of the units would have been required to be occupied by lower-income households.

Using CDBG to rehabilitate privately-owned buildings for housing has always been an eligible activity. In 1996, the statute added reconstruction as an eligible use. The proposed rule clearly identified reconstruction as an eligible activity related to housing. Although not exclusively pertaining to housing, the current regulation allows jurisdictions to use CDBG to acquire real property using a long-term lease, but it does not specify how long the lease must be. CPD's 1998 guidance defined a long-term lease as one that was of 15 or more years. The proposed rule would have clarified that a long-term lease is one that was at least 15 or more years.

CDBG regulations require jurisdictions to use CDBG to meet any of the three "national objectives." However, the rule has not specified a time period for meeting a national objective. CPD proposed requiring CDBG activities to meet a national objective within six years from the date of a jurisdiction's initial drawdown of funds, or the length of the "period of performance," whichever is shorter. The proposed rule would have defined "period of performance" for the first time; a jurisdiction would have been required to expend all the CDBG it received for a program year within six years, beginning on the date CPD approves a jurisdiction's grant agreement and ending six years from that date.

According to the preamble, the primary reason for the proposed changes, the first major revisions in more than 20 years, was to make it easier for jurisdictions to promote the use of CDBG for economic development activities. CPD asserted that the existing regulations are obstacles that prevent the use of CDBG for economic development activities. As proposed, the economic development changes would have lessened the rigor for meeting the LMI jobs test, potentially making it easier to use CDBG for economic development activities that might fail the statute's "primary objective" of principally benefiting low- and moderate-income people.

Section 108 Loan Guarantees

The Section 108 Loan Guarantee has been a part of the CDBG program since 1974. A "guarantee" of a loan reduces the interest rate.

NLIHC has not followed this program for many years. However, in its earlier years the program was primarily used for "economic development" activities for large projects including a General Motors plant, hotels, and large-scale shopping malls. The regulations at the time required applicants to certify that "but for" the Section 108 loan guarantee, a project could not go forward. In some cases, projects failed—causing the local jurisdiction to use its regular CDBG allocation to cover a project's financial loss, instead of benefiting lower-income people.

BASIC INFORMATION ABOUT REGULAR SECTION 108 LOAN GUARANTEES

The Section 108 Loan Guarantee program involves a jurisdiction pledging up to five years' worth of a community's entire CDBG entitlement as backup (collateral) for a larger loan. If estimated revenues are not sufficient at a project financed with a Section 108 guaranteed loan, then a jurisdiction's regular annual CDBG allocation must be used to make up the "short fall." If this happens, then housing rehab, job creation projects, or other activities that low-income people want might be reduced—or even eliminated. Accordingly, while use of Section 108 does not have to be problematic, advocates should study proposed Section 108 applications carefully, as a shortfall could place a jurisdiction's CDBG funds that could otherwise benefit low-income people in jeopardy.

Normally, when jurisdictions plan big projects such as arenas, parking garages, and downtown malls, they borrow money by issuing bonds. The money borrowed is paid back from future taxes generated by the project, or from revenues earned by the project built with the bond financing (for example, parking revenues at

the garage). In some situations, the jurisdiction does not intend to use future taxes or project revenues to pay off the bond; instead, it plans to use CDBG funds directly. This is an eligible use of CDBG. Advocates should determine whether, for example, the downtown shopping mall's Section 108 Loan Guarantee either risks up to five years' worth of CDBG funds, or cause a direct and immediate drain on CDBG funds over a several-year period (or both). Years ago, Section 108 projects directly tapped CDBG for four large downtown projects in Nashville and two in Scranton, along with hotels in Roanoke and Bakersfield.

Theoretically, Section 108 is only supposed to be used when a project cannot get adequate and affordable financing from more traditional sources. Section 108 attracts investors because the money they lend is guaranteed by the "full faith and credit of the United States government." The investors' financial risk is greatly reduced because HUD pledges to pay the investor back in full if the project runs into financial trouble. Consequently, investors are not only willing to loan money but also to accept lower interest payments in return (the interest rate on Section 108 guaranteed loans is generally just a little more than that of U.S. Treasury bonds). Lower interest payments also mean that the loan does not cost the project as much as conventional financing.

Beware—in the past, HUD materials boasted that there had never been a default under Section 108. That was misleading to the average reader. What it meant was that investors never lost any of their money. However, there have been Section 108 projects that encountered financial difficulties, causing low-income people's CDBG to be diverted from uses that might more directly and meaningfully benefit them. For example, a downtown mall in Richmond, Virginia did not generate the revenues planned, so each year CDBG money was taken off the top of Richmond's entitlement allocation before low-income people could even begin to attempt to direct CDBG money to their most pressing housing needs. A failed motel in Albany, New York harmed low-income people; not only was money drained away from housing, the "promised" jobs failed to be sustained. Ultimately, investors' risk gets shifted to low-income people because it is low-income people's CDBG money—for the next five years—that is put on the line.

All the CDBG Rules Apply

The law considers Section 108 as "CDBG money." That means it is counted when determining whether 70% of a jurisdiction's CDBG program benefits lower-income people. Further, an activity financed with a Section 108 guaranteed loan must meet one of the "national objectives" (that is, meet one of the four lower-income benefit tests, or meet the "slums and blight" test). Section 108 projects must be presented on a jurisdiction's Annual Action Plan and must be fully reported in the annual Grantee Performance Report. They are also subject to the anti-displacement law and regulations. However, unlike "regular" CDBG which automatically comes to cities, urban counties, and states, a jurisdiction must apply to HUD for a Section 108 Loan Guarantee.

Statutory and Regulatory Restrictions

The amount of the loan guaranteed by Section 108 is limited to five times a jurisdiction's annual CDBG allocation (its "entitlement amount"), minus any outstanding Section 108 commitments or loan balances. For a small town or rural county, the state must agree to use its CDBG as collateral; again, the maximum amount a state can guarantee is five times its annual CDBG allocation, minus the outstanding balance on all previously existing guaranteed loans. The repayment period is limited to 20 years. The jurisdiction must "certify" (pledge) that the jurisdiction has made efforts to finance the project without Section 108, and that the project cannot be completed without Section 108 (it must also certify that it will keep documents demonstrating the effort to secure adequate non-Section 108 financing).

In addition, the regulations require that an application must:

- 1) Describe how each of the activities assisted by Section 108 will meet one of the tests for complying with the "national objectives" (of benefiting lower income people or addressing "slums or blight").
- 2) Have a schedule for repaying the loan, identifying the sources of repayment.

The law also allows HUD to get additional “security” from a jurisdiction and HUD materials indicate that it does require more backup to better assure that the federally backed loan can be repaid to investors. Of course, the primary security for the loan guarantee is the jurisdiction’s use of its future CDBG as collateral, but HUD wants greater protection. The amount and nature of additional security is determined by HUD on a project-by-project basis. Security might be in the form of a lien on the assets financed by Section 108, or increments in local tax receipts, etc.

Section 108 Housing Opportunities Focus (“Legacy Challenge”)

In 2024, CPD began promoting a “Legacy Challenge” to encourage greater use of Section 108 Loan Guarantees for housing-related activities. Section 108 has always allowed jurisdictions to borrow up to five times their annual CDBG allocation for low-cost, low-interest financing. What is different is that CPD is offering new flexibilities for up to \$250 million of CPD’s \$400 million loan guarantee authority for affordable housing projects. More recently, HUD’s website has been referring to this initiative as “[Housing Opportunities Focus](https://tr.ee/9GeixX)” (<https://tr.ee/9GeixX>), rather than “Legacy Challenge.”

The Housing Opportunities Focus [webpage outlines the following capital uses](https://tr.ee/9GeixX) (<https://tr.ee/9GeixX>):

- Infrastructure to support housing production such as utility installation or upgrades.
- Adaptive reuse, including converting unused office space and other commercial space into housing.
- Preservation, rehabilitation, and repairs of existing units.
- Manufactured housing, including facilities to build new homes.
- Eligible housing uses within mixed-use or transit-oriented development.
- Loan pool to support local housing development.
- Other eligible housing activities.

The flexibilities CPD promotes on the [Housing Opportunities Focus](https://tr.ee/9GeixX) webpage (<https://tr.ee/9GeixX>) include

- Waivers to streamline and ease program requirements.
- Certain repayment flexibilities.
- Unlimited targeted one-on-one support and guidance.
- New (unspecified) resources and step-by-step guides for faster approval.

Tips for Local Success

Because only 70% of CDBG funds must benefit people with low or moderate incomes, and because all funding could benefit people with moderate incomes, many of the lowest-income households realize little benefit from the program. Locally, people can organize to get 100% of a jurisdiction’s CDBG dollars to be used for activities that benefit people with low incomes and can strive to have more of the dollars used to benefit people with extremely low incomes (incomes less than 30% of AMI).

The public participation process can be used to organize and advocate for more CDBG dollars to be used for the types of projects people with low incomes really want in their neighborhoods and then to monitor how funds are actually spent. To do this, advocates should obtain and study a jurisdiction’s Annual Action Plan, which lists how a jurisdiction intends to spend CDBG funds in the upcoming year. Advocates should also obtain the Grantee Performance Report (C04PR03), which should provide a detailed, activity-specific list of how CDBG money was spent the previous year. These documents must be available to the public from the staff in charge of CDBG in local jurisdictions, in departments with various titles such as “Community Development.”

Forecast for 2026

Advocates should continue in 2026 to monitor CPD notices, the *Federal Register*, and HUD guidance to understand how administration policies will impact the CDBG program.

For More Information

NLIHC (<https://nlihc.org/>), 202-662-1530.

There are two HUD CDBG web platforms:

- One is [the traditional site](https://tr.ee/hLXt97) (<https://tr.ee/hLXt97>).
 - » HUD previously had a collection of past CDBG policy memoranda on its main website; however, this link is no longer operational. An [archived version is available here](https://tr.ee/32KN94) (<https://tr.ee/32KN94>), but note that the link is provided for historical purposes only and may not have current content. The archived version was captured on March 26, 2025, and the information was labeled as last updated September 19, 2024.
- The other platform is at the [HUD Exchange site](https://tr.ee/zCzapH) (<https://tr.ee/zCzapH>).

For the Entitlement program:

- [HUD Exchange site](https://tr.ee/vHtUvY) (<https://tr.ee/vHtUvY>)
 - » HUD's traditional website had an Entitlement program webpage; however, this link is no longer operational. An [archived version is available here](https://tr.ee/RMT1X9) (<https://tr.ee/RMT1X9>) but note that the link is provided for historical purposes only and may not have current content. The archived version was captured on March 15, 2025, and the information was labeled as last updated May 8, 2024.

For the State program:

- [HUD Exchange site](https://tr.ee/tk68j0) (<https://tr.ee/tk68j0>)
 - » HUD's traditional website had a State program webpage; however, this link is no longer operational. An archived version is available here (<https://tr.ee/cGWQKe>) but note that the link is provided for historical purposes only and may not have current content. The archived version was captured on March 21, 2025, and the information was labeled as last updated September 5, 2024.

On the HUD Exchange pages, you can find the statute and regulations, FAQs, CPD Notices, and "[Explore CDBG](https://tr.ee/0NQx49)" (<https://tr.ee/0NQx49>), which has a series of online guides (with brief transcripts). Of particular value might be "[Basically CDBG Online](https://tr.ee/YseHRy)" (<https://tr.ee/YseHRy>) and "[How to Use CDBG for Housing Activities](https://tr.ee/DoecBl)" (<https://tr.ee/DoecBl>). No longer linked at HUD Exchange but still available are "[Basically CDBG for Entitlements](https://tr.ee/aNSkVq)" (<https://tr.ee/aNSkVq>) and "[Basically CDBG for States](https://tr.ee/GnXIoN)" (<https://tr.ee/GnXIoN>), which can be opened as PDFs and printed.

There are two Section 108 Loan Guarantee program platforms:

- One is the [traditional site](https://tr.ee/tjGLSR) (<https://tr.ee/tjGLSR>)
- One on the [HUD Exchange](https://tr.ee/5BADGn) (<https://tr.ee/5BADGn>)

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

By Makenzi Sumners, National Policy Manager, Low Income Investment Fund

Administering Agency: U.S. Department of the Treasury

Year Started: 1994

Funding: \$324 million in fiscal year (FY) 2025

See Also: For related information, refer to the *Capital Magnet Fund* section of this guide.

The Community Development Financial Institutions (CDFI) Fund comprises seven programs designed to expand the capacity of financial institutions to provide credit, capital, and financial services to underserved populations and communities.

History

The CDFI Fund was created by the “Riegle Community Development Banking and Financial Institutions Act of 1994.”

Overview

CDFIs are specialized private sector financial institutions that serve economically disadvantaged communities and consumers. As of May 2024, there are about 1,426 CDFIs according to the CDFI Fund. CDFIs assume different forms, including bank holding companies (160), banks or thrifts (197), credit unions (496), loan funds (561), and venture capital funds (14). CDFI customers include small business owners, nonprofits, affordable housing developers, and low-income individuals. Nationwide, the CDFI industry manages more than \$222 billion, creating jobs, affordable housing, financial health, and opportunity for all. CDFIs operate in all 50 states, the District of Columbia, Guam, and Puerto Rico.

United by a primary mission of community development, CDFIs work where conventional financial institutions do not by providing financial services coupled with financial education and technical assistance to help alleviate poverty for economically disadvantaged people and communities. CDFIs offer innovative financing that banks would not typically offer. CDFIs also provide basic financial services to people who are unbanked, offering alternatives to predatory lenders. CDFIs implement capital-led strategies to fight poverty and to tackle economic infrastructure issues such as quality affordable housing, job creation, wealth building, financial literacy and education, community facility financing, and small business development and training.

Program Summaries

The CDFI Fund operates eight primary programs designed to both build the capacity of CDFIs and increase private investment in distressed communities nationwide. These programs are the CDFI program, the Native Initiatives program, the Bank Enterprise Award program, the New Markets Tax Credit program, the Capital Magnet Fund (CMF) program, the Healthy Food Financing Initiative, the CDFI Bond Guarantee program, and the Small Dollar Loan Program. The CDFI Fund is the largest single source of funding for CDFIs and plays an important role in attracting and securing non-federal funds for CDFIs.

The CDFI Fund is unique among federal programs because it aims to strengthen institutions rather than fund specific projects. CDFIs leverage federal CDFI Fund investments to attract private capital—generating roughly \$8 in private investment for every \$1 in public funding—to support affordable housing, small businesses, community facilities, and financial services in low-income communities.

CDFI PROGRAM

The CDFI Program has two components: Financial Assistance (FA) and Technical Assistance (TA). Through these two components, the CDFI Program provides loans and grants to CDFIs to support their capitalization and capacity building, enhancing the creation of community development opportunities in underserved markets. CDFIs compete for federal support based on their business plans, market analyses, and performance goals.

FA awards are for established, certified CDFIs and may be used for economic development, affordable housing, and community development financial services. FA awards must be matched at least one-to-one with non-federal funds. TA awards are for startup or existing CDFIs and are used to build capacity to serve a target market through the acquisition of goods and services such as consulting services, technology purchases, and staff or board training. The fiscal year (FY) 2025 funding for this program was \$188 million.

NATIVE INITIATIVES PROGRAM

The CDFI Fund's Native Initiatives are designed to overcome identified barriers to financial services in Native communities (including Native American, Native Alaskan, and Native Hawaiian populations). Through TA and FA, the CDFI Fund seeks to foster the development of new Native CDFIs and strengthen the capacity of existing Native CDFIs. Financial education and asset building programs, such as matched savings accounts, are particularly important to Native communities.

Though founded in 1994, the first TA grants were not made until 2002 after a comprehensive study of the capital and credit needs of Native communities had been performed. FA followed in 2004. The CDFI Fund continues to collaborate with Tribal governments and tribal community organizations through ongoing research and analysis that informs the recommendations for Native CDFIs. The FY25 funding level for the Native Initiatives program was \$28 million.

BANK ENTERPRISE AWARD PROGRAM

The Bank Enterprise Award (BEA) program was created in 1994 to support Federal Deposit Insurance Corporation (FDIC)-insured financial institutions around the country dedicated to financing and supporting community and economic development activities. The BEA program complements the community development activities of insured depository institutions (i.e., banks and thrifts) by providing financial incentives to expand investments in CDFIs and to increase lending, investment, and service activities within economically distressed communities. Providing monetary awards for increasing community development activities leverages the fund's dollars and puts more capital to work in distressed communities. The FY25 funding level for the BEA program was \$40 million.

NEW MARKETS TAX CREDIT PROGRAM

Congress established the New Markets Tax Credit (NMTC) program as part of the "Community Renewal Tax Relief Act of 2001" to encourage investments in low-income communities that lack access to capital for developing small businesses and revitalizing neighborhoods. The NMTC provides financial institutions, corporations, and other investors with a tax credit for investing in a Community Development Entity (CDE). The investor takes a tax credit over a seven-year period equal to 39% of the original amount invested. CDEs are domestic partnerships or corporations that are intermediaries that use capital derived from the tax credits to make loans to or investments in businesses and projects in low-income communities. A low-income community is one with census tracts that have a poverty rate of at least 20% or that have a median family income less than 80% of the area median income (AMI).

The NMTC program is administered by the CDFI Fund which allocates tax credit authority, the amount of investment for which investors can claim a tax credit, to CDEs that apply for and obtain allocations. To date, the CDFI Fund has made 1,461 allocation awards totaling \$71 billion in NMTC allocations, which has leveraged nearly \$500 billion in private investment. Since its inception, the NMTC program has created or retained

938,000 jobs, financed more than 10,800 businesses, supported the construction of 76.9 million square feet of manufacturing space, 118.3 million square feet of office space, and 77.1 million square feet of retail space.

In July 2025, NMTC received a permanent extension in H.R.1, or “the Act,” and what has been referred to as the “One Big Beautiful Bill Act” (OBBBA). The passage of the act is a historic milestone for a program that has been subject to continued reauthorization since its initial passage in 2000 under the Community Renewal Tax Relief Act (P.L. 106-554). The program was most recently extended under the “2021 Consolidated Appropriations Act” and was set to expire at the end of 2025. Now, the program is permanently authorized for \$5 billion in annual allocation authority.

CAPITAL MAGNET FUND PROGRAM

(See also the *Capital Magnet Fund Program* section of this guide).

The Capital Magnet Fund (CMF) was created through the “Housing and Economic Recovery Act of 2008.” Through the CMF, the CDFI Fund provides competitively awarded grants to CDFIs and qualified nonprofit housing organizations. CMF awards can be used to finance housing for low- and moderate-income households as well as related economic development activities and community service facilities. Awardees utilize financing tools such as loan loss reserves, loan funds, risk-sharing loans, and loan guarantees to produce eligible activities with aggregate costs at least 10 times the size of the award amount.

A minimum of 70% of an awardee’s CMF money must be used for housing. One hundred percent of housing-eligible project costs must be for units for households with income below 120% of the AMI; at least 51% of housing eligible project costs must be for units for households with income below 80% of AMI. If CMF finances rental housing, then at least 20% of the units must be occupied by households with income below 80% of AMI. Maximum rent is fixed at 30% of either 120% AMI, 80% AMI, 50% AMI, or 30% AMI, depending on the household’s income. For example, if an assisted

household has income at 120% AMI, their maximum rent is 30% of 120% AMI. Assisted housing must meet the above affordability requirements for at least 10 years.

As with the national Housing Trust Fund (HTF), funding for the CMF is intended to be provided in part by Fannie Mae and Freddie Mac. Because Fannie Mae and Freddie Mac went into conservatorship soon after the authorizing statute creating those programs became law and the collection of the contributions was suspended, in FY10 the administration requested, and Congress approved, an initial appropriation of \$80 million to capitalize the CMF. Two hundred and thirty CDFIs and nonprofit housing organizations applied, requesting more than \$1 billion. Twenty-three awards were made, which leveraged at least \$1.6 billion for the financing of housing within underserved communities and helped put underserved neighborhoods on the path to recovery and revitalization. There have been no further appropriated funds for the CMF.

The suspension of contributions of assessments on new business of Fannie Mae and Freddie Mac was lifted at the end of 2014 and contributions began January 1, 2015. The FY24 CMF round awarded \$246.3 million to 48 organizations. Additionally, the CDFI Fund made substantial changes to the program last year by updating its regulations. These updates will enhance CMF’s flexibility and reduce Recipient burden, which will improve access to these important resources for affordable housing. Award Recipients are required to leverage their awards with other private and public investment by at least ten to one, guaranteeing that a minimum of \$2.46 billion will be invested in eligible projects across the United States. For the FY24 round, the awardees anticipate that these awards will leverage more than \$6.8 billion in private investment.

The 48 awardees will collectively serve 50 states, the District of Columbia, Guam, and Puerto Rico. In all, 25 awardees (52% of the total awardees) plan to invest a portion of their award dollars in rural areas, with 12 of those organizations planning to invest at least one-fourth of their award dollars in rural areas. Of the total awardees, 25 are Community Development Financial Institutions (CDFIs) and 23 are nonprofit housing organizations.

CDFI HEALTHY FOODS FINANCING INITIATIVE

The CDFI Healthy Food Financing Initiative, launched in 2011 as part of the multi-agency Healthy Food Financing Initiative (HFFI), provides grants to CDFIs focused on developing solutions for increasing access to affordable healthy foods in low-income communities. The HFFI is an interagency initiative involving the Treasury, the U.S. Department of Agriculture, and the U.S. Department of Health and Human Services. HFFI represents the federal government's first coordinated step to eliminate "food deserts" by promoting a wide range of interventions that expand the supply of and demand for nutritious foods, including increasing the distribution of agricultural products, developing and equipping grocery stores, and strengthening producer-to-consumer relationships. The FY25 funding level for the Healthy Food Financing Initiative was \$24 million.

CDFI BOND GUARANTEE PROGRAM

Enacted through the "Small Business Jobs Act of 2010," Treasury may issue up to \$1 billion each year in fully guaranteed bonds to support CDFI lending and investment. Long-term, patient capital such as this is difficult for CDFIs to obtain. The program experienced regulatory delays related to making it cost-neutral to the federal government. To date, the CDFI fund has guaranteed more than \$2 billion in bond loans. The Bond Guarantee Program was funded at \$500 million in FY25.

Authorized uses of the loans financed may include a variety of financial activities, such as: supporting commercial facilities that promote revitalization, community stability, and job creation/retention; community facilities; the provision of basic financial services; housing that is principally affordable to low-income people; businesses that provide jobs for low-income people or are owned by low-income people; and community or economic development in low-income or underserved rural areas. Since the bonds have a minimum size of \$100 million that is larger than most CDFIs can readily invest, groups of CDFIs can put in joint applications.

Small Dollar Loan Program

Enacted through the "Small Business Jobs Act of 2010," the Small Dollar Loan Program is intended to expand consumer access to financial institutions by providing alternatives to high-cost, small dollar lending. The program provides unbanked and underbanked populations a safe alternative to payday lenders and helps build credit, access affordable capital, and allow greater access into the financial system.

The Small Dollar Loan Program provides grants to CDFIs to support two types of eligible activities: Grants for Loan Loss Reserves to cover the losses associated with starting a new small dollar loan program or expanding an existing small dollar loan program, and Grants for Technical Assistance to support technology, staff support, and other activities to establish and maintain a small dollar loan program. Awards cannot exceed \$2,500 per loan; must be repaid in installments; cannot have prepayment penalties; must have payments that are reported to at least one of the consumer credit reporting agencies; and must be underwritten to consider the consumer's ability to repay.

The first round of funding under the Small Dollar Loan Program was awarded in 2021. The CDFI Fund awarded \$18 million in grants to CDFIs through the combined fiscal year FY23 and FY24 round of the Small Dollar Loan Program. For the FY24 SDL Program funding round, a total of 66 Certified CDFIs received awards. The Small Dollar Loan Program was funded at \$9 million in FY25.

Funding

The appropriation for the CDFI Fund in FY25 was \$324 million. The administration's FY26 budget requested \$133 million, a \$191 million decrease from the FY25 enacted level. As of this writing, appropriations subcommittees in both the House (\$276 million) and Senate (\$324 million) have soundly rejected the administration's proposed cuts. This reflects the strong bipartisan support for the Fund in Congress. Applications for CDFI Fund awards consistently exceed the supply of funds. Since 1996, applicants to the CDFI Program have requested more than four times the amount awarded.

Forecast for 2026

Given the fiscally constrained environment, it is good news that the FY25 CDFI Fund appropriation was at a maintained level. But advocates fully expect the Trump administration FY27 budget request once again to propose to cut funding dramatically.

What to Say to Legislators

Advocates should contact members of Congress, especially members of the Senate and House Financial Services and General Government Appropriations Subcommittees, to encourage continued support for at least \$234 million in FY26 and FY27 for the CDFI Fund and an extension of the CDFI Bond Guarantee Program to help meet the demand for financial services and capital in low-income communities.

Finally, CDFIs design innovative products that banks would not offer to close caps in the financial sector, providing homeownership and financial opportunities to underserved individuals and communities. Advocates can play an active role in helping to communicate the proven, positive role of CDFIs in undercapitalized markets.

For More Information

The CDFI Fund, 202-653-0300, <https://www.cdfifund.gov/Pages/default.aspx>

CDFI Coalition, 202-393-5225, www.cdfi.org

Opportunity Finance Network, 215-923-4754, www.ofn.org

Housing Partnership Network, 617-720-1999, <http://www.housingpartnership.net>

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

CHAPTER 10

DISASTER HOUSING RECOVERY, RESEARCH, AND RESILIENCE

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

By Noah Patton, Manager of Disaster Recovery, NLIHC

The Federal Emergency Management Agency (FEMA) leads the federal government's efforts to prepare for potential disasters and to manage the federal response and recovery efforts following any disaster that overwhelms local and state authorities. FEMA provides help to coordinate direct financial and physical assistance to those affected by disasters and is responsible for coordinating government-wide relief efforts. FEMA typically facilitates short-term recovery efforts, while HUD takes on long-term recovery during some disasters. The country's system of disaster response and recovery is very intricate and is a specialized field of its own. It is also fundamentally broken and is critically in need of reform. However, housing organizers and advocates are advised to maintain a general familiarity with their broad concepts, which are described in this article.

A Brief Note on "Natural Disasters"

A disaster occurs when a hazard, defined as a "source of danger that may or may not lead to an emergency or disaster," overwhelms the ability or emergency services in a local government or a region to effectively respond. A hazard created by technology, such as a chemical spill or atomic bomb, is called a "technological hazard," while a hazard created through natural effects, like a tornado, is labeled a "natural hazard." The likelihood that a hazard will lead to a disaster is called "risk."

The term "natural disaster" is a misnomer because a disaster is created by society's inability to sufficiently prepare for and respond to a hazard, even if the hazard is created through nature. Using the term "natural disaster" implies that a disaster was somehow unavoidable or an "act of God," when in fact disasters are created by the culmination of policy makers'

decisions regarding how and where to build homes and businesses, and how to prevent and respond to hazards. Advocates are advised to use the phrase "disaster" alone instead of "natural disaster."

Disaster Response

Whether an "event" (like a house fire or an automobile accident) or a larger-scale incident (like a hurricane, tornado, or a flood), immediate response to an emergency is coordinated and executed by local government agencies that handle emergency services—typically the local police, fire, and emergency medical service personnel. These individuals are supported by local officials and emergency managers.

When a disaster occurs and the local response capability is overwhelmed, the governor of a state, or chief executive of a Tribal nation or a territorial government should request a federal disaster declaration from the federal government requesting the activation of various assistance programs and federal aid. This request will also contain a "Preliminary Damage Assessment" (PDA) that includes data on the direct impacts like the number of damaged homes and needs like infrastructure repair and emergency shelter. After reviewing this assessment, FEMA will make a recommendation to the President to approve or disprove a request. If a request is denied, the requestor can appeal that decision.

Upon the approval of the request, FEMA will appoint a Federal Coordinating Officer (FCO) and begin the deployment of resources and personnel for the requested and approved programs. It is important to note that while FEMA is the lead federal agency involved with disaster response, the response itself is still directed by state and local level emergency management offices and policymakers. The general framework for how federally-supported disaster response occurs and how coordination is facilitated is

laid out in the [National Incident Management System \(https://tr.ee/grxtzP\)](https://tr.ee/grxtzP) (NIMS) while specific tasks are covered by the [National Response Framework \(https://tr.ee/3Gesko\)](https://tr.ee/3Gesko) (NRF).

The primary focus for disaster response is the restoration of “community lifelines.” These include: Safety and Security; Food, Water, Shelter; Health and Medical; Energy (Power & Fuel); Communications; Transportation, and; Hazardous Materials. These seven lifelines represent the most basic services a community relies upon that, when functioning, enables all other activities within a community.

Activities around the restoration of these lifelines are often coordinated via an Emergency Operations Center (EOC). At the federal level, and at many state governments, activities aimed at stabilizing community lifelines are organized via “Emergency Support Functions” (ESFs) outlined in the NRF. These are groups of organizations and agencies that help coordinate work towards a specific goal related to community lifelines. The federal versions of ESFs can be selectively activated by FEMA—it is important to note that FEMA may not activate all ESFs for every disaster. This does not mean that the work is not occurring, but that formal coordination structures may not be needed. There are currently 15 different ESFs identified in the NRF. Pertinent to this guide, is ESF #6—Mass Care, Emergency Assistance, Temporary Housing, and Human Assistance. Multiple activities occur within this ESF—including sheltering, feeding, distribution of emergency supplies, support to individuals with disabilities, reunification services, support to personal support animals, and mass evacuee support. None of these forms of emergency assistance have any eligibility requirements for disaster survivors.

Notable for housing advocates and organizers, the mass care aspect of disaster response is typically facilitated by the American Red Cross (ARC)—which has a federal charter, giving them pseudo-governmental status. In addition to working with FEMA to co-facilitate ESF #6, ARC will work with FEMA and local and state emergency management to facilitate volunteers, donations, and other assistance to support those residing in shelters in the aftermath of the disaster. In addition, other Voluntary Organizations Active in Disasters (VOADs)—

like Team Rubicon, Operation Hope, and faith-specific volunteer organizations—provide assistance to displaced households. They are typically organized via the state or territorial chapter of [National VOAD \(https://tr.ee/PCHJD7\)](https://tr.ee/PCHJD7) (NVOAD).

A NOTE ON MUTUAL AID AND SPONTANEOUS DISASTER VOLUNTEERS

Community-based organizations and concerned individuals have sought to aid disaster-impacted communities outside the structures of emergency management described above. Two forms of this type of assistance deserve mention here: community-based organizations using a mutual aid model, and spontaneous disaster volunteers.

Mutual Aid focuses on providing unconditional assistance directly to impacted individuals in a non-hierarchical, collaborative, manner, that also serve to activate impacted communities against social, economic, or political barriers to meeting their needs. In contrast to a charitable approach, Mutual Aid does not employ means testing or grant stipulations when providing assistance. Employing a non-hierarchical structure, decision making is conducted collectively. It also entails political education, with organization members connecting with the community about how to alleviate community needs. While typically associated with Anarchist theory, with such groups successfully using the strategy during Hurricanes Katrina and Sandy for instance, the method saw broader use during the COVID-19 Pandemic and has become a major style of community disaster response.

Disaster-impacted areas often see an influx of Spontaneous Disaster Volunteers. These are individuals who, seeing the need of disaster survivors via the media or other sources, spontaneously decide to travel to the impacted area to assist. These volunteers, sometimes referred to by Emergency Managers as “Spontaneous Unaffiliated Volunteers” (SUVs) and may have little skills applicable to disaster response nor have the connections necessary to find housing and food in a disaster-impacted area once they arrive. The arrival of these volunteers is sometimes described as “the disaster within the disaster” by officials due to the potential of such volunteers to take up vital resources,

and they are often viewed negatively by Emergency Managers. The broken nature of the country's disaster recovery system means that many feel obligated to assist in meeting disaster survivors' needs. Regardless, advocates and organizers are cautioned to work with existing community-based organizations and refrain from self-deploying.

Disaster Recovery

There is no predetermined time when recovery begins in the aftermath of a disaster. During some disasters, recovery efforts may begin on the day following the disaster, while in others, it may take weeks. Regardless, recovery typically begins once immediate lifesaving activities are complete, and efforts shift from restoring community lifelines to assisting a community in returning to "self-sufficiency." Recovery efforts are typically split-up between "short" and "long-term" recovery.

SHORT-TERM RECOVERY

Short-term recovery has significant overlap with disaster response—the various ESFs described in the *Disaster Response and Recovery* portion of this chapter will largely continue to function throughout this period. Short-term recovery includes the provision of public health services, emergency housing, rebuilding transportation routes, and more. For federally declared disasters, the housing component of short-term recovery is dominated by FEMA's Individual Assistance Program (IA) described in the FEMA portion of this chapter, in addition to other sources of federal and state assistance, as well as philanthropic dollars. Again, as in emergency response, recovery is directed by state and local governments with supplemental assistance from the federal government, however the myriad of regulatory requirements and the amount of federal funding in play mean that federal efforts often take a more prominent role.

Apart from the federal financial assistance programs described later in this chapter, the federal coordination structure of short-term recovery is conducted in line with the [National Disaster Recovery Framework \(https://tr.ee/OkR6IS\)](https://tr.ee/OkR6IS) (NDRF). This framework also lays out the responsibilities of local and state governments within

the recovery framework. The framework establishes six Recovery Support Functions (RSFs)—or a collection of responsibilities and tasks—with regard to recovery: Community Assistance; Economic; Health, Education, and Human Services; Housing; Infrastructure Systems, and; Natural and Cultural Resources. Each RSF serves as the central hub of collaboration between federal, local, state, and non-governmental partners. Ideally, these RSFs will work to create a Recovery Plan and assist local and state partners in executing it.

The housing RSF is coordinated via HUD and is tasked with facilitating collaboration between partners involved in housing support. The RSF provides impacted communities with support, guidance, and helps identify financial resources and tools for the housing recovery plan. Typically, this RSF also works to collect the data necessary to acquire long-term recovery funding from HUD's Community Development Block Grant – Disaster Recovery (CDBG-DR) program described below and the HUD-related section of this chapter.

LONG-TERM RECOVERY

Long-term recovery can last for months and years—even decades—after a disaster occurs. Depending on the impact of the disaster, activities in long-term recovery can be the reconstruction of damaged or destroyed homes, repairing road networks, or the complete redevelopment of housing stock and economic activity within impacted areas.

The long-term recovery process begins with the measurement of impacts and needs compiled by the federal housing RSF described in the above section, as well as a dedicated ESF – ESF #14: Long Term Recovery. This ESF hosts partner agencies and organizations that work to pre-plan for long-term recovery, consulting stakeholders and disaster survivors, and gathering potential funding sources. Even if this specific ESF is not activated in the aftermath of a disaster, state and local officials—including planning and community development departments and agencies—will be pulling together an idea of what long-term recovery will look like for a specific area. They will typically create some form of "long-term recovery plan" to host the data and priorities gathered. FEMA maintains a [self-help guide \(https://tr.ee/9MtpZc\)](https://tr.ee/9MtpZc) for the creation of long-term

recovery plans. It is important to note that this plan will likely be distinct from any action plan submitted in connection with the CDBG-DR program—going beyond what those funds are applicable for and presenting a vision of the long-term recovery of the disaster-impacted community.

A wide range of state and local activities and programs can assist in long-term recovery, whether or not they are purpose built to assist in long-term disaster recovery depending on existing needs. Among federal programs in the latter category, the list is dominated by CDBG-DR-funded programs. As explained in the HUD-related portion of this chapter, CDBG-DR funds are HUD administered but the programs themselves are executed by state and local governments. These can be used in tandem with other sources of community development and affordable housing dollars to facilitate long-term recovery. It is important to note that not every disaster receives CDBG-DR funding in a timely fashion, or at all.

In addition to federal resources, VOADs and local charitable organizations working in the impacted area will sometimes create “Long-Term Recovery Groups” (LTRGs) whose goal is to match philanthropic resources with community needs. These groups can include community leaders, VOAD groups, local nonprofits, state and federal government representatives, community-wide and neighborhood leaders, business and industry partners, disability organizations, faith-based leaders, and other recovery partners. FEMA Voluntary Agency Liaisons (VALs) are often involved and establish supportive longterm relationships with members of the LTRG. These organizations can last from a few months to a few years depending on the level of financial support they have from philanthropic sources. While many disband after a certain point in the recovery process, others adopt a more permanent structure and carry their area-focused mission from one disaster to the next. It is important to note that the makeup of this LTRG denotes what activities they prioritize—some LTRGs may focus exclusively on the lowest-income households, while others may provide assistance to households at higher ends of the income spectrum.

You can learn more about Disaster Recovery in the HUD and FEMA-focused portions of this chapter.

Forecast for 2026

Recovery continues to progress from 2017 - 2024 disasters. While 2024 saw an active Atlantic Hurricane Season, which resulted in multiple landfalling hurricanes, including Hurricane Milton—impacting Florida, and Hurricane Helene which devastated portions of the Southeast and Appalachian regions, including Western NC, Upstate SC, Southern and Eastern Georgia, Southwestern VA, and Eastern TN—the 2025 Season saw no tropical cyclone landfalls in the U.S. However, devastating tornado outbreaks occurred across the central and southern U.S.; extreme flooding occurred in areas across the country, including in the Texas Hill Country with significant loss of life. Typhoon Halong impacted Western Alaska in late 2025, destroying multiple remote villages and displacing a large population of Alaskan Native community members.

Despite the relative lack of major disasters over the year, the country’s disaster response and recovery system experienced a catastrophic 2025. The new administration wasted little time in announcing its intention to “abolish” FEMA as an agency. While this rhetoric has softened over the course of the year, it has been replaced by consistent language regarding the need for states to “pay their share” when it comes to disaster response, recovery, and mitigation. As a result, FEMA has seen its public facing role diminish, the number of Presidential Disaster Declarations drop significantly, and FEMA employees laid off or offered buyouts—significantly reducing the agency’s capacity to respond to disasters. Additional details are available in the FEMA program portion of this chapter. Broadly, advocates should remain aware of this decentralization trend of federal disaster response and recovery systems and begin contemplation around what state level resources may be available to replace or supplement the diminished federal resources in this space.

While staffing levels at HUD have been severely impacted on several fronts, technical assistance around disasters has remained largely stable. However, changes around long-term recovery programs aimed to discourage “climate-conscious” activities—or any activity outwardly projecting “equity” principles—has

complicated long-term recovery efforts. While long-term recovery funds were approved by Congress in late-2024, 2025 has not seen any additional funding – slowing recovery efforts in North Carolina and Southern California. Additional details are available in the HUD Program portion of this chapter.

Legislatively, congressional rhetoric has remained largely skeptical around the wholesale dismantling of FEMA or plans to severely curtail the agency’s ability to respond to disasters. This has not led to any significant pushback from either party on staffing cuts at FEMA or against restrictions on long-term recovery funding at HUD, however.

The largest and most comprehensive piece of legislation focusing on disaster response and recovery reform is the “[Fixing Emergency Management for Americans \(FEMA\) Act of 2025](https://tr.ee/OeZ1LL)” (H.R. 4669) was passed by the House Committee on Transportation and Infrastructure on September 3, 2025 by a vote of 57-3. The bill would reorganize FEMA as an independent agency outside of the Department of Homeland Security (DHS) and institute around a dozen significant reforms to disaster programs recommended by NLIHC and its Disaster Housing Recovery Coalition (DHRC) of more than 900 local, state, and national organizations.

The bill was introduced by Transportation and Infrastructure Committee Chairman Sam Graves (R-MO), Committee Ranking Member Rick Larsen (D-WA), former Economic Development, Public Buildings, and Emergency Management Subcommittee lead Republican Daniel Webster (R-FL); and Economic Development, Public Buildings, and Emergency Management Subcommittee Ranking Member Greg Stanton (D-AZ) and was endorsed by NLIHC. If enacted, the “FEMA Act” would restore the Federal Emergency Management Agency’s (FEMA) status as an independent agency outside of the Department of Homeland Security (DHS) and implement a host of improvements that will help allow the agency to respond faster, fairer, and with increased flexibility to the needs of all disaster survivors across the country. It also contains important reforms to better ensure that disaster survivors—whether they are renters, homeowners, or are experiencing homelessness—can access the assistance they need to

fully recover; all while encouraging states to take greater steps to address their disaster risk.

For More Information

National Low-Income Housing Coalition, 202-662-1530, www.nlihc.org

The NLIHC Disaster Housing Recovery, Research, and Resilience (DHR) Initiative [webpage](https://tr.ee/tyWG3A) (<https://tr.ee/tyWG3A>)

“[Advancing Equity: Strategies, Tactics, and Best Practices for Disaster-Impacted Communities](https://tr.ee/xpbqXT),” (<https://tr.ee/xpbqXT>)—a toolkit covering organizing, communications, legal, and research strategies for advocates and organizers in communities that have experienced or are likely to experience climate change-induced disasters.

“[Resources for Disaster Response, Recovery, and Resilience: A Toolkit for Advocates and Community-Based Organizations](https://tr.ee/yxyjXU),” (<https://tr.ee/yxyjXU>)—a toolkit offering a range of communication tools that advocates can utilize before and after disasters, addressing both short-term and long-term recovery, resilience, and mitigation.

FEMA ASSISTANCE

By Noah Patton, Manager of Disaster Recovery, NLIHC

History

In 1803, a congressional act was passed providing financial assistance to a New Hampshire town that had suffered a large fire—the first example of federal involvement in a local disaster. Until the 1930s, ad hoc legislation was passed in response to hurricanes, earthquakes, floods, and other disasters. When the federal approach to disaster-related events became popular, the Reconstruction Finance Corporation and the Bureau of Public Roads were both given authority to make disaster loans for repair and reconstruction of certain public facilities following an earthquake, and later, other types of disasters. In the 1950's, emergency management efforts were housed primarily within the Department of Defense, a series of White House Civil Defense Offices, and state-level civil defense organizations that primarily focused on preparing the population for an eventual nuclear attack. These civil defense coordinators are considered the first “emergency managers” as we know them today.

By the 1970's, emergency management functions were spread throughout the federal government, with the Department of Housing and Urban Development (HUD) taking responsibility for disaster relief. Following the destructive Hurricane Betsy, Agnes, and the San Fernando Earthquake in 1971, the “Disaster Relief Act of 1974” provided HUD with the most significant authority for disaster response and recovery and firmly established the process of presidential disaster declarations. Still, more than 100 federal agencies remained involved in some aspect of disaster response and recovery.

With no clear federal lead agency in emergency management, state civil defense coordinators and the National Governors Association pushed for the consolidation of emergency management functions into a single agency. Finally, on April 1, 1979, President Jimmy Carter signed Executive Order 12127, merging many of the separate federal disaster-related

responsibilities into the newly created FEMA and ensuring FEMA's director would directly report to the president. Through subsequent decades, FEMA worked to standardize and consolidate emergency management standards and the federal government's response to disasters.

FEMA's role was further standardized by the “[Robert T. Stafford Disaster Relief and Emergency Assistance Act](https://tr.ee/FWiYMd)” (<https://tr.ee/FWiYMd>) (Public Law 100-707), which became law on November 23, 1988. The bill amended the “Disaster Relief Act of 1974” to create the response and recovery system still in place today, through which presidential disaster declaration of an emergency triggers financial and physical assistance through FEMA. The act gives FEMA responsibility for coordinating government-wide relief efforts and provides orderly and systemic federal disaster assistance for state and local governments. Congress' intention was to encourage states and localities to develop comprehensive disaster preparedness plans, prepare for better intergovernmental coordination in the face of a disaster, encourage the use of insurance coverage, and provide federal assistance for disaster-related losses.

As FEMA continued to grow, changes in administrations often resulted in dramatic swings in priorities between preparing for nuclear attack, natural hazards, and after 2001, terrorism. In 2003, FEMA became part of the newly formed Department of Homeland Security (DHS), the FEMA director lost direct access to the President, and many disaster response and recovery authorities were spread to numerous sub-offices in the new agency. DHS sought to utilize remaining FEMA programs to focus on responding to terrorist attacks, and cannibalized FEMA funding to support high-priority programs within DHS. As a result, 75% of available federal emergency management resources were being applied to terrorism-related work. These decisions directly contributed to the failed response to Hurricane Katrina in 2005, which killed over 1,856 people and left tens of thousands displaced and suffering due to an inadequate response by emergency management officials. In response to this well-publicized failure,

Congress passed the “Post-Katrina Emergency Management Reform Act of 2006,” which elevated FEMA within DHS, protected its funding, and returned its direct access to the president.

In the succeeding years, additional reform efforts occurred, typically following a catastrophic event. After Hurricane Sandy struck the Northeastern United States in 2012, President Barack Obama signed the “Sandy Recovery Improvement Act (SRIA) of 2013,” which authorized several significant changes to the way FEMA delivered federal disaster assistance. The “Disaster Recovery Reform Act,” (Public Law 115-254) was signed into law in October 2018, after the destructive 2017 hurricane and wildfire seasons. That act further reformed FEMA, increasing the agency’s pre-disaster planning process and its overall efficiency. Notably, the act changed the factors FEMA considers when advising a president to issue a federal disaster declaration, so that it must consider a disaster-stricken state’s ability to pay for its own recovery along with damage reports and assessments.

FEMA Programs

FEMA may provide disaster victims with low-interest loans, veterans’ benefits, tax refunds, excise tax relief, unemployment benefits, crisis counseling, and free legal assistance. These resources are available once the president grants a governor’s request for Individual Assistance (IA) programs as part of a disaster declaration. Assistance offered by FEMA include:

[Transitional Shelter Assistance \(TSA\)](https://tr.ee/NoB1fw) (<https://tr.ee/NoB1fw>). When requested by the state, territorial, or Tribal Nation impacted by a federally declared disaster, FEMA provides TSA to cover the cost of staying in an approved hotel or motel for an initial period of up to 14 days (which may be extended in 14-day intervals for up to six months if an applicant remains eligible). TSA does not cover additional fees, such as resort fees, that hotels may include in the cost of a room. Some participants in the program have been required to present credit cards before being provided access to rooms, in accordance with an individual hotel’s policy on incidentals. These costs and requirements constitute major barriers to accessing temporary housing under this program.

TSA is funded through the Public Assistance Program, discussed later in this article.

[The Individuals and Households Program \(IHP\)](https://tr.ee/ztNV4U) (<https://tr.ee/ztNV4U>). The Housing Assistance provision of the IHP provides financial and direct assistance for disaster-caused housing needs not covered by insurance or provided by any other source. IHP Assistance lasts for up to 18 months, although the impacted state may request an extension that must be approved by FEMA personnel. To receive IHP housing funds, a disaster survivors’ home must be shown at inspection to be uninhabitable and require repairs to be made habitable or be otherwise inaccessible due to disaster damage. It is important to note that individuals who were experiencing homelessness before a disaster are not eligible for the majority of IHP programs.

Since at least 1995, FEMA’s title requirement has barred many of the lowest-income survivors, including owners of mobile homes and other low-income homeowners who may not have updated title documentation, from receiving the assistance for which they are eligible. Due to pressure from NLIHC and its partners, the agency recently [expanded the list of eligible documentation](https://tr.ee/MaDFbm) (<https://tr.ee/MaDFbm>) permitted to demonstrate that a disaster survivor owns or occupies their home. Applicants in the continental US who reside in mobile home parks can self-certify the ownership of their home as a last resort.

Four types of housing assistance are available under IHP:

1. Temporary housing assistance, which includes:
 - a. *Lodging Expense Reimbursement (LER)*. Financial assistance to reimburse for hotels, motels, or other short-term lodging while an applicant is displaced from their primary residence. Funds are awarded for expenses incurred from the start date of the disaster to seven days following the disaster survivor’s approval for rental assistance. While LER is similar in concept to the TSA program discussed above, program funding is only available to reimburse disaster survivors for short-term lodging costs that already have been paid. As a result, this program is often inaccessible to disaster survivors with lower

incomes, who have less of an ability to pay such expenses up front.

b. *Rental Assistance*. FEMA may provide for 18 months of financial assistance to rent temporary housing. The initial amount is based on the impacted area's Fair Market Rent (FMR) and covers rent plus utilities typically for two months, although it may also be used as a security deposit equal to one month of FMR. Households may seek [Continued Temporary Housing Assistance \(https://tr.ee/K7cJ1L\)](https://tr.ee/K7cJ1L) when alternate housing is not available. Full rental assistance is available for a period of 18 months. FEMA's rental assistance program often is unworkable for low-income survivors because assistance is only provided in two-month increments, and the amount of assistance may not be enough to secure housing.

c. *Direct Temporary Housing Assistance*. FEMA may provide direct housing assistance when disaster survivors are unable to use Rental Assistance due to a lack of available housing resources. The program is open to renters whose primary residence was destroyed and to homeowners whose primary residence suffered damage above \$12 per square foot. Recipients of Direct Temporary Housing Assistance are required to work with a case manager to access alternative permanent housing at the conclusion of the program. Assistance is provided for up to 18 months unless extended at the request of the impacted government and approved by FEMA. Direct Temporary Housing Assistance is not counted toward the IHP maximum award amount and must be specifically requested by the impacted government. Direct Temporary Housing Assistance may include:

- Direct Lease Program, which allows FEMA to lease directly with existing, non-damaged, rental properties for disaster survivors. In recent years, Direct Lease Programs have been unable to serve many households because it has been challenging to recruit landlords to participate.
- Manufactured Housing Units provided by FEMA and made available to use as temporary housing.

- Multi-Family Lease and Repair, which allows FEMA to enter into lease agreements with owners of multi-family rental properties and make repairs to provide temporary housing.
- Permanent or Semi-Permanent Housing Construction, which allows home repair and/or construction services to be provided in insular areas outside the continental U.S. and other locations where no alternative housing resources are available, and where other types of FEMA Housing Assistance are unavailable, infeasible, or not cost effective.

2. [Home repair \(https://tr.ee/UdUZyV\)](https://tr.ee/UdUZyV). These cash grants are available to homeowners for damage not covered by insurance. These grants are intended to repair homes to safe, sanitary, or functional conditions. Grants are not intended to return the home to its pre-disaster condition. However, recent FEMA reforms now permit accessibility features needed due to a disaster-created disability, as well as some home strengthening measures to be added.
3. Home replacement cash grants, available to homeowners to help replace a destroyed home that is not covered by insurance.

[Other Needs Assistance \(ONA\) \(https://tr.ee/lzaahh\)](https://tr.ee/lzaahh): In addition to housing assistance, the IHP includes ONA, which provides financial assistance for disaster-related necessary expenses. State, Tribal, and Territorial governments are required to pay for 25% of ONA costs, while FEMA covers the remaining 75%. Governments can decide to administer the program directly, in tandem with FEMA, or allow FEMA to fully administer the program. FEMA removed the requirement that applicants apply for SBA loans in order to access portions of this program in 2024.

[Displacement Assistance \(https://tr.ee/MTTg59\)](https://tr.ee/MTTg59), FEMA created this new form of assistance in 2024 to increase access to disaster assistance. Displacement assistance is a one-time payment based on the cost of 14 days in a hotel at a rate chosen by the state, territory, or Tribal Nation impacted by the disaster.

[Serious Needs Assistance \(https://tr.ee/iHes7W\)](https://tr.ee/iHes7W), which provides up to \$750 to meet lifesaving or life-sustaining needs such as water, food, first aid, prescriptions, infant formula, diapers, consumable medical supplies and durable medical equipment, and fuel for transportation. It is important to note that there are two forms of Serious Needs Assistance. Expedited Serious Needs Assistance can provide the one-time payment up front to disaster survivors applying from the impacted area. Non-expedited Serious Needs Assistance still require a FEMA inspection finding the home was sufficiently damaged.

Reimbursement for Cleaning and Sanitization Expenses, is available to assist disaster survivors in paying for cleaning and demolding impacted homes to prevent additional damage or potential health and safety concerns.

Reimbursement for Medical, Dental, Childcare, Personal Property, and Transportation Expenses created by the disaster are also available.

Public Assistance (PA): FEMA provides disaster assistance to state, territorial, Tribal, and local governments as well as certain private nonprofits through the PA program. Under the Permanent Work component of Public Assistance, FEMA provides grants to state and local governments to repair roads, bridges, water control facilities, public utilities, public buildings, and parks and recreational facilities (Categories C through G). In addition, PA can be provided to nonprofits to restore damaged facilities, which could include repair funds for public housing agencies. The Emergency Work component of PA aids in the removal of debris and carries out emergency protective measures – which can include emergency mass sheltering (Categories A and B). FEMA generally provides 75% of the cost of PA, requiring the state and subgrantees (for example, counties) to provide the remaining 25%. FEMA has the authority to temporarily modify this cost share ratio under certain circumstances.

While PA funds are typically not able to be utilized for direct housing assistance, the program was used heavily during the COVID-19 pandemic to provide non-congregate sheltering to individuals at risk of death from COVID-19 infection.

Forecast for 2026

Under the previous FEMA administrator, Deanne Criswell, there was a significant effort within the agency to address equity related issues in several FEMA programs and systems. The agency removed significant barriers to federal disaster support for Tribal Nations and worked to improve the authority and visibility of its Office of Disability Integration and Coordination under Director Sherman Gillums, Jr., Ed.D. In addition, the agency released information confirming that FEMA programs had been disproportionately providing less assistance to lower-income households and issued a series of reforms in early 2024 that sought to counteract this effect.

Despite this work, 2025 was not kind to FEMA. After the change in administration, the White House waited little time in announcing its intent to “abolish” FEMA in favor of a system of small, direct, block grants offered to state governments from the White House after particularly severe disasters. While the administration is unable to abolish the agency—its existence is cemented in law—the administration could move to effectively abolish it, by moving programs and responsibilities to other agencies, or starving it of funding. To that end, FEMA lost significant staffing capacity due to early retirement offers provided to federal employees, reassignments, and firings. This dealt the agency, which has experienced significant staffing shortages for years, a significant blow.

Chaotic staffing changes have no spared FEMA leadership. The Agency had 3 separate acting administrators during 2025—none of whom had substantive emergency management experience as required by law. The first acting administrator, Cameron Hamilton, resigned after directly conflicting the administration’s stated desire to dismantle the agency during a congressional hearing in the Spring. David Richardson was next, known for being inaccessible to senior FEMA employees and delivering a fiery initial speech to FEMA employees requesting that they not “stand in the way” of the administration’s plans for the agency; he resigned in November. He was succeeded by Karen Evans, a political appointee serving as senior advisor at FEMA since the summer of 2025.

After the catastrophic Texas Hill Country Floods in July of 2025, the administration softened its rhetoric on the abolishment of FEMA, instead focusing on reform. The FEMA Council, created by President Trump in January of 2025, was tasked with issuing recommendations for the agency, sought to utilize this opening to recommend significant changes to the agency. The council's final report, expected to be released in early December, was subject to extensive editing by DHS. The final report was not released by this writing, however news reports indicated that it contained recommendations to significantly downsize the agency, revert assistance programs to direct grants—both to states and households—and keep the agency's current status as a part of DHS.

While FEMA's programs continue to operate, there has been a significant decrease in the number of deployments conducted by the agency in 2025. Between 1995 and 2024, FEMA issued an [average of 67](https://tr.ee/M1tMzt) (https://tr.ee/M1tMzt) major disaster declarations every year. 2024 saw a significant increase in declarations, with 108 being issued. 2025 saw 49 major disaster declarations—a decrease of over 25% from the average and an over 50% decrease from the year before. Allegations that the administration was considering political factors in the approval of requests have been consistently alleged by states denied declarations.

FEMA has historically operated with relative independence, despite being a subagency of the Department of Homeland Security (DHS). However, DHS expanded its control over agency resources over the course of 2025, with the Acting FEMA Administrator relegated to an internal role—without media appearances, press releases, or briefings that have commonly occurred over the last several decades. This overreach has also impacted FEMA's operations. A policy in place at the time of this writing requires that DHS Kristi Noem personally approve all FEMA expenditures over \$100,000—a relatively small amount of money for an agency tasked with massive disaster response and recovery responsibilities. During the Texas Hill Country Floods in early July of 2025, this requirement was directly blamed for lapse in contracts that resulted in FEMA's national call center being unable to effectively assist survivors of the catastrophic flooding

in applying for the assistance—sending many calls for assistance to voicemail.

If current trends continue, advocates should expect less federal assistance for disasters, less federal declarations for “smaller” disasters, and a decrease in FEMA capacity to respond to incidents they are deployed to.

Legislatively, several NLIHC-endorsed bills are in Congress in 2025. Most notably, the “[Fixing Emergency Management for Americans Act of 2025](https://tr.ee/kJDoQ7)” (https://tr.ee/kJDoQ7) (FEMA Act) (H.R.4669), was introduced by Transportation and Infrastructure Committee Chairman Sam Graves (R-MO), Committee Ranking Member Rick Larsen (D-WA), former Economic Development, Public Buildings, Emergency Management Subcommittee lead Republican Daniel Webster (R-FL), and Economic Development, Public Buildings, and Emergency Management Subcommittee Ranking Member Greg Stanton (D-AZ) in late 2025. If enacted, the bill would restore FEMA's status as an independent agency outside of DHS and implement a host of improvements that will help allow the agency to respond faster, fairer, and with increased flexibility to the needs of all disaster survivors across the country. It also contains important reforms to better ensure that disaster survivors—whether they are renters, homeowners, or are experiencing homelessness—can access the assistance they need to fully recover; all while encouraging states to take greater steps to address their disaster risk. The bill includes [significant reforms](https://tr.ee/l9SwWu) (https://tr.ee/l9SwWu) that members of the Disaster Housing Recovery Coalition have been pushing for nearly a decade. The bill was passed out of the House Transportation and Infrastructure Committee on a bipartisan vote.

The “[Disaster Assistance Simplification Act](https://tr.ee/uCVWbZ)” (https://tr.ee/uCVWbZ) (S.1528) was introduced in 2025 by Senate Homeland Security and Government Affairs Committee Chairman Rand Paul and Ranking Member Gary Peters. The bill would create a universal application system for federal programs, removing the need for disaster survivors to fill out multiple applications to receive assistance from different federal agencies. The bill would also streamline information sharing between federal agencies that maintain disaster recovery programs. The bill was passed by the Homeland

Security and Government Affairs Committee in November of 2025.

The “Housing Survivors of Major Disasters Act” introduced by Congressman Adriano Espaillat (D-NJ) and Senator Elizabeth Warren (D-MA) addresses the requirement that applicants for FEMA disaster assistance provide title documentation to show ownership over disaster damaged property. This requirement constitutes a major barrier to aid for low-income households. People living in manufactured housing such as mobile homes and people with inherited, family-owned property without formal legal documentation—known as “heirs’ property”—often lack access to a clear title. These households are forced into lengthy and expensive legal title clearing procedures before they can be found eligible for FEMA assistance. The “Housing Survivors of Major Disasters Act” would require FEMA to expand the list of documents eligible to prove ownership for the purposes of receiving recovery assistance and require the agency to develop a “declarative form” allowing owners who are unable to procure ownership documents to attest to ownership of their home under penalty of perjury. The [House version \(https://tr.ee/NpdL4R\)](https://tr.ee/NpdL4R) of the bill was introduced in January of 2025 and the Senate version is expected to be introduced before the end of 2025. The bill will continue to be pushed by NLIHC and its congressional partners in 2026.

Additional Resources

[FEMA’s Resource Library for Individual Assistance \(https://tr.ee/AWzinw\)](https://tr.ee/AWzinw)

[FEMA Fact Sheet on Appeals \(https://tr.ee/6Qbma3\)](https://tr.ee/6Qbma3)

[Equal Justice Works National Disaster Attorney Guidebook \(https://tr.ee/sQseCH\)](https://tr.ee/sQseCH)

HUD DISASTER RECOVERY PROGRAMS

Noah Patton, Director of Disaster Recovery, NLIHC

HUD was initially a major player in the world of disaster recovery and response before the creation of the (relatively) unified disaster response and recovery system headed by FEMA. Today, this history is reflected by the agency regularly allocating long-term recovery funding to disaster-impacted areas. HUD also operates several additional programs focused on housing and economic recovery. While common sense would dictate that the agency would have a larger role in the immediate aftermath of disasters given its experience in housing low-income and marginalized households, the agency primarily operates within the long-term recovery space, with a few notable exceptions.

Community Development Block Grant Disaster Recovery (CDBG-DR)

OVERVIEW

CDBG-DR funding is provided for presidentially declared major disasters by appropriations acts and is generally tailored to disasters within a specific date range. To determine how much of the approved funds a state or local government receives, HUD uses a formula that considers damage estimates and disaster recovery needs unmet by other federal disaster assistance programs such as FEMA and the Small Business Administration (SBA). In addition to any requirements cited in the specific appropriation act, the regular CDBG regulations at 24 CFR 570 apply to CDBG-DR funds. However, CDBG-DR appropriations generally grant HUD broad authority to issue waivers and alternative requirements identified in a *Federal Register* notice issued by HUD following the announcement of the appropriation.

CDBG-DR grantees, usually states, must prepare an action plan to assess housing, infrastructure, and economic revitalization needs and then identify activities to address unmet needs. Public participation

in devising the action plan is required. In the regular CDBG program, a minimum 30-day public review and comment period is required. However, in recent CDBG-DR *Federal Register* notices, HUD has reduced the public participation period to a mere 14 days. Advocates stress that more time for public engagement is necessary, especially since the consequences of the final plan will have long-term impacts on low-income households.

The regular CDBG program requires that at least 70% of the funds be used for activities that benefit low- and moderate-income households or those with income at or less than 80% of the area median income. The CDBG-DR *Federal Register* notices regarding funds for the 2017 disasters maintained the 70% low/mod-income benefit requirement; however, most of the major notices between Hurricane Katrina in 2005 and 2016 allowed waivers so that only 50% of the CDBG-DR had to meet the low/mod benefit test. In 2020 FEMA and HUD signed a Memorandum of Understanding that streamlined the use of CDBG-DR funds to pay for portions of FEMA PA projects. Under this new streamlining agreement, only the portion of the project funded directly by HUD CDBG-DR is required to meet CDBG requirements, such as targeting low-income households. Previously, the use of CDBG-DR funding on FEMA PA projects would extend such requirements to the entire project.

Recent *Federal Register* notices have required that at least 80% of the total funds provided to a state address unmet needs within an area designated by HUD as being the most impacted and distressed. They have also required the action plan to propose allocating CDBG-DR to primarily address unmet housing needs and describe how the grantee's program will promote housing for vulnerable populations, including a description of activities to address the housing needs of homeless people and to prevent extremely low-income households from becoming homeless.

Grantees must submit Quarterly Performance Reports (QPRs) using HUD's electronic Disaster Recovery Grant

Reporting System, showing each activity's progress, expenditures, accomplishments, and beneficiary characteristics such as race, ethnicity, and gender.

UNIVERSAL NOTICE AND CURRENT RULES

To streamline the rule making process for CDBG-DR, HUD released a "Universal Notice" covering the program in early January of 2025. This Universal Notice would govern future allocations of disaster funding in a more consistent fashion, while allowing HUD to put in place reforms ensuring that the program would be more efficient and effective.

The changes were [informed \(https://tr.ee/dlGmd2\)](https://tr.ee/dlGmd2) by a Request for Information issued by the agency in the *Federal Register* in early 2023. The released Universal Notice included many of the changes requested by advocates. In particular, the changes include provisions requiring that state and local governments receiving CDBG-DR funds to reduce barriers to accessing funds for historically vulnerable populations, aligning CDBG-DR with other HUD disaster-related programs, requiring the consultation of advocacy organizations during program development, and removing accessibility related components from program award caps.

These changes were short lived. The new administration wasted little time in removing significant sections of the notice and applying the "Personal Responsibility and Work Opportunity Reconciliation Act" to funds provided by the program. Requirements removed included any reference to fair housing and civil rights, historically vulnerable communities, climate change, resilience, homelessness, and the like. Advocates should remain aware that these [rules \(https://tr.ee/BzZ6H3\)](https://tr.ee/BzZ6H3) remain in effect for the program.

OTHER HUD DISASTER-RELATED PROGRAMS

In addition to long-term recovery, HUD operates a number of additional disaster-related programs, complementing FEMA's focus on short-term disaster response and recovery. Unlike FEMA programs, these HUD programs are not for "household-level" assistance—meaning that disaster-impacted households do not apply directly for assistance. Instead, these funds are

distributed to existing housing and homeless service provider organizations, who then expand their programs using those funds.

Disaster Housing Assistance Program (DHAP): The aftermath of Hurricane Katrina in 2005 demonstrated that HUD, not FEMA, was best suited to oversee and administer federal disaster housing assistance to people with the lowest incomes. Congress amended the "Stafford Act" to require the federal government to create a disaster housing plan. In 2009, that plan made clear that HUD should play a key role in creating and operating disaster housing assistance programs and recommended that Congress make the DHAP permanent. The 2011 National Disaster Recovery Framework also recommended that HUD, not FEMA, serve as the coordinating agency for delivering housing assistance. However, before HUD can put a DHAP program in place, FEMA must enter an interagency agreement with HUD. In the wake of recent major disasters, FEMA has resisted working with HUD to stand up DHAP programs.

DHAP has been used after past disasters, including Hurricanes Katrina, Rita, Gustav, Ike, and Sandy, to provide low-income, displaced families with safe, decent, and affordable rental homes while they rebuild their lives and get back on their feet. DHAP is administered through HUD's existing network of local Public Housing Agencies (PHAs), which have significant local market knowledge and experience administering HUD's Housing Choice Voucher program.

DHAP provides displaced households with temporary rental assistance, covering the cost difference between what a family can afford to pay and the cost of rent, capped at a reasonable amount. Over the course of several months, families are required to pay a greater share of their rent to encourage and help them assume full responsibility for housing costs at the end of the program. All families receiving DHAP rental assistance are provided with wrap-around case management services to help them find permanent housing, secure employment, and connect with public benefits.

DHAP helps fill the gaps that low-income households experience with FEMA's Transitional Shelter Assistance (TSA) and Rental Assistance programs. Many hotels do

not participate in TSA, and those that do often charge daily resort fees, ask for security deposits, and require that displaced households have credit cards, all of which are barriers for low-income households. Because disasters generally reduce the amount of available housing stock, low-income renters are often unable to use FEMA Rental Assistance in their communities. If a displaced household relocates, the Rental Assistance amount, which is based on the Fair Market Rent (FMR) of the impacted area, may not be enough to cover the cost of an apartment in a different community.

Rapid Unsheltered Survivor Housing (RUSH): In a major advocacy victory, HUD created the RUSH program during the 2022 Atlantic Hurricane Season to address some of the issues created by the failure to utilize DHAP. In the aftermath of large disasters, the program allocates unused Emergency Solutions Grants (ESG) funding to impacted communities to assist individuals that were experiencing homelessness in the area prior to the disaster and households at risk of homelessness afterward. HUD plans to only deploy these funds after exceptionally large disasters where FEMA TSA has been activated.

Funds can be used for rapid re-housing, which provides up to 24 months of assistance, and financial assistance for moving costs, utilities, supportive services, outreach, and assistance to meet urgent needs of unsheltered individuals. Eligible families are people experiencing homelessness and households paid under 30% of area median income who either live in severe overcrowding, will face eviction within 21 days, or have another risk factor for homelessness.

Federal Housing Administration (FHA): The FHA grants a 90-day moratorium on foreclosures and forbearance on foreclosures of FHA-insured home mortgages. HUD's Section 203(h) program provides FHA insurance to disaster victims who have lost their homes and need to rebuild or buy another home. Borrowers from participating FHA-approved lenders may be eligible for 100% financing. HUD's Section 203(k) loan program enables those who have lost their homes to finance the purchase of or refinance a house along with repairs through a single mortgage. It also allows homeowners who have damaged houses to finance the rehabilitation of their existing single-family home.

Additional Programs: Despite not being directly disaster focused, HUD's other programs have played a role in disaster response and recovery. The Housing Choice Voucher Program has often been used to relocate residents of impacted subsidized housing, Subsidies through the HOME Program have been combined with long-term recovery housing construction, and Emergency Capital Needs funds have been used to assist in repairing Public Housing units impacted by disasters. Advocates should keep in mind that these programs can often be creatively deployed to assist in disaster-related situations.

Forecast for 2026

Broadly, the impact of personnel and administrative funding cuts on HUD's disaster-focused personnel has not been as severe as other sections of the agency. However, cuts to the Fair Housing and Equal Opportunity Office and HUD regional offices have and will continue to impact the agency's ability to conduct oversight over long-term recovery programs and deploy its short-term programs as it has in the past.

Current grantees of CDBG-DR have been working to align their Action Plans and program policies with the new requirements laid out in the late January memo changing program rules in the Universal Notice. The requirements of the notice are designed to be the baseline—states and territories running programs can implement additional policies and procedures that do not run afoul of HUD requirements. This, in theory, should allow grantees to establish equity-related rules and requirements on their own, going above and beyond HUD rules. However, comments from HUD indicate that the agency would be preventing grantees from doing so. For example, when the city of Asheville NC's CDBG-DR released an Action Plan that included a loan program for women and minority owned businesses, HUD Secretary Turner traveled to Asheville to hold a press conference decrying the program as "woke" and indicating that the agency would deny the Action Plan if it was included. As a result, advocates should remain aware and on the lookout for opportunities to creatively steer these limited resources to those most in need of assistance without overt "equity" indicators.

For HUD's short-term recovery programs, the outlook remains unclear. The agency did not issue any RUSH funds in 2025, but this could also be the result of a relatively quiet hurricane season that saw no large tropical cyclones impact the United States. Regardless, advocates should remain aware of these programs' existence and be prepared to request them from HUD if needed.

Apart from the "Reforming Disaster Recovery Act" mentioned below, the most pressing issue regarding HUD's disaster recovery program is funding. While Congress did approve \$100 billion in HUD long-term recovery funding in December of 2024—which provided an initial down payment on Hurricane Helene recovery costs, as well as Hurricane Milton recovery and others, those funds were not available for the Los Angeles wildfires which occurred just one month later. Long-term recovery needs from those fires, as well as additional Hurricane Helene-related needs, will require significant funding allocations to address. Despite the need, Congress failed to address long-term recovery needs in 2025 and, as of this writing, there does not appear to be a path to addressing the issue in the near term.

In addition to the ever-present funding issues, 2025 did see some movement around advancing reforms necessary to improve HUD's long-term recovery programs. The "Reforming Disaster Recovery Act" is a bill to permanently authorize the CDBG-DR Program creates important safeguards and tools to ensure that federal disaster recovery and rebuilding efforts reach all impacted households, including those with the lowest incomes that are often hardest hit by disasters but have the fewest resources. NLIHC continues to strongly support this bill.

The bill has been introduced in multiple congresses with significant bipartisan support. In 2025, the Senate version of the bill was amended onto a package of housing measures, the "ROAD to Housing Act," sponsored by Senate Banking, Housing, and Urban Affairs Committee Chair Tim Scott and Ranking Member Elizabeth Warren. That package was subsequently passed unanimously by the Senate Banking Committee and then amended onto the "National Defense Authorization Act" (NDAA), which then was passed by the entire Senate. Despite this success, opposition

from House Financial Services Chair French Hill led to the bipartisan package not surviving conference negotiations. The bill had been previously passed by the House of Representatives in 2019, and again as part of the NDAA in 2023. The past several HUD administrators—both Democratic and Republican—have supported the move.

Additional Resources

NLIHC Fact Sheet on the CDBG-DR Program (<https://tr.ee/WBY2t5>)

NLIHC Fact Sheet on the "Reforming Disaster Recovery Act" (<https://tr.ee/WE0xHz>)

NLIHC Fact Sheet on the Disaster Housing Assistance Program (<https://tr.ee/bQdCHq>)

NLIHC and NHLP Report on the HUD RUSH Program (<https://tr.ee/PzFiGg>)

HUD Exchange Landing Page for CDBG-DR Programs (<https://tr.ee/5ufM8g>)

HUD Fact Sheet on the RUSH Program (<https://tr.ee/KFudLB>)

OTHER FEDERAL PROGRAMS FOR DISASTER RECOVERY

By Noah Patton, Manager of Disaster Recovery, NLIHC

In addition to programs housed at HUD and FEMA, there are a number of additional programs at other agencies that impact housing.

U.S. Small Business Administration (SBA)

In addition to FEMA assistance, the SBA offers disaster recovery loans to impacted homeowners. These funds can be utilized for home repair and replacement, and a number of other disaster-related uses. It is important to note that these are one of the only types of funds available to owners of non-owner-occupied rental housing, who are not eligible for FEMA assistance.

SBA can provide physical disaster loans to cover uninsured or uncompensated losses of a home or personal property. A homeowner can apply for a loan to repair or rebuild a primary residence to its pre-disaster condition based on the verified losses, and homeowners may apply for up to \$200,000 to repair or replace their home to its pre-disaster condition. The loan amount can increase by as much as 20% to help homeowners rebuild in a manner that protects against damage from future disasters of the same kind, up to the \$200,000 maximum. Both homeowners and renters may apply for loans—up to \$40,000—to replace personal property (anything not considered real estate or part of the structure of the home) lost in a disaster. The interest rate on SBA physical disaster loans depends on the applicant's ability to secure credit from another source. In 2017, applicants unable to obtain credit elsewhere were charged 1.75% interest; for those who could obtain credit elsewhere, the interest rate was 3.5%. The term of loans is often 30 years.

Businesses, including rental property owners and nonprofit organizations, can apply for loans for real estate and personal property loss up to a maximum of \$2 million. In addition, businesses and nonprofits can apply for economic injury loans of up to \$2 million to cover working capital to meet their ordinary financial obligations.

The “Disaster Assistance for Rural Communities Act,” passed in 2022, permitted the SBA to expand when and where it can offer its Disaster Loan Program. Under this new law, the SBA can activate the program on the request of a governor or chief executive of a Tribal government when there is any disaster damaged property in a rural area and where the President has approved the use of FEMA Public Assistance.

U.S. Department of Agriculture

The U.S. Department of Agriculture (USDA) provides loans, grants, and loan servicing options to its loan borrowers and their tenants or grant recipients. It also will adjust Supplemental Nutrition Assistance Program (SNAP) limits to provide greater access to food in disaster-affected areas via its Disaster-Supplemental Nutrition Assistance Program (D-SNAP).

D-SNAP (<https://tr.ee/Cmdi1e>) is approved by USDA's Food and Nutrition Service in areas that receive a presidential disaster declaration that includes FEMA Individual Assistance—when requested by a state. The program has broader eligibility than non-disaster SNAP and households can qualify due to disaster-related expenses like loss of income, property damage, relocation, and more. The program provides the equivalent of one month of SNAP benefits for a household of their size. For households already receiving SNAP, D-SNAP can provide an additional

month of subsidies. Impacted households can apply through the state agency that administers SNAP for a limited amount of time. Approved applicants typically receive benefits within 72 hours of approval.

U.S. Department of Labor

The Department of Labor facilitates the disaster unemployment program, which assists individuals impacted by disasters who are unable to access their place of employment or whose place of employment was destroyed or rendered inoperable. This program provides federal unemployment benefits to those individuals who have previously exhausted their federal benefits prior to the disaster in question. This program is funded through the Department of Labor but facilitated by the applicable state-level agency in charge of unemployment assistance in the area.

In addition to unemployment assistance, the Department of Labor also offers the dislocated worker grant program. That program provides funding to states and other eligible applicants responding to large, unexpected layoff events—including those created by disasters. The funds are used by the impacted jurisdiction to facilitate temporary employment opportunities with clean-up and recovery efforts.

U.S. Department of the Treasury

Congress authorized the Department of the Treasury to provide special Low-Income Housing Tax Credits (LIHTCs) and other tax incentives after recent major disasters without a permanent disaster recovery program in place. In the case of hurricanes Katrina and Rita, the Treasury established Gulf Opportunity (GO) Zone tax credits, GO Zone tax-exempt bonds, and additional New Markets Tax Credits to help rebuild housing. After Superstorm Sandy in 2011, Congress also authorized additional LIHTCs, private activity bonds, and New Markets Tax Credits. The same occurred after the 2018 California wildfire season, with Congress approving additional LIHTC funding to replace

destroyed housing stock.

Revenue Procedure 2014-49 (Rev. Proc. 2014-49) from 2014 provides guidance to owners and state housing finance agencies (HFAs) regarding temporary relief from certain requirements that apply to the LIHTC program. A key provision allows an owner to provide up to twelve months of emergency housing to households that have been displaced by a presidentially declared major disaster. Households are eligible for emergency housing in a LIHTC unit if their home is in an area eligible for FEMA individual assistance.

Unless a property's written policies and procedures provide a preference for households displaced by a presidentially declared disaster, an owner may not skip over households on a waiting list to provide emergency housing. Existing households cannot be displaced to provide emergency housing.

Rev. Proc. 2014-49 relieves an owner and household of providing evidence of income eligibility. All other LIHTC rules apply, however, including LIHTC rent limits. The emergency relief period ends one year after the date the disaster was declared. After that date, displaced households that are not income-eligible under the LIHTC program cannot occupy a unit assisted under the LIHTC program. To provide emergency housing, an owner must request written approval from the HFA.

Additional issues can arise when LIHTC units are damaged by disasters. Owners of LIHTC units knocked out of service by a presidentially declared disaster have a "reasonable period" (defined as 25 months by the IRS) to finish rebuilding to retain their tax-credit status and avoid IRS tax credit recapture. Depending on the level of devastation caused by the disaster, some owners struggle to meet this deadline. Housing providers can petition the IRS for an extension to the 25-month deadline if needed, although such extensions are considered rare. This issue was notably seen in California after the 2018 wildfire season and in the aftermath of Hurricane Harvey in Houston. Advocates and housing providers should remain aware of this deadline and work proactively to avoid a lapse in tax-credit status and possible recapture.

Additional Resources

Small Business Administration Disaster Loan Program
webpage (<https://tr.ee/l8bLoc>)

Department of Agriculture D-SNAP webpage,
(<https://tr.ee/2LNHEo>)

Department of Labor National Dislocated Worker Grants
webpage (<https://tr.ee/f6Dw8n>)

Department of Labor Disaster Unemployment
Assistance webpage (<https://tr.ee/u5gHWV>)

DISASTER RESILIENCE AND MITIGATION

By Meghan Mertyr, NLIHC Disaster Housing Recovery Policy Analyst, and Dori Olson, NLIHC Disaster Housing Recovery Intern

With the growing threat of rising seas and worsening weather, disasters will occur with greater frequency and intensity in more areas in our country. The lowest-income and most marginalized households are often most at risk because government policies have located their homes in high-risk areas, and policymakers have failed to invest in the infrastructure needed to prevent harm. Not only do mitigation and resilience efforts actively reduce risks to life and property, but they can also save money in the long term, lessening the need for expensive, large-scale recovery projects after a disaster. For these investments to have their greatest protective and cost-saving effect, they must be used equitably.

To support this work, NLIHC works to advance housing justice through the disaster housing recovery, resilience, and research (DHR) initiative.

What is Resilience?

The definition of resilience varies in different disciplines, and there is no single definition that is universally accepted. The U.N. Office of Disaster Risk Reduction considers resilience to be “the ability of a system, community, or society exposed to hazards to resist, absorb, accommodate, and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions.”

The concept of “adaption” deals with specific actions taken to shift government systems and the built environment to new ecological and climatological norms. The concept of “mitigation” deals with specific actions taken to directly lessen the impact of specific hazards on systems and the built environment.

In contrast, the term “resilience” is a broader concept—one that deals with the capacity of a society to adapt and mitigate the impact of hazards. As such, the DHR’s “resilience” work focuses on ensuring that communities

and households with low incomes have the capacity and expertise necessary to perform activities that fall within mitigation and adaptation—that in turn lower the risk of their communities to hazards.

Another [distinction](https://www.sciencedirect.com/science/article/abs/pii/S1464286704000105) (<https://www.sciencedirect.com/science/article/abs/pii/S1464286704000105>) is made between “reactive” and “proactive” resilience in response to hazards: A society relying on reactive resilience approaches the future by strengthening the status quo and making the present system resistant to change, whereas one that develops proactive resilience accepts the inevitability of change and tries to create a system capable of adapting to new conditions and imperatives.

While many still approach the concept of resilience by focusing on the physical aspects of a community, we support the ongoing shift in thinking towards a broader view of resilience that doesn’t just consist of physical mitigation and adaption techniques but also a more holistic community-wide view of resilience—including housing and financial factors.

Why this Matters to People with Low Incomes

Low-income communities and communities of color did not choose to place themselves in areas with high hazard risk. Often, these communities were forced into their current location by federal, state, and local policies designed to enforce racial segregation and inequality. More and more low-income households and households of color may be pushed into harm’s way as developers and the housing market overall react to the increasing threat of rising seas and worsening weather. We have already seen raising rents and land prices in low-risk areas. By implementing equitable mitigation strategies as part of a comprehensive plan for environmental justice, policymakers can slow or halt displacement.

Additionally, as federal funding is approved for mitigation projects, some planners and policymakers

may see an opportunity to utilize these funds to expand local tax or revenue streams by investing in wealthier areas that surround the low-income communities who are at a greater risk of disaster damage. This preference for investing in higher-income, majority-white communities and the lack of investment in marginalized communities has occurred repeatedly throughout the country. Instead, mitigation efforts must be directed to areas directly impacted by disasters before focusing on broader mitigation needs.

Above all else, resilience and mitigation goals should focus on bringing marginalized communities up to a basic standard of infrastructure and protection from future disasters. These are often areas where redlining, segregation, and entrenched inequality have prevented substantial investment in infrastructure. It is important that resilience planning accounts for parts of the community that have been ignored by disaster-related planning.

To achieve a resilient community, the mitigation needs of homeowners, renters, and people experiencing homelessness should be equitably addressed. Communities should strive to integrate the affordable housing needs of an area into its mitigation planning and include mitigation needs into affordable housing plans.

Federal Mitigation Programs

FEMA's Hazard Mitigation Assistance (HMA) Program (<https://tr.ee/tmA1OR>): FEMA can provide state, territory, and Tribal governments, along with individuals, with low-interest loans, reimbursement for mitigation activities, and technical and financial assistance. The program aims to “design, build and nurture high-performing teams that promote and deliver risk reduction programs.” Some of these program’s resources are available once the president issues a presidential disaster declaration. Others, with the goal of making communities more resilient before a disaster occurs, don’t require a federal disaster declaration to be activated. Similarly, some of these mitigation funds are allocated on a competitive basis while others are reserved for non-competitive purposes.

Building Resilient Infrastructure and Communities (BRIC) (<https://tr.ee/lzx1Wx>): BRIC funding can be utilized for initiatives that will aid territories, Tribal Nations, states, and local governments in becoming more resilient to extreme weather and disasters. Some BRIC funding is allotted on a competitive basis, and some is reserved for non-competitive uses. Non-competitive funding is meant to address concerns that lower-resourced and more rural communities can’t equitably participate in the competitive grant process. Aligning with the Justice40 Initiative, 40% of the overall benefits of certain federal investments flow to disadvantaged communities that may be overburdened by pollution and under-investment. However, administrative capacity issues, especially in rural areas, can prevent many low-income communities from accessing these funds. Advocates should note that this program was ended under the current administration. The information here is provided for archival purposes.

Flood Mitigation Assistance (<https://tr.ee/9NE3DA>): Targeting buildings that have flood insurance through the **National Flood Insurance Program** (NFIP) (<https://tr.ee/K49ETq>), this program aims to lower or completely eliminate the risk of repetitive flood damage. The Flood Mitigation Assistance Program was created when the **National Flood Insurance Reform Act of 1994** (<https://tr.ee/MxHkbn>) was signed into law. Funded competitively, FEMA decides which communities receive funding based on the mitigation project, eligibility, and cost-effectiveness. If a community accepts funds from the Flood Mitigation Assistance Program, a **hazard mitigation plan** (<https://tr.ee/DIkLyw>) is required.

Flood Mitigation Assistance Swift Current (Swift Current) (<https://tr.ee/POqS6V>): Similarly, the Swift Current program aids property owners who have insurance through the **NFIP** (<https://tr.ee/MX2Nln>) and have a history of repetitive or substantial damage from flooding. Communities can access funding to mitigate their structures and reduce the risk of potential future flood damage. Specifically, funds can be used for property acquisition and structure demolition/relocation, structure elevations, dry floodproofing of historic residential structures or non-residential structures, non-structural retrofitting of existing structures and facilities, mitigation reconstruction, and structural retrofitting of existing structures. These funds

are made available to states, territories, and federally recognized Tribal governments after they receive a presidential disaster declaration in response to a flooding disaster.

Hazard Mitigation Grant Program (HMGP)

(<https://tr.ee/bJjHgM>): In the aftermath of a presidentially declared disaster, state, local, Tribal, and territorial governments can access funding to create hazard mitigation plans and rebuild in ways that mitigate future disaster impacts. Hazard mitigation “includes long-term efforts to reduce risk and the potential impact of future disasters.” The ultimate goal of the HMGP program is to aid communities in rebuilding in a way that makes them even stronger and more resilient than they were prior to the disaster.

To access funding through the HMGP program, a community must develop and enact hazard mitigation plans. Mitigation projects can range from planning and enforcement, flood protection to retrofitting and construction. While homeowners and businesses can’t apply for a grant themselves, local governments can apply on their behalf.

Hazard Mitigation Grant Program (HMGP) Post Fire

(<https://tr.ee/sSWgar>): A subsection of the HMGP program, HMGP Post Fire funds offers communities assistance with mitigation activities in the aftermath of a wildfire disaster. This program is especially necessary as fires can increase the likelihood and severity of “secondary hazards” such as floods, erosion, and mudflows to affected areas. Projects under HMGP Post Fire must be cost effective and require a [Benefit-Cost Analysis \(BCA\)](https://tr.ee/4TYjNI) (<https://tr.ee/4TYjNI>) before implementation. However, FEMA has preapproved three project types that meet these requirements: soil stabilization, flood diversion, and reforestation projects.

HMGP Post Fire began in 2018 and is available to any community that received a Fire Management Assistance Grant (FMAG) declaration because of a wildfire disaster. The program is administered under the same guidelines as the HMGP program; funding is allocated on a county or Tribal level, rather than to individual applications. However, private nonprofits defined under Section 102 of the Stafford Act may function as sub applicants.

Pre-Disaster Mitigation (PDM) grant program

(<https://tr.ee/6n2XmT>): With an eye towards the future, the PDM program provides funds to state, local Tribal, and territorial governments to plan and carry out sustainable, cost-effective mitigation projects in advance of disaster with the goal of reducing harm to communities and minimizing the amount of federal funds that need to be spent recovering from disaster. This program was authorized by Section 203 of the “Stafford Act.” In 2024, the “Further Consolidated Appropriations Act” authorized funding under this program for 110 projects meant to reduce the risk of hazards to communities.

The Safeguarding Tomorrow Revolving Loan Fund (RLF) program

(<https://tr.ee/ZVnIYh>): The RFL Program provides capitalization grants to communities so they can create revolving loan funds for local governments to access mitigation assistance. This program is designed to complement and supplement HMA grant portfolio through low interest loans directly at the local level. This means FEMA will not limit or restrict projects further than preexisting statutes or require a benefit-cost analysis and loans can be used as a non-federal cost match. The Safeguarding Tomorrow RLF prioritizes entity empowerment, innovative funding solutions, equitable access, administrative flexibility, and a simplified grant application process.

The program was created with the Infrastructure Investment and Jobs Act in 2021 and is currently funded through fiscal year 2026. In accordance with the “Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act,” grants are given to states, territories, and Tribes who then award loans to communities with an approved hazard mitigation plan.

Community Disaster Resilience Zones (CDRZ) program:

To ensure disaster resilience reaches communities who need it most, the CDRZ program requires FEMA to identify census tracts most at risk from natural hazards via a natural hazard risk assessment index. Agencies and organizations across the government and private sector would then focus resilience project planning, implementation, and general assistance on these geographical areas. As of November 2024, 754 census tracts across states, territories, and Tribal Nations have been declared as CDRZ. This program was created

via the “[Community Disaster Resilience Zones Act](https://www.congress.gov/bill/117th-congress/senate-bill/3875)” (<https://www.congress.gov/bill/117th-congress/senate-bill/3875>) in 2022, which amended the “Stafford Act” to mandate the use of a risk assessment index. FEMA has removed all information regarding this program from their website, and it is unclear whether this program is operating.

HUD

[Community Development Block Grant Mitigation \(CDBG-MIT\) Program](https://tr.ee/j1X2PX) (<https://tr.ee/j1X2PX>): As part of a new focus on pre-disaster mitigation and preparedness after the destructive 2017 and 2018 hurricane seasons, Congress has begun to appropriate funds under HUD’s CDBG-MIT program. Like CDBG-DR, CDBG-MIT funding is provided for areas that suffered from a presidentially declared disaster and is distributed similarly to CDBG-DR. Program funding is available for mitigation and resiliency projects, defined as activities that reduce the risk to life and property by lessening the impact of a future disaster. These projects are not required to address an existing disaster impact, but rather, areas that are likely to be impacted in the future. Like the CDBG-DR program, CDBG regulations apply to CDBG-MIT funding subject to waivers and alternative requirements released by HUD.

The process for CDBG-MIT grantees is also essentially the same as the CDBG-DR program, with the grantee developing an action plan that outlines the planned use of the funds. The plans are subject to public comment and HUD approval. The program requires a 30-day public participation window and specifies a minimum number of public meetings to be held that correspond to the amount of funding allocated to that state. As this program is relatively new, program guidelines and policies remain in flux.

The Green and Resilient Retrofit Program (GRRP):

Through GRRP, owners of HUD-assisted multifamily buildings can receive subsidies to increase resilience to climate hazards. These direct loans would cover projects to reduce carbon emissions, increase the use of renewable energy and electrification, address air quality concerns, and make properties more energy and water efficient. This program is funded under the “Inflation Reduction Act” and began receiving

applications in 2023. Applications are divided into three sections: Elements Cohort provides gap financing for in progress recapitalization projects, Leading Edge Cohort supports projects in earlier stages of planning, and Comprehensive Cohort plans and funds the project through HUD contractors. HUD ended the Green Resilient Retrofit Program sometime in 2025, removing all references to the program from its website.

Forecast for 2026

We’re at a very critical point in disaster resilience reform. As Hurricanes Helene, the LA Wildfires, and many other destructive events have demonstrated, disasters are getting more intense, happening more frequently, and impacting areas of the country that have never been hit by disasters of this magnitude before. Our reactive thinking about disasters must change to emphasize taking proactive action to ensure our communities can not only rebuild after disaster but rebuild in a way that is stronger and better for the community.

Despite this need, the country’s mitigation and resilience programs were largely paused, rescinded, or removed in 2025. At the start of 2025, the administration quickly removed and paused all programs referring to climate change or equity—a pause that significantly impacted federal resilience and disaster mitigation spending. Even “load bearing” grant programs such as the Emergency Management Performance Grant experienced disruptions throughout the year. Importantly, the BRIC program was quickly ended at the start of the administration. BRIC did not have statutory protection in law and relied on principles set out in the last administration’s Justice40 initiative—proving an easy target for the current administration.

These disruptions were exacerbated by the lack of clear statements around what new policy FEMA was pursuing, with some specific grants being approved, and others denied for unclear reasons. Thanks to quick legal action by states’ Attorneys General, some of the most harmful grant cancellations were stopped—however the impact of ongoing disruptions will be felt for years. Advocates are advised not to assume that grant awards made under these programs will reach these areas and should maintain contingency plans and alternative sources of funds to ensure that projects relying upon them can continue.

CLIMATE CHANGE AND AFFORDABLE HOUSING

By Meghan Mertyr, Disaster Housing Recovery Policy Analyst, NLIHC, and Dori Olson, Disaster Housing Recovery Intern, NLIHC

What is Climate Change?

Climate Change, as [defined](https://www.un.org/en/climatechange/what-is-climate-change) (<https://www.un.org/en/climatechange/what-is-climate-change>) by the United Nations, is the long-term shift in temperature and weather patterns. While some of these changes are natural, in the past few centuries humans have been the main cause behind climate change due to the greenhouse gases generated by burning fossil fuels such as coal, oil, and natural gas. Greenhouse gas emissions have caused global warming at a faster rate than could be produced naturally and has led to the highest global temperatures in the past 100,000 years.

However, climate change is not limited to hotter temperatures; it can also lead to the intensification of disasters. Increased droughts, fires, melting polar ice, floods, and severe storms are all possible effects of climate change, depending on the region. According to the National Oceanic and Atmospheric Administration (NOAA), in 2024 alone there have been 24 confirmed disasters with [losses](https://www.ncei.noaa.gov/access/billions/) (<https://www.ncei.noaa.gov/access/billions/>) exceeding \$1 billion each. Since 1980, the US has been impacted by 400 disasters with overall damages/costs that reached or exceeded \$1 billion. Overall, the cost of these 400 disasters exceeds \$2.785 trillion.

How is Climate Change Impacting Disaster?

As disasters become more common and intense, the effort to mitigate potential harms and increase community resilience is an absolute necessity. People with the lowest incomes and from historically marginalized groups are more likely to be in the path of a disaster as government policies have led

to their homes being located in high-risk areas and policymakers have failed to invest in the infrastructure needed to prevent harm. As a result, these people's homes are more likely to be unsafe, in disrepair, and have much higher energy costs. Their homes are also more likely to be built to less stringent codes and have outdated systems and building materials, which could make them more susceptible to [disasters](https://tr.ee/D3qnhX) (<https://tr.ee/D3qnhX>) compared to newer properties. When homes are in this condition, it is much more difficult for households to take advantage of the few resiliency programs the government does offer to better prepare the community for future disasters.

Compounding these issues, federal funding for flood-mitigation projects are typically based on a cost-benefit analysis that emphasizes property values. This advantages more affluent, and often whiter, communities over harder-to-measure indirect costs, like job loss and displacement that impact communities of color at higher rates. As a result, Black, Latino, and indigenous households are less [likely](https://tr.ee/ZZxMXt) (<https://tr.ee/ZZxMXt>) to benefit from federally funded flood mitigation projects, even after controlling for flood risk. Once again, this leaves them more vulnerable to disasters. Additionally, many marginalized communities are already living with additional challenges before a disaster super-charges pre-existing inequalities.

Even when households with low incomes and from marginalized groups can access resiliency measures, their return on investment is minimal. Black and Hispanic homeowners who benefit from flood mitigation investments receive [smaller](https://tr.ee/XDCR7e) (<https://tr.ee/XDCR7e>) flood buyouts relative to the value of their property, which is driven by systemic racism in the application process, making it more challenging to relocate before the next disaster. Contributing to these disparities, renters and landlords have fewer resources and incentives to [invest](https://tr.ee/04L0Ea) (<https://tr.ee/04L0Ea>) in long-term mitigations to protect their properties.

The need to invest in and build more resilient communities is growing as disasters continue to increase in quantity and severity. In their 2024 Atlantic Hurricane Season Outlook on May 23, the National Oceanic and Atmospheric Administration (NOAA) predicted an “above average” year of hurricane activity. At the close of hurricane season 2024, NOAA [reported](https://tr.ee/5CQzPJ) that this above average prediction was correct, with “record-breaking” storms across the Atlantic basin. Hurricane Beryl was the earliest category-5 hurricane reported in the Atlantic, Hurricane Milton saw the highest rate of rapid intensification ever recorded, and Hurricane Helene was the deadliest hurricane to hit the continental United States since Hurricane Katrina in 2005.

Over the course of 2024, President Biden [issued](https://tr.ee/P6mhjf) 98 major disaster declarations, nearly 30 more than 2023. In addition to catastrophic hurricanes, floods, tornados, and wildfires have swept the country. Rising temperatures (and the growing acknowledgement of extreme heat as a disaster event) have increased the severity of disasters and vulnerability of communities to their effects.

What Does This Mean for Affordable Housing?

CLIMATE REFUGEES

Managed Retreat or Relocation. A growing number of communities are being forced to reckon with the impacts of extreme weather and rising seas. Communities facing existential safety risks from these threats will need to participate in managed retreat. [Managed retreat](https://tr.ee/mHEwOV) (also called Managed Relocation, is the voluntary movement and transition of people and ecosystems away from vulnerable coastal areas. Managed retreat should be an absolute last resort when other mitigation strategies fail. If carried out in an equitable manner, this strategy can protect and even strengthen communities and conserve important local resources. If done without substantial and significant community participation and an emphasis on equity, we risk creating forced climate migration.

Minority and low-income communities are often disproportionately located in disinvested disaster-prone locations due to historic discrimination. Segregated cities often force Black and indigenous households into [environmentally insecure neighborhoods](https://tr.ee/ZNVWj8) with “hazardous land uses” or areas experiencing frequent flooding, as in Kingston, South Carolina. Indigenous Tribes in that area were forced to relocate to less desired areas that were more susceptible to disasters.

Many communities who may need to consider managed retreat in the future have already been affected by past relocation efforts. Such a drastic movement—even when voluntary—can be an emotionally taxing process, especially if a community has intergenerational trauma from forced displacement.

Such an endeavor is also costly. Relocation projects are 150-200% [more expensive](https://tr.ee/NPBEkm) than buyout programs. A number of studies prove that participants in buyout programs often move to places with “[equal or higher climate risk](https://tr.ee/loANn3)” than their current home. Moving under that plan puts financial and emotional burdens on community members but does not mitigate against future damage and costs. Especially for low-income individuals, if relocation is necessary, people deserve to move to places unlikely to be affected by severe weather events, as these programs intend.

While they are not responsible for rising sea levels, indigenous communities often pay the price. For the last decade, indigenous communities from [Louisiana to Alaska](https://tr.ee/b65eMR) have been slowly losing their land due to coastal erosion and permafrost melt. At the same time, these Tribes often cannot qualify for many types of government aid nor have the capacity to directly administer mitigation funding. Despite these challenges, several relocation programs have been implemented in the past several years.

Buyouts. Voluntary buyouts are the [main](https://tr.ee/42WUG8) form of managed retreat in the U.S. and are becoming more prevalent due to the increasing number of disasters. Because the program targets homeowners, low-income renters are almost always left out of this conversation. A buyout occurs when a

government agency—typically a state or local entity—purchases private property, relocates, or demolishes any structures on it, and preserves the land as open space to restore and conserve natural floodplain functions. Both homeowners and landlords can apply for a flood buyout.

Although buyouts remain an important option in the storm recovery toolkit, the model's exclusion of renters of any income makes it difficult to endorse. However, with a broadening of the program to include renter households, along with greater transparency and funding, this program could be a huge asset in getting low- and moderate-income families to safer areas and saving local governments valuable resources.

Buyout programs commonly do not have a requirement that landlords enrolling in a program consult their tenants when participating in and agreeing to take a buyout. This can displace renters already dealing with flooding impacts. Compounding this issue, there is no requirement for renters to receive any relocation assistance, financial counseling, or real estate services from the landlord or the government administering the buyout program. Without this assistance, renters can face even greater housing instability.

Additionally, building more affordable housing is not a component of the buyout program. We already have a housing stock supply shortage, especially when it comes to affordable housing for the lowest-income renters. In the aftermath of a large disaster, what little affordable housing supply that does exist can be damaged or eliminated via the buyout program. When rental properties are bought out and no additional affordable housing is constructed in safer locations, it is even more likely that rent will increase for what little housing supply is left, low-income renters will be displaced, and, in the worst cases, low-income renters will fall into homelessness.

Buyouts are funded by multiple different sources and chief among them is FEMA [grants](https://www.fema.gov/grants/mitigation) (<https://www.fema.gov/grants/mitigation>) including the Hazard Mitigation Grant Program (HMGP), the Flood Mitigation Assistance Program, the Building Resilient Infrastructure and Communities (BRIC) program, and the Pre-Disaster Mitigation (PDM) Program. In particular, the HMGP grant

provides the [majority](https://pmc.ncbi.nlm.nih.gov/articles/PMC6785245/) (<https://pmc.ncbi.nlm.nih.gov/articles/PMC6785245/>) of funding for buyouts in the U.S. (70% of all federal buyouts).

Sadly, these FEMA programs [favor](https://www.tandfonline.com/doi/full/10.1080/10511482.2021.1938172) (<https://www.tandfonline.com/doi/full/10.1080/10511482.2021.1938172>) “single-family homeowners, nuclear households with a single head of household, and those with a clear mortgage, ownership documentation, U.S. citizenship, and the ability to engage in a lengthy, burdensome process.” Thus, once again, leaving renters with the lowest incomes [behind](https://www.tandfonline.com/doi/full/10.1080/17477891.2020.1804819) (<https://www.tandfonline.com/doi/full/10.1080/17477891.2020.1804819>).

CLIMATE GENTRIFICATION

As stated, managed retreat and buyouts can also be used to wipe low-income and marginalized communities off the map. Whereas white, wealthy communities are seen as too valuable to buy out and relocate, disasters can present the perfect opportunity to further marginalize low-income and minority communities.

When disaster survivors can't access funds to rebuild and don't have access to a just and equitable managed retreat process, they stay. As a result, people who cannot afford to pay tens of thousands of dollars to fund their own recovery will either be forced to leave, and risk housing instability, or stay without rebuilding and mitigating. As discussed previously, a large amount of low-income housing units are in disaster-prone areas. Thus, either option, staying or leaving, leaves low-income households vulnerable to future disasters.

Meanwhile, those with the resources to pay for their recovery out of pocket will mitigate and stay regardless, creating a sharp economic divide in the options different families have available to them for stability and safety.

This bias is built into FEMA grants that fund buyouts. In all FEMA grant programs, homes must undergo a cost benefit analysis, creating significant burdens for lower-income households whose homes typically have a lower value.

Any managed retreat plans and buyout processes must also work to create more affordable housing options

in destination communities so that these programs can work as intended to get low-income families out of harm's way and create resilient communities.

DISASTER DAMAGE

Weatherization. As a result of historic disinvestment, low-income households are more likely to be unsafe, in disrepair, have much higher energy costs, and be vulnerable to disasters. The average U.S. household spends about 2.3% of their annual income on energy bills compared to the 8.1% low- and moderate-income households spend. This means that people with low incomes have a much higher energy burden than the average household. Energy bills above 6% of household income are considered a high energy burden, placing these families well above the threshold. Approximately [51% of households](https://docs.nrel.gov/docs/fy24osti/88519.pdf) (<https://docs.nrel.gov/docs/fy24osti/88519.pdf>) with an annual income of \$25,000 or less needed to cut back on basic necessities, such as food or medicine, to pay an energy bill at least once in the prior year.

Home weatherization, the process of making a home more energy efficient with the goal of reducing energy bills and creating safe and healthy homes for families, could change this. Home [weatherization](https://tr.ee/mCdNlb) (<https://tr.ee/mCdNlb>) includes roof repairs, mold remediation, heating and cooling system repairs and upgrades, and more.

When houses are in poor condition, households cannot take advantage of mitigation opportunities that would lower their energy costs and improve resiliency overall. Under current Weatherization Assistance Program (WAP) stipulations, households cannot receive weatherization assistance if their home has significant repair needs. This means many low-income applicants are [deferred](https://tr.ee/KY2Hfz) (<https://tr.ee/KY2Hfz>) because weatherization programs believe that energy retrofits would be ineffective without infrastructure repair.

Households often apply to WAP programs because they cannot afford home improvements on their own. Furthermore, damages that result in WAP deferrals include structural issues, water leaks, and mold—all issues that should be included in weatherization programs. While fixing all of the problems at once

seems like an obvious solution, many current weatherization programs fail to do this.

Current pre-weatherization programs are administered on a state-by-state basis. While some states have effective solutions, often funded through [LIHEAP or local providers](https://tr.ee/yTGRjR) (<https://tr.ee/yTGRjR>), aid opportunities vary across the country.

If low-income individuals were able to receive weatherization assistance, they would receive a wide array of benefits. Not only can [green buildings](https://www.southface.org/the-impact-of-green-affordable-housing/) (<https://www.southface.org/the-impact-of-green-affordable-housing/>) lower utility costs by more than 14%, but improved energy systems can also improve residents' [physical health](https://tr.ee/FJ5fxk) (<https://tr.ee/FJ5fxk>). Children living in homes with gas stoves and other natural gas utilities are more likely to experience asthma. Switching these appliances not only decreases the risk of asthma, but also means the family does not have to pay the medical costs associated with the disease.

Areas with high risk of environmental hazards often contain the most affordable housing options of a region. As extreme weather worsens, these areas will continue to see worse impacts from disasters and hazardous events. Home upgrades, including [resilience measures](https://tr.ee/U9o9n3) (<https://tr.ee/U9o9n3>) such as heavy-duty roofs and property elevation in floodplains, improve the ability of a house to weather a storm. Energy-efficient homes would not only save households money in the short term through reduced energy bills, but also in the long term through mitigation and fewer damage repairs from extreme weather events.

Renewable Energy. Renewable energy is energy created from natural and infinitely replenishable sources like sun, water, and wind. Used to generate electricity, heat and cool houses and water, and for transportation, renewable energy [reduces](https://www.energy.gov/cmei/renewable-energy-pillar) (<https://www.energy.gov/cmei/renewable-energy-pillar>) carbon emissions and air pollution. While adaptation projects are a great defense to extreme weather and sea level rise, we need to start playing offense. Renewable energy is that offense.

Unfortunately, renewable energy hasn't been adequately invested in to benefit our communities. Big corporations and the rich spread misinformation and

purposefully fight investments in renewable energy to preserve their money and power while sacrificing low- and moderate-income communities. Conversely, investing in renewable energy gives us a unique opportunity to reimagine the way we live and how our communities thrive.

Renters with the lowest incomes and those from the most marginalized groups disproportionately feel the effects of the U.S.'s lack of investment in renewable energy. Costly energy bills can result in families being forced to trade off basic necessities or put themselves in unsafe situations. A little [over one-third](https://www.eia.gov/consumption/residential/reports/2015/energybills/) (<https://www.eia.gov/consumption/residential/reports/2015/energybills/>) of all U.S. households have faced a challenge in paying energy bills or sustaining adequate heating and cooling in their home.

Additionally, apartments [consume](https://www.aceee.org/energy-equity-for-renters) (<https://www.aceee.org/energy-equity-for-renters>) 15% more energy per square foot than owner-occupied homes. Low-income households represent a [disproportionate percentage](https://www.osti.gov/servlets/purl/10119240) (<https://www.osti.gov/servlets/purl/10119240>) of renter-occupied housing units—up to 74% in some regions. Rental units often do not utilize energy efficiency strategies, as the landlord would need to pay (or oversee) implementation. While programs can incentivize homeowners into energy efficiency, renters are often unable to make such decisions themselves. Many renewable energy programs also require a steep initial payment. While this investment eventually pays itself off through future savings, low-income households who struggle to pay current monthly bills cannot afford this initial cost.

Environmental Justice. [Environmental racism](https://www.nrdc.org/stories/what-environmental-racism) (<https://www.nrdc.org/stories/what-environmental-racism>) is the pollution and intentional location of waste facilities predominantly in communities of color. More than half (56%) of communities of color are [located](https://tr.ee/qtSYQm) (<https://tr.ee/qtSYQm>) less than two miles from a carcinogenic-producing waste site. These neighborhoods face large financial burdens as they are forced to pay the price of pollution.

Within regions that see increased risk of cancer due to pollutants, disadvantaged and racial minority communities face [disproportionate](https://pmc.ncbi.nlm.nih.gov/articles/PMC3546767/) ([https://pmc.](https://pmc.ncbi.nlm.nih.gov/articles/PMC3546767/)

[ncbi.nlm.nih.gov/articles/PMC3546767/](https://pmc.ncbi.nlm.nih.gov/articles/PMC3546767/)) risk. [Cancer risk](https://tr.ee/YEbQko) (<https://tr.ee/YEbQko>) in predominantly Black communities can reach 105 cases per million people, whereas predominantly white areas average 68 cases per million. Native American communities are disproportionately exposed to uranium mining, which can cause adverse health effects. Residents who could not afford to move away often cannot afford expensive medical treatments, leading to higher mortality rates.

Further, more than 9,000 federally subsidized housing properties are located [within a mile](https://tr.ee/IVOqMq) (<https://tr.ee/IVOqMq>) of Superfund sites. These properties, which can contain hundreds of units and house thousands of low-income individuals, are spread across 49 states and territories. The EPA acknowledges that Superfund sites likely produce adverse health effects, yet neither the EPA nor HUD informs residents when their federal housing units are in proximity to these sites, placing low-income households at risk.

The EPA Superfund program is intended to clean up the hazardous waste sites. However, this process is often quite slow. When the program was introduced, the EPA [estimated](https://www.gao.gov/assets/t-r/ced-98-74.pdf) (<https://www.gao.gov/assets/t-r/ced-98-74.pdf>) sites would be fixed within five years of being identified. Since then, the timeline has expanded to eight years, which is still often an underestimation. The process has been slowed further by [declining](https://tr.ee/w0h9my) (<https://tr.ee/w0h9my>) funding and opposition from chemical companies.

The petrochemical industry tends to focus their [expansion efforts](https://earthjustice.org/feature/cancer-alley-rises-up) (<https://earthjustice.org/feature/cancer-alley-rises-up>) in low-income communities, especially in Appalachia and along the Gulf Coast. While these projects often promise job opportunities to residents, the opportunities tend to be limited, and industry facilities result in significant local health effects from pollution.

Food sovereignty is another aspect of Environmental Justice that disproportionately affects marginalized and often low-income communities. Hawai'i, Puerto Rico, and other US territories get up to 90% of their food imported. However, disasters and major global events can [disrupt](https://tr.ee/6qtbjw) (<https://tr.ee/6qtbjw>) the supply of food to these locations. This lack of food access can not only

pose health risks, but also lead to significant increases in prices, which can pose a large burden to low-income households. Furthermore, many of these areas have the resources and space to become [self-sustaining](https://tr.ee/qhV9Yc) (<https://tr.ee/qhV9Yc>) and produce their own food (as they did before Western influence).

EXTREME HEAT

According to FEMA, extreme heat is a long period (two to three days) of high heat and humidity with temperatures above 90 degrees. Unhoused and housing insecure people are [extremely vulnerable to heat events](https://tr.ee/IJWM6y) (<https://tr.ee/IJWM6y>). If a person does not have reliable shelter, they have no way to be shielded from the elements or keep themselves cool as temperatures rise. Cooling centers, shelters, and supply donations are often unable to keep up as the [number of days over 105°F looks to quadruple](https://tr.ee/KbNLLx) (<https://tr.ee/KbNLLx>) by midcentury.

Historically redlined communities report temperatures up to [13°F higher](https://tr.ee/NE5oll) (<https://tr.ee/NE5oll>) than other neighborhoods in their cities. These neighborhoods have fewer greenspaces with trees and shade cover,

and more heat retaining surfaces like asphalt. This phenomenon is called the micro-urban heat island effect. These neighborhoods experience warmer temperatures than other areas within the same city, and therefore are less desirable to live in. This means that many affordable housing options are located in micro-urban heat islands. Many of the residents of these areas have [low incomes and are people of color](https://www.epa.gov/heatislands/people-and-heat-islands) (<https://www.epa.gov/heatislands/people-and-heat-islands>) and face a [disproportionate energy burden](https://tr.ee/VydZ3T) (<https://tr.ee/VydZ3T>), which is likely to grow as extreme heat events will require more cooling mechanisms.

Low- and moderate-income families are [three times as likely](https://www.osti.gov/servlets/purl/10119240) (<https://www.osti.gov/servlets/purl/10119240>) to live in mobile homes as other households. Mobile homes tend to heat up quickly, and therefore require more energy—and higher energy bills—to stay cool.

In rural communities, affordable housing often uses outdated and inefficient cooling technologies that rely on expensive and higher polluting fuels (<https://tr.ee/Z7UbTO>). As cooling systems become increasingly necessary and utilized, price and pollution will increase, harming households' finances and health.

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

CHAPTER 11

ABOUT NLIHC

MAKE A DIFFERENCE: WAYS TO ENGAGE WITH AND SUPPORT THE COALITION

By Lindsay Duvall, Member Engagement Manager, NLIHC; Benja Reilly, Fund Development Coordinator, NLIHC; Cecily Thomas, Fund Development Coordinator, NLIHC; Kristen Stehling, Fund Development Director, NLIHC

NLIHC provides many opportunities for advocates to stay informed, connect with each other, join the housing justice movement, and support NLIHC's work. Advocates may be involved at varying degrees depending on interest and capacity. Read on to learn about how you can engage with and support NLIHC.

Join the Movement: Become an NLIHC Member

NLIHC is a broad, member-based coalition of committed advocates across the nation. Every single member strengthens NLIHC's advocacy and builds power and momentum for the housing justice movement. Join NLIHC as a member today at: <https://nlihc.org/membership>. Request more information about membership by contacting membership@nlihc.org.

NLIHC membership is open to both individuals and organizations, including tenant and resident associations, government offices and agencies, housing providers and developers, non-profits, public housing authorities, corporations, legal organizations, advocacy coalitions, people with direct experience of housing instability, professionals in the field, and more. Many NLIHC members live on low incomes or small operating budgets, which is why all membership dues are suggested amounts, ensuring members can join or renew at any amount that is affordable to them.

Members join NLIHC to strengthen their advocacy, connect with peers across the country, and add their voice to the housing justice movement. Membership provides access to the following additional benefits:

- NLIHC's weekly e-newsletter and timely calls to action
- 1:1 support from NLIHC staff for federal advocacy
- Premier access and discounted tickets to NLIHC's annual Housing Policy Forum
- Invitations to members-only meetings and trainings
- Access to free trainings on community organizing
- Opportunities to provide feedback on NLIHC's policy and advocacy strategies
- Connection to a wide network of housing advocates across the country
- Recognition for successful advocacy and organizing work
- Discounts on NLIHC publications
- New members are eligible to receive one free hard copy of the *Advocates' Guide* (<https://nlihc.org/explore-issues/publications-research/advocates-guide>)

NLIHC's power to influence policy is rooted in the active engagement of its more than 1,000 members across the country. The broad geographic base and diversity in types of members demonstrate to policymakers the widespread support for NLIHC's mission and priorities. Members' on-the-ground experiences inform NLIHC's policy priorities and strategies and ensure the issues they face are elevated at the federal level. Most importantly, NLIHC members are advocates - the people NLIHC counts on to mobilize their networks, build relationships with elected officials, speak with local media, and reach out to members of Congress about the housing needs of low-income people and the policy solutions that will solve the housing crisis.

Achieving NLIHC's mission is only possible through the creation of a robust, organized, and active coalition of members. Join NLIHC as a member today at: <https://nlihc.org/membership>.

NLIHC Special Membership

NLIHC Special Membership gives organizations premier access and recognition for their commitment to NLIHC. Special Members contribute at least \$5,000 in membership dues. In exchange, they receive five complimentary registrations to NLIHC's Housing Policy Forum enjoy exclusive networking opportunities and receive invitations to private virtual convenings with NLIHC leadership. Special Members are recognized through featured ads, logo placement, and year-round acknowledgment across NLIHC's print and digital channels. Special Members also receive complimentary copies of NLIHC's leading publications—all while enjoying the full suite of regular membership benefits. To learn more about NLIHC Special Membership, please contact development@nlihc.org.

Stay Informed: Email Updates and Publications

Advocates can stay informed about NLIHC and housing policy through [NLIHC emails \(https://tr.ee/vtzL0q\)](https://tr.ee/vtzL0q). NLIHC's weekly newsletter - *Memo to Members and Partners* - gives an overview of relevant legislation, administrative actions, and timely advocacy opportunities. The newsletter also highlights upcoming events, the sector's latest research from NLIHC and others, and success stories from across the country. Subscribers can also receive recaps from NLIHC webinars, campaign-specific information, special event info, and urgent updates and calls to action.

In addition to the *Advocates' Guide*, NLIHC puts out several publications each year, including community and state-level housing research and key tools for advocates.

NLIHC's signature annual research reports are *Out of Reach* and *The Gap*. *The Out of Reach* report documents the intersection of wages and housing costs by calculating the hourly "housing wage" a renter must earn to afford a modest rental home in each community in the United States. *The Gap* report calculates housing shortages and cost burdens for low-income renters, documenting the stark disparities between the needs of

extremely low-income renter households and the number of units that are affordable and available to them, as well as housing cost burdens, at each income level. Advocates often use these reports to educate policymakers and media about the impact of the affordable housing crisis in their communities and to advance policy solutions. NLIHC's research team also produces specialized analyses of other topics, such as housing preservation, disaster recovery, and affordable housing trust funds. Research reports contain extensive state and local data, and NLIHC provides annually updated State Housing Profiles and Congressional District Profiles with detailed state and local affordability statistics.

Another key tool NLIHC provides advocates is the biannual *Tenant Talk* publication. *Tenant Talk*, and its complimentary monthly webinar *Tenant Talk Live*, were created as ways to lower barriers to advocacy for tenants living on an extremely low income. The resident-led Editorial Board of *Tenant Talk* approves the selection of each issue's theme and offers essential input into the publication, ensuring that it addresses the concerns and reflects the experiences of those most directly affected by affordable housing policies. Recent editions of *Tenant Talk* have focused on: navigating federal funding cuts, non-partisan election engagement, disability justice, racial justice, and housing stability for LGBTQ+ individuals. More information on NLIHC's Publications and Research can be found here: <https://nlihc.org/explore-issues/publications-research>.

Learn and Connect: Calls, Webinars, and Working Group Meetings

NLIHC's calls, webinars, and working group meetings create space for housing advocates across the country to learn, strategize, and build their networks. NLIHC's current schedule of calls and working groups can be found at <https://nlihc.org/working-groupcalls>. This schedule includes:

- **National HoUSed Campaign Call for Universal, Stable, Affordable Housing:** The HoUSed campaign advances the anti-racist policies and large-scale, sustained investments and reforms necessary to ensure that

renters with the lowest incomes have an affordable place to call home. The HoUSed call features affordable housing champions from Congress and the executive branch, legislative updates and research briefings from NLIHC staff and other organizations, and field updates from NLIHC members and other state and local partners.

- **The Training Institute for Tenants and Residents Webinar (TITR):** TITR empowers renters with the knowledge, skills, and tools necessary to protect their rights, organize their communities, and influence housing policies. Through training, advocacy, and leadership development, the TITR webinars equip tenants with the resources they need to take meaningful action and create lasting change.
- **Tenant Talk Live Meeting:** Geared towards low-income renters and community leaders, Tenant Talk Live provides opportunities for people with lived experience of housing injustice to connect with NLIHC and one another, to share best practices, and to learn how to influence federal housing policies and lead in their communities.
- **Disaster Housing Recovery Coalition (DHRC) Working Group Meeting:** The working group features updates from DHRC members on disaster recovery efforts from around the country, best practices, and the latest federal changes to the disaster recovery response framework. Working group conversations identify and guide federal policy reform needed to improve FEMA's disaster homelessness and housing recovery efforts.
- **Our Homes, Our Votes (OHOV) Campaign Webinars:** NLIHC's non-partisan voter and candidate engagement campaign offers webinars during federal election years to provide high-level resources, tools, and trainings to NLIHC's broad network that can help boost voter registration and turnout rates among low-income renters.
- **State and Local Tenant Protections Network Working Group Meeting:** This working group convenes a broad range of state and local partners and organizations working to advance, implement, and enforce tenant protections within their jurisdictions, including housing advocates, tenants and tenant leaders, academics, and legal service providers.

- **NLIHC Member Meetings:** Member meetings offer a regular opportunity to connect with the NLIHC staff team, provide input on NLIHC's policy priorities and strategies, gain new skills in advocacy and organizing, and learn what works from a network of peers across the country. Monthly meetings are open to all current NLIHC members, while some meetings and working groups are reserved for State & Tribal Partners, NLIHC Fellows, and other sub-groups of NLIHC's membership. The schedule of member meetings is only available to current NLIHC members.

Take Action: Advocacy Hub

The Advocacy Hub is a one-stop-shop for advocates to learn about and act on NLIHC's federal policy priorities. The Advocacy Hub includes a list of active sign-on letters and calls to action, a wide range of resources and information to support effective advocacy, and opportunities to get connected with NLIHC's advocacy efforts. Visit the Advocacy Hub at <https://nlihc.org/take-action>.

Convene and Advocate: Annual Policy Forum and Capitol Hill Day

The annual NLIHC Housing Policy Forum and Capitol Hill Day convenes community leaders, policy experts, researchers, tenant advocates, affordable housing practitioners, and members of Congress for thought and action partnership on ending the housing crisis impacting the lowest-income and most marginalized renters in America. The Policy Forum also features the recipients of NLIHC's annual Leadership Awards, which celebrates and honors individual leaders and organizations for their outstanding contributions to affordable housing for those most in need. The event concludes with NLIHC's annual Capitol Hill Day, which provides the opportunity for attendees to meet directly with their congressional offices and advocate for federal policies to support the lowest-income renters.

The NLIHC 2026 Housing Policy Forum will be held in Washington, DC, on March 10-13, 2026. Email the NLIHC Events Team with questions at events@nlihc.org.

Support: Donate to NLIHC

NLIHC is unique in that it solely focuses on the housing needs of extremely low-income people, including those who are experiencing homelessness. It represents no segment of the housing or affordable housing industry; rather, it advocates for proven housing solutions that support the lowest-income individuals and families, grounded in the findings of our research reports and our members' input. As a nonprofit organization that does not accept government funding of any kind, it relies on our partners to support us in our work to pursue solutions to housing poverty and homelessness. All contributions directly support NLIHC's efforts to advance racially and socially equitable public policy that ensures people with the lowest incomes have quality homes that are accessible and affordable in communities of their choice.

WHAT CAN YOU DONATE TO NLIHC?

NLIHC is proud to offer a variety of giving opportunities.

- Stocks
- 401(k)/403(b) and Roth IRA Disbursements
- Donor Advised Fund Disbursements
- Estate Gifts
- Cash/Checks made out to the National Low Income Housing Coalition

Note on U.S. H.R 1 Tax Changes for 2026: Starting in 2026, cash donations that surpass \$1k for standard deduction tax filers will no longer yield additional tax savings. However, non-cash assets such as Stocks, Qualified Charitable Distributions (IRA donations), and Donor Advised Fund gifts are not applicable with this deduction cap, and they can further maximize your tax savings.

Are you 70.5 years or older? Give directly from your retirement to maximize your impact and minimize your taxes.

For questions on how to support NLIHC with non-cash assets, email our development team at development@nlihc.org.

YOUR SUPPORT MAKES A DIFFERENCE

Your contributions provide stability and build momentum for the many programs and events that we host each year. Your support makes it possible for the Coalition to take action on our nation's affordable housing crisis and to achieve socially and racially just housing policy, including:

- Critical policy research and analysis publications such as *Out of Reach*, *The Gap*, *Memo to Members and Partners*, *Tenant Talk*, and the *Advocates' Guide*
- Tenant Leader Training
- Subsidized Membership Rates
- Forum sponsorships for low-income renters
- *HoUSed* Campaign
- *Opportunity Starts At Home* (OSAH) Campaign
- Disaster Housing Recovery, Resilience and Research Campaign
- *Our Homes, Our Votes*, a nonpartisan civic engagement campaign
- Regular updates to our member base about the federal budget and appropriations, changing federal regulations, and policy developments

Each contribution makes a meaningful difference. Please donate to NLIHC today at www.nlihc.org/donate.

Contact NLIHC's development team at development@nlihc.org for donation questions or assistance.

NLIHC RESOURCES

By Brooke Schipporeit, Senior Director of Field Strategy and Innovation, NLIHC

In addition to the *Advocates' Guide*, NLIHC offers policymakers, tenant leaders, and other advocates additional resources to learn about affordable housing issues, easily take action on solutions, and get more involved with NLIHC.

Your first point of contact at NLIHC is the Field Strategy & Innovation Team's Housing Advocacy Organizer or Coordinator assigned to your state or region. These Field Team members serve as a direct resource for questions regarding advocacy, data, federal policies, NLIHC membership, and more. They also connect advocates with each other to build power and mobilize when there are key housing issues to be elevated.

Find your Housing Advocacy Organizer or Coordinator at <https://tr.ee/GFQivI> or e-mail outreach@nlihc.org to learn more or to get involved.

Deepen Your Engagement

MEMBERSHIP

NLIHC is a member organization of over 1,000 dues-paying individuals and organizations. Membership dues are annual and pay-what-you-wish. Members receive specialized support from NLIHC staff, exclusive access to strategy and policy feedback discussions, and discounted tickets to NLIHC's annual Housing Policy Forum. Learn more about membership in *Make a Difference* or contact membership@nlihc.org. Join today at www.nlihc.org/membership.

SPACES TO CONNECT FOR TENANTS, RESIDENTS, AND PEOPLE WITH LIVED EXPERIENCE OF HOUSING INSTABILITY & HOMELESSNESS

Tenant Talk and Tenant Talk Live

Tenant Talk is a biannual publication and Tenant Talk Live is a monthly meeting geared toward low-income

renters. This publication and meeting space provide low-income tenants and residents with updates about the policies affecting them, ways to get involved, tips for effective organizing, local tenant victories, and other resources. Tenant Talk is distributed through email and mail. To be added to the mailing list and to view past issues of Tenant Talk, visit <https://tr.ee/ECmxHv>. To sign up for monthly Tenant Talk Live meetings, visit <https://tr.ee/PbjljI>.

The Collective

The Collective is a select group of tenant advocates and community leaders with lived experience of housing instability or homelessness. These individuals lead efforts in their communities to advance housing justice and racial equity. A new cohort of The Collective is selected each year through a formal application process. Cohort members work closely with NLIHC staff during their time in the cohort to advance affordable housing solutions that support the lowest income renters. People who complete a cohort experience with The Collective stay involved with NLIHC through its alumni network. Learn more about The Collective and other tenant resources at <https://nlihc.org/tenant-engagement-and-resources> or contact ideas@nlihc.org for information about the next application process.

Generation Housing Justice

Generation Housing Justice is a new fellowship at NLIHC that equips young adults ages 18 to 24 for involvement and leadership in the national housing justice movement. A new group of fellows is selected through an application process each year. Fellows who complete the program stay involved with NLIHC through its alumni network. Contact the NLIHC Field Team to learn more about Generation Housing Justice at outreach@nlihc.org.

Training Institute for Tenants and Residents

NLIHC's Training Institute for Tenants and Residents launched in 2025 to equip tenants and residents with the knowledge, skills, and tools necessary to protect

their rights, organize their communities, and influence housing policies. Learn more at <https://nlihc.org/training-institute> or contact outreach@nlihc.org.

Events & Webinars

ANNUAL HOUSING POLICY FORUM AND CAPITOL HILL DAY

The annual NLIHC Housing Policy Forum and Capitol Hill Day convenes community leaders, policy experts, researchers, tenant advocates, and more for thought and action partnership to end the affordable housing crisis. The Policy Forum also features the recipients of NLIHC's annual Leadership Awards, which celebrates and honors individual leaders and organizations for their outstanding contributions to making housing more affordable. The event concludes with NLIHC's annual Capitol Hill Day, which provides the opportunity for attendees to meet directly with their congressional offices to advocate for better federal policy. For more information, visit <https://nlihc.org/events> or contact the NLIHC Field Team at outreach@nlihc.org.

Webinars and Working Groups

NLIHC hosts a variety of virtual working groups and webinars, some of which are mentioned in other sections of this article. The best way to learn about the latest offerings is to subscribe to NLIHC's email list at <https://tr.ee/u5d5DZ>.

Research on Affordable Housing Needs

THE GAP

The Gap report is one of NLIHC's annual research publications, and it documents housing shortages and cost burdens for low-income renters in the 50 largest metropolitan areas. The report highlights the stark disparities between the needs of extremely low-income renter households and the number of units that are affordable and available to them.

The report also documents the number of additional affordable and available rental homes that are needed

to meet the needs of the lowest-income renters. *The Gap* is available on NLIHC's website at www.nlihc.org/gap.

OUT OF REACH

NLIHC's other annual research publication, *Out of Reach*, offers a side-by-side comparison of wages and rents for every county, metropolitan area, combined state nonmetropolitan area, and state in the United States. Advocates across the country use this data to show the lack of housing affordability in their communities for households with low-income, including those living on low or minimum wages. For each jurisdiction, the report calculates the Housing Wage, the hourly wage a full-time worker must earn to afford a rental home priced at the area's Fair Market Rent (FMR) without paying more than 30% of their income for rent and essential utilities. The Housing Wage is computed for a range of home sizes. *Out of Reach* is available on NLIHC's website at www.nlihc.org/oor.

Resources for State and Federal Advocacy

HOUSED CAMPAIGN

The national HoUsed campaign works towards long-term, solutions that ensure everyone, including renters with the lowest incomes, has an affordable place to call home. To achieve this goal, NLIHC advocates for all levels of impact—federal, state and local—to bridge the gap between incomes and housing costs, expand and preserve the supply of rental homes, prevent evictions and housing instability, and strengthen and enforce robust renter protections. NLIHC convenes national HoUsed calls twice a month, during which advocates can learn more about efforts to advance housing solutions and how to take action. More information on the HoUsed calls and core pillars can be found at <https://nlihc.org/housed>.

STATE HOUSING PROFILES

NLIHC's State Housing Profiles illustrate the housing needs of low-income renter households for every state. The profiles include visual representations of housing

affordability issues as well as key facts about housing in each state. The profiles can be found at www.nlihc.org/housing-needs-by-state by selecting the state and then clicking on the Resources tab.

CONGRESSIONAL DISTRICT HOUSING PROFILES

NLIHC's Congressional District Housing Profiles offer a snapshot of housing needs for each congressional district in the country. Each profile pulls data from a variety of sources and illuminates several dimensions of housing affordability for renter households in each district, the surrounding area, and the state. The profiles can be found at www.nlihc.org/housing-needs-by-state by selecting the state and then clicking on the Resources tab.

RENTAL HOUSING PROGRAMS DATABASE

NLIHC created the Rental Housing Programs Database (RHPD) to capture the diverse ways state and local governments use their own financial resources to close the gap between available federal funding for rental housing and the unmet needs of renters in their communities. More specifically, the RHPD provides information on state and locally funded programs that create, preserve, or increase access to affordable rental housing. It includes program goals, target populations, tenant eligibility requirements, and other program characteristics. Read a summary of the findings from the 2023 RHPD report *State and Local Investments in Rental Housing* and explore the database at www.nlihc.org/rental-programs.

STATE AND LOCAL TENANT PROTECTIONS DATABASE

The State and Local Tenant Protections Database provides information about protections passed or implemented that have assisted in preventing evictions and keeping renters stably housed. The database tracks state and local tenant protections passed since the onset of COVID-19 as well as specific tenant protections that were in place prior to 2021, such as right to counsel, source-of-income discrimination, eviction record sealing and expungement legislation, anti-rent gouging measures, and just cause eviction laws. The

database also identifies states that have preemption legislation in place. Learn more about the *State and Local Tenant Protections Database* at <https://nlihc.org/tenant-protections>.

NATIONAL HOUSING PRESERVATION DATABASE

NLIHC and the Public and Affordable Housing Research Corporation maintain an online database of nearly all federally assisted multifamily housing in the country. It includes information on properties subsidized by HUD, the USDA, and the Treasury Department. Advocates can use this database to get a clear picture of the stock of subsidized housing in their community and to identify properties that might be at risk of being lost from the affordable housing stock. The National Housing Preservation Database (NHPD) is the only de-duplicated, geo-coded, extractable, national inventory of federally subsidized properties which links a property's subsidies to its main address. The database can be found at www.preservationdatabase.org. Users can also access "Preservation Profiles" on the NHPD website, which provide national and state-level snapshots of preservation needs. The Preservation Profiles are available at <https://tr.ee/dPfNxZ>. An interactive Preservation Dashboard is available at <https://tr.ee/BqnIMU>, where users can access preservation data for states, counties, and congressional districts. For more information on the database, visit www.preservationdatabase.org or email demmanuel@nlihc.org and kmcelwain@pahrc.org.

Opportunities for Non-Housers to Connect on Housing Issues

OPPORTUNITY STARTS AT HOME

The *Opportunity Starts at Home* campaign is a national, long-term, multi-sector campaign to meet the rental housing needs of the low-income people across the country. This campaign recognizes that an affordable home is central to other national priorities like health care, food security, education and more, and works with leaders in these other sectors to advance proven

solutions to ending homelessness and housing instability. Explore how outcomes in other sectors are intertwined with housing and utilize factsheets available to demonstrate this in your own advocacy at www.opportunityhome.org.

DISASTER HOUSING RECOVERY, RESEARCH, AND RESILIENCE

The lowest-income people—including people of color, seniors, people with disabilities, people experiencing homelessness, people with limited English proficiency, and other individuals—are often hardest hit by disasters and have the fewest resources to recover. Despite the clear need, federal efforts frequently leave these survivors without the assistance needed to get back on their feet and their communities less resilient to future disasters. NLIHC aims to reform America's disaster housing framework and advance housing justice through its work on disaster housing recovery, research, and resilience. Learn more at <https://tr.ee/MgrtG8>.

Election Engagement Opportunities

OUR HOMES, OUR VOTES

Our Homes, Our Votes is a non-partisan election engagement campaign to register, educate, and mobilize more low-income renters to vote in elections and to engage candidates on affordable housing issues. *Our Homes, Our Votes* provides tools and training to make it simple for affordable housing advocates to participate in election engagement. Renters, especially low-income renters, are underrepresented among voters. To ensure low-income housing interests are a priority for policymakers, it is critical that organizations engage renters and their allies in the voting process. More information can be found at www.ourhomes-ourvotes.org/.

Get More Involved in State-Level Advocacy

NLIHC STATE AND TRIBAL PARTNERS

State and Tribal Partners are NLIHC's closest advocacy partners. Spanning across 46 states and the District of Columbia, these member organizations are independent housing and homeless advocacy organizations who serve states or particular geographic regions and prioritize advocacy for the lowest-income renters. NLIHC relies on these partners to inform NLIHC's policy priorities and advocacy activities and to educate and mobilize their networks to take action. In return, these organizations receive specialized support from NLIHC. To find a list of State and Tribal Partners or learn more, see *NLIHC State and Tribal Partners* or email outreach@nlihc.org.

Take Action on NLIHC's Federal Policy Priorities

ADVOCACY HUB

The Advocacy Hub is a one-stop-shop for advocates to learn about and take action on NLIHC's federal policy priorities. The Advocacy Hub includes a list of active sign-on letters and calls to action, a wide range of resources and information to support effective advocacy, and opportunities to get connected with NLIHC's advocacy efforts. Visit the Advocacy Hub at <https://nlihc.org/take-action> or contact the Field Team at outreach@nlihc.org.

Stay Informed

EMAILS

Sign up to receive NLIHC emails for the latest federal affordable housing news, calls to action, and NLIHC events at <https://tr.ee/u5d5DZ>.

SOCIAL MEDIA

NLIHC uses social media to share updates with the field on the following platforms:

X: Follow @NLIHC on X for daily updates at www.twitter.com/NLIHC.

Instagram: Follow @nlihc on Instagram for quick snapshots of information at www.instagram.com/nlihc.

Facebook: Like NLIHC on Facebook and get updates on the latest housing news and information at www.facebook.com/NLIHC.

BLOG

Check out NLIHC's blog On the Home Front, which features policy analyses from NLIHC staff, advocacy wins achieved by state and local partners, and guest posts from people directly impacted by housing and homelessness issues. Join the discussion at www.hfront.org.

NLIHC STATE AND TRIBAL PARTNERS

State and Tribal partners are at the heart of NLIHC's work. These partners are nonprofit or nongovernmental organizations, current NLIHC members, and able to mobilize a network of advocates in their region. They collaborate closely with NLIHC to advance its mission and drive advocacy in their region for the lowest-income renters. In return, these organizations receive unique support, including regular forums for networking and knowledge sharing. Six positions on NLIHC's board of directors also are reserved for state or Tribal partners to guide the Coalition's work.

Currently, NLIHC has one Tribal partner in the Northern Plains region and 68 state partners operating in 46 states and the District of Columbia. NLIHC is actively expanding this network and welcomes others interested in joining, especially in areas where official partnership has not yet been established. These areas include Montana, South Dakota, South Carolina, Wyoming, and the U.S. territories. NLIHC also aims to strengthen and grow Tribal housing partnerships beyond the Northern Plains. New partner organizations officially join through a required board-approval process.

Please become an active member or advocate with NLIHC and the partner organizations in your region to strengthen the national housing justice movement. For information about becoming a state or Tribal partner, contact outreach@nlihc.org.

TRIBAL PARTNER - NORTHERN PLAINS

United Native American Housing Association
www.unaha.org
406-676-8449

ALABAMA

Low Income Housing Coalition of Alabama
(c/o Collaborative Solutions)
205-939-0411
www.collaborative-solutions.net

Alabama Arise
334-832-9060
www.alarise.org

ALASKA

Alaska Coalition on Housing and Homelessness
907-523-0660
www.alaskahousing-homeless.org

ARIZONA

Arizona Housing Coalition
602-340-9393
www.azhousingcoalition.org

ARKANSAS

Arkansas Coalition of Housing and Neighborhood Growth for Empowerment
501-558-3102
www.achange.org

CALIFORNIA

California Coalition for Rural Housing
916-443-4448
www.calruralhousing.org

California Housing Partnership
415-433-6804
www.chpc.net

Housing California
916-447-0503
www.housingca.org

Non-Profit Housing Association of Northern California
415-989-8160
www.nonprofithousing.org

Southern California Association of Nonprofit Housing
213-480-1249
www.scanph.org

COLORADO

Colorado Coalition for the Homeless
303-293-2217
www.coloradocoalition.org

Housing Colorado

303-863-0123

www.housingcolorado.org

CONNECTICUT

Partnership for Strong Communities

860-244-0066

www.pschoosing.org

DELAWARE

Housing Alliance Delaware

302-654-0126

www.housingalliancede.org

DISTRICT OF COLUMBIA

The Coalition (formerly Coalition for Nonprofit Housing & Economic Development)

202-745-0902

www.thecoalitiondc.org/

FLORIDA

Florida Housing Coalition, Inc.

850-878-4219

www.flhousing.org

Florida Supportive Housing Coalition

www.fshc.org

GEORGIA

Georgia Advancing Communities Together, Inc.

404-586-0740

www.georgiaact.org

HAWAI'I

Hawai'i Appleseed Center for Law & Economic Justice

808-587-7605

www.hiappleseed.org

IDAHO

Idaho Asset Building Network

208-693-8580

www.idahoassetnetwork.org

ILLINOIS

Housing Action Illinois

312-939-6074

www.housingactionil.org

INDIANA

Prosperity Indiana

317-222-1221

www.prosperityindiana.org

IOWA

Iowa Housing Partnership

515-333-2537

www.iowahousingpartnership.org

KANSAS

Kansas Statewide Homeless Coalition

785-760-4355

www.kshomeless.com

KENTUCKY

Homeless and Housing Coalition of Kentucky

502-223-1834

www.hhck.org

LOUISIANA

Housing Louisiana

504-224-8300

www.housinglouisiana.org

MAINE

Maine Affordable Housing Coalition

207-245-3341

www.mainehousingcoalition.org

MARYLAND

Maryland Affordable Housing Coalition

443-758-6270

www.mdahc.org

Community Development Network of Maryland

www.communitydevelopmentmd.org

443-756-7819

MASSACHUSETTS

Citizens' Housing and Planning Association

617-742-0820

www.chapa.org

MICHIGAN

Community Economic Development Association of Michigan

517-485-3588

www.cedamichigan.org

Michigan Coalition Against Homelessness

517-485-6536

www.mihomeless.org

MINNESOTA

Minnesota Coalition for the Homeless

651-645-7332

www.mnhomelesscoalition.org

Minnesota Housing Partnership

651-649-1710

www.mhponline.org

MISSISSIPPI

Mississippi Center for Justice

601-352-2269

www.mscenterforjustice.org

MISSOURI

Empower Missouri

573-416-0760

www.empowermissouri.org

NEBRASKA

Nebraska Housing Developers Association

402-435-0315

www.housingdevelopers.org

NEVADA

Nevada Housing Coalition

702-706-1544

www.nvhousingcoalition.org

NEW HAMPSHIRE

Housing Action NH

www.housingactionnh.org

NEW JERSEY

Housing and Community Development Network of New Jersey

609-393-3752

www.hcdnnj.org

NEW MEXICO

New Mexico Coalition to End Homelessness

505-982-9000

www.nmceh.org

NEW YORK

Coalition for the Homeless

212-776-2000

www.coalitionforthehomeless.org

Neighborhood Preservation Coalition of New York State

518-432-6757

www.npcnys.org

New York Housing Conference

718-587-0866

www.thenyhcn.org

New York State Rural Housing Coalition

518-458-8696

www.ruralhousing.org

Supportive Housing Network of New York

646-619-9640

www.shnny.org

Tenants & Neighbors

212-608-4320

www.tandn.org

NORTH CAROLINA

North Carolina Coalition to End Homelessness

919-755-4393

www.ncceh.org

North Carolina Housing Coalition

919-881-0707

www.nchousing.org

NORTH DAKOTA

North Dakota Coalition for Homeless People

www.facebook.com/NDCHP

OHIO

Coalition on Homelessness and Housing in Ohio

614-280-1984

www.cohhio.org

OKLAHOMA

Oklahoma Coalition for Affordable Housing

405-406-2721

www.affordablehousingcoalition.org

OREGON

Oregon Housing Alliance c/o Neighborhood Partnerships

503-226-3001

www.oregonhousingalliance.org

Housing Oregon

971-347-8801

www.housingoregon.org

PENNSYLVANIA

Housing Alliance of Pennsylvania

215-576-7044

www.housingalliancepa.org

RHODE ISLAND

Housing Network of Rhode Island

401-721-5680

www.housingnetworkri.org

Rhode Island Coalition to End Homelessness

401-213-5618

www.rihomeless.org

TENNESSEE

Housing for All Tennessee

<https://www.housingforalltn.org/>

TEXAS

Texas Association of Community Development Corporations

512-916-0508

www.tacdc.org

Texas Homeless Network

512-482-8270

www.thn.org

Texas Housers

512-477-8910

www.texashousers.net

UTAH

Utah Housing Coalition

801-364-0077

www.utahhousing.org

VERMONT

Housing & Homelessness Alliance of Vermont

334-322-6729

www.hhav.org

VIRGINIA

Virginia Housing Alliance

804-840-8185

www.vahousingalliance.org

WASHINGTON

Washington Low Income Housing Alliance

206-442-9455

www.wliha.org

WEST VIRGINIA

West Virginia Coalition to End Homelessness

304-842-9522

www.wvceh.org

WISCONSIN

Wisconsin Partnership for Housing Development, Inc.

608-258-5560

www.wphd.org

Wisconsin Community Action Program Association

608-244-4422

www.wiscap.org

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

APPENDICES

LIST OF ABBREVIATED STATUTORY REFERENCES

Section 3, "Housing and Urban Development Act of 1968," 12 U.S.C. 1701u, economic opportunities for low- and very low-income persons.

Section 8, "United States Housing Act of 1937," 42 U.S.C. 1437f, low-income rental housing assistance.

Section 9, "United States Housing Act of 1937," 42 U.S.C. 1437g, funding for public housing.

Section 18, "United States Housing Act of 1937," 42 U.S.C. 1437p, demolition and disposition of public housing.

Section 34, "United States Housing Act of 1937," 42 U.S.C. 1437z-6, Resident Opportunity and Self-Sufficiency (ROSS) Service Coordinators Program.

Section 42, Internal Revenue Code of 1986, 26 U.S.C. 42, low-income housing tax credit.

Section 104(d), Title I, "Housing and Community Development Act of 1974," 42 U.S.C. 5304(d), anti-displacement provisions for Community Development Block Grants (CDBGs) and Home Investment Partnerships.

Section 108, "Housing and Community Development Act of 1974," 42 U.S.C. 5308, CDBG loan guarantees.

Section 202, "Housing Act of 1959," 12 U.S.C. 1701q, housing for the elderly.

Section 203, "National Housing Act," 12 U.S.C. 1709, single-family mortgage insurance.

Section 203k, "National Housing Act," 12 U.S.C. 1709(k), single-family mortgage insurance for rehabilitation.

Section 207, "National Housing Act," 12 U.S.C. 1713, multifamily mortgage insurance.

Section 221, "National Housing Act," 12 U.S.C. 1715, multifamily mortgage insurance.

Section 221(d)(3), "National Housing Act," 12 U.S.C. 1715(d)(3), below-market interest rate rental housing mortgage insurance.

Section 221(d)(4), "National Housing Act," 12 U.S.C. 1715(d)(4), mortgage insurance refinancing.

Section 221(g)(4), "National Housing Act," 12 U.S.C. 1715(g)(4), assignment of mortgages to HUD.

Section 223(a)(7), "National Housing Act," 12 U.S.C. 1715n(a)(7), insurance for refinancing.

Section 223(d), "National Housing Act," 12 U.S.C. 1715n(d), insurance for multifamily operating loss loans.

Section 223(f), "National Housing Act," 12 U.S.C. 1715n(f), mortgage insurance for multifamily refinancing.

Section 231, "National Housing Act," 12 U.S.C. 1715v, mortgage insurance for elderly and handicapped rental housing.

Section 235, "National Housing Act," 12 U.S.C. 1715z, home mortgage interest reduction payments.

Section 236, "National Housing Act," 12 U.S.C. 1715z-1, rental and cooperative housing interest reduction payments.

Section 241, "National Housing Act," 12 U.S.C. 1715z-6, multifamily supplemental loans.

Section 502, "Housing Act of 1949," 42 U.S.C. 1472, rural, direct, and guaranteed single-family housing loans.

Section 504, "Housing Act of 1949," 42 U.S.C. 1474, rural, very low-income home repair loans and grants.

Section 504, "Rehabilitation Act of 1973," 29 U.S.C. 794, prohibits disability discrimination, requires accessibility standards.

Section 514, “Housing Act of 1949,” 42 U.S.C. 1484, farm labor housing loans.

Section 515, “Housing Act of 1949,” 42 U.S.C. 1485, rural rental and cooperative housing.

Section 516, “Housing Act of 1949,” 42 U.S.C. 1486, farm labor housing grants.

Section 521, “Housing Act of 1949,” 42 U.S.C. 1490a, rural rental assistance.

Section 533, “Housing Act of 1949,” 42 U.S.C. 1490m, rural housing preservation grants.

Section 538, “Housing Act of 1949,” 42 U.S.C. 1490p-2, guaranteed rural rental housing loans.

Section 811, “Cranston-Gonzalez National Affordable Housing Act,” 42 U.S.C. 8013, supportive housing for persons with disabilities.

Section 1338, “Federal Housing Enterprises Financial Safety and Soundness Act of 1992,” 12 U.S.C. 4568, Housing Trust Fund program.

Division M, “Consolidated Appropriations Act of 2021,” P.L. 116-260, Coronavirus supplemental appropriations.

Subtitle B, Title III, “American Rescue Plan Act,” P.L. 117-2, 135 Stat. 4, Housing Provisions. Subtitle B, Title IV, “McKinney-Vento Homeless Assistance Act,” 42 U.S.C. 11371-11378, Emergency Solutions Grant program.

Subtitle C, Title IV, “McKinney-Vento Homeless Assistance Act,” 42 U.S.C. 11381-11389, Continuum of Care program.

Subtitle D, Title VIII, “Cranston-Gonzalez National Affordable Housing Act,” 42 U.S.C. 12901, AIDS Housing Opportunity Act and Housing Opportunities for Persons With AIDS (HOPWA) program.

Subtitle I, Title 34, “Violence Against Women Act,” 42 U.S.C. 140432e-11, establishes VAWA housing protections in many HUD programs for survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking.

Title II, “Americans with Disabilities Act of 1990,” 42 U.S.C. 12131-12165, prohibits discrimination based

on disabilities in programs or activities made available by public entities, including HUD’s housing, housing assistance, and housing referrals.

Title V, “McKinney-Vento Homeless Assistance Act,” 42 U.S.C. 11411-11412, excess federal properties available to assist the homeless.

Title VIII of the “Civil Rights Act of 1968” (Fair Housing Act), 42 U.S.C. 3601-19, prohibits discrimination in the sale, rental, and financing of dwellings on the basis of race, color, religion, sex (including gender identity and sexual orientation), familial status, national origin, and disability.

Title XII, “Coronavirus Aid, Relief, and Economic Security Act,” P.L. 116-136, 134 Stat. 281, additional housing and homelessness resources to help communities respond to the coronavirus pandemic.

SELECT LIST OF MAJOR HOUSING AND HOUSING-RELATED LAWS

"Age Discrimination Act of 1975," P.L. 101-336.

"AIDS Housing Opportunity Act" (Housing Opportunities for Persons with AIDS), title VIII, subtitle D of the "Cranston-Gonzalez National Affordable Housing Act," P.L. 101-625, 104 Stat. 4079.

"Americans with Disabilities Act of 1990," P.L. 110-325.

"American Rescue Plan Act," P.L. 117-2.

"American Recovery and Reinvestment Act of 2009," P.L. 111-5, 123 Stat. 115.

"Civil Rights Act of 1964," P.L. 88-352, 78 Stat. 241.

"Coronavirus Aid, Relief, and Economic Security Act," P.L. 116-136, 134 Stat. 281

"Fair Housing Act," title VIII, "Civil Rights Act of 1968," P.L. 90-284, 82 Stat. 81.

"Cranston-Gonzalez National Affordable Housing Act," P.L. 101-625, 104 Stat. 4079.

"Department of Housing and Urban Development Act," P.L. 89-117, 79 Stat. 667.

"Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010," P.L. 111-203, 124 Stat. 1376.

"Emergency Low-Income Housing Preservation Act of 1987" (ELIHPA), P.L. 100-242, 101 Stat. 1877.

"Frank Melville Supportive Housing Investment Act of 2010," P.L. 111-374.

"HOME Investment Partnerships Act," title II, "Cranston-Gonzalez National Affordable Housing Act," P.L. 101-625, 104 Stat. 4079.

"Home Mortgage Disclosure Act," P.L. 94-200, 89 Stat. 1125.

"Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009," Division B.

"Helping Families Save Their Homes Act of 2009," P.L. 111-222, 123 Stat. 1633.

"Housing Act of 1949," P.L. 81-171, 63 Stat. 413.

"Housing Act of 1959," P.L. 86-372, 73 Stat. 654.

"Housing and Community Development Act of 1974," P.L. 93-383, 88 Stat. 633.

"Housing and Community Development Act of 1987," P.L. 100-242, 101 Stat. 1815.

"Housing and Community Development Act of 1992," P.L. 102-550, 106 Stat. 3672.

"Housing and Economic Recovery Act of 2008," P.L. 110-289, 122 Stat. 2654.

"Housing and Urban Development Act of 1965," P.L. 89-117, 79 Stat. 451.

"Housing and Urban Development Act of 1968," P.L. 90-448, 82 Stat. 476.

"Housing and Urban Development Reform Act of 1989," P.L. 101-235, 103 Stat. 1987.

"Housing and Urban-Rural Recovery Act of 1983," P.L. 98-181, 97 Stat. 1153.

"Housing Opportunity Through Modernization Act of 2016," P.L. 114-201, 130 Stat. 782.

"Lead-Based Paint Poisoning Prevention Act," P.L. 91-695, 84 Stat. 2078.

"Low Income Housing Preservation and Resident Homeownership Act of 1990," P.L. 101-625, 104 Stat. 4249.

"Multifamily Assistance and Housing Reform and Affordability Act of 1997," P.L. 105-65, 111 Stat. 1384.

"Multifamily Housing Property Disposition Reform Act of 1994," P.L. 103-233, 108 Stat. 342.

"National Housing Act," P.L. 73-479, 48 Stat. 1246.

National Housing Trust Fund, §1338 to the "Federal Housing Enterprises Financial Safety and Soundness Act of 1992," P.L. 102-550, as amended by §1131 of the "Housing and Economic Recovery Act of 2008," P.L. 110-289, 122 Stat. 2654.

"One Big Beautiful Bill Act," P.L. 119-21, Subchapter C, "Permanent Investments in Community Development," Sec. 70422, "Permanent enhancement of the low-income housing tax credit."

"Protecting Tenants at Foreclosure Act," Division A, title VII, "Helping Families Save Their Homes Act of 2009," P.L. 111-22, 123 Stat. 1633.

"Quality Housing and Work Responsibility Act of 1998," P.L. 105-276, 112 Stat. 2461.

"Rehabilitation Act of 1973," P.L. 93-112, 87 Stat. 355.

Section 202 "Supportive Housing for the Elderly Act of 2010," P.L. 111-372, 124 Stat. 4077.

"Stafford Disaster Relief and Emergency Assistance Act," P.L. 100-707, 102 Stat. 4689.

"Stewart B. McKinney Homeless Assistance Act," P.L. 100-77, 101 Stat. 482.

Supportive Housing for Persons with Disabilities, Section 811, "Cranston-Gonzalez National Affordable Housing Act," P.L. 101-625, 104 Stat. 4079.

"Uniform Relocation Act," P.L. 91-644, 84 Stat. 1895.

"United States Housing Act of 1937," P.L. 75-412, 50 Stat. 888.

"Violence Against Women Act," P.L. 109-162, 119 Stat. 2960.

"Violence Against Women Reauthorization Act of 2013," P.L. 113-4, 127 Stat. 54.

"Violence Against Women Reauthorization Act of 2022," enacted as part of the "Consolidated Appropriations Act of 2022," P.L. 117-103 Stat. 840.

GLOSSARY

ADVANCE APPROPRIATION. Budget authority or appropriation that becomes available in one or more fiscal years after the fiscal year for which the appropriation was enacted. For example, an advance appropriation in the “FY25 Appropriations Act” would become available for programs in FY26 or beyond. The amount is not included in the budget totals of the year for which the appropriation act is enacted but rather in those for the fiscal year in which the amount will become available for obligation.

AFFORDABLE HOUSING. Housing that costs an owner or renter no more than 30% of household income.

AMORTIZE. Decrease an amount gradually or in installments, especially to write off an expenditure or liquidate a debt.

AFFORDABLE HOUSING PROGRAM (AHP). A program of the Federal Home Loan Bank system, AHP provides subsidized cash advances to member institutions to permit them to make below-market loans for eligible housing activities.

ANNUAL ADJUSTMENT FACTOR. The mechanism for adjusting rents in certain types of Section 8-assisted properties, including Section 8 New Construction/ Substantial Rehab. HUD publishes annual percentage factors by unit type and region.

“ANTI-DEFICIENCY ACT.” A federal law forbidding federal employees from spending money or incurring obligations that have not been provided for in an appropriation.

APPROPRIATION. A provision of law providing budget authority that enables an agency to incur obligations and to make payments out of the U.S. Department of the Treasury for specified purposes. Non-entitlement programs are funded through annual appropriations.

AREA MEDIAN INCOME (AMI). The midpoint in the income distribution within a specific geographic area. By definition, 50% of households, families, or individuals earn less than the median income, and 50% earn more. HUD calculates family AMI levels for different

communities annually, with adjustments for family size. AMI is used to determine the eligibility of applicants for both federally and locally funded housing programs.

ASSISTED HOUSING. Housing where the monthly costs to the tenant are subsidized by federal or other programs.

AUTHORIZATION. Legislation that establishes or continues operation of a federal program or agency either indefinitely or for a specific period, or that sanctions a particular type of obligation or expenditure within a program.

BELOW MARKET INTEREST RATE (BMIR). See Section 221(d)(3) BMIR.

BLOCK GRANTS. Grants made by the federal government on a formula basis, usually to a state or local government.

BORROWING AUTHORITY. The authority to incur indebtedness for which the federal government is liable, which is granted in advance of the provision of appropriations to repay such debts. Borrowing authority may take the form of authority to borrow from Treasury or authority to borrow from the public by means of the sale of federal agency obligations. Borrowing authority is not an appropriation since it provides a federal agency only with the authority to incur a debt, and not the authority to make payments from Treasury under the debt. Appropriations are required to liquidate the borrowing authority.

BROOKE RULE. Federal housing policy that limits a tenant’s contribution to rent in public housing and under the Section 8 program to 30% of income. This amount is considered the maximum that one should have to pay for rent without becoming ‘burdened.’ The rule is based on an amendment sponsored by then Senator Edward Brooke (R-MA) to the public housing program in 1971. The original Brooke amendment limited tenant contributions to 25%. The limit was increased from 25% to 30% in 1981.

BUDGET AUTHORITY. The legal authority to enter into obligations that will result in immediate or future outlays of federal funds. Budget authority is provided in appropriations acts.

“BUDGET ENFORCEMENT ACT” (BEA). An expired 1990 act of Congress credited in part with creating a budget surplus by establishing limits on discretionary spending, maximum deficit amounts, pay-as-you-go rules for revenue and direct spending, new credit budgeting procedures, and other changes in budget practices. Congress has debated the re-establishment of pay-as-you-go rules and whether such rules should apply to both spending and taxation or only to spending.

BUDGET RESOLUTION. A concurrent resolution passed by both houses of Congress that does not require the signature of the president. The budget resolution sets forth various budget totals and functional allocations and may include reconciliation instructions to specific House or Senate committees.

COLONIAS. The rural, mostly unincorporated communities located in California, Arizona, New Mexico, and Texas along the U.S.-Mexico border. Colonias are characterized by high poverty rates and substandard living conditions and are defined primarily by what they lack, such as potable drinking water, water and wastewater systems, paved streets, and standard mortgage financing.

COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO). A federally defined type of nonprofit housing provider that must receive a minimum of 15% of all federal HOME Investment Partnership Funds.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG). The annual formula grants administered by HUD that are distributed to states, cities with populations of 50,000 or more and counties with populations of 200,000 or more. CDBG funds are to be used for housing and community development activities, principally benefiting low- and moderate-income people. The CDBG program is authorized by Title I of the “Housing and Community Development Act of 1974.”

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RECOVERY (CDBG-DR). Funding provided to communities for long-term disaster recovery efforts. Administered by HUD, CDBG-DR is not permanently authorized, which slows the delivery of aid to communities.

COMMUNITY DEVELOPMENT CORPORATIONS (CDCs). Nonprofit, community-based organizations that work to revitalize the neighborhoods in which they are located by building and rehabilitating housing, providing services, developing community facilities, and promoting or undertaking economic development.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION (CDFI). A specialized financial institution that works in market niches that have not been adequately served by traditional financial institutions. CDFIs provide a wide range of financial products and services, including mortgage financing, commercial loans, financing for community facilities, and financial services needed by low-income households. Some CDFIs also provide technical assistance. To be certified as a CDFI by the CDFI Fund of Treasury, an institution must engage in community development, serve a targeted population, provide financing, have community representatives on its board, and be a non-governmental organization.

“COMMUNITY REINVESTMENT ACT” (CRA). The act prohibits lending institutions from discriminating against low- and moderate-income and minority neighborhoods. CRA also imposes an affirmative obligation on banks to serve these communities. Banks must proactively assess community needs, conduct marketing and outreach campaigns in all communities, and consult with community stakeholders in developing financing options for affordable housing and economic development activities. CRA has formal mechanisms for banks and regulators to seriously consider community needs and input. Community members can comment at any time on a bank’s CRA performance in a formal or informal manner. When federal agencies conduct CRA examinations of banks’ lending, investing, and service activities in low- and moderate-income communities, federal agencies are required to consider the comments of members of the public concerning bank

performance. Likewise, federal agencies are required to consider public comments when deciding whether to approve a bank's application to merge or open and relocate branches.

CONGRESSIONAL BUDGET OFFICE (CBO). An organization created by Congress that provides staff assistance to Congress on the federal budget.

CONSOLIDATED PLAN (ConPlan). The ConPlan merges into one process and one document all the planning and application requirements of four HUD block grants: Community Development Block Grants (CDBG), HOME Investment Partnerships, Emergency Solutions Grants (ESG), and Housing Opportunities for Persons With AIDS (HOPWA) grants.

CONTINUING RESOLUTION (CR). A spending bill that provides funds for government operations for a short period of time until Congress and the president agree on an appropriations bill.

"Coronavirus Aid, Relief, and Economic Security Act (CARES Act)." A Federal relief bill passed in March 2020 in response to the coronavirus pandemic. The "CARES Act" provided roughly \$2 trillion in assistance to individuals, businesses, state and local governments, healthcare systems, and safety net programs.

Coronavirus Relief Funds (CRF). Emergency funds passed in the "CARES Act" providing \$150 billion to state, local, territorial, and tribal governments to address to coronavirus-related needs.

CREDIT UNION. A nonprofit financial institution typically formed by employees of a company, labor union, or religious group and operated as a cooperative. Credit unions may offer a full range of financial services and pay higher rates on deposits and charge lower rates on loans than commercial banks. Federally chartered credit unions are regulated and insured by the National Credit Union Administration.

DISCRETIONARY SPENDING. Budget authority, other than for entitlements, and ensuing outlays provided in annual appropriations acts. The Budget Resolution sets limits or caps on discretionary budget authority and outlays.

DEPARTMENT of GOVERNMENT EFFICIENCY (DOGE).

DOGE was established by executive order in January 2025 by the second Trump administration to cut federal spending. DOGE spearheaded mass layoffs of federal workers and cut many federal aid programs.

EARMARKS. Appropriations that are dedicated for a specific, particular purpose. The funding of the Community Development Fund typically has earmarks as part of the Economic Development Initiative.

EMERGENCY HOUSING VOUCHER (EHV). In response to the pandemic and the immediate threat COVID-19 posed to unhoused and underhoused people, Congress provided HUD with funding for 70,000 housing choice vouchers through the newly created EHV program. EHV's are targeted to help individuals and families who are experiencing or at-risk of homelessness, and those escaping domestic violence, dating violence, sexual assault, stalking, or human trafficking, find a safe, affordable home. EHV's mandate collaborative partnerships between PHAs, CoCs, and Victim Service Providers (VSPs) to develop strategies to lease vouchers and serve those at risk of or experiencing housing instability in their communities.

"EMERGENCY LOW-INCOME HOUSING

PRESERVATION ACT" (ELIHPA). The 1987 statute authorizing the original federal program to preserve federally assisted multifamily housing. The program was active from 1987 to 1992.

EMERGENCY RENT ASSISTANCE (ERA). Funded for the first time in response to the COVID-19 pandemic, ERA provides households in crisis and faced with an economic shock threatening their housing stability with the assistance they need to remain in their homes. ERA provides funds to these households so they do not fall behind on rent. During the pandemic, Treasury distributed ERA to state and local grantees, which created over 500 ERA programs throughout the country and made an estimated 11 million payments to households.

ENHANCED VOUCHERS. The tenant-based Section 8 assistance provided to eligible residents when owners prepay their subsidized mortgages or opt out of project-based Section 8 contracts. Rents are set at market comparable levels instead of the regular voucher

payment standard, as long as the tenant elects to remain in the housing.

ENTITLEMENT JURISDICTION. Under the Community Development Block Grant (CDBG), cities with populations of 50,000 or more and counties with populations of 200,000 or more are 'entitled' to receive funding under the program.

ENTITLEMENTS. Entitlements are benefits available to people if they meet a certain set of criteria. Entitlement programs, such as Social Security, are not constrained by the appropriations process.

EVICTON PREVENTION GRANT PROGRAM (EPGP). Launched by HUD in 2021, the EPGP is the first federal program designed to expand legal services to tenants at risk of or facing eviction. As of June 2023, program grantees had served over 14,260 households.

EXIT TAX. The taxes paid on the recapture of depreciation and other deductions experienced upon sale of a property. In some affordable housing transactions, sellers may face a significant exit tax even when they do not receive net cash at sale.

EXPIRING USE RESTRICTIONS. The low- and moderate-income affordability requirements associated with subsidized mortgages under Section 221(d)3 BMIR and Section 236, which terminate when the mortgage is prepaid.

EXTREMELY LOW INCOME (ELI). A household income at or below either the federal poverty guideline or 30% of area median income (AMI), as defined by HUD, whichever is greater.

FAIR MARKET RENTS (FMR). HUD's estimate of the actual market rent for a modest apartment in the conventional marketplace. FMRs include utility costs (except for telephones). Every year, HUD develops and publishes FMRs for every MSA and apartment type. FMRs are currently established at the 40th percentile rent, the top of the range that renters pay for 40% of the apartments being surveyed, with the exception of some high-cost jurisdictions, where it is set at the 50th percentile.

FANNIE MAE (FEDERAL NATIONAL MORTGAGE ASSOCIATION). A federally chartered government-sponsored enterprise that purchases mortgages from originators to facilitate new mortgage lending. Similar to Freddie Mac.

FARMERS HOME ADMINISTRATION (FmHA). The former name of the Rural Housing Service.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC). The federal agency established in 1933 that guarantees (within limits) funds on deposits in member banks and thrift institution, and that performs other functions such as making loans to or buying assets from member institutions to facilitate mergers or prevent failures.

FEDERAL HOUSING ADMINISTRATION (FHA). A part of HUD that insures lenders against loss on residential mortgages. It was founded in 1934 to execute the provisions of the "National Housing Act" in response to the Great Depression.

FEDERAL HOUSING FINANCE AGENCY (FHFA). Created in 2008 to take over the functions of the Office of Federal Housing Enterprise Oversight (OFHEO) and the Federal Housing Finance Board (FHFB). OFHEO was the regulator for Freddie Mac and Fannie Mae, and the FHFB regulated the Federal Home Loan Banks.

FEDERAL HOUSING FINANCE BOARD (FHFB). Federal agency created by Congress in 1989 to assume oversight of the Federal Home Loan Bank System from the dismantled Federal Home Loan Bank Board. The FHFB was merged into the Federal Housing Finance Agency (FHFA) in 2008. The FHFA also regulates Freddie Mac and Fannie Mae.

FEDERAL RESERVE BOARD (FRB). The governing board of the Federal Reserve System. Its seven members are appointed by the president, subject to Senate confirmation, and serve 14-year terms. The board establishes Federal Reserve System policies on such key matters as reserve requirements and other bank regulations, sets the discount rates, and tightens or loosens the availability of credit in the economy.

FEDERAL RESERVE SYSTEM. The system established by the “Federal Reserve Act of 1913” to regulate the U.S. monetary and banking systems. The Federal Reserve System (‘the Fed’) consists of 12 regional Federal Reserve Banks, their 24 branches, and all national and state banks that are part of the system. National banks are stockholders of the Federal Reserve Bank in their region. The Federal Reserve System’s main functions are to regulate the national money supply, set reserve requirements for member banks, supervise the printing of currency at the mint, act as clearinghouse for the transfer of funds throughout the banking system, and examine member banks’ compliance with Federal Reserve regulations.

FINANCIAL INSTITUTION. An institution that collects funds from the public to place in financial assets such as stocks, bonds, money market instruments, bank deposits, or loans. Depository institutions (banks, savings and loans, saving banks, credit unions) pay interest on deposits and invest the deposit money, mostly in loans. Non-depository institutions (insurance companies, pension plans) collect money by selling insurance policies or receiving employer contributions and pay it out for legitimate claims or for retirement benefits. Increasingly, many institutions are performing both depository and non-depository functions.

FISCAL YEAR (FY). The accounting period for the federal government. The fiscal year for the federal government begins on October 1 and ends the next September 30. It is designated by the calendar year in which it ends; for example, FY16 began on October 1, 2015, and ended on September 30, 2016.

FLEXIBLE SUBSIDY. A direct HUD loan or grant for rehabilitation or operating losses, available to eligible owners of certain HUD-subsidized properties. Owners must continue to operate the project as low- and moderate-income housing for the original mortgage term. Not currently active.

FORECLOSURE. The process by which a mortgage holder who has not made timely payments of principal and interest on a mortgage loses title to the home. The holder of the mortgage, whether it is a bank, a savings and loan, or an individual, uses the foreclosure process to satisfy the mortgage debt either by obtaining the

proceeds from the sale of the property at foreclosure or taking the title to the property and selling it at a later date. Foreclosure processes vary from state to state and can be either judicial or non-judicial.

FORMULA ALLOCATION. The method by which certain programs distribute appropriated funds to state and local governments. The parameters for the formula are established by statute and are generally based on demographics (poverty) and housing conditions (overcrowding) in the jurisdiction. CDBG and HOME are formula allocation programs.

FREDDIE MAC (FEDERAL HOME LOAN MORTGAGE CORPORATION). A federally chartered government-sponsored enterprise that purchases mortgages from originators to facilitate new mortgage lending. Similar to Fannie Mae.

“FREEDOM OF INFORMATION ACT” (FOIA). The law providing for a means of public access to documents from HUD or other federal agencies.

GOVERNMENT ACCOUNTABILITY OFFICE (GAO). Formerly known as the General Accounting Office, the GAO is a congressional agency that monitors the programs and expenditures of the federal government.

GINNIE MAE (GOVERNMENT NATIONAL MORTGAGE ASSOCIATION). An agency of HUD, Ginnie Mae guarantees payment on mortgage-backed securities, which represent pools of residential mortgages insured or guaranteed by the Federal Housing Administration (FHA), the Veterans Administration, or the Rural Housing Service (RHS).

GOVERNMENT SPONSORED ENTERPRISE (GSE). An enterprise established by the federal government but privately owned and operated. Fannie Mae and Freddie Mac are GSEs, as are the Federal Home Loan Banks.

GUARANTEED LOAN. A loan in which a private lender is assured repayment by the federal government of part or all of the principal, interest, or both, in the event of a default by the borrower.

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME). Administered by HUD’s Office of Community Planning and Development, this program provides formula grants to states and localities (see also

PARTICIPATING JURISDICTIONS) to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership, or to provide direct rental assistance to low-income people. The HOME program is authorized by Title II of the 1990 “Cranston-Gonzalez National Affordable Housing Act.”

“HOME MORTGAGE DISCLOSURE ACT” (HMDA).

Created in 1975, HMDA requires most financial institutions that make mortgage loans, home improvement loans, or home refinance loans to collect and disclose information about their lending practices.

“HOMELESS EMERGENCY ASSISTANCE AND RAPID TRANSITION TO HOUSING (HEARTH) Act of 2009.”

This law revises the McKinney-Vento Homeless Assistance Grant programs and provides communities with new resources and better tools to prevent and end homelessness. The legislation increases priority on homeless families with children, significantly increases resources to prevent homelessness, provides incentives for developing permanent supportive housing, and creates new tools to address homelessness in rural areas.

HOUSING ASSISTANCE PAYMENTS (HAP).

HAP is the payment made according to a HAP contract between HUD and an owner to provide Section 8 rental assistance. The term applies to both the Housing Choice Voucher (HCV) Program and Section 8 Project-Based Rental Assistance Program. The local voucher program is administered by a public housing agency (PHA), whereas a Section 8 contract administrator makes payments in the Multifamily Housing Programs.

HOUSING BONDS. Bonds that are generally issued by states and secured by mortgages on homes or rental properties. Although homeowner housing financed by bonds are typically targeted to families or individuals with incomes below the median for the area or the state, rental housing is targeted to lower income families or individuals.

HOUSING CHOICE VOUCHER (HCV). Also known as Section 8 or Section 8 vouchers, this is a rental assistance program funded by HUD. The program helps some families, primarily extremely low-income (ELI) families, rent private housing. Families pay a percentage of their monthly adjusted income toward monthly rent

and utilities (generally not more than 30%); the balance of the rent to the owner is paid with the federal subsidy.

HOUSING COSTS. Essentially, they are the costs of occupying housing. Calculated on a monthly basis, housing costs for renters include items such as contract rent, utilities, property insurance, and mobile home park fees. For homeowners, monthly housing costs include monthly payments for all mortgages or installment loans or contracts, as well as real estate taxes, property insurance, utilities, and homeowner association, cooperative, condominium, or manufactured housing park fees. Utilities include electricity, gas, fuels, water, sewage disposal, garbage, and trash collection.

HOUSING FINANCE AGENCY (HFA). The state agency responsible for allocating and administering federal Low-Income Housing Tax Credits (LIHTC) as well as other federal and state housing financing sources.

HOUSING FIRST. A proven model for addressing homelessness that prioritizes access to permanent, stable housing, with wrap-around services as needed, as prerequisites for effective psychiatric and substance abuse treatment and for improving quality of life.

HOUSING STARTS. An indicator of residential construction activity, housing starts represent the start of construction of a house or apartment building, which means the digging of the foundation. Other measures of construction activity include housing permits, housing completions, and new home sales.

HOUSING TRUST FUNDS. Distinct funds, usually established by state or local governments that receive ongoing public revenues that can only be spent on affordable housing initiatives, including new construction, preservation of existing housing, emergency repairs, homeless shelters, and housing-related services.

HUD INSPECTOR GENERAL. The HUD official appointed by the president who is responsible for conducting audits and investigations of HUD’s programs and operations.

INCLUSIONARY ZONING. A requirement or incentive to reserve a specific percentage of units in new residential developments for moderate income households.

INDEPENDENT AGENCY. An agency of the United States government that is created by an act of Congress and is independent of the executive departments. The Securities and Exchange Commission is an example of an independent agency.

LEVERAGING. The maximization of the effects of federal assistance for a project by obtaining additional project funding from non-federal sources.

“LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP ACT” (LIHPRHA). The 1990 statute prohibiting the sale of older HUD-assisted properties for market rate use, compensating the owners with financial incentives. The program was active from 1990 to 1996.

LOW-INCOME HOUSING TAX CREDITS (LIHTC). Enacted by Congress in 1986 to provide the private market with an incentive to invest in affordable rental housing. Federal housing tax credits are awarded to developers of qualified projects. Developers then sell these credits to investors to raise capital (equity) for their projects, which reduces the debt that the developer would otherwise have to borrow. Because the debt is lower, a tax credit property can in turn offer lower, more affordable rents. Provided the property maintains compliance with the program requirements, investors receive a dollar-for-dollar credit against their federal tax liability each year throughout a period of 10 years. The amount of the annual credit is based on the amount invested in the affordable housing.

LOW INCOME. As applied to most housing programs, household income below 80% of metropolitan area median, as defined by HUD, is classified as low income. See also EXTREMELY LOW INCOME (ELI), VERY LOW INCOME (VLI).

MARK-TO-MARKET. HUD program that reduces above-market rents to market levels at certain HUD-insured properties that have project-based Section 8 contracts. Existing debt is restructured so that the property may continue to be financially viable with the reduced Section 8 rents.

MARK-UP-TO-MARKET. A federal program to adjust rents on Section 8 assisted housing up to the market rate.

METROPOLITAN STATISTICAL AREA (MSA). The basic census unit for defining urban areas and rental markets.

MORTGAGE INTEREST DEDUCTION. The federal tax deduction for mortgage interest paid in a taxable year. Interest on a mortgage to acquire, construct, or substantially improve a residence is deductible for indebtedness of up to \$1 million.

MORTGAGE. The debt instrument by which the borrower (mortgagor) gives the lender (mortgagee) a lien on the property as security for the repayment of a loan. The borrower has use of the property, and the lien is removed when the obligation is fully paid.

MOVING TO WORK (MTW). A demonstration program for public housing agencies (PHAs) that provides them with enormous flexibility from most HUD statutory and regulatory requirements. The flexibilities, regarding key programmatic features such as rent affordability and income targeting requirements, can impact residents in both the public housing and Housing Choice Voucher (HCV) Programs. Authorized in 1996, the demonstration program continues even though it has not been evaluated on a broad scale.

“MULTIFAMILY ASSISTED HOUSING REFORM AND AFFORDABILITY ACT” (MAHRA). The 1997 statute authorizing the Mark-to-Market program and renewals of expiring Section 8 contracts.

MULTIFAMILY. A building with five or more residential units.

NON-ELDERLY DISABLED (NED) VOUCHERS. Since 1997, Housing Choice Vouchers (HCVs) have been awarded under different special purpose voucher program types to serve non-elderly persons with disabilities (NED). NED HCVs enable non-elderly disabled families to lease affordable private housing of their choice. NED vouchers also assist persons with disabilities who often face difficulties in locating suitable and accessible housing on the private market.

NEW CONSTRUCTION/SUBSTANTIAL REHAB. A form of project-based Section 8 assistance used in the original development and financing of some multifamily housing. Projects could be both insured and uninsured (with conventional or state/local bond financing). These

contracts were long-term (20-40 years). Active from 1976 to 1985.

NOTICE OF FUNDING AVAILABILITY (NOFA). A notice by a federal agency, including HUD, used to inform potential applicants that program funding is available.

OFFICE OF AFFORDABLE HOUSING PRESERVATION. Formerly the Office of Multifamily Housing Assistance Restructuring (OMHAR), HUD established this office to oversee the continuation of the Mark-to-Market program and provide assistance in the oversight and preservation of a wide spectrum of affordable housing programs.

"ONE BIG BEAUTIFUL BILL ACT (OBBBA; H.R.1)." A federal tax bill enacted by Congressional Republicans in July 2025. Among other provisions, the OBBBA cuts \$1 trillion from safety net programs, including Medicaid and the Supplemental Nutrition Assistance Program. H.R.1 also includes an expansion of the Low Income Housing Tax Credit, among other provisions.

OPPORTUNITY ZONES (OZs). Created under the "Tax Cuts and Jobs Act of 2017," OZs are a tax incentive aimed at encouraging private investments in "economically distressed communities." The effectiveness of OZs at spurring economic development, and the impact of an OZ designation on local communities, has yet to be adequately evaluated, but available evidence suggests that without appropriate guardrails, OZs may increase gentrification and displacement of existing communities.

OUTLAYS. Payments made (usually through the issuance of checks or disbursement of cash) to liquidate obligations. Outlays during a fiscal year (FY) may be for payment of obligations incurred in the previous year or in the same year.

PARTICIPATING JURISDICTION (PJ). A HUD-recognized entity that is an eligible recipient of HOME funding.

PAY-AS-YOU-GO or PAYGO. A requirement that Congress offset the costs of tax cuts or increases in entitlement spending with increased revenue or savings elsewhere in the budget.

PAYMENT STANDARD. Payment standards are used to calculate the housing assistance payment (HAP) that a public housing agency (PHA) pays to an owner on

behalf of a family leasing a unit. Each PHA has latitude in establishing its schedule of payment standard amounts by bedroom size. The range of possible payment standard amounts is based on HUD's published fair market rent (FMR) for the area in which the PHA has jurisdiction. A PHA may set its payment standard amounts from 90% to 110% of the published FMRs and may set them higher or lower with HUD approval.

PERFORMANCE FUNDING SYSTEM. Developed by HUD to analyze costs of operating public housing developments, used as the basis for calculating the need for operating subsidies.

PERMANENT SUPPORTIVE HOUSING. Decent, safe, and affordable permanent community-based housing targeted to vulnerable very low-income (VLI) households with serious and long-term disabilities that is linked with an array of voluntary and flexible services to support successful tenancies.

PREPAYMENT PENALTY. A fee that may be levied for repayment of a loan before it falls due.

PROJECT-BASED VOUCHERS (PBVs). A component of a public housing agency's (PHAs) housing choice voucher program. A PHA can attach up to 20% of its voucher assistance to specific housing units if the owner agrees to either rehabilitate or construct the units, or the owner agrees to set aside a portion of the units in an existing development for lower income families. In general, no more than 25% of the units in a property can be subsidized with PBVs.

RENTAL ASSISTANCE DEMONSTRATION (RAD). Congress authorized RAD as part of its FY12 and FY15 HUD appropriations bills. There are two RAD components. The first component allows HUD to approve the conversion of up to 185,000 public housing and moderate rehabilitation (Mod Rehab) units into either project-based Section 8 rental assistance (PBRA) contracts or project-based vouchers (PBVs) by September 30, 2018. The second component allows an unlimited number of units in three smaller programs administered by HUD's Office of Multifamily Housing Programs to convert tenant protection vouchers to PBVs or PBRAs. There is no deadline for the three second component programs – Rent Supplement (Rent Supp), Rental Assistance Program (RAP), and Mod Rehab.

REAL ESTATE ASSESSMENT CENTER (REAC). The office within HUD responsible for assessing the condition of HUD's portfolio, both public housing and private, HUD-assisted multifamily housing. REAC oversees physical inspections and analysis of the financial soundness of all HUD housing, and REAC scores reflect physical and financial condition.

REAL ESTATE INVESTMENT TRUST (REIT). A business trust or corporation that combines the capital of many investors to acquire or finance real estate, which may include assisted housing. Cash flow generated by the properties is distributed to investors in the form of stock dividends. The REIT can also provide an attractive tax deferral mechanism by enabling investors to exchange their partnership shares for interests in the REIT, a nontaxable transfer.

"REAL ESTATE SETTLEMENT PROCEDURES ACT"

(RESPA). A statute that prohibits kickbacks and referral fees that unnecessarily increase the costs of certain settlement services in connection with real estate transactions and provides for disclosures in connection with such transactions. HUD enforces RESPA.

RECONCILIATION BILL. A bill containing changes in law recommended by House or Senate committees pursuant to reconciliation instructions in a budget resolution.

RENT SUPPLEMENT (Rent Supp). An older HUD project-based rental subsidy program used for some Section 221(d)(3) and Section 236 properties. The subsidy contract is coterminous with the mortgage. Most rent supplement contracts in HUD-insured projects were converted to Section 8 in the 1970s.

RESIDUAL RECEIPTS. Cash accounts maintained under joint control of the owner and HUD [or Housing Finance Agency (HFA)] into which is deposited all surplus cash generated in excess of the allowable limited dividend or profit. The disposition of residual receipts at the end of the Section 8 contract and/or mortgage is governed by the Regulatory Agreement.

RIGHT OF FIRST REFUSAL. The right of first refusal means the right to match the terms and conditions of a third-party offer to purchase a property, within a specified time period.

RURAL DEVELOPMENT (RD). A mission area of the U.S. Department of Agriculture (USDA), RD administers grant and loan programs to promote and support housing, public facilities and services such as water and sewer systems, health clinics, emergency service facilities, and electric and telephone service in rural communities. RD also promotes economic development by supporting loans to businesses and provides technical assistance to help agricultural producers and cooperatives.

RURAL HOUSING SERVICE (RHS). An agency of the U.S. Department of Agriculture's (USDA) Rural Development (RD), RHS is responsible for administering a number of rural housing and community facilities programs, such as providing loans and grants for single-family homes, apartments for low-income people, housing for farm workers, child care centers, fire and police stations, hospitals, libraries, nursing homes, and schools.

RURAL. As used in this Guide, areas that are not urbanized. The Census Bureau defines an urbanized area as "an incorporated place and adjacent densely settled (1.6 or more people per acre) surrounding area that together have a minimum population of 50,000." The Census Bureau defines rural as an area with a population of less than 2,500. The U.S. Department of Agriculture (USDA) definition of rural has several factors, including population: under 20,000 in non-metro areas, under 10,000 in metro areas, or under 35,000 if the area was at one time defined as rural but the populations has grown (a "grandfathered" area).

SAVINGS AND LOAN ASSOCIATION (S&L). A depository financial institution, federally or state chartered, that obtains the bulk of its deposits from consumers and holds the majority of its assets as home mortgage loans. In 1989, responding to a massive wave of insolvencies caused by mismanagement, corruption, and economic factors, Congress passed a savings and loan "bailout bill" that revamped the regulatory structure of the industry under a newly created agency, the Office of Thrift Supervision.

SAVINGS BANK. A depository financial institution that primarily accepts consumer deposits and makes home mortgage loans. Historically, savings banks were of the mutual (depositor-owned) form and chartered in only 16 states; the majority of savings banks were located in the New England states, New York, and New Jersey.

SECONDARY MARKET. The term secondary market refers to the market in which loans and other financial instruments are bought and sold. Fannie Mae (the Federal National Mortgage Association) and Freddie Mac (the Federal Home Loan Mortgage Corporation), for example, operate in the secondary market because they do not deal directly with the borrower, but instead purchase loans from lenders.

SECTION 202. A HUD program created in 1959 to provide direct government loans or grants to nonprofits to develop housing for the elderly and handicapped. Currently, the program provides capital grants and project rental assistance contracts.

SECTION 221(d)(3) BELOW MARKET INTEREST RATES (BMIR). A HUD program under which the federal government provided direct loans at a BMIR (3%) and Federal Housing Administration (FHA) mortgage insurance to private developers of low and moderate-income housing. Active from 1963 to 1970.

SECTION 236. A program under which HUD provided interest subsidies (known as Interest Reduction Payments or IRP subsidies) and mortgage insurance to private developers of low- and moderate-income housing. The interest subsidy effectively reduced the interest rate on the loan to 1%. Active from 1968 to 1975.

SECTION 514 LOANS AND SECTION 516 GRANTS. Administered by USDA RD's Rural Housing Service (RHS) and may be used to buy, build, improve or repair housing for farm laborers. Authorized by the "Housing Act of 1949."

SECTION 515 RURAL RENTAL HOUSING PROGRAM. Provides funds for loans made by USDA RD's Rural Housing Service (RHS) to nonprofit, for profit, cooperatives, and public entities for the construction of rental or cooperative housing in rural areas for families, elderly persons, persons with disabilities, or for congregate living facilities. Authorized by the "Housing Act of 1949."

SECTION 533 HOUSING PRESERVATION GRANT PROGRAM (HPG). This program, administered by USDA RD's Rural Housing Service (RHS), provides grants to promote preservation of Section 515 properties. Authorized by the "Housing Act of 1949."

SECTION 538 RENTAL HOUSING LOAN GUARANTEES. U.S. Department of Agriculture's (USDA) Rural Development (RD) Rural Housing Service (RHS) may guarantee loans made by private lenders for the development of affordable rural rental housing. This program serves a higher income population than that served by the Section 515 program. Authorized by the "Housing Act of 1949."

SECTION 8 PROJECT-BASED RENTAL ASSISTANCE (PBRA). Administered by HUD's Office of Multifamily Housing, Section 8 PBRA takes the form of a contract between HUD and building owners who agree to provide housing to eligible tenants in exchange for long-term subsidies. Project-Based Assistance limits tenant contributions to 30% of the household's adjusted income. Assistance may be provided to some or all of the units in a project occupied by eligible tenants. Assistance is attached to the unit and stays with the unit after the tenant moves.

SECTION 8 PROJECT-BASED VOUCHERS (PBV). Public housing agencies (PHAs) are allowed to use up to 20% of their housing choice voucher funding allocation to project base, or tie, vouchers to a property. PHAs may contract with property owners to project base vouchers to up to 25% of the units in a property. These vouchers remain with the project even if the assisted tenant moves. The effect is similar to the project-based section 8 program in that the place-based funding helps preserve the affordability of the units. One difference between the two programs is the mobility feature of the project-based voucher program that allows a tenant to move with continued assistance in the form of a housing choice voucher. This program is administered by HUD's Office of Public and Indian Housing (PIH) and local PHAs.

SECTION 8 VOUCHERS. Administered by HUD's Office of Public and Indian Housing (PIH) and local public housing agencies (PHAs), housing choice vouchers (HCVs) are allocated to individual households, providing a rent subsidy that generally limits tenant contribution to rent to 30% of adjusted household income. PHAs can attach a limited number of their housing choice vouchers to individual units, thereby 'project basing' them. See Section 8 project-based vouchers (PBVs).

SECTION 811. The Section 811 Supportive Housing for Persons with Disabilities is a federal program that assists the lowest income people with the most significant and long-term disabilities to live independently in the community by providing affordable housing linked with voluntary services and supports. The program provides funds to nonprofit organizations to develop rental housing, with supportive services, for very low-income (VLI) adults with disabilities, and it provides rent subsidies for the projects to help make them affordable. Two new approaches to creating integrated permanent supportive housing were recently introduced: the Modernized Capital Advance/Project Rental Assistance Contract (PRAC) multi-family option and the Project Rental Assistance (PRA) option. Both options require that properties receiving Section 811 assistance limit the total number of units with permanent supportive housing use restrictions to 25% or less. Congress directed that all FY12, FY13, and FY14 funding for new Section 811 units be provided solely through the PRA option.

SEVERE HOUSING PROBLEMS. As used by HUD in defining priorities, severe housing problems are homelessness, displacement, housing cost burden above 50% of income, and occupancy of housing with serious physical problems. Data on severe housing problems drawn from the American Housing Survey measures only cost burden and physical problems.

SINGLE-FAMILY. A single-family property is a residential property with fewer than five units.

“STAFFORD DISASTER RELIEF AND EMERGENCY ASSISTANCE ACT” (STAFFORD ACT, P.L. 100-707). Provides a systemic means of supplying federal natural disaster assistance to state and local governments. The act establishes the presidential declaration process for major emergencies, provides for the implementation of disaster assistance, and sets forth the various disaster assistance programs.

“STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.” Enacted in July 1987, the “McKinney Act,” P.L. 100-77, established distinct assistance programs for the growing numbers of homeless persons. Recognizing the variety of causes of homelessness, the original “McKinney Act” authorized 20 programs

offering a multitude of services, including emergency food and shelter, transitional and permanent housing, education, job training, mental health care, primary health care services, substance abuse treatment, and veterans’ assistance services. The act was renamed the “McKinney-Vento Homeless Assistance Act” in 2000 to reflect the late Representative Bruce Vento’s (D-MN) work to improve housing for the poor and homeless. The act was revised in 2002 and again in 2009. See “Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009.”

TAX CREDIT. A provision of the tax code that specifies an amount by which a taxpayer’s taxes will be reduced in return for some specific behavior or action.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF). Provides block grants to states administered under the “Personal Responsibility and Work Opportunity Reconciliation Act of 1996,” which established a new welfare system. The TANF block grant replaced Aid to Families with Dependent Children (AFDC). The chief feature of TANF was the abolition of a federal entitlement to cash assistance.

THRIFT. See SAVINGS AND LOAN ASSOCIATION (S&L).

VERY LOW INCOME (VLI). A household with income is at or below 50% of area median income (AMI), as defined by HUD.

VOUCHER. A government payment to, or on behalf of, a household to be used solely to pay a portion of the household’s housing costs in the private market. Vouchers are considered tenant-based assistance because they are not typically connected to a particular property or unit (although they may be ‘project based’ in some cases) but are issued to a tenant.

WORST CASE HOUSING PROBLEMS. Unsubsidized very low-income renter households with severe housing problems. HUD is required to submit a periodic report to Congress on worst case housing problems.

ADVOCATES' GUIDE AUTHORS

Andrew Aurand

Andrew Aurand is senior vice president for research at NLIHC, where he leads the research team in documenting the housing needs of low-income renters in annual publications like *The Gap* and *Out of Reach*, conducts additional research that informs housing policy related to extremely low-income renters, and co-manages the National Housing Preservation Database. Before joining NLIHC, Andrew was a faculty member in the Department of Urban and Regional Planning at Florida State University, where he taught housing policy and research methods and completed research on the impact of comprehensive planning on the supply of affordable housing. He holds a master's degree in social work and a PhD in public policy from the University of Pittsburgh.

Rusty Bennett

Russell "Rusty" Bennett, LGSW, Ph.D., is chief executive officer of Collaborative Solutions. He has more than 20 years of experience in nonprofit organizations and government and an extensive background working with HUD programs, including the Housing Opportunities for Persons with AIDS (HOPWA) program and Supplemental Nutrition Assistance Program (SNAP). In addition to serving as a liaison with HUD's Office of HIV/AIDS Housing (OHH), Rusty is currently executive director of the Low Income Housing Coalition of Alabama and executive director of the Professional Association of Social Workers in HIV & AIDS, following the appointment of Collaborative Solutions as management agent for the two organizations. He is also principal investigator on Collaborative Solution's research/evaluation projects, including the Professional Association of Social Workers in HIV & AIDS's initiative "Age Positively," for which he leads the HIV and Aging Task Force, serves as faculty for the HIV & Aging curriculum, and chairs the national conference. Along with PhD and LGSW degrees, he holds a certification in diversity, equity, and inclusion in the workplace from the University of South Florida.

Steven Berg

Steve Berg is chief policy officer at the National Alliance to End Homelessness. In his role overseeing the policy-related work of the Alliance, he works to end homelessness by promoting effective public policies and local practices regarding housing, employment, and human services. He came to the Alliance from the Center on Budget and Policy Priorities (CBPP), where he worked on state-level welfare reform and employment. Before joining CBPP, he spent 14 years as a legal services attorney in California and Connecticut, working on housing, government benefits, employment, and family integrity issues. His background includes nonprofit management and staff training and development.

Sidney Betancourt

Sidney Betancourt is a project manager of inclusive community engagement on NLIHC's racial equity team. Before joining NLIHC, Sidney was the 2020-2021 Congressional Hispanic Caucus Institute (CHCI) housing graduate fellow. During her time as a fellow, Sidney worked with the U.S. Interagency Council on Homelessness on legislative research aimed at preparing the agency for a governance restructure. She spent the last half of her fellowship with the House Committee on Financial Services' Subcommittee for Housing, Community Development and Insurance. As a committee fellow, Sidney supported staff in drafting important legislation related to public housing, infrastructure, and homelessness. Sidney is a graduate of the University of Nevada, Las Vegas, where she earned a bachelor's degree and an MSW. During her field placement as a social work student, she worked at a homeless outreach agency in downtown Las Vegas, collaborating with a legal aid agency to quash unjust warrants for individuals experiencing homelessness.

Kanav Bhagat

Kanav Bhagat is the founder and president of Housing Risk and Policy Advisors LLC, a consulting and advisory firm that provides strategic advice on housing policy and mortgage risk to lenders, policymakers, and consumer advocacy groups. His analysis and recommendations have influenced the mortgage underwriting, refinancing, and modification policies of various Government agencies. He is currently working as a consultant to the Center for Responsible Lending. Previously, Kanav was a Research Director for the JPMorgan Chase Institute, where he led a team using the administrative data of JPMorgan Chase & Co to conduct housing finance and financial markets research designed to help policymakers, business leaders, and non-profit decision makers make more informed policy choices. While at the JPMCI, he developed and executed a research agenda focused on mortgage underwriting, performance, modification, and refinancing, as well as monetary policy transmission mechanisms and central bank communication. Prior to engaging in policy-related research, Kanav spent 17 years as a trader in various fixed income markets. Most recently, he served as the Global Head of Interest Rate Trading at J.P. Morgan, where he managed a global team of 150 traders who were responsible for the trading, risk management, and capital management of Government securities and interest rate swaps, options, and exotics in G10 interest rate markets.

Kanav earned a BS in Electrical Engineering from Cornell University and an MBA from the University of Chicago Booth School of Business.

Juliana (Jules) Bilowich

Juliana Bilowich (they/them) is a prominent advocacy and policy expert at LeadingAge, a national nonprofit organization dedicated to advancing innovative housing and healthcare solutions for older adults. At LeadingAge, Juliana works to advance housing affordability for older adults with extremely low incomes as they age in community. Juliana plays a critical role in integrating community-based services and climate-informed preservation strategies within housing

policies, focusing on the unique needs of older adults and promoting inclusive housing practices.

Kayla Blackwell

Kayla Blackwell serves on the policy team as a senior housing policy analyst. Before joining NLIHC, she worked in the office of Senator Ben Ray Luján (D-NM), where she covered housing and homelessness. Prior to working for Senator Luján, Kayla was a field representative in the office of former Congresswoman Xochitl Torres Small (D-NM), where she advocated for the needs of rural communities and Tribal governments at the start of the COVID-19 pandemic. Kayla's legislative career started in the Texas Capitol as a health policy fellow in Representative Garnet Coleman's office. Kayla holds a master's degree in social work with a specialization in political social work from the University of Houston Graduate College of Social Work. She holds a bachelor's degree in social work from New Mexico State University.

Samantha Booth

Samantha Booth is a seasoned professional in government affairs with a diverse background in public policy and legislative support. Currently serving as the Government Affairs Manager at the Housing Assistance Council since January 2019, Samantha previously held roles including Public Policy Director at the Community Development Bankers Association and Legislative Aide for Senator Heidi Heitkamp. Additional experience includes positions as a Legislative Correspondent for multiple senators, a Communications Intern at the American Enterprise Institute, and various writing and editorial roles at The Onion and the Bozeman Daily Chronicle. Samantha holds a Bachelor of Science degree from Northwestern University, specializing in Journalism, History, and International Studies.

Victoria Bourret

Tori Bourret is NLIHC's project manager for state and local innovation. In her previous role, as ERASE senior project coordinator, Tori worked with NLIHC's ERASE team to advance the Coalition's mission and ensure

that the emergency rental assistance appropriated by Congress reached the lowest-income and most marginalized renters. Before joining NLIHC, Tori served as communications and project manager at the Housing Alliance of Pennsylvania, a state partner of NLIHC, providing management and outreach assistance for policy campaigns and specialized projects and managing all communications, including social media, the organization's newsletter, and the website. She also served two terms in the AmeriCorps, one with AmeriCorps NCCC in Denver, Colorado and the other with Public Allies in Delaware. Tori holds a BA in women's studies and psychology from the University of Delaware and an MSW from the University of Pennsylvania.

Jen Butler

Jen Butler is vice president of external affairs at NLIHC. In this role, she works with the NLIHC chief executive officer to lead all the organization's departments and activities that are externally facing, including: communications, media relations, brand, public relations, fund development, and events. Jen's past work in marketing and communications has included management of a diverse portfolio of campaigns for both local and national brands in the entertainment, media, and non-profit sectors. Jen is a graduate of Georgia State University, where she earned a BA in journalism with a concentration in public and political communications.

Alayna Calabro

Alayna Calabro is a senior policy analyst at NLIHC, where she works to identify, analyze, and advocate for federal policies that address the urgent needs facing low-income renters and people experiencing homelessness. Alayna previously worked at NLIHC as a field intern while completing her graduate studies. As a case manager intern with Catholic Charities, Alayna witnessed the detrimental effects of housing instability on her clients' well-being and became interested in the broader systems that impact access to safe and affordable housing. She holds an MSW degree with a concentration in community action and social policy

from the University of Maryland and a BA in English and psychology from the University of Notre Dame.

Michael Calhoun

Mike Calhoun has over 30 years of experience working to expand sustainable and affordable housing. He has worked collaboratively with the nation's lenders and others in the mortgage finance system to broaden the range of responsible mortgage products for working families. For the past 15 years, he has served as president of the Center for Responsible Lending (CRL), helping secure safe mortgage requirements to prevent a recurrence of the patterns and behaviors that led to the 2008 housing crash and recession. Before joining CRL, he led home lending programs and compliance at Self-Help, one of the nation's largest community development lenders. He has served as an advisor to housing developers providing low-cost rental housing for seniors and families and has worked to protect homeowners facing foreclosure due to predatory loans. He also worked for several years as a legal aid attorney, including as lead counsel in one of the first environmental justice cases, successfully preventing the destruction of a 100-year-old Black community to make way for the construction of a planned freeway. He serves on numerous boards and financial advisory groups, including as a member of the Board of the Leadership Conference on Civil and Human Rights and as a member and chair of the Federal Reserve Board Consumer Advisory Committee. Mike holds a BA in economics with honors from Duke University and a JD from the University of North Carolina at Chapel Hill.

Allie Cannington

Allie Cannington is Managing Director of Advocacy at The Kelsey, where they lead efforts to advance disability-forward housing solutions at state and federal levels, ensuring that policy changes are co-led by diverse and marginalized disabled individuals. With over 15 years of experience, Allie has organized people with disabilities on local, state, and national levels, centering those who experience multiple forms of oppression. Allie is also a proud board member at the National Low Income Housing Coalition. Ultimately, Allie's work is dedicated to unveiling everyone's proximity to disability

and fueling justice movements that are intersectional, sustainable, and intergenerational.

Billy Cerullo

Billy Cerullo is a housing advocacy organizer on NLIHC's field team. In this role, Billy helps grow the Coalition's network of advocates and supports efforts to strategically engage federal policymakers on key policy priorities. Billy has been working as an organizer for almost a decade and has organized winning campaigns to change education and healthcare policies. Before joining NLIHC, he organized multiple unionization drives as an organizer for the Laborers International Union of North America (LIUNA).

Sharon Cornelissen

Sharon Cornelissen is the director of housing for the Consumer Federation of America (CFA), where she advocates on behalf of American consumers for fair, affordable housing and equitable mortgage lending. She brings over a decade of experience as a housing researcher, and her work has been widely featured in the media and published in reports and academic journals. Prior to CFA, she worked as a Postdoctoral Fellow at the Harvard Joint Center for Housing Studies, where she published research briefs and advocated to address contemporary housing discrimination in Massachusetts. During her Ph.D. in Sociology from Princeton University, she lived in the Brightmoor neighborhood of Detroit for three years and first-hand observed the challenges of homeowners amid neighborhood decline. She recently published a book based on her work, called "The Last House on the Block: Black Homeowners, White Homesteaders, and Failed Gentrification in Detroit."

Joanna Cuevas

Joanna Cuevas is a senior staff attorney at the National Immigration Law Center (NILC), where she champions the rights of low-income immigrant youth, workers, and families through community-centered impact litigation, administrative advocacy, and policy initiatives. Admitted to practice in California and New York,

Joanna is a litigator who brings significant due process, equal protection, and civil rights impact litigation experience to NILC. She currently addresses equal access to representation, deferred action for immigrant workers, health and economic justice, and challenges to discriminatory law enforcement policies, practices, and executive orders.

Ben D'Avanzo

Ben D'Avanzo leads NILC's federal health advocacy and language justice work. He works with Congress, executive branch agencies, national stakeholders, and community organizations to advocate for immigrants' access to health care and healthy lives. His focuses include expanding immigrants' access to public support programs, strengthening language access civil rights, and defending against attacks on immigrant families. He authors fact sheets and reports, leads advocacy coalitions, and devises strategies while working with partners and policymakers. Ben has a master's degree in public administration from George Washington University and a bachelor's degree in political science from American University.

Lindsay Duvall

Lindsay Duvall is a senior housing advocacy organizer at NLIHC. In this position, Lindsay helps the field team engage advocates on federal policy priorities to advance the Coalition's mission and expand NLIHC membership. She has an extensive background in emergency and affordable housing programs, having worked for eight years with NLIHC member Hudson River Housing in Poughkeepsie, New York. As manager of advocacy and community engagement, she crafted outreach strategies, developed partnerships, managed resident leadership initiatives, supported communications projects, and expanded the agency's advocacy work. Prior to this role, Lindsay worked on outreach and volunteer mobilization with the Oregon Food Bank. She holds a bachelor's degree in architecture from the University of Cincinnati and a master's degree in educational leadership and policy from Portland State University.

Dan Emmanuel

Dan Emmanuel is director of research with NLIHC. He has worked in a range of housing and community development contexts since 2008 with a particular focus on program evaluation and community needs assessment. Dan earned a BA in philosophy and psychology from the College of William & Mary and an MSW with a concentration in community and organization practice from Saint Louis University.

Thaddaeus Elliott

Thaddaeus Elliott is housing advocacy coordinator at NLIHC. He works with the Coalition's field team to expand membership and engage advocates in efforts to advance federal policy priorities. Before joining NLIHC, Thaddaeus completed a policy fellowship with the National Ministries of the United Church of Christ (UCC) in its Office of Public Policy and Advocacy in Washington, D.C. As a fellow, he educated and mobilized UCC churches and their members from all over the country to advocate on Capitol Hill for the denomination's policy priorities relating to environmental justice, criminal justice reform, racial justice, and civil rights.

Antonia Fasanelli

Antonia Fasanelli serves as the executive director of the National Homelessness Law Center.

Previously, she was executive director of the Homeless Persons Representation Project, Inc. (HPRP), a Maryland-based civil legal aid organization committed to changing the systems that contribute to poverty and homelessness. During her thirteen-year tenure at HPRP, she incubated innovative civil legal aid projects providing legal assistance to all persons experiencing homelessness, including youth and veterans—as well as systemic initiatives to decriminalize homelessness and advance policies to end homelessness, all by lifting the voices of persons most affected by homelessness. Ms. Fasanelli received her J.D. magna cum laude from the Washington College of Law, American University in 2001 and her B.A. cum laude from Barnard College, Columbia University in 1996. From 2001 to 2002, Ms.

Fasanelli was a law clerk to The Honorable Barefoot Sanders of the U.S. District Court for the Northern District of Texas. Prior to law school, Ms. Fasanelli was an Americorps*VISTA Outreach Coordinator at the Law Center.

Emily Fischbein

Emily is senior project manager at Collaborative Solutions. She and her multi-talented teams assist communities throughout the U.S. with successfully operating and braiding their various funding sources to provide housing and support services for low-income people with HIV, disabilities, and other special needs. Her work reaches a large audience through national webinar presentations and conference lectures. A graduate of Columbia University (AB) and the University of Pennsylvania (master of city planning), Emily has practiced numerous areas of urban planning throughout her career so far, with an emphasis on the intersection of people and place.

Kody Glazer

Kody Glazer is the chief legal and policy officer at the Florida Housing Coalition, where he leads the organization's legal strategy and statewide policy initiatives. He provides technical assistance to local governments, elected officials, developers, and community organizations on regulatory reform, land use, funding mechanisms, and innovative approaches to expanding affordable housing. Kody also directs the Coalition's policy design and housing affordability advocacy work, including coordinating the Sadowski Affiliates network. An experienced drafter of state legislation and local housing ordinances, he brings a deep understanding of the legal frameworks that shape housing policy in Florida. Kody graduated magna cum laude from the Florida State University College of Law and serves as an Adjunct Professor in the FSU Department of Urban and Regional Planning.

Ayana Dilday Gonzalez

Ayana Dilday Gonzalez is a senior consultant at the Technical Assistance Collaborative, Inc (TAC). She has over 20 years of experience in policies and practices

related to affordable housing development and supportive housing. She has worked in private and public sector affordable housing development and in public sector health and human services. Ms. Gonzalez is an expert in the design, financing, implementation, and evaluation of publicly funded supportive housing programs and provides training and facilitation for housing providers, service agencies, and state and local governments on supportive housing expansion and fidelity. She has extensive knowledge of federal and state programs used to finance housing and services for low-income and vulnerable populations, including the Section 811 PRA program, the Continuum of Care (CoC) program, and the Youth Homelessness Demonstration Program. Ayana holds a BA from Smith College and a MA in Urban and Environmental Policy and Planning from Tufts University.

Sarah Goodwin

Sarah Goodwin is a policy and advocacy manager at the National Center for Healthy Housing (NCHH), where she supports the organization's policy- and capacity-building work and manages the National Safe and Healthy Housing Coalition. She previously served NCHH as a policy intern, helping establish and run the "Find It, Fix It, Fund It" lead elimination action drive and its associated workgroups. She holds a BA in interdisciplinary studies: communications, legal institutions, economics, and government from American University.

Ed Gramlich

Ed Gramlich is a senior adviser at NLIHC. After joining the Coalition in 2005, Ed spent his first two years staffing NLIHC's RegWatch Project, an endeavor to expand the Coalition's capacity to monitor federal regulatory and administrative actions, with a focus on preserving the affordable housing stock, both public and assisted. Between 2007 and 2010, he was NLIHC's director of outreach. Since 2010, he has served as senior advisor, overseeing the Coalition's efforts related to affordable housing regulations and providing expertise on regulations related to the national Housing Trust Fund and Affirmatively Furthering Fair Housing. Before joining NLIHC, he worked for 26 years at the Center

for Community Change (CCC), where his primary responsibility was providing technical assistance about CDBG to low-income, community-based groups. While at CCC, Ed also devoted considerable time to providing technical assistance to groups concerned about the negative impacts of UDAGs in their communities. Ed holds a BS and an MBA from Washington University.

Grounded Solutions Network

Grounded Solutions Network supports strong communities from the ground up by furthering housing solutions with lasting affordability and inclusionary housing policies to advance racial and economic equity. Grounded Solutions is a national nonprofit membership organization of over 260 community land trusts, nonprofits, inclusionary housing government programs, and allies located in 46 states, Washington D.C., and Puerto Rico, all supporting the creation and preservation of housing with lasting affordability. The Network provides its members and the broader field with training, technical assistance, policy and program design, resources, research, and advocacy. Grounded Solutions champions evidence-based policies and strategies that work and promotes housing solutions that will stay affordable for generations so communities can stabilize and strengthen their foundations for good.

Brittni Gulotty

Brittni Gulotty is the housing project coordinator with the National Alliance to End Sexual Violence. She is a community organizer, social justice advocate, and policy enthusiast whose work focuses on sustainable systems change, equitable policy development, innovative solutions, and centering the voices of survivors. Brittni has led local, state, and national campaigns, scaled program capacity, coordinated survivor working groups, and trained hundreds of volunteers. She has an MA in Women's, Gender and Sexuality Studies with a concentration in public policy and health equity from the University of Albany.

Maya Hamberg

Maya Hamberg is a policy analyst for the Innovations in Manufactured Homes (I'm HOME) Network and the Accelerating Community Investment Initiative at the Lincoln Institute of Land Policy. Maya has worked in several research areas aligned with Lincoln Institute's program areas. As a research assistant for the Tufts Economic Department faculty, Maya aided in research that aimed to quantify the economic impact of the Metropolitan Council for Educational Opportunity (METCO) for its participants. Additionally, she completed a research internship with Massachusetts Institute for a New Commonwealth (MassINC) on transformative transit-oriented development, specifically looking at how the decentralized workplace could be leveraged to spur development in Massachusetts's Legacy Cities. Maya is a Summa Cum Laude graduate of Tufts University, holding a B.A. in Quantitative Economics with a focus in Urban Studies.

Elena Hampton-Stover

Elena Hampton-Stover, LMSW, serves as the director of housing at the National Network to End Domestic Violence. Elena began her career in gender-based violence movement work in college and has over a decade of professional experience in residential and housing programs serving survivors. Prior to joining NNEDV, she was the Director of Community Technical Assistance and Capacity Building at Collaborative Solutions, a national technical assistance provider and member of the Safe Housing Partnerships Technical Assistance Consortium. She gained much of her experience in housing work while administering and building a number of housing programs including emergency shelter, transitional housing, rapid re-housing, and survivor coordinated entry at a local direct service organization in the Baltimore area. She is a Summa Cum Laude graduate of the University of Arkansas, holding a BA in Social Work and African and African American Studies and holds her MSW from University of Kansas. She is a member of the Phi Beta Kappa Honor Society.

Melissa Harris

Melissa Harris serves as government affairs director for the American Association of Service Coordinators, where she leads the organization's legislative and regulatory advocacy efforts at the state and federal levels. She also promotes recommended standards of practice for service coordinators and provides technical assistance and training on service coordination fundamentals and policies. A special focus of her work is on empowering service coordinators to undertake grassroots advocacy efforts. She holds a journalism degree from Kent State University and worked as a news reporter for more than a decade before joining AASC in March 2018.

Cristy Villalobos Hauser

Cristy Hauser is the housing policy director with the National Housing Research Center. Before joining the Center, she worked at the North Carolina General Assembly for three legislative sessions, receiving an award of appreciation for public service. She began her advocacy work as a CSW fellow for WomenNC in Raleigh, North Carolina, where she advocated for the health rights of women who are incarcerated at the local and state levels. Later, she directed and coordinated operations to help elect more than 20 public officials in Virginia over three election cycles. While working in local elections, she also helped advocate for affordable housing in Virginia's Fairfax County. She is motivated to strengthen the housing counseling industry to help underserved communities, communities of color, the elderly, and low- and moderate-income individuals. She holds a BA in political science from Meredith College and a master's degree in public management from Johns Hopkins University.

Kevin Hill

Kevin Hill is a senior policy advisor at NCRC. His work focuses on the Community Reinvestment Act, both federal and state, as well as climate change. He is passionate about policy advocacy and organizing to increase the political and economic power of those affected by redlining and systemic discrimination. He

has worked for NCRC since 2014. He also previously worked for the Greenlining Institute and has a Master's Degree in Political Science from San Francisco State University.

Nada Hussein

Nada Hussein is a research analyst with NLIHC's State and Local Innovation team. In this role, Nada works to advance the Coalition's mission and ensure that the historic emergency rental assistance appropriated by Congress reaches the lowest-income and most marginalized renters. Prior to joining NLIHC, she worked with the North Carolina League of Municipalities, where she crafted training programs and drafted reports on homeownership, inequality, and poverty to educate local elected officials about ways to close the Black and Hispanic homeownership gap across the state. She also worked with the North Carolina Justice Center, conducting research into how local governing bodies across the state could use the funds received from the "American Rescue Plan Act" to support renters at risk of eviction.

Nada received her undergraduate degree in political science and sustainability studies from the University of Florida. She holds a master's degree in public policy from the Sanford School of Public Policy at Duke University, where she concentrated in social policy.

David Jacobs

David Jacobs is chief scientist at the National Center for Healthy Housing. He also serves as an adjunct associate professor at the University of Illinois Chicago School of Public Health and faculty associate at the Johns Hopkins Bloomberg School of Public Health. He is one of the nation's foremost authorities on childhood lead poisoning prevention and was principal author of the President's Task Force Report on the subject in 2000 and the Healthy Homes Report to Congress in 1999. He has testified before Congress and other legislative bodies and has authored or coauthored many peer-reviewed publications. Dr. Jacobs is the former director of the Office of Lead Hazard Control and Healthy Homes at the U.S. Department of Housing and Urban Development, where he was responsible for program evaluations,

grants, contracts, public education, enforcement, regulation, and policy related to lead and healthy homes. His current work includes research on asthma, international healthy housing guidelines, lead poisoning prevention, and green sustainable building design. Dr. Jacobs is a Certified Industrial Hygienist® and holds degrees in political science, environmental health, technology, and science policy, as well as a doctorate in environmental engineering.

Kimberly Johnson

Kimberly Johnson senior director of policy at NLIHC, where she is responsible for identifying, analyzing, and advocating for federal policy and regulatory activities related to NLIHC's policy priorities. Her work at the Coalition focuses on the housing protections included in the "Violence Against Women Act," criminal justice reform, and evictions. Before joining NLIHC in 2019, Kimberly earned her master's degree in public policy from George Washington University. During her graduate program, she interned with Stewards of Affordable Housing for the Future and with the U.S. Senate Committee on Health, Education, Labor, and Pensions. She also held a fellowship with the National Network to End Domestic Violence. Before graduate school, Kimberly resided in Harrisonburg, Virginia, working as an advocate for survivors of sexual and domestic violence. In 2014, she served on an advisory committee to the Obama Administration's White House Task Force to Protect Students from Sexual Assault. She received her BS in psychology and an MA in psychological sciences from James Madison University.

Mark Kudlowitz

Mark Kudlowitz is a senior policy director with the Local Initiatives Support Coalition (LISC), where he advocates for federal policies that support the organization's national priorities, including affordable housing, rural development, community development financial institutions, and sustainable development. Before joining LISC, Mark was policy director of the U.S. Department of Housing and Urban Development's Office of Multifamily Housing Programs and worked for more than seven years at the Community Development Financial Institutions Fund at the U.S. Department of

the Treasury. Mark also managed affordable housing and community development programs at the District of Columbia's Department of Housing and Community Development and held multiple positions at the Housing Assistance Council, a national rural affordable housing organization. Mark earned his BA from the University of Florida and a master's degree from the University of Michigan.

Jennifer Kye

Jennifer Kye is director of federal housing advocacy at Justice in Aging and focuses on reducing housing insecurity and homelessness among low-income older adults. She works to improve access to deeply affordable, accessible, community-based housing that allows older adults to age in place with the supports they need. She also co-chairs the Consortium for Constituents with Disabilities (CCD) Housing Task Force. Jenny's advocacy is informed by the eight years she spent in direct legal services representing older adults and people with disabilities in cases involving fair housing, eviction defense, Medicaid (including Home and Community-Based Services), and income supports such as SSI.

Jenny was formerly a supervising attorney at Community Legal Aid Society, Inc. (CLASI) in Delaware and helped lead the program's fair housing and public benefits work. Before her time at CLASI, she was a staff attorney at the Pennsylvania Health Law Project and Community Legal Services of Philadelphia, where she also served as a Borchard Fellow in Law & Aging. Jenny received her BA and JD from the University of Virginia.

Sherry Lerch

Sherry Lerch is a director with the Technical Assistance Collaborative, Inc (TAC). She has more than 40 years of experience working in the behavioral health system at both the county and state levels. In her role at TAC, she provides technical assistance to community organizations and state/local governments on services and supports that meet the needs of individuals with mental health, substance use, and co-occurring disorders; justice system involvement; or who are without homes. She also provides technical

assistance relating to holistic care for individuals with high risks/high needs; Olmstead compliance; inter-agency and cross-systems approaches; and effective strategies for garnering local adoption of best and promising practices. Her areas of expertise include systems assessment, strategic planning, stakeholder engagement, group facilitation, program development, and financing strategies. Examples of her work include conducting systems' assessments and developing recommendations to address gaps in services to incorporate into Olmstead Plans for Massachusetts, Mississippi, Nebraska, and North Carolina that contributed to the preventable institutionalization and incarceration of individuals with behavioral health disorders in Washington State; coordination work with state agencies and counties on the development and implementation of an array of crisis intervention services and funding strategies; and facilitating an analysis of housing support services that involved identifying and engaging partner agencies needed to address gaps and barriers in Arizona, Kentucky, Massachusetts, Oregon, Virginia, and Washington State.

Marcella Maguire

Marcella Maguire is director of health systems integration at the Corporation of Supportive Housing (CSH). Her work focuses on the intersection of the housing and healthcare sectors in the financing, policy, and implementation of systems and programs. She has engaged in efforts in multiple states regarding the use of Medicaid and health policy levers to build equity in communities and address community needs. Prior to joining CSH, Marcella worked for 17 years for the City of Philadelphia leading efforts to integrate behavioral health, managed care, and affordable and supportive housing systems. She holds a PhD in clinical psychology.

Lisa Marlow

Lisa Marlow serves as the director of communications at NLIHC. In this role, she oversees the implementation of NLIHC's communication strategies, managing communication plans, media relations, and public relations to enhance the organization's visibility and outreach. Prior to rejoining NLIHC, Lisa worked at the Urban Institute, where she led strategic communications

for the Housing and Communities division. In this position, she identified long-term communication opportunities related to research in housing finance, homelessness, community development, and climate change.

Meghan Mertyr

Meghan Mertyr is a disaster housing recovery analyst, supporting NLIHC's Disaster Housing Recovery Coalition in all communications, outreach, and advocacy. Before joining NLIHC, Meghan worked as a community organizer at the New Jersey Organizing Project (NJOP) and the New Jersey Resource Project (NJRP), where she built and mobilized a base of more than 1,000 people impacted by Hurricane Ida from across the state to advocate for the passage of legislative and administrative solutions addressing damage caused by the hurricane.

Blythe McWhirter

Blythe McWhirter (she/her) serves as federal affairs associate for the National American Indian Housing Council (NAIHC), where she supports the council's federal policy agenda and supports its advocacy on Capitol Hill. She assists in shaping legislative strategy, managing congressional outreach, and coordinating with partners across Tribal, federal, and nonprofit sectors to advance shared housing priorities. Blythe also contributes to the planning of NAIHC's national gatherings and policy discussions, ensuring Tribes and TDHEs have meaningful opportunities to engage with federal officials and influence housing policy at the local, state, and federal levels. She received her B.A. in political science from Haverford College.

Melina Milazzo

Melina Milazzo is the director of public policy for the National Network to End Domestic Violence (NNEDV). In this role, Melina leads the policy team to advance federal legislation and policies to provide resources and services for survivors as well as address root causes of gender-based violence. She helped pass the reauthorization of the Violence Against Women

Act (VAWA) of 2022, Bipartisan Safer Communities Act (which partially closed the "boyfriend" loophole), and the Victims of Crime Act Fix. She led U.S. civil society efforts with the White House to inform the development of the first-ever U.S. National Plan to End Gender-Based Violence. She also led NNEDV's legal advocacy efforts in the Supreme Court case *U.S. v. Rahimi*. Prior to joining NNEDV, Melina worked for over a decade conducting federal government relations, legislative and policy advocacy, coalition building, and communications work on a range of human and civil rights and social justice issues. Melina received her J.D. with high honors in international law from Florida State University College of Law and her B.S. in business administration from the same university.

Valencia Moss

Valencia Moss is a seasoned event strategist and public relations professional with over 15 years of experience producing national and international conferences. As Senior Organizational Learning & Event Specialist at Collaborative Solutions, she leads large-scale events and advocacy initiatives that advance housing, social work, and public health policy. Valencia holds a Master's in Corporate Communications, is a Certified Meeting Planner (CMP) and Digital Event Specialist (DES) and is recognized for delivering mission-driven experiences that inspire action and impact.

National American Indian Housing Council

The National American Indian Housing Council (NAIHC) is the unified voice for Tribal housing across Indian Country. Since 1974, NAIHC has advanced Tribal self-determination and worked to improve housing conditions by supporting Tribes, housing authorities, and Tribally Designated Housing Entities (TDHEs). Through legislative advocacy, training and technical assistance, and membership services, NAIHC helps our 275 members, representing nearly 500 Tribes and tribal housing organizations, build strong communities while ensuring Tribal priorities remain at the center of federal housing policy.

National Preservation Working Group

The National Preservation Working Group (PWG) is a diverse coalition of national advocacy organizations, housing owners, developers, tenant associations, and state and local housing agencies dedicated to the preservation of multifamily housing for low-income families. The PWG serves as a trusted and unified voice of housing organizations and is known for advancing practical, actionable solutions. Members of PWG come together to advance solutions that tackle big challenges through advocacy around resources and legislation that can support the preservation of affordable housing.

Samira Nazem

Samira Nazem is a managing director for access to justice at the National Center for State Courts (NCSC). Samira works with courts around the country to help increase access to justice for people without lawyers and oversees the Eviction Diversion Initiative (<https://www.ncsc.org/our-centers-projects/eviction-diversion-initiative>), an \$11 million grant program which supports state and local courts in designing, implementing, and evaluating eviction diversion programs and related court reform efforts. Her work also includes providing technical assistance to courts in areas including process design and improvement, communications and outreach strategies, delivery of self-help services, and other court reform efforts.

Prior to joining NCSC, Samira worked on a wide range of efforts to improve access to justice and to expand the range of available self-help, legal aid, and pro bono resources as the Associate Director of Programs & Advocacy at The Chicago Bar Foundation. Samira began her legal career working in legal aid as an eviction defense attorney and is passionate about improving the administration of justice in eviction court. A proud native of Omaha, Nebraska, Samira now lives in Chicago with her husband and two daughters.

Libby O'Neil

Libby O'Neill is senior policy analyst with NLIHC. As a member of our policy team, Libby draws on her background in state and federal housing finance to focus on federal affordable housing policy and housing supply. Libby began her career at Florida Housing Finance Corporation, where she initially specialized in multifamily green building policy. Subsequently, she was an administrator of the Low-Income Housing Tax Credit program, in which role she gained in-depth knowledge of affordable housing development. She also worked in the multifamily business at Fannie Mae, conducting research and shaping policies and strategies that address the needs and challenges of renters. Libby holds a master's degree in social work from Florida State University, with a focus in social policy.

Noah Patton

Noah Patton is a manager of disaster recovery with NLIHC. Before he joined the Coalition, Noah worked at the Homeless Persons Representation Project, Inc. (HPRP), helping to advocate for policies to expand public benefit programs and protecting Housing Choice Voucher holders. After working as a campaign and state house staffer in Maryland, Noah received a JD from the University of Baltimore School of Law. While in law school, Noah was involved in coordinating Legal Observers of the National Lawyers Guild to protect the legal rights of Baltimore-area political protestors and served as a Kellogg's Law Fellow at the NAACP Office of the General Counsel, working on transit equity and educational policy. Noah received his BA in political science from McDaniel College in Westminster, Maryland. He has been a member of the Maryland Bar since 2018.

John Pollock

John Pollock is a staff attorney for the Public Justice Center who has served since 2009 as coordinator of the National Coalition for the Civil Right to Counsel (NCCRC). The NCCRC works in 47 states at the state and local levels to establish the right to counsel for civil cases involving basic human needs such as child

custody, housing, safety, mental health, and civil incarceration. He is the recipient of the 2018 Innovations Award from the National Legal Aid and Defender Association (NLADA) and the 2025 Earl Johnson Equal Justice Award from the Western Center on Law and Poverty. He graduated from Northeastern University School of Law, where he was a recipient of a Public Interest Law Scholarship (PILS). He is the author of many law review articles, including "Appointment of Counsel for Civil Litigants: A Judicial Path to Ensuring the Fair and Ethical Administration of Justice" (<https://tr.ee/ykkVuo>) (Court Review, 56.1 2020) and Right to Counsel for Tenants Facing Eviction: Justifications, History, and Future, (<https://ir.lawnet.fordham.edu/ulj/vol51/iss5/4/>).

Monica Reid

Monica L. Reid is a skilled director of policy and advocacy with over 18 years of professional experience providing public affairs coordination, advocacy, and consulting focused on social justice issues. She currently services as director of advocacy and government affairs at the National Fair Housing Alliance (NFHA). Prior to joining NFHA, Monica furthered her advocacy and policy expertise as Senior Director of Advocacy at the National Association of Criminal Defense Lawyers, where she oversaw the organizations state legislative criminal justice reform efforts, and the day-to-day grassroots advocacy operations. In 2019, Monica was appointed by then Governor Ralph Northam to serve on Virginia's inaugural African American Advisory Board where she served as Co-Chair of the Committee on Public Safety and Criminal Justice. Monica is a graduate of George Mason University with a master's in public administration and a B.A. in government & international politics and economics. She is also a graduate of the Minority Political Leadership Institute, a collaborative initiative of the Grace E. Leadership Institute at Virginia Commonwealth University and the Legislative Black Caucus.

Benja Reilly

Benja Reilly is a development specialist with NLIHC, helping ensure the Coalition secures the necessary resources to support its mission. Before joining NLIHC, Benja served as Lead Caseworker and Burial

Assistance Coordinator for Samaritan Ministry of Greater Washington, where he assisted clients with long-term support and self-help. He has also conducted research and planned events with Gallaudet University and the Central American Resource Center as a legal intern. He received his undergraduate degree in religion from Carleton College with a minor in Spanish.

David Gonzalez Rice

David Gonzalez Rice is NLIHC's Senior Vice President of Public Policy. In this role, David provides strategic direction for NLIHC's federal advocacy, advancing policies and programs that promote accessible and affordable housing for all, as well as equitable federal disaster response and recovery. David brings extensive experience with federal policymaking, systems improvement, and program delivery across housing and human services sectors.

Dee Ross

Dee Ross is NLIHC's first tenant leader fellow. An Indianapolis native, Dee took the initiative at the age of 24 to establish The Ross Foundation to address the absence of youth programs and basic needs in his community. His commitment to combating racial inequities and poverty led him to found Indiana's first tenant rights union in 2017, extending aid to over 5,000 residents. Continuing his commitment to social change, he became a co-founder in 2020 of the Ross Legacy Fund, a family philanthropy dedicated to supporting Black-led social change initiatives.

Brooke Schipporeit

Brooke Schipporeit is director of field organizing at NLIHC. Previously, Brooke spent years supporting state and local coalitions in their efforts to achieve solutions to housing poverty. She worked as an MSW intern with the Housing Alliance of Pennsylvania, informing and mobilizing coalition members to advance equitable housing policy. She also worked as Philadelphia's regional housing coordinator for the Self-Determination Housing Project of Pennsylvania, focusing on expanding affordable and accessible housing options for people

with disabilities and older adults. Before her career in affordable housing, Brooke worked in direct services in Nebraska for both the Head Start program and a domestic violence shelter. She earned a Master of Social Work degree from the University of Pennsylvania and a Bachelor of Science degree in social work from Nebraska Wesleyan University.

Colby Sledge

Colby Sledge is local policy principal at Grounded Solutions Network, a national nonprofit organization dedicated to the creation and preservation of housing with lasting affordability. Colby has assisted states and localities in creating and implementing affordable housing policy with Grounded Solutions since 2023 and has worked to secure public funding for shared equity models such as community land trusts. Prior to joining Grounded Solutions, Colby served two four-year terms as a Metropolitan Nashville-Davidson County (Tenn.) Councilmember, where he focused on affordable housing and served as the Council appointee to the city's affordable housing trust fund. Colby's career has spanned journalism, public relations, and editorial direction, with an emphasis on local campaigns and movements to create healthy, welcoming communities. He serves as Vice Chair of the Metropolitan Development and Housing Agency and is based in Nashville. He holds a master's degree in civic leadership from Lipscomb University.

Lisa Sloane

Lisa Sloane is a senior policy advisor and manages complex consulting projects for state and federal government agencies at the Technical Assistance Collaborative, Inc (TAC). She has nearly 40 years of experience working with federal, state, and local governments, as well as nonprofit agencies, to address the supportive housing needs of people with disabilities and individuals and families experiencing homelessness. Lisa has worked with the states of Virginia, Massachusetts, Oregon, Louisiana, and Maryland to develop and implement permanent supportive housing programs for people with disabilities and people experiencing homelessness. In Massachusetts, she played a key role in the

development of innovative cross-disability housing programs, including a housing locator system, a state housing bond fund, and a state home modification loan program. She is an expert in the area of fair housing. Before joining TAC, Lisa was principal of Sloane Associates, a woman-owned business that provided affordable housing and human services consultation, specializing in the development of housing programs and policies for persons with disabilities, including those experiencing homelessness.

Carolyn Smith

Carolyn A. Smith brings over a decade of multi-sector strategic communications and advocacy experience across non-profit, corporate, and public settings. With her passion for community and skills in storytelling, she helps organizations find their voice and own their narratives. As the vice president of strategic communications at Low Income Investment Fund (LIIF), she works closely with her team of communications and policy experts to amplify the organization's work and leadership as a community development financial institution centering racial equity, and advocate for more equitable resources in LIIF's priority areas. Carolyn is a graduate of Howard University in Washington, D.C., where she earned a bachelor's degree in journalism with a concentration in public relations and a minor in political science. Carolyn is based in her hometown of Atlanta.

Mitria Spotser

Mitria Spotser is the vice president and director of federal policy at the Center for Responsible Lending. She previously served as director of housing policy at the Consumer Federation of America and as a member of the consumer advisory councils for JP Morgan Chase, Rocket Mortgage, Wells Fargo, Bank of America, and Freddie Mac. Mitria also previously served as senior director of advocacy and counsel at the Credit Union National Association; senior counsel on the House Financial Services Committee for Chairwoman Maxine Waters; vice president of federal policy and senior counsel at the Center for Responsible Lending; director of legislative and policy advocacy at the National Community Reinvestment Coalition; director of

government affairs for the DC Housing Finance Agency; and legislative director and acting committee director for the Committee on Economic Development for the Council of the District of Columbia.

As a noted expert in issues involving affordable housing, economic development, consumer protection, access to credit and capital, housing finance, and oversight of financial institutions, Mitria and her work have appeared on CNBC, MSNBC, Bloomberg News, NPR, and C-SPAN. She has also published in law journals, law reviews, and editorial publications and has testified before both the U.S. House of Representatives and the U.S. Senate. In 2014, Mitria appeared on the cover of *Housing Wire Magazine* as a “Woman of Influence” in recognition of her development of the affordable housing compromise in the bipartisan Corker-Warner housing finance reform legislation.

Liz Stewart

Liz Stewart has 20+ years of experience in policies and practices related to affordable housing development and permanent supportive housing. She has helped States, local governments, and housing and services agencies navigate local and federal regulations and restrictions in order to maximize resources to support PSH. She has extensive knowledge of federal and state programs used to finance housing and services for low-income and vulnerable populations including the Housing Opportunities for Persons with AIDS program, the Housing Choice Voucher program, Special Purpose Vouchers, the 811 Project Rental Assistance program, and the Continuum of Care program. Ms. Stewart also has extensive experience underwriting and evaluating financial feasibility of affordable housing developments including the use of the Low-Income Housing Tax Credit, the National Housing Trust Fund, and the HOME Investment Partnerships Program.

Makenzie Sumners

Makenzi is currently the national policy manager at the Low-Income Investment Fund (LIIF) in Washington, DC. In her role she advances federal policy efforts related to affordable housing, early care and education, and impact-led investing with the goal of creating equitable

access to economic opportunity. Prior to LIIF, she was a policy advisor for Congresswoman Bonnie Watson Colman (D-NJ) where her legislative portfolio included economic and racial justice policy issues. Makenzi has also worked in research and program evaluation as a Research Manager at University of Chicago’s Urban Labs and a Research Assistant at MDRC. She earned her Master’s of Public Policy from Duke University and her B.A. in Political Science and Urban & Community Studies from the University of Connecticut.

Eric Tars

Eric Tars serves as senior policy director with the National Homelessness Law Center, leading the development, oversight, and implementation of the Law Center’s policy advocacy agenda to cultivate a society where every person can live with dignity and enjoy their basic human rights, including the right to affordable, quality, and safe housing. Before joining the Law Center, Eric was a fellow with Global Rights’ U.S. Racial Discrimination Program and consulted with Columbia University Law School’s Human Rights Institute and the U.S. Human Rights Network. He is a Fellow with PolicyLink’s Spatial Futures Initiative. Eric received his JD as a Global Law Scholar from the Georgetown University Law Center and his BA in political science from Haverford College. He also studied international human rights at the Institute for European Studies, Vienna, and at the University of Vienna.

Karly Toledo

Karly Toledo (she/her) is a Diné Asdząán, a member of the Navajo Nation, and a narrative and culture change strategist with a background in intergovernmental affairs, storytelling, and multiracial coalition building. She is a graduate of Smith College with a B.A. in government and minor in economics. Karly is an experienced political organizer with a demonstrated history of working at the federal level and in Native-led nonprofit organizations. Her previous experience includes serving as special assistant for the Office of Indian Energy Policy & Programs at the U.S. Department of Energy and participant in the Native American Political Leadership Program (NAPLP) at The George Washington University. Born and raised in Northern

Utah, Karly has a deep love and respect of the natural world and is deeply honored to work with the National American Indian Housing Council.

Tia Turner

A housing advocacy organizer with NLIHC's field team, Tia Turner works to expand membership and engage advocates in federal policy priorities to advance the Coalition's mission. Before joining the field team, Tia interned on NLIHC's policy team while completing her master's degree. During the 2020 elections, she worked to educate and mobilize unhoused residents in Huntsville, Alabama, witnessing several encampment closures and seeing first-hand the negative impact of the closures on the unhoused community, an experience which led her to become a zealous advocate for housing justice.

Michelle Uzeta

Michelle Uzeta is the executive director of the Disability Rights Education and Defense Fund (DREDF) and a nationally recognized expert in disability and fair housing law. With more than 30 years of experience as a disability rights attorney and movement leader, Michelle has helped shape the landscape of accessible and equitable housing through precedent-setting litigation, strategic policy advocacy, and deep partnership with communities most affected by discrimination. Michelle has litigated landmark cases under the "Fair Housing Act," the "Americans with Disabilities Act," Section 504, and related civil rights statutes, advancing protections for tenants with disabilities across the country. Her work has strengthened housing accessibility standards, expanded reasonable accommodation and modification rights, and challenged policies and practices that disproportionately impact people with disabilities—particularly those at the intersections of race, poverty, and other systemic barriers. A frequent lecturer and writer on disability and fair housing law, Michelle has authored publications, provided national training to advocates, and submitted amicus briefs to the United States Supreme Court. She is a graduate of Stanford University and earned her Juris Doctor from the University of California, Davis School of Law.

Olivia Wein

Olivia Wein is a senior attorney at the National Consumer Law Center (NCLC). NCLC is a non-profit focused on using consumer law to promote economic security for low-income and other disadvantaged people. Olivia focuses on policies and programs that protect low-income consumers' access to essential utility services, including energy, water, and telecom. She works on the federal Low-Income Home Energy Assistance Program (LIHEAP), Weatherization and Lifeline, and she intervenes in federal and state utility commission proceedings in matters affecting low-income utility consumer programs and protections. She is co-author of the fifth edition of NCLC's manual *Access to Utility Service* and co-author of *The Rights of Utility Consumers*. Olivia serves on the board of the Universal Service Administrative Company and the governing board for the National Energy and Utility Affordability Coalition.

Ruth Anne White

Ruth White is one of the nation's leading experts on the nexus between housing policy and child welfare. She is co-founder and executive director of the National Center for Housing and Child Welfare and former director of housing and homelessness for the Child Welfare League of America (CWLA). At the Child Welfare League, she co-edited a landmark issue of the League's journal, *Child Welfare*, documenting the extent to which children are needlessly held in foster care because their parents lack decent housing. Through her advocacy, more than \$100 million in new funding for the Family Unification Program has been made available for families and youth in child welfare since 2009. Prior to working at CWLA, Ruth managed the front-door family shelter and redesigned the homeless coordinated entry system in Columbus, Ohio, reducing shelter entries by over 60%. She is also certified as an assisted housing manager. Ruth has a Master of Science degree in social administration from Case Western Reserve University and a Bachelor of Science degree in social work from Ohio State University. She is currently a Furfey Scholar, doctoral candidate, and professor of social work at the Catholic University of America.

Chantelle Wilkinson

Chantelle Wilkinson is the national campaign director of the *Opportunity Starts at Home* campaign at NLIHC. Before joining the Coalition, she worked as a budget analyst for the New York State legislature, assisting with the enactment of housing and transportation policies. In 2016, she worked on the Breathing Lights Campaign with the Center for Women in Government and Civil Society. The campaign highlighted the issues of dilapidated vacant housing in the capital region of New York State and spurred collaboration between people and organizations from many sectors, including artists, community organizations, neighborhood ambassadors, project administrators, and government officials. Chantelle received her BA in political science with minors in Latin American/Caribbean studies and Spanish and her MA in public administration from the Rockefeller College of Public Affairs and Policy at the University at Albany.

Renee Williams

Renee Williams is NLIHC's senior advisor for public policy. In her role, Renee monitors and assists NLIHC's response to regulatory, legislative, and other developments that impact the ability of people with the lowest incomes to access and remain in affordable homes. Previously, Renee worked at the National Housing Law Project (NHLP) and the Civil Rights Division of the U.S. Department of Justice (DOJ). At NHLP, Renee's work focused on advocacy to preserve, strengthen, and promote fair housing protections; the housing rights of survivors of domestic and sexual violence; and housing access for persons with limited English proficiency. During her nine years at NHLP, Renee provided training and technical assistance to a range of audiences across the United States. Renee also drafted legislative language, evaluated and commented on proposed regulations, and contributed to NHLP's HUD Housing Programs: Tenants' Rights (the "Green Book"). At DOJ, Renee worked to implement and enforce federal civil rights protections. Renee graduated with a B.A. from Emory University and a J.D. from the University of Chicago Law School.

Renee M. Willis

Renee M. Willis is president and CEO of NLIHC, a membership organization dedicated to achieving racially and socially equitable public policy that ensures people with the lowest incomes have quality homes that are accessible and affordable in communities of their choice. She also leads NLIHC's intensified engagement of renters with low-incomes and people with lived experience with homelessness and housing instability. Renee previously served as NLIHC's senior vice president for Racial Equity, Diversity and Inclusion. In this role, Renee worked to ensure that NLIHC's commitment to racial equity, diversity, and inclusion is woven through its culture, policies, programs, and practices. From 2015 to 2021, Renee served as NLIHC's vice president for field and communications. In 2020, she served as a fellow with the Shriver Center's Racial Justice Institute and joined a network of advocates working on race equity issues across the country.

Tiara Wood

Tiara Wood is NLIHC's communications coordinator. Tiara provides essential support to NLIHC's Communications, Events, and Development teams, focusing on the areas of social media, visual storytelling, content creation, event planning, media relations, and marketing. Before joining NLIHC, Tiara was senior program associate of communications for the National Legal Aid & Defender Association (NLADA), where she played a vital role in increasing the national impact of the organization by deploying a strategic communications plan, boosting social media engagement, and managing onsite teams in support of national events. She also worked for Star Eyed Events, where she designed and developed a brand identity for the organization's fan conventions and improved its communications strategy via social media channels. Tiara earned her bachelor of arts degree in political science from Furman University, while also playing on the university's Division I basketball team.

Alicia Woodsby

Alicia Woodsby is a senior associate at the Technical Assistance Collaborative, Inc (TAC). She has 17 years of experience leading statewide public policy initiatives; building statewide coalitions and cross-system and cross-sector partnerships; developing housing and services solutions for vulnerable and complex populations; and working to scale best practices. She provides technical assistance (TA) to states, nonprofits, local community mental health agencies, and Continuums of Care on health, behavioral health, and housing integration strategies; data sharing; estimating needs for housing resources; supportive housing capacity-building; strategies to reduce homelessness; serving high-cost/high-need populations; homelessness prevention; racial equity strategies; and partnering with people with lived experience. She served on the team for a national Centers for Medicare and Medicaid Services (CMS) learning collaborative focused on leveraging Medicaid and other federal resources to serve individuals with substance use disorders (SUDs) experiencing homelessness, and she has contributed

to national policy briefs and planning guides. She has conducted multiple presentations on mental health policy, housing, and homelessness at the state level and nationally. Prior to joining TAC, Alicia was the executive director of the Partnership for Strong Communities, the statewide policy, advocacy, and backbone organization for the collective impact effort to end homelessness in Connecticut. At the Partnership, she led the statewide Reaching Home campaign, which played a major role in Connecticut's being named the first state to end chronic homelessness among veterans and the second to meet the federal definition of ending veteran homelessness, while reducing chronic homelessness among all populations by more than 60%. These efforts resulted in a substantial increase in the state's stock of supportive and affordable housing and a streamlined system for addressing the long-term homelessness of people with disabilities. During her time as public policy director for the National Alliance on Mental Illness in Connecticut, she led a statewide mental health advocacy coalition, taking the lead on issues related to Medicaid, medication access, mental health parity, housing, and the decriminalization of serious mental illness.

Many links and resources may have been changed or removed from federal websites before this guide was finalized. As a response, this guide provides full URLs to support your web-based research. Please utilize a web archival tool like <https://archive.org> to view links that may not currently be working and research any recent changes and funding cuts to ensure that you have the most current information.

Please contact outreach@nlihc.org with any questions.

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