

Health Care for the Homeless Mobilizer

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Vol. X No. 6

5/31/05

Section Eight Rental Assistance Program in Peril

The very important Housing Choice Voucher Program, commonly known as Section 8, is under assault. The State and Local Housing Flexibility Act (H.R. 1999 and S. 771), proposed by the Administration and sponsored by Congressman Gary Miller (R-CA) and Senator Wayne Allard (R-CO), is touted as a way to constrain costs, reduce the burdens of Federal regulations, empower localities, and promote individual self-sufficiency, but its effect would be a catastrophic reduction of housing assistance available to millions of our poorest neighbors, and a deepening of the crisis of mass homelessness.

Moving the Target

The Housing Flexibility Act proposes a radical change to Section 8 income targeting provisions, making vouchers now reserved for extremely low-income households available to a much wealthier range of applicants. Instead of the current requirement that 75% of vouchers go to households at or below 30% of the area median income, the Act would reserve 90% of vouchers for households at or below 60% of the area median income (roughly \$30,000/year). This shift, while purportedly intended to grant greater flexibility to housing authorities in determining whom they serve, would effectively reduce the amount of assistance available to those households most in need. Housing agencies would clearly benefit from higher-income households paying a greater portion of their rent than can extremely low-income households. Overall, while the program might serve more families, those with extremely low incomes are likely to be passed over as financially strapped housing agencies seek out those who need less subsidy.

Vouchers currently benefit approximately 2 million households. When 6.3 million extremely low-income households in the United States already pay more than half of their income for rent, there is no justification for a change to the Section 8 program that would thinly spread the limited supply of vouchers over an economically broader population.

Economic Segregation and Impossible Burdens

The proposed Act has public housing agencies set *maximum* subsidy levels and *minimum* monthly rents for families receiving assistance. Depending on the amounts set by the agencies (absent Federal oversight), this clause could be as devastating for extremely low-income households as is the relaxed income targeting. The imposition of a maximum subsidy will limit the ability of extremely low-income households to obtain housing in areas of greater safety and opportunity, where rents are logically higher. These families will instead have no choice but to settle for neighborhoods in which their housing agencies' subsidies will suffice. This will result in the kind of economic segregation that the Section 8 program has long been instrumental in reducing and preventing. Additionally, the establishment of a minimum monthly rental amount

will force many extremely low-income voucher recipients to pay more than 30% of their income for housing (the Brooke Amendment now prohibiting this would be undone by the new law), and many more are likely to be financially precluded from participation in the program altogether.

The Politics of Exclusion

The portability of Section 8 vouchers from one jurisdiction to another has been essential for developing diverse communities. The ability of low-income families to move away from impoverished areas in pursuit of security and employment appreciably increases their likelihood of future self-sufficiency. The Administration's proposal erodes this aspect of the program, inexplicably requiring the approval of both the authority *issuing* the voucher *and* the authority *receiving* the voucher in order for it to be utilized. In other words, this stipulation would give local officials the power to arbitrarily deny low-income renters the right to move into their city or town. The financial implications of this, if any, are unclear, but the implicit endorsement of segregation and exclusion is unconscionable.

The Depth of the Crisis

The housing problem in the United States is not rooted in income targeting for rental assistance, nor is it the result of inflexible federal regulation, voucher portability, or people's unwillingness to improve their employment situation and pay a fair share. The crisis is a simple yet dismal shortage of supply. The crisis is our failure as a nation to provide sufficient safe, sanitary, and affordable housing for all our people. Housing is a *moral value*. Housing is *health care*. Housing is a *human right*. These truths can and must find expression in public policy. Sadly, the State and Local Housing Flexibility Act turns its back on low-income housing, and should be vigorously opposed.

ACTION:

- **Learn more about the State and Local Housing Flexibility Act.** This alert has addressed only a few of the Act's provisions. Take the time to read the text or summaries of H.R. 1999 or S. 771 on the Library of Congress' THOMAS website (thomas.loc.gov), or read the National Low Income Housing Coalition's thoughtful analysis and commentary on the bills (www.nlihc.org).
- **Contact your Members of Congress** to stress the importance of the Section 8 program and your opposition to the radical changes proposed in these bills. Reach your Member through the web (www.house.gov or www.senate.gov) or by phone through the Capitol switchboard, 202/224-3121.

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