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Regulations Division
Office of General Counsel
Department of Housing and Urban Development
451 7th Street SW, Room 10276
Washington, DC 20410-0500

Re: Establishing Flexibility for Implementation of Work Requirements and Term Limits, Docket No. FR-6520-P-01, RIN 2501-AE15

To the Regulations Division, Office of General Counsel:

The National Low Income Housing Coalition (NLIHC) submits this comment to strongly oppose the U.S. Department of Housing and Urban Development's (HUD) Notice of Proposed Rulemaking, "Establishing Flexibility for Implementation of Work Requirements and Term Limits" (Proposed Rule).¹

NLIHC is an organization whose members include state and local affordable housing coalitions, residents of public and assisted housing, nonprofit housing providers, homeless service providers, fair housing organizations, researchers, faith-based organizations, public housing agencies, private developers and property owners, local and state government agencies, and concerned citizens. While our members include the spectrum of housing interests, we do not represent any segment of the housing industry. Rather, we work on behalf of and with low-income people who receive or need federal housing assistance, especially extremely low-income people and people who are homeless.

Permitting public housing agencies (PHAs) and owners of HUD-assisted housing to take away housing assistance from residents because of strict cutoff dates and documentation requirements will lead to more people experiencing eviction and, in worst cases, homelessness. This Proposed Rule, characterized by HUD as "flexibility," attempts to pave the way for states to require these counterproductive and harmful policies, meaning that housing providers in certain jurisdictions could face unfunded mandates.

¹ 91 Fed. Reg. 10,016 (Mar. 2, 2026).

These policies will impose costs on tenants and housing providers alike. HUD’s proposed changes also lack statutory basis and are an attempt to circumvent the will of Congress.

Accordingly, NLIHC urges HUD to withdraw the Proposed Rule in its entirety.

A. HUD’s Proposed Rule Would Put the Housing Security of Millions of HUD Tenants at Risk Without Addressing the Root Causes of Unaffordability.

The Proposed Rule will not broaden access to affordable housing but instead will jeopardize housing stability for millions of HUD rental assistance program participants. According to a recent estimate by the Center on Budget and Policy Priorities (CBPP), up to 3.7 million people would be at risk of losing their rental assistance under the Proposed Rule.² This figure would include nearly 1.9 million children.³ Despite HUD’s assertions that the Proposed Rule would help PHAs and owners “manage local demand for limited housing assistance” and make “housing available for other eligible families awaiting assistance,”⁴ this proposal will not address our national affordable housing shortage or the systemic reasons why families struggle to afford rent. It is unclear whether implementation of the Proposed Rule would offer any discernable benefits for families, but the harms are clear.

i. The Proposed Rule Will Not Address the Affordable Housing Crisis, But Will Exacerbate Financial Strain on Families.

According to NLIHC research, in the United States, there are 11 million renter households with extremely low incomes, yet only 3.8 million rental units affordable and available to such households.⁵ People of color, specifically Black, Latino, and American Indian or Alaska Native (AIAN) households, “are disproportionately extremely low-income renters and disproportionately impacted by the housing shortage.”⁶ Furthermore, income is not keeping up with housing costs. In 2025, NLIHC’s analysis revealed that a worker would need to make \$33.63 per hour to afford a modest two-bedroom rental, and \$28.17 per hour for a modest one-bedroom.⁷ Nearly half of workers in the United States make less per hour than needed to afford a modest one-bedroom rental.⁸ Because the gap between wages and affordability represents a market failure for tenants with the lowest incomes, federally assisted housing provides crucial assistance for millions of Americans. Yet only 1 in 4 eligible households in the United States receive federal housing subsidies.⁹

² Gartland, E. (2026). Nearly 3.7 Million People at Risk of Losing Needed Rental Assistance to Harsh Time Limit and Work Requirement Proposal, <https://www.cbpp.org/research/housing/nearly-37-million-people-at-risk-of-losing-needed-rental-assistance-to-harsh-time>

³ Gartland, 2026.

⁴ 91 Fed. Reg. at 10,019.

⁵ NLIHC, *The Gap: A Shortage of Affordable Homes*, at 11 (2026), available at: <https://nlihc.org/gap>.

⁶ *The Gap* at 4 (noting that “[e]ighteen percent of Black non-Latino households, 16% of AIAN households, and 13% of Latino households are extremely low-income renters compared to just 6% of white households”).

⁷ NLIHC, *Out of Reach: The High Cost of Housing* (2025), at 11, available at: <https://nlihc.org/oor>.

⁸ *Out of Reach* at 11.

⁹ *Out of Reach* at 26.

Imposition of work requirements and/or time limits under the Proposed Rule would not create new affordable housing units or additional rental subsidies to address this shortage. In fact, HUD acknowledges that “not every dollar” from a subsidized household losing assistance would benefit a new household due to the delay between move-out and move in.¹⁰

Instead, implementation of the Proposed Rule would exacerbate the affordable housing crisis. Work requirements and time limits would displace families, and further strain household finances due to costs associated with that displacement; this, in turn, makes it more difficult for families to relocate to stable, affordable housing. As HUD’s own analysis admits, tenants “would potentially face costs beyond the value of the subsidy lost, including moving costs and the consequences of housing instability and eviction.”¹¹ In its analysis, HUD assumes a move costs a family \$900,¹² a prohibitively high amount for many extremely low-income people (and yet still likely insufficient to cover common relocation expenses such as first and last month’s rent, rental application fees, and security deposits). HUD also acknowledges the broader negative impacts of housing instability, “as people that lose housing assistance would likely burden local public services more, especially if they fall into homelessness.”¹³ Though HUD tries to point to the benefits of families who would replace the displaced families in HUD-assisted housing, it is important to note that those families could similarly eventually be displaced under the same work requirements or time limits.

ii. The Proposed Rule Does Not Meaningfully Address Structural Barriers to Employment or Self-Sufficiency.

The Proposed Rule also fails to meaningfully address the structural barriers to employment or economic self-sufficiency. Common barriers to employment include a lack of affordable childcare and transportation, a lack of employment opportunities, the volatility that characterizes low-wage jobs, and mental and physical health conditions, among others.¹⁴ Black workers face systemic barriers to obtaining well-paying, stable jobs compared to white

¹⁰ U.S. Dep’t of Hous. & Urban Dev., Regulatory Impact Analysis: FR-6520-P-01, “Establishing Flexibility for Implementation of Work Requirements and Term Limits” (RIA), at 22 n.43 (2026), <https://www.regulations.gov/document/HUD-2026-0298-0002>.

¹¹ RIA at 22.

¹² RIA at 25. Looking to Footnote 48, the \$900 estimate seemed to be focused on moving and transporting belongings. It did not seem to include other expenses common during the relocation process such as rental application fees, security deposits, etc. It also assumes a local move, and thus not reflective of the costs of relocating longer distances, such as families who move further away out of necessity (e.g., to move in with relatives who live in another state).

¹³ RIA at 22.

¹⁴ Karpman, M., Haley, J. M., & Kenney, G. M. (2025). Many Working People Would Be Shut Out of Medicaid under Proposed Work Requirements. Urban Institute, <https://www.urban.org/sites/default/files/2025-06/Many-Working-People-Would-Be-Shut-Out-of-Medicaid-under-Proposed-Work-Requirements.pdf>; Hahn, H. (2019). Navigating Work Requirements in Safety Net Programs. Urban Institute, https://www.urban.org/sites/default/files/publication/99479/navigating_work_requirements_in_safety_net_programs_1.pdf

workers,¹⁵ including racial discrimination in hiring¹⁶ and occupational segregation.¹⁷ Due to occupational segregation, workers of color face higher unemployment rates than white workers and are over-represented in underpaying jobs, dangerous jobs, and jobs with few benefits.¹⁸

Moving to Work (MTW) PHAs with work requirement policies, such as the Chicago Housing Authority, found that residents faced significant barriers to finding and retaining work.¹⁹ The Atlanta Housing Authority decreased the required number of work-related hours when it realized that most of the households were being penalized for having jobs in which employers would not schedule employees for 30 or more hours to avoid the requirement to provide insurance under the Affordable Care Act.²⁰ Other observed barriers in MTW agencies included having large numbers of children, felony convictions, as well as a lack of childcare, education, job skills, and transportation.²¹

The supportive services required by the Proposed Rule likely will also do little to address structural barriers faced by HUD-assisted families, in the absence of dedicated funding for such services. As INLIVIAN (formerly Charlotte Housing Authority) shared in their comments on the Proposed Rule, work requirement and time limit programs are “resource intensive to build and sustain.”²² INLIVIAN also noted that “work requirement programs cannot succeed in isolation,” and must be paired “with real, accessible, supportive services that help families overcome barriers to employment and self-sufficiency, things like childcare, transportation, healthcare, and job training.”²³ Perhaps most importantly, imposing “requirements without these supports risk hurting the very households they are meant to help.”²⁴ As noted by INLIVIAN in its public

¹⁵ Weller, C. E. (2019). African Americans Face Systematic Obstacles to Getting Good Jobs. Center for American Progress, <https://www.americanprogress.org/article/african-americans-face-systematic-obstacles-getting-good-jobs/>

¹⁶ Quillian, L., Pager, D., Hexel, O., & Midtboen, A. H. (2017). Meta-analysis of Field Experiments Shows No Change in Racial Discrimination in Hiring Over Time, <https://www.pnas.org/doi/full/10.1073/pnas.1706255114>; NPR, Robert Wood Johnson Foundation, & Harvard T.H. Chan School of Public Health. (2017). Discrimination in America: Experiences and Views, <https://www.rwjf.org/en/library/research/2017/10/discrimination-in-america-experiences-and-views.html>

¹⁷ Solomon, D., Maxwell, C., & Castro, A. (2019). Systematic Inequality and Economic Opportunity. Center for American Progress, <https://www.americanprogress.org/article/systematic-inequality-economic-opportunity/>

¹⁸ Dixon, R., & Traub, A. (2024). Desegregating Opportunity: Why Uprooting Occupational Segregation is Critical to Building a Goods-Job Economy. National Employment Law Project, <https://www.nelp.org/insights-research/desegregating-opportunity-why-uprooting-occupational-segregation-is-critical-to-building-a-good-jobs-economy/>

¹⁹ Levy, D. K., Edmonds, L., Batko, S., & Gaddy, M. (2019), at 2, 8. Public Housing Work Requirements: Case Study on the Chicago Housing Authority. Urban Institute. Retrieved from: https://www.urban.org/sites/default/files/publication/100100/public_housing_works_requirements_0.pdf (“One of the major barriers to employment and job advancement was a lack of child care, especially during the job search.”).

²⁰ Nisar, H., Matite, M., & Hu, L. (2022), at 49. A Review of Work Requirement Policies in HUD-Funded Assisted Housing. U.S. Department of Housing and Urban Development, Office of Policy Development and Research. Retrieved from: <https://www.huduser.gov/portal/portal/sites/default/files/pdf/A-Review-of-Work-Requirement-Policies.pdf>

²¹ Nisar, Matite, & Hu, 2022, at 15.

²² INLIVIAN, “Public Comment on HUD Proposed Rule on Work Requirements and Term Limits,” HUD-2026-0298-0116, (Mar. 23, 2026), <https://www.regulations.gov/comment/HUD-2026-0298-0116>.

²³ INLIVIAN, “Public Comment on HUD Proposed Rule on Work Requirements and Term Limits,” HUD-2026-0298-0116, (Mar. 23, 2026), <https://www.regulations.gov/comment/HUD-2026-0298-0116>.

²⁴ INLIVIAN, “Public Comment on HUD Proposed Rule on Work Requirements and Term Limits,” HUD-2026-0298-0116, (March 23, 2026), <https://www.regulations.gov/comment/HUD-2026-0298-0116>

comment and by MTW agencies interviewed in the HUD-commissioned review of work requirement policies,²⁵ dedicated funding is essential for PHAs to provide meaningful and accessible supportive services that address the barriers to employment that HUD-assisted households face. As research from other benefits programs reveals, mandating work without removing these barriers causes individuals to lose critical benefits without increasing employment opportunities or wages.²⁶

B. Time Limits and Burdensome Work Reporting Requirements Pose Additional Barriers to Families Trying to Stay Housed.

i. Time Limits Will Take Away Assistance from Families Who Need It.

According to a 2025 CBPP analysis, a two-year time limit on HUD rental assistance would put approximately 3.3 million people, including 1.7 million children, at risk of losing their homes.²⁷ Nearly 2 million of those at-risk tenants live in a household where at least one member is working, per CBPP.²⁸ Even HUD’s own analysis of hypothetical adoption scenarios -- which do not assume universal adoption of these policies – estimates that as many as 334,000 individuals, including 170,000 children, in non-disabled, non-elderly families would have a two-year tenure in HUD programs.²⁹ Either estimate makes clear that implementation of the Proposed Rule jeopardizes the housing stability of hundreds of thousands, if not millions, of HUD-assisted individuals, a large percentage of whom are children.

ii. HUD’s Proposed Work Requirements Will Mean Onerous Reporting and Tracking for Families.

The Proposed Rule allows PHAs and owners to require each “work-eligible” adult to engage in up to 40 hours of “work activities” per week. Adoption of these policies will impose programmatic red tape on families. If household members are working, they will now have to document their work and keep track of their own compliance.³⁰ HUD notes that tenants may be required to “answer questions, fill out forms, or complete other tasks to prove their compliance,” with the administrative burden on tenants being PHA- or owner-dependent.³¹ Such tracking will prove especially difficult for residents with jobs with inconsistent hours per week, or where the required forms are confusing or time-intensive to complete. Compliance tracking will also impose barriers for individuals considered “work eligible” but who face other barriers to employment. For example, survivors of domestic violence may lose their jobs due to the actions

²⁵ Nisar, Matite, & Hu, 2022.

²⁶ Hahn, H. (2018). What Research Tells Us About Work Requirements. Urban Institute, <https://www.urban.org/research/publication/what-research-tells-us-about-work-requirements>

²⁷ Fischer, W., & Gartland, E. (2025). Rental Assistance Time Limits Would Place More Than 3 Million People — Half of Them Children — at Risk of Eviction and Homelessness. Center on Budget and Policy Priorities, <https://www.cbpp.org/research/housing/rental-assistance-time-limits-would-place-more-than-3-million-people-half-of-them>.

²⁸ Fischer & Gartland, 2025.

²⁹ RIA at 14.

³⁰ RIA at 16 (“Besides implementation costs for PHAs and owners, new work requirement policies could also increase the administrative burden on affected tenants, even if they were already working enough to meet the requirement.”).

³¹ RIA at 16.

of a perpetrator, or may be prevented by a perpetrator from working in the first place. Although the Proposed Rule would require a hardship policy to address individuals who are “actively trying” to comply,³² the Proposed Rule does not provide guidance on what “actively trying” means, or guardrails to ensure that “actively trying” is not an impossible standard to meet.

Other residents will be forced to demonstrate eligibility for exemptions. The exemption process will likely create barriers for residents who are older³³ (but not old enough to be exempt) and those experiencing disabilities who may rely on in-home support or accommodations to manage paperwork. It will also burden residents who may have inconsistent access to medical professionals to receive diagnoses or verification to support a request for an exemption based on disability.³⁴ Each additional requirement imposed upon HUD households creates another opportunity for missed compliance, and in turn, jeopardizes their housing. In fact, according to HUD’s own hypothetical adoption scenarios, between 18,000 and 72,000 households would be “subject to work requirements and include at least one non-compliant member.”³⁵ In other words, by even HUD’s own estimate, tens of thousands of households would be at risk of losing their housing under this Proposed Rule.

iii. HUD’s Proposed Rule Includes Insufficient Exemptions.

The exemptions HUD outlines in its Proposed Rule have significant gaps. For example, HUD’s proposal does not exempt caretakers for children ages six and older from work requirements. This means that individuals will be left to navigate childcare, work, and other responsibilities without adequate supports. The Proposed Rule’s age range of 18 to 61 as the baseline for work requirements fails to account for the needs of older adults not yet 62, such as the fact that older workers often face employment discrimination and are forced into early retirement.³⁶ There is also no parent or caretaker exemption for time limits under the Proposed Rule, meaning that families with children could be displaced at arbitrary times, such as the middle of a school year, due to an arbitrary cutoff date for assistance.

Furthermore, under HUD’s Proposed Rule, people who are elderly or disabled could still be displaced. For example, individuals who are elderly or disabled could still be subject to time limits if they live in a household that is considered non-exempt under the Proposed Rule.³⁷ They could also be negatively impacted if a non-exempt household member fails to meet their individual work requirements.³⁸ In such scenarios, their housing stability could be placed in

³² 91 Fed. Reg. at 10,023.

³³ Kye, J. (2026). HUD’s Proposal on Work Requirements and Time Limits Would Take Away Housing Assistance From Older Adults, <https://justiceinaging.org/huds-proposal-on-work-requirements-and-time-limits-would-take-away-housing-assistance-for-older-adults/> (noting that older adults over 50 often do not identify as having a disability, even if they meet the criteria).

³⁴ Gartland, 2026 (“Exemptions based on disability are particularly hard for people to prove, often requiring extensive documentation that stretched caseworkers — or, worse, private owners of subsidized housing — may be ill-equipped to evaluate accurately. And lack of access to health providers, particularly for people who are uninsured, can make obtaining the required documentation impossible. As a result, it is likely that many people with disabilities or who meet other exemption criteria would lose assistance under the policies permitted by the rule.”).

³⁵ RIA at 19.

³⁶ Kye, 2026.

³⁷ Kye, 2026.

³⁸ Kye, 2026.

jeopardy due to circumstances beyond their control, as an entire household could face displacement because of one member’s noncompliance, or because the household itself has exceeded the time limit.³⁹

Such exemption gaps mean that households with vulnerable family members would be at risk of losing their housing under the Proposed Rule. In the name of local “flexibility,” HUD leaves it up to local PHAs and owners to decide whether and how to enact such policies, with minimal guardrails, that place the onus on tenants to pursue hardship requests.

C. HUD Fails to Demonstrate that Work Requirements and Time Limits Have a Proven Track Record of Success in MTW Agencies.

There is a dearth of rigorous evaluations of work requirements and time limits in housing assistance programs. HUD selectively highlights statistics, primarily from MTW annual reports, to assert that work requirements and time limits would promote employment and encourage self-sufficiency for HUD-assisted tenants. Yet in many of the examples that HUD deems success stories, the policies did not enable residents to increase their incomes enough to no longer need housing assistance. Further, HUD disregards the significant body of evidence (discussed, *infra*) demonstrating that work requirements and time limits in other safety net programs do not help participants achieve self-sufficiency, and instead result in adverse outcomes for individuals and families.

i. Research on MTW Work Requirement/Time Limit Policies is Lacking and Fails to Establish These Policies Help Residents Attain Economic Self-Sufficiency.

There is insufficient information to evaluate the effectiveness of the various flexibilities, such as work requirements and time limits, that MTW agencies have adopted.⁴⁰ Thus, HUD primarily relies on MTW agency reports documenting the impacts of their work requirement and time limit policies. HUD cites several examples of MTW agencies that report increased employment and incomes among participants subject to work requirement and time limit policies.⁴¹ Yet HUD neglects MTW agencies’ statements that, while such policies did increase employment, these increases likely did not allow households to achieve their self-sufficiency goals and successfully exit assistance. A 2022 HUD-commissioned review of MTW work requirement policies finds that due to data limitations, it is unclear whether some reported increases in employment and income associated with work requirement policies “reach a level that enables self-sufficiency.”⁴²

The only rigorous, causal study⁴³ of the effectiveness of a PHA’s work requirement policy examined INLIVIAN’s (formerly, Charlotte Housing Authority) work requirement and its impact

³⁹ Kye, 2026.

⁴⁰ Falk, G., Aussenberg, R. A., Baumrucker, E. P., Landers, P. A., & McCarty, M. (2025). Work Requirements: Existing Policies in Medicaid, SNAP, Housing Assistance, and TANF. Congressional Research Service, https://www.congress.gov/crs_external_products/R/PDF/R48531/R48531.5.pdf

⁴¹ 91 Fed. Reg. at 10,020-21.

⁴² Nisar, Matite, & Hu, 2022, at 15.

⁴³ Aiken, C., & Lochhead, E. (2025). Policy at a Crossroads: What We Know About Work Requirements and Time Limits in Federal Housing Assistance. Local Housing Solutions, <https://www.localhousingsolutions.org/policy-insights/policy-insights-work-requirements-and-time-limits-in-federal-housing-assistance/> (noting that the Charlotte

on employment and hours worked. The study found that while employment rates increased after work requirement enforcement, there was not a similar increase in the average number of working hours, likely because the newly obtained jobs were often part-time. Thus, the work requirement “did not result in the kind of financial impact that would allow many residents to move out of public housing.”⁴⁴

Other MTW agencies also fail to show conclusive evidence of work requirement policies resulting in self-sufficiency. For example, the Proposed Rule states that evaluations from the Housing Authority of Champaign County (HACC), Chicago Housing Authority (CHA) and the Lexington-Fayette Urban County Housing Authority (LHA) suggested “their work requirement policies positively affected average household income.”⁴⁵ However, HUD fails to note that compliance with the work requirement did not lead to sufficient increases in income to enable residents to move off housing assistance. Additionally, it is unclear whether the marginal increase in income could be attributed to the policy or to the economic recovery from the Great Recession and Chicago’s increased minimum wage.⁴⁶ LHA staff reported that “self-sufficiency was difficult to achieve even when assisted households work full time at minimum wage because the minimum wage is not sufficient for them to afford basic necessities and the costs associated with employment (e.g., transportation and childcare).”⁴⁷

ii. Many MTW Agencies Terminated Work Requirement and/or Time Limit Policies Due to Administrative Burden and Adverse Outcomes for Tenants

HUD relies on the experiences of MTW agencies to justify its Proposed Rule but does not address the key fact that many agencies have terminated their work requirements or time limits policies.⁴⁸ Commonly cited reasons for ending such policies include a lack of capacity to administer and enforce the policies, severe rent burdens due to the rental housing market, and a lack of well-paying jobs.⁴⁹ Importantly, PHAs often terminated the policies after finding that households faced significant barriers to work and still faced poverty and a high risk of housing instability after reaching the end of their assistance.⁵⁰

The Tacoma Housing Authority, for example, ended its time limit policy because it was associated with adverse outcomes, including smaller income gains, greater challenges with leasing, more negative exits (e.g., evictions), and higher rent burdens.⁵¹ The Housing Authority of the County of San Bernardino (HACSB), whose time limit policy is mentioned in HUD’s

study was the only rigorous causal study; the authors identified only one other rigorous, but non-causal, study of Chicago Housing Authority).

⁴⁴ Rohe, W., Webb, M., & Frescoln, K. (2015), at 30. Work Requirements in Public Housing: Impacts on Tenant Employment and Evictions, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2664223

⁴⁵ 91 Fed. Reg. at 10,020-21.

⁴⁶ Levy, D. K., Edmonds, L., Batko, S., & Gaddy, M. (2019), at 22. Public Housing Work Requirements: Case Study on the Chicago Housing Authority. Urban Institute, https://www.urban.org/sites/default/files/publication/100100/public_housing_works_requirements_0.pdf

⁴⁷ Nisar et al., 2022, at 108.

⁴⁸ Aiken & Lochhead, 2025.

⁴⁹ Aiken & Lochhead, 2025.

⁵⁰ Aiken & Lochhead, 2025.

⁵¹ Aiken & Lochhead, 2025; Tacoma Housing Authority. (2021), at 31. An Assessment of the Housing Opportunity Program, <https://www.tacomahousing.org/wp-content/uploads/2022/02/An-Assessment-of-the-Housing-Opportunity-Program-2021-11-22.pdf>

Proposed Rule, ended its work requirement policy due to the administrative burden and implementation cost.⁵² Removing the work requirement reduced administrative burden, streamlined HACSB’s processes, and “empower[ed] families to make decisions about their housing and employment that are best for their unique family circumstances.”⁵³

D. Safety Net Program Research Shows Work Requirements and Time Limits Reduce Program Participation Without Increasing Employment or Earnings.

A substantial body of evidence on work requirements in safety net programs – including the Supplemental Nutrition Assistance Program (SNAP), Medicaid, and the Temporary Assistance for Needy Families (TANF) program – directly conflicts with HUD’s claim that work requirements are effective at increasing employment and earnings. Many rigorous evaluations find that work requirements and time limits in other benefits programs reduce program participation without meaningfully increasing employment and earnings.⁵⁴ Instead of lifting households out of poverty or increasing employment opportunities, work requirements only serve to take critical assistance away from people struggling to meet their basic needs.

Work requirement and time limit policies in safety net programs result in adverse impacts, including food insecurity;⁵⁵ housing instability;⁵⁶ loss of health care coverage;⁵⁷

⁵² Nisar et al., 2022, at 122.

⁵³ Housing Authority of the County of San Bernardino. 2021. 2021 Moving to Work Annual Plan, 79, <https://hacsb.com/wp-content/uploads/2021/06/HACSB-2021-MTW-Annual-Plan-FINAL-Approved.pdf>

⁵⁴ Wething, H. (2025). Work Requirements for Safety Net Programs like SNAP and Medicaid. Economic Policy Institute, <https://www.epi.org/publication/snap-medicaid-work-requirements/>; Pavetti, L. (2016). Work Requirements Don’t Cut Poverty, Evidence Shows. Center on Budget and Policy Priorities, <https://www.cbpp.org/research/poverty-and-inequality/work-requirements-dont-cut-poverty-evidence-shows>; Gray, C., Leive, A., Prager, E., Pukelis, K., & Zaki, M. (2023). Employed in a SNAP? The Impact of Work Requirements on Program Participation and Labor Supply. *American Economic Journal: Economic Policy*, 15(1), 306-41, <https://www.aeaweb.org/articles?id=10.1257/pol.20200561>; Vericker, T., Wheaton, L., Baier, K., & Gasper, J. (2023). The Impact of ABAWD Time Limit Reinstatement on SNAP Participation and Employment. *Journal of Nutrition Education and Behavior*, 55(4), 285-296, <https://pubmed.ncbi.nlm.nih.gov/36868947/>; Sommers, B. D., Goldman, A. L., Blendon, R. J., Orav, E. J., Epstein, A. M. (2019). Medicaid Work Requirements – Results from the First Year in Arkansas. *New England Journal of Medicine*, 381(11), <https://www.nejm.org/doi/full/10.1056/NEJMSr1901772>; Bauer, L., & East, C. N. (2026). A Primer on SNAP Work Requirements. The Hamilton Project, <https://www.hamiltonproject.org/publication/paper/a-primer-on-snap-work-requirements/>; Karpman, M., & Gangopadhyaya, A. (2025). New Evidence Confirms Arkansas’s Medicaid Work Requirement Did Not Boost Employment. Urban Institute, <https://www.urban.org/urban-wire/new-evidence-confirms-arkansas-medicaid-work-requirement-did-not-boost-employment>

⁵⁵ Ku, L., Brantley, E., & Pillai, D. (2019). The Effects of SNAP Work Requirements in Reducing Participation and Benefits from 2013-2017. *American Journal of Public Health*, 109(10), 1446-1451,

<https://pmc.ncbi.nlm.nih.gov/articles/PMC6727315/>; Dagata, E. (2002). Assessing the Self-Sufficiency of Food Stamp Leavers. United States Department of Agriculture, <https://www.ers.usda.gov/publications/pub-details?pubid=46645#download>

⁵⁶ Dagata, 2002.

⁵⁷ Sommers et al., 2019; Wagner, J., & Schubel, J. (2020). States’ Experiences Confirm Harmful Effects of Medicaid Work Requirements. Center on Budget and Policy Priorities, <https://www.cbpp.org/sites/default/files/atoms/files/12-18-18health.pdf>

physical⁵⁸ and mental health⁵⁹ challenges; financial hardships;⁶⁰ and harmful impacts on the health of infants, children, and youth.⁶¹

i. Supplemental Nutrition Assistance Program (SNAP)

Research shows that SNAP work requirements reduce program participation and do not meaningfully improve employment or earnings.⁶² Most SNAP recipients must meet general work requirements, and individuals who are considered “able-bodied adults without dependents” (ABAWDs) must meet the general work requirements and an additional work requirement – at least 80 hours per month – to receive SNAP benefits for more than three months in a three-year period.⁶³ The work requirement policy is essentially a time limit on SNAP, taking away critical nutrition assistance when individuals cannot find enough hours of work.

Studies demonstrate work requirements lack favorable effects on employment or hours worked,⁶⁴ or on earnings.⁶⁵ Work requirements do not address barriers to employment that many SNAP recipients face, including the volatility of the low-wage job market. SNAP recipients “work low-wage jobs, and 29 percent remain below the poverty line even if they are working more than 30 hours per week for at least half the year.”⁶⁶ Most SNAP recipients face volatile labor markets with unstable earnings and hours of work from week to week.⁶⁷

⁵⁸ Feng, W. (2021). The Effects of Changing SNAP Work Requirement on the Health and Employment Outcomes of Able-Bodied Adults without Dependents. *Journal of the American Nutrition Association.*, <https://doi.org/10.1080/07315724.2021.1879692>

⁵⁹ Allen, L., Henry, D., & Atwood, A. (2022). SNAP Work Requirements Increase Mental Health Care Use. *Health Services Research*, 58(1), 60-66, <https://pmc.ncbi.nlm.nih.gov/articles/PMC9836954/>; Lee, H. B., & McNamara, P. E. (2022). The Effect of Work Requirements on Mental Health of Subsidized Housing Recipients: Evidence from the Housing Authority of Champaign County, Illinois. *Journal of Policy Practice and Research*, 3, 194-212, <https://link.springer.com/article/10.1007/s42972-022-00052-7>;

⁶⁰ Wagner & Schubel, 2020.

⁶¹ Cook, J. T., Frank, D. A., Berkowitz, C., Black, M. M., Casey, P. H., Cutts, D. B., Meyers, A. F., Zaldivar, N., Skalicky, A., Levenson, S., & Hereen, T. (2002). Welfare Reform and the Health of Young Children: A Sentinel Survey in 6 Cities. *Archives of Pediatrics and Adolescent Medicine*, 156(7), 678-684, <https://pubmed.ncbi.nlm.nih.gov/12090835/>; Skalicky, A., & Cook, J. T. (2002). The Impact of Welfare Sanctions on the Health of Infants and Toddlers. A Report from the Children’s Sentinel Nutrition Assessment Program. Retrieved from: https://childrenshealthwatch.org/wp-content/uploads/welfare_7_02.pdf; First Focus on Children. (2025). The Harmful Consequences of Work Requirements and Other Obstacles to Aid for Children, <https://firstfocus.org/wp-content/uploads/2025/02/Work-Requirements-Issue-Brief.pdf>

⁶² Vericker et al., 2023; Gray et al., 2023; Ku et al., 2019; Ndumele, C. D., Factor, H., Lavallee, M., Lollo, A., & Wallace, J. (2024). Supplemental Nutrition Assistance Program Work Requirements and Safety-Net Program Participation. *JAMA Internal Medicine*, 185(1), 92-100, <https://jamanetwork.com/journals/jamainternalmedicine/fullarticle/2825357>

⁶³ U.S. Department of Agriculture. (Updated August 2025). SNAP Work Requirements. Retrieved from: <https://www.fns.usda.gov/snap/work-requirements>; Diana, A., Tolbert, J., Rao, A., & Cervantes, S. (2026). A Look at the Intersection of SNAP and Medicaid as States Implement Medicaid Work Requirements. KFF, <https://www.kff.org/medicaid/a-look-at-the-intersection-of-snap-and-medicare-as-states-implement-medicare-work-requirements/>

⁶⁴ Gray et al., 2023; Vericker et al., 2023; Stacy, B., Scherpf, E., & Jo, Y. (2018). The Impact of SNAP Work Requirements. Paper presented at the Society of Government Economists Annual Conference, <https://www.aeaweb.org/conference/2019/preliminary/paper/Z8ZhzBzt>

⁶⁵ Vericker et al., 2023.

⁶⁶ Bauer & East, 2026, at 14.

⁶⁷ Bauer & East, 2026.

Robust evidence found that work requirements decreased SNAP participation by more than 50 percent, with people experiencing homelessness and those with no earned income disproportionately affected by the work requirement.⁶⁸ Further, one study found that “clinically and socioeconomically vulnerable populations” – such as individuals with diabetes, older adults, and households with the lowest incomes – were disproportionately disenrolled from SNAP due to work requirements.⁶⁹ Another study found that people who reported having a disability and likely should have been exempt from the work requirement lost SNAP benefits at the same rate as people without a disability.⁷⁰

Proponents of work requirements claim that federal benefits programs reduce work and cause long-term “dependency” on assistance. Yet, research finds no evidence that receiving SNAP benefits leads to “long-term reductions in labor supply or dependency on” other federal government benefits.⁷¹ In fact, evidence suggests that SNAP provides critical support for people unable to work and for workers experiencing negative financial shocks.⁷²

ii. Medicaid

For most of Medicaid’s history, the program has not conditioned assistance on employment. However, in a departure from previous administrations, the first Trump Administration encouraged and approved Section 1115 demonstration waivers that would mandate work and reporting requirements as a condition of Medicaid eligibility.⁷³ Due to litigation, states withdrawing their waivers, and states halting the policies during the COVID-19 pandemic, few Medicaid work requirements were implemented.⁷⁴ However, data from Arkansas found that Medicaid work and reporting requirements resulted in significant coverage loss, including among eligible individuals, and did not increase employment.⁷⁵

The effect of Arkansas’s work requirement on employment was negative, small, and statistically insignificant; and there was no significant effect on other work measures, such as

⁶⁸ Gray et al., 2023, at 338.

⁶⁹ Ndumele et al., 2024

⁷⁰ Brantley, E., Pillai, D., & Ku, L. (2020). Association of Work Requirements with Supplemental Nutrition Assistance Program Participation by Race/Ethnicity and Disability Status, 2013-2017, <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2767673>

⁷¹ Cook, J. B. & East, C. N. (2025). The Effect of Means-Tested Transfers on Work: Evidence from Quasi-Randomly Assigned SNAP Caseworkers. *National Bureau of Economic Research*, <https://www.nber.org/papers/w31307>

⁷² Cook & East, 2025; Bauer & East, 2026.

⁷³ Guth, M., & Musumeci, M. (2022). An Overview of Medicaid Work Requirements: What Happened Under the Trump and Biden Administrations? KFF, <https://www.kff.org/medicaid/an-overview-of-medicaid-work-requirements-what-happened-under-the-trump-and-biden-administrations/>

⁷⁴ Guth & Musumeci, 2022.

⁷⁵ Sommers, B. D., Chen, L., Blendon, R. J., Orav, E. J., & Epstein, A. M. (2020). Medicaid Work Requirements in Arkansas: Two-Year Impacts on Coverage, Employment, and Affordability of Care. *Health Affairs*, 39(9), <https://www.healthaffairs.org/doi/10.1377/hlthaff.2020.00538>; Gangopadhyaya, A., & Karpman, M. (2025). The Impact of Arkansas Medicaid Work Requirements on Coverage and Employment: Estimating Effects Using National Survey Data. *Health Services Research*, 69(5), <https://onlinelibrary.wiley.com/doi/10.1111/1475-6773.14624>; Congressional Budget Office. (2023). CBO’s Estimate of the Budgetary Effects of Medicaid Work Requirements Under H.R.2811, the Limit, Save, Grow Act of 2023, <https://www.cbo.gov/system/files/2023-04/59109-Pallone.pdf>

hours worked.⁷⁶ However, as a result of the work requirement, more than 18,000 adults were disenrolled from Medicaid over four months before a federal court ruling halted its implementation.⁷⁷ Arkansas’s work requirement was associated with an 18.7 percent increase in the uninsurance rate among 30-to-49-year-olds with incomes below 300 percent of the federal poverty limit (FPL) and a 27.5 percent increase among 30-to-49-year-olds with incomes below the FPL.⁷⁸ Enrollees who lost coverage delayed getting medical care, delayed taking medications, and faced significant issues paying off medical debt.⁷⁹

Arkansas is one of two states where, due to state law, HUD assumes within its analysis that PHAs would implement a work requirement when a final rule goes into effect.⁸⁰ Arkansas’s experience with Medicaid work requirements demonstrates the significant harms these policies cause, and we expect that Arkansans subject to HUD work requirements and time limits will also experience adverse outcomes, including the loss of critical housing assistance and the cascading impacts of housing instability.

In 2023, nearly two-thirds of adults ages 19 to 64 covered by Medicaid were working, and nearly three in ten were not working because of illness or disability, caregiving responsibilities, or school attendance.⁸¹ Thus, only a small share of Medicaid adults were not meeting work requirements or would not have qualified for an exemption. Yet, due to the administrative burden and red tape related to reporting requirements, many more Medicaid enrollees who would remain eligible would be at risk of losing coverage.⁸² For example, researchers found that the Medicaid coverage losses due to Arkansas’s work requirement disproportionately impacted adults without home internet access. These individuals may have faced challenges accessing the state’s online portal to report work activities and request exemptions.⁸³

iii. Temporary Assistance for Needy Families (TANF)

Federal TANF law requires states to meet “work participation rate” (WPR) targets or be penalized. The WPR is a state requirement, not an individual one. Law also requires states to reduce or end benefits – known as a sanction – when a family member does not comply with work requirements.⁸⁴

Research has found that TANF work requirements have had minimal impact on increasing employment over the long-term since most enrollees are already working in low-wage

⁷⁶ Karpman & Gangopadhyaya, 2025; Gangopadhyaya & Karpman, 2025.

⁷⁷ Karpman & Gangopadhyaya, 2025; Gangopadhyaya & Karpman, 2025.

⁷⁸ Karpman & Gangopadhyaya, 2025; Gangopadhyaya & Karpman, 2025.

⁷⁹ Sommers et al., 2020.

⁸⁰ Ark. Code Ann. § 14-169-109; *see* RIA at 11-13.

⁸¹ Tolbert, J., Cervantes, S., Rudowitz, R., & Burns, A. (2025). Understanding the Intersection of Medicaid and Work: An Update. KFF, <https://www.kff.org/medicaid/understanding-the-intersection-of-medicaid-and-work-an-update/>

⁸² Tolbert, et al. (2025).

⁸³ Karpman & Gangopadhyaya, 2025.

⁸⁴ Center on Budget and Policy Priorities. (2022). Policy Basics: Temporary Assistance for Needy Families. Retrieved from: <https://www.cbpp.org/research/income-security/temporary-assistance-for-needy-families>

jobs or have “significant employment barriers that work requirements do not address.”⁸⁵ Any initial increases in employment were modest and faded over time.⁸⁶ Importantly, program evaluations have found that TANF enrollees work low-wage jobs and remain poor despite being employed.⁸⁷ Work requirements, time limits, and family caps have made it harder for families to receive critical assistance under TANF: in 2023, for every 100 families with incomes below the nationwide poverty line, only 21 received cash assistance – a decrease from 68 families in 1996.⁸⁸

Many TANF enrollees who are not employed face significant barriers, including ones that would qualify them for exemptions under most states’ TANF work policies. Parents who lose benefits due to work requirements are more likely than other TANF parents to be fleeing domestic violence; to have physical and mental health issues; to have limited work experience and education; or to face logistical barriers like a lack of affordable childcare and transportation.⁸⁹

Studies consistently find that TANF enrollees who are penalized for failing to meet a work requirement are more likely to have a disability than those who are not penalized.⁹⁰ Thus, the work requirement negatively impacts TANF enrollees who are likely eligible for an exemption based on a disability but did not obtain one.

E. The Proposed Rule is Rooted in False Stereotypes About HUD-Assisted Families.

The Proposed Rule is rooted in false, harmful stereotypes that people who receive rental assistance do not work. In fact, most people in HUD-assisted housing who can work, do work.⁹¹ Nearly 75 percent of PHA residents are considered not “work-able” because they are children

⁸⁵Musumeci, M., & Zur, J. (2017), at 2. Medicaid Enrollees and Work Requirements: Lessons from the TANF Experience. KFF, <https://www.kff.org/medicaid/medicaid-enrollees-and-work-requirements-lessons-from-the-tanf-experience/>

⁸⁶ Pavetti, 2016.

⁸⁷ Hamilton, G. et al. (2001). National Evaluation of Welfare-to-Work Strategies. Manpower Demonstration Research Corporation, https://www.mdrc.org/sites/default/files/full_391.pdf

⁸⁸ Bowden, V., Azevedo-McCaffrey, D., Trisi, D., & Manansala, M. (2025). TANF Is a Vital Resource for People Facing Hardship but Needs to Reach More Families. Center on Budget and Policy Priorities, <https://www.cbpp.org/research/income-security/tanf-is-a-vital-resource-for-people-facing-hardship-but-needs-to-reach>

⁸⁹ Pavetti, L., Derr, M. K., & Hesketh, H. (2003). Review of Sanction Policies and Research Studies. Mathematica Policy Research; Pavetti, L. (2018). TANF Studies Show Work Requirement Proposals for Other Programs Would Harm Millions, Do Little to Increase Work. Center on Budget and Policy Priorities, <https://www.cbpp.org/research/tanf-studies-show-work-requirement-proposals-for-other-programs-would-harm-millions-do>; Loprest, P. (2002). Disconnected Welfare Leavers Face Serious Risks. Urban Institute, <https://www.urban.org/sites/default/files/publication/59036/310839-Disconnected-Welfare-Leavers-Face-Serious-Risks.PDF>

⁹⁰ Pavetti, L., Derr, M., & Martin, E. S. (2008), at 2. Assisting TANF Recipients Living with Disabilities to Obtain and Maintain Employment: Conducting In-Depth Assessments. Mathematica Policy Research, https://acf.gov/sites/default/files/documents/opre/conducting_in_depth.pdf

⁹¹ Mazzara A. & Sard, B. (2018). [Chart Book: Employment and Earnings for Households Receiving Federal Rental Assistance](#). Washington, DC: Center on Budget and Policy Priorities.

(37%), are seniors (23%), or have a disability (14%).⁹² Most “work-able” adults who receive federal rental assistance are working and earning wages.⁹³ HUD-assisted households that are not working are more likely to face significant barriers to work, such as chronic health problems or caretaking responsibilities.⁹⁴ Among “work-able” adults who were not working, 78 percent cited family obligations or school attendance as the reason they are not working – not a lack of motivation.⁹⁵ For example, households with children are more likely to have “work-able” adults without wage income compared to households without children.⁹⁶

Despite working, households living in federally assisted housing still need rental assistance to help them afford housing because housing costs far exceed wages. The average U.S. worker making minimum wage needs to work 116 hours a week (almost 3 full-time jobs) to “afford a modest two-bedroom rental home at Fair Market Rent,” and 97 hours per week for a modest one-bedroom rental.⁹⁷ According to the Council of Large Public Housing Authorities, the median federally-assisted full-time worker “would need a 70% wage increase (a \$9.10/hour raise) to afford the typical market-rate rental.”⁹⁸ Even workers in the most common occupations struggle to afford housing: seventeen of the 25 most prevalent occupations in the United States pay a median hourly wage that is lower than the wage a full-time worker needs to afford a modest one- or two-bedroom apartment.⁹⁹ These occupations employ approximately 74 million people – nearly half of the country’s workforce.¹⁰⁰ In other words, one’s ability to afford housing says nothing about a person’s willingness to work. In fact, the Proposed Rule’s time limits and work requirements would jeopardize housing assistance for approximately 2.1 million people *in working families*.¹⁰¹

HUD fails to convincingly establish that housing assistance disincentivizes work such that time limits or work requirements are justified. For example, the Proposed Rule cites several studies that found rental assistance had a small negative impact on employment and earnings – but only in the first few years of assistance.¹⁰² The temporary negative impacts on earnings likely

⁹² Council of Large Public Housing Authorities (CLPHA). (2026). Who Lives and Works in Federally Assisted Housing, <https://clpha.org/sites/default/files/CLPHA-WF%201pg-who-dig%20%281%29.pdf>

⁹³ CLPHA, 2026; Mazzara A. & Sard, B. (2018). Chart Book: Employment and Earnings for Households Receiving Federal Rental Assistance. Washington, DC: Center on Budget and Policy Priorities, <https://www.cbpp.org/research/chart-book-employment-and-earnings-for-households-receiving-federal-rental-assistance>

⁹⁴ Mazzara & Sard, 2018.

⁹⁵ Public and Affordable Housing Research Corporation (PAHRC). (2018). Employment Trends Among People Living in Publicly Supported Homes, <https://www.pahrc.org/wp-content/uploads/2019/10/Employment-Trends-Among-People-Living-in-Publicly-Supported-Homes.pdf>

⁹⁶ Aiken & Lochhead, 2025.

⁹⁷ *Out of Reach* at 13.

⁹⁸ CLPHA, 2026.

⁹⁹ *Out of Reach* at 14-15.

¹⁰⁰ *Out of Reach* at 14.

¹⁰¹ Gartland, 2026.

¹⁰² Mills, G., Gubits, D., Orr, L., Long, D., Feins, J., Kaul, B., Wood, M., & Jones, A., at 81 (2006). Effects of Housing Vouchers on Welfare Families. U.S. Department of Housing and Urban Development, https://www.huduser.gov/publications/pdf/hsgvouchers_1_2011.pdf (“However, the small negative impact of vouchers disappeared over time, and vouchers had no significant impact overall on employment and earnings over 3.5 years of follow-up.”); Gubits, D., Shinn, M., et al. (2015). Family Options Study: Short-Term Impacts of Housing and Services Interventions for Homeless Families,

reflect temporary disruptions associated with the search for new housing or relocation.¹⁰³ In fact, “program mechanisms favorable to employment are long-term” and “are likely to take considerable time” before translating into employment and earnings.¹⁰⁴ This seems to contradict the basis for a two-year time limit, as the employment and earnings benefits take time to manifest. HUD also references a 2012 study on the impact of HCVs on employment,¹⁰⁵ noting that the findings imply that HUD’s housing assistance decreased annual hours worked. Yet, the decreased hours, on average, amounted to just over two hours per week.¹⁰⁶ While that study finds that vouchers reduced employment rates and earnings, the authors state that “eliminating the housing voucher program altogether would substantially increase the degree of material deprivation among poor families despite the fact that they would work and earn more.”¹⁰⁷

F. 2-Year Time Limits and 40 Hours Per Week are Outliers, and HUD Fails to Justify These Benchmarks.

The baseline policies HUD proposes – 2-year time limits and 40 hours of work activities per “work-eligible adult” per week – are outliers given the broader context of HUD-assisted programs and other federal benefits programs. HUD fails to justify these benchmarks, showing that the Proposed Rule is focused on severity rather than workable policies that promote economic security for families.

2-year time limits. HUD fails to explain why a 2-year time limit would be an appropriate policy, as such a timeframe is much briefer than what MTW agencies have adopted.¹⁰⁸ It is also more perplexing as research cited by HUD associates receiving a voucher with lower employment in the first two years of having a voucher.¹⁰⁹ It therefore makes no sense to allow families to be forced off of assistance at the 2-year mark, before families have had ample time to stabilize their employment situation. A 2-year time limit is harsher than TANF time limit (federal lifetime benefit of 5 years, with possible extension)¹¹⁰ or the President’s own FY27 proposed budget, which would mandate a lifetime time limit of 5 years for HUD-assisted

https://www.huduser.gov/portal/sites/default/files/pdf/FamilyOptionsStudy_final.pdf; Gubits, D., Shinn, M., et al. (2016). Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families. Prepared for U.S. Department of Housing and Urban Development, <https://www.huduser.gov/portal/sites/default/files/pdf/family-options-study-full-report.pdf>. The Proposed Rule preamble at 10,018, notes that in the first 20 months, voucher households had lower employment than comparison group, but that “37 months after random assignment, families assigned to receive a voucher were no more or less likely to report working for pay in the prior week.”; *see also* Wood, M., Patterson, R., Lam, H-K., Mills, G., Patrabansh, S., Sullivan, S., Amare, H., & Zandniapour, L. (2004). Evaluation of the Welfare to Work Voucher Program: Report to Congress, <https://www.huduser.gov/portal/publications/pdf/welfrwrkVchrPrgExc.pdf> (noting, at vi, that evidence was “short-term”).

¹⁰³ Mills et al., 2006.

¹⁰⁴ Wood et al., 2004, at vii.

¹⁰⁵ 91 Fed. Reg. at 10,018 (citing Jacob, B. A., & Ludwig, J. (2012). The Effects of Housing Assistance on Labor Supply: Evidence from a Voucher Lottery. *American Economic Review*, 102(1), 272-304, <http://dx.doi.org/10.1257/aer.102.1.272>).

¹⁰⁶ RIA at 19.

¹⁰⁷ Jacob & Ludwig, 2012, 301.

¹⁰⁸ 91 Fed. Reg. at 10,021 (noting MTW agencies with time limits of 3-7 years); RIA at 10-11 (noting MTW agencies with time limits of 5-8 years).

¹⁰⁹ 91 Fed. Reg. at 10,018.

¹¹⁰ RIA at 8.

households. Although the Proposed Rule references the 2-year limit as an avenue for flexibility for PHAs and owners, it does not articulate how the needs of families were taken into account to arrive at a 2-year baseline.

40 hours per work-eligible person, per week. HUD also fails to explain why 40 hours per “work-eligible” person per week would be an appropriate requirement to impose on HUD-assisted households. HUD asserts that it would allow PHAs and owners to adopt work requirements of up to 40 hours per week “in order to maximize local flexibility.”¹¹¹ Neither the RIA nor the Proposed Rule’s preamble indicate that any Moving to Work (MTW) PHA has imposed or requested the authority to adopt a requirement that individual household members be required to work 40 hours per week.

Attempting to justify the 40-hour baseline, the Proposed Rule preamble explains that a 40-hour workweek is “widely recognized as the standard for full-time employment”; is “commonly used by employers”; and the Fair Labor Standards Act’s 40-hour threshold “serves as the basis for determining eligibility for overtime pay.”¹¹² These statements do nothing to explain why, for example, permitting policies that require each “work-eligible” adult to work 40 hours per week could constitute appropriate requirements for individuals and their families to keep their housing. HUD’s RIA attempts a similarly vague explanation, noting that the maximum 40-hour per week work requirement is “intended to align with other federal programs” that impose such requirements, including SNAP.¹¹³ Yet, the RIA references SNAP’s work requirement of “at least 80 hours of work per month,”¹¹⁴ which averages to only 20 hours per week. Furthermore, the President’s own FY27 proposed budget would mandate an average of 20 hours of work activities per week for HUD-assisted households.

In short, HUD has failed to adequately justify or explain the reason these baseline work requirement and time limit policies were proposed.

G. The Proposed Rule Would Impose Additional Burdens and, In Some Jurisdictions, Unfunded Mandates on Housing Providers.

The adoption of time limits and work requirements will create cost and administrative burdens for housing providers. Yet, HUD identifies no specific funding sources that can be used to support implementation of work requirements and/or time limits at a time when many housing authorities have been contending with budget shortfalls.¹¹⁵ Although the Proposed Rule itself does not mandate adoption of work requirements or time limits, HUD is attempting to empower states to mandate these policies.¹¹⁶ In jurisdictions that adopt laws mandating work requirements, time limits, or both, implementation will in fact be required. The Proposed Rule

¹¹¹ 91 Fed. Reg. at 10,021.

¹¹² 91 Fed. Reg. at 10,021.

¹¹³ RIA at 7.

¹¹⁴ RIA at 8.

¹¹⁵ <https://www.hud.gov/sites/dfiles/hudclips/documents/PIH-2025-30.pdf>

¹¹⁶ 91 Fed. Reg. at 10,019 (“This proposed rule would enable PHAs in States with work requirements, term limits, or both to comply with and integrate both Federal and State law within their jurisdiction. It offers PHAs in States exploring similar policies, and alignment between welfare programs, the necessary clarity needed to implement their initiatives.”).

would leave housing providers in jurisdictions with such requirements to shoulder considerable costs with no additional federal funds – even though these providers would not have adopted these policies on their own. In short, this will force an unfunded mandate upon housing providers who are likely already operating with limited resources.

Costs and Administrative Burdens to Housing Providers. Implementing time limits and/or work requirements would impose costs and other administrative burdens on housing providers, with no financial support from HUD. In fact, HUD admits that PHAs and owners would incur “costs that would not be offset by additional HUD funding, increased net revenue, or the ability to move funds into policy support from other HUD sources (as MTW PHAs can).”¹¹⁷ According to HUD’s own analysis, the “increased rate of program exits” would result in costs to PHAs and owners, as well as landlords that rent to HCV recipients.¹¹⁸ Such costs would include processing new admissions to replace displaced tenants and unit turnover expenses. HUD estimates that, in the first year after just time limits, PHAs and owners would spend between \$4.8 million to \$42.0 million on new admissions, and between \$3.4 million and \$26.7 million on unit turnover costs.¹¹⁹ For HCV landlords, unit turnover costs could total between \$7.1 and \$187.1 million.¹²⁰

In its analysis HUD does not adequately acknowledge the costs of eviction or court fees housing providers will have to pay to terminate households who fail to comply with either time limits or work requirements. For instance, HUD is simply assuming that housing providers will not want to evict tenants for failure to comply with work requirements.¹²¹ HUD also assumes elsewhere, discussing broader implementation costs, that time limits will not cost much to implement.¹²² However, this reasoning fails. First, HUD’s assumption on work requirements fails to account for the fact that state laws may require housing providers to impose strict work requirements, leaving them no choice but to evict for compliance lapses. Second, in order for time limits to operate as intended, housing providers simply refusing to take someone off of assistance would be an uncommon occurrence (absent an exemption or hardship). And tenants may challenge their removal from assistance due to a time limit, meaning that eviction costs are likely. Accordingly, HUD’s analysis fails to account for these additional burdens on housing providers.

To adopt time limits/work requirements as HUD envisions, PHAs and owners would need to, among other tasks, stand up supportive services, track work requirement compliance and length of tenure, evaluate exemptions, devise specific policies and update planning documents, and notify tenants of policy changes. Although HUD asserts that some housing providers could provide supportive services with “minimal cost,”¹²³ that is not possible if the housing provider is seeking to provide the types of services INLIVIAN (discussed, *supra*) described in its comments on this rulemaking. Conversely, setting up minimal supportive services, even if simply pro forma to comply with the HUD requirements, will still divert housing provider resources.

¹¹⁷ RIA at 14.

¹¹⁸ RIA at 23-24.

¹¹⁹ RIA at 24.

¹²⁰ RIA at 24.

¹²¹ RIA at 23 n.44.

¹²² RIA at 16.

¹²³ RIA at 16.

Loss of Predictability for Voucher Landlords. Furthermore, time limits interrupt predictability for housing providers, including private landlords who accept Housing Choice Vouchers (HCVs). Without the promise of longer-term stability, landlords will be less likely to rent to voucher holders. HUD should be focusing on ways to work more cooperatively with private landlords who rent to voucher families, not undermining one of the main advantages (i.e., stability) for housing providers of the HCV program. Even HUD concedes that time limits could limit landlord willingness to accept HCVs.¹²⁴

H. HUD’s Proposal Exceeds HUD’s Current Legal Authority and Circumvents the Will of Congress.

HUD’s Proposed Rule exceeds the statutory authority granted to it by Congress. In the Proposed Rule’s preamble, HUD fails to point to statutory text that explicitly permits the adoption of the mandatory work requirements and time limits as envisioned by HUD’s proposal. For example, HUD’s preamble notes that a provision “of the 1937 Act further specifies that the rental policies developed by each PHA must encourage and reward employment and economic self-sufficiency.”¹²⁵ Looking to the statutory text, this provision says nothing about HUD-assisted owners (as it only references PHAs) being required to take such steps. Second, the provision clearly says, “encourage and reward.” The statute is completely silent on imposing a time limit or work requirement, nor does the word “encourage” imply that the PHA could require employment as a condition of assistance.

In another example, HUD’s preamble cites a provision that requires public housing residents (not HCV or other HUD-assisted tenants) to engage in community service or economic self-sufficiency activities.¹²⁶ However, this provision actually undermines the validity of HUD’s authority to promulgate this Proposed Rule, as the statute clearly demonstrates that where Congress seeks to impose requirements on HUD program participants, it does so explicitly. Furthermore, not only does statute govern the community service requirement, but the text also outlines specifically who Congress wants to exempt from the requirement. Again, Congress has not authorized HUD to impose program requirements and exemptions that are not grounded in explicit statutory text.

Current efforts to update existing statutory text underscores the fact that broadly applicable time limits and work requirements for HUD tenants have not been permitted by Congress. The President’s FY27 budget proposal seeks a statutory change to require work requirements and time limits¹²⁷ – seemingly an implicit acknowledgment that such a change must be done via statute, not regulation. Conversely, Congress has established the MTW Demonstration as its preferred pathway for HUD to provide PHAs the flexibility to adopt policies like work requirements or time limits. Yet, the Proposed Rule would circumvent the will of Congress and bypass the established MTW pilot program.

¹²⁴ RIA at 24 n.46.

¹²⁵ 91 Fed. Reg. at 10,018. That provision reads as follows: “(D) ENCOURAGEMENT OF SELF-SUFFICIENCY.— The rental policy developed by each public housing agency shall encourage and reward employment and economic self-sufficiency.” 42 U.S.C. § 1437a(a)(2)(D).

¹²⁶ 91 Fed. Reg. at 10,018 (citing 42 U.S.C. § 1437j(c)(1)).

¹²⁷ https://www.whitehouse.gov/wp-content/uploads/2026/04/hud_fy2027.pdf

I. Despite HUD’s Obligation to Affirmatively Further Fair Housing, the Proposed Rule Fails to Consider the Disproportionate Impacts of the Rulemaking on People of Color.

Under the Fair Housing Act, the HUD Secretary is required to “administer the programs and activities relating to housing and urban development in a manner affirmatively to further” fair housing.¹²⁸ Although HUD has tried to sideline implementation of this obligation, the duty to affirmatively further fair housing remains enshrined in federal statute. The Proposed Rule raises fair housing concerns, such as the anticipated impacts on people of color in HUD-assisted programs. Racial inequalities in the labor market – including racial disparities in unemployment and pay between Black and white workers¹²⁹ – make it more difficult for people of color to meet work requirements, for example. Work requirements themselves, which are rooted in racist stereotypes that people of color must be coerced into work, deepen poverty and disproportionately harm communities of color.¹³⁰ Yet, HUD’s Proposed Rule fails to consider this broader context, despite HUD’s obligation to administer its programs and activities to affirmatively further fair housing.

J. HUD Should Disclose the Use of AI in Promulgating this Rulemaking and Reviewing Comments.

HUD should disclose and describe any role AI, including generative AI tools such as ChatGPT, has played in: (1) drafting the Proposed Rule and accompanying regulatory impact analysis; (2) reviewing, analyzing, and summarizing comments, attachments, and research submitted during the Proposed Rule’s public comment period; and (3) drafting the Final Rule.

K. HUD Must Withdraw this Proposed Rule.

If finalized, HUD’s Proposed Rule would threaten housing security, advance policies unfairly maligning HUD families, burden housing providers, and undermine congressional intent. NLIHC strongly urges HUD to withdraw this proposal in its entirety and instead work with policymakers to ensure that everyone has access to a safe, accessible, and affordable home.

Sincerely,

/s/

David Gonzalez Rice, PhD
Senior Vice President of Public Policy

¹²⁸ 42 U.S.C. § 3608(e)(5).

¹²⁹ Wilson, V., & Darity, W. (2022). Understanding Black-White Disparities in Labor Market Outcomes Requires Models That Account for Persistent Discrimination and Unequal Bargaining Power. Economic Policy Institute, <https://www.epi.org/unequalpower/publications/understanding-black-white-disparities-in-labor-market-outcomes/>

¹³⁰ Hayes, T., & Latch, A. (2025). Rooted in Racism: The Origins of Work Requirements in Public Benefits. The Center for Law and Social Policy, <https://www.clasp.org/blog/the-racist-roots-of-work-requirements-in-public-benefits-programs/>