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To Better Meet Record Levels of Need, Keep Families Housed, Congress Must Increase 2025 Funding for Housing Assistance

By Sonya Acosta and Erik Gartland

The Housing Choice Voucher program is the country's largest rental assistance program, helping households with low incomes afford a modest home of their choice in the private market.[1]

As a new Congress works to finalize 2025 appropriations bills before the current stopgap funding measure expires on March 14, it should prioritize providing sufficient funding to prevent a cut in the number of families with vouchers. If Congress sticks with the essentially flat funding levels Republicans included in a bill passed by the House Appropriations Committee in July, CBPP estimates that almost 283,000 *fewer* households — or nearly 645,000 fewer people — would receive a housing voucher (see the tables below for state, local, and demographic breakdowns). In fact, many families could lose their homes because the funding shortfall would be so severe that some housing agencies would have no choice but to end families' ongoing assistance. This cut, which would be the deepest in the history of the voucher program, fits in the new Administration and Congress's strategy to reduce programs that support people with low and moderate incomes while simultaneously seeking to extend trillions of dollars in tax cuts that benefit wealthy households and corporations.[2]

"Many families could lose their homes because the funding shortfall would be so severe that some housing agencies would have no choice but to end families' ongoing assistance."

A final appropriations bill should provide at least enough funding to maintain the number of households that currently receive a housing voucher. Moving forward, Congress needs to expand rental assistance to help all people with low incomes who need it, including by providing long-term rental assistance funding that adjusts automatically to meet need.[3]

Increased Funding Is Needed to Maintain Current Levels of Assistance

Housing vouchers are tied to rental costs, so they require annual, inflation-related funding increases to continue serving the same number of families. Because the federal government *already* underfunds the program, only about a quarter of the families who need housing vouchers receive them.

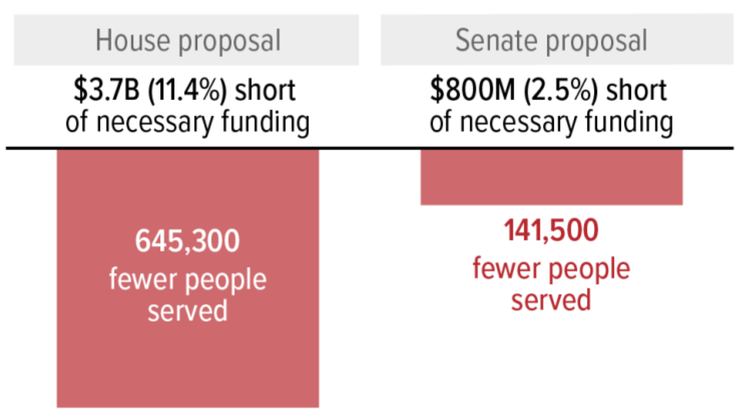
The House bill would effectively freeze 2025 funding at the 2024 level. In a letter sent to housing agencies in December 2024, HUD estimated that the proposed funding level for housing vouchers in the House bill is at least 11.4 percent, or more than $3.7 billion, short of what is needed to maintain current levels of assistance.[4] This would be the most severe funding shortfall in the history of the voucher program.[5] Some housing agencies that administer the program would be unable to absorb the cut without taking vouchers away from households that are currently using them to help pay the rent each month. (See Table 2 for a breakdown of the impact of the potential cuts at the largest housing agencies.) Already, the uncertainty about funding levels from Congress has prompted some housing agencies to cease issuing vouchers to new households, forcing families to remain on waitlists that are already typically years long.[6] Others have pulled back vouchers that have been issued to families but have not yet been used to rent a home.[7]

The Senate Appropriations Committee passed a bill with bipartisan support in July that, based on the data available at the time, appeared to provide a sufficient funding increase above the 2024 level to continue assisting the same number of families in 2025.[8] However, the cost of helping families afford housing rose more rapidly than expected over the course of 2024, resulting in the Senate bill falling about 2.5 percent — almost $800 million — short of HUD's current estimate of what is needed, which would lead to about 62,000 fewer households receiving assistance.

FIGURE 1

Funding Increase for 2025 Needed to Prevent Thousands of People from Losing Housing Assistance

Reduction in people served by a Housing Choice Voucher under current proposals



Source: 2023 HUD Picture of Subsidized Households, HUD Resident Characteristics Report, HUD Fair Market Rents, and Consumer Price Index. Necessary funding refers to funding needed to maintain the current number of Housing Choice Vouchers.

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HUD has based its updated estimate of funding needs on housing agencies' actual 2024 cost and leasing data, adjusted by an inflation factor for 2025. While increases in rental costs have slowed from the surges of 2021 and 2022, rents are still rising and remain high compared to incomes.[9] During 2024, the voucher program was still catching up to the rent increases over the past five years. As a result, over the course of 2024, program costs surpassed HUD's 2025 budget request (issued in March 2024) and CBPP's August estimates. Moreover, housing agencies typically hold funding reserves to cover unexpected needs, but many have exhausted these as rent and voucher costs have risen, leaving them with little cushion for a new shortfall.

Housing Vouchers Needed to Address Increasing Housing Instability

Affordable housing is a basic human need. Housing vouchers and other rental assistance help prevent people from experiencing homelessness, overcrowding, evictions, and other forms of housing instability, research shows.[10] However, voucher funding is far short of the total amount needed, even before the cuts that would occur under the House and Senate bills. Only one in four households in need receives any form of federal rental assistance, and there are long waiting lists for assistance in nearly all parts of the country.[11] Moreover, HUD recently released new data showing that the number of people experiencing homelessness was 18 percent higher in January 2024 than the same time in 2023, reaching an all-time high for the second year in a row.[12] Funding for rental assistance and other financial resources from the federal government are critical so states and local communities can implement proven solutions to provide affordable housing and end homelessness.[13]

Robust funding for rental assistance benefits all people with low incomes and their communities and can also help prevent deepening racial and other inequities that exist in housing insecurity[14] and homelessness.[15] Because of income and wealth inequities stemming from generations of discrimination in housing, education, and employment, people of color, particularly Black and Latine households, are more likely to receive or be eligible for rental assistance.

The impacts of systemic discrimination in employment and other inequities also result in women[16] and people with disabilities[17] disproportionately utilizing housing vouchers. Cuts to housing vouchers would result in disproportionate harm to these groups with an estimated 401,600 women and girls and 163,500 people with disabilities at risk of losing a voucher. The House bill would also put an estimated 248,700 children and 102,800 older adults at risk of losing assistance (see Table 3).

Further complicating matters, appropriations must be viewed in the context of the Administration's attempts, through a January 27 OMB letter and other executive actions, to illegally freeze or withdraw funding previously approved by Congress. These actions have created unnecessary uncertainty about if and when funds will be made available in programs across the federal government. This uncertainty, alongside potential funding cuts, could be particularly disruptive in the voucher program, where tenants and landlords rely on consistent federal funding to help pay the rent each month.

A final appropriations bill should provide at least enough funding to maintain the number of households that receive a housing voucher. A final bill should also adequately fund other federal rental assistance programs, such as public housing, and Homeless Assistance Grants, which help people connect with emergency shelters and the services they need to obtain and maintain stable housing.

Moving forward, Congress needs to expand rental assistance to help all people with low incomes who need it, including by providing long-term rental assistance funding that adjusts automatically to meet need.[18] In addition, the Administration must follow the law and Constitution and not block funding that is appropriated by Congress.

TABLE 1

Estimated Reduction of Housing Vouchers Under House and Senate Bills, by State

	Under the House Bill		Under the Senate Bill	
State	**Reduction in Households Served**	**People Impacted by Lost Vouchers**	**Reduction in Households Served**	**People Impacted by Lost Vouchers**
Alabama	4,200	10,500	900	2,300
Alaska	500	1,000	100	200
Arizona	2,900	7,000	600	1,500
Arkansas	2,800	5,800	600	1,300
California	38,200	84,400	8,400	18,500
Colorado	3,900	8,900	900	1,900
Connecticut	4,900	11,000	1,100	2,400
Delaware	500	1,400	100	300
District of Columbia	1,500	2,900	300	600
Florida	13,100	33,100	2,900	7,200
Georgia	6,800	17,200	1,500	3,800
Hawai'i	1,500	3,800	300	800
Idaho	800	1,700	200	400
Illinois	12,000	27,000	2,600	5,900
Indiana	4,600	10,000	1,000	2,200
Iowa	2,400	4,700	500	1,000
Kansas	1,400	2,800	300	600
Kentucky	4,000	9,100	900	2,000
Louisiana	5,900	14,400	1,300	3,100
Maine	1,500	2,900	300	600
Maryland	6,300	14,900	1,400	3,300
Massachusetts	11,100	23,900	2,400	5,200
Michigan	7,000	15,400	1,500	3,400
Minnesota	3,900	11,000	900	2,400
Mississippi	3,000	7,800	600	1,700
Missouri	4,000	10,500	900	2,300
Montana	700	1,200	200	300
Nebraska	1,400	3,000	300	700

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	Under the House Bill		Under the Senate Bill	
State	**Reduction in Households Served**	**People Impacted by Lost Vouchers**	**Reduction in Households Served**	**People Impacted by Lost Vouchers**
Nevada	1,900	4,700	400	1,000
New Hampshire	1,300	2,600	300	600
New Jersey	9,700	21,500	2,100	4,700
New Mexico	1,400	3,000	300	700
New York	29,900	61,700	6,600	13,500
North Carolina	6,800	15,700	1,500	3,400
North Dakota	900	1,700	200	400
Ohio	10,800	24,400	2,400	5,300
Oklahoma	3,000	6,500	700	1,400
Oregon	4,500	9,600	1,000	2,100
Pennsylvania	9,500	20,900	2,100	4,600
Rhode Island	1,100	2,500	200	500
South Carolina	3,100	7,300	700	1,600
South Dakota	700	1,400	100	300
Tennessee	4,200	10,500	900	2,300
Texas	18,500	47,700	4,000	10,500
Utah	1,500	3,400	300	700
Vermont	900	2,000	200	400
Virginia	6,100	14,500	1,300	3,200
Washington	7,100	16,200	1,500	3,600
West Virginia	1,800	3,500	400	800
Wisconsin	3,300	6,700	700	1,500
Wyoming	300	600	73	100
Guam	300	1,300	66	300
Northern Mariana Islands	45	200	10	51
Puerto Rico	3,500	7,700	800	1,700
U.S. Virgin Islands	200	400	39	87
Total U.S.	283,000	645,300	62,000	141,500

Note: Figures are rounded to the nearest hundred (unless under 100) and may not sum to totals due to rounding.
Source: 2023 HUD Picture of Subsidized Households, HUD Housing Choice Vouchers Dashboard

TABLE 2

Estimated Reduction of Housing Vouchers Under House and Senate Bills, by Selected Housing Agencies

Public Housing Authority	State	Under the House Bill		Under the Senate Bill	
		Reduction in Households Served	People Impacted by Lost Vouchers	Reduction in Households Served	People Impacted by Lost Vouchers
Alaska Housing Finance Corporation*	AK	500	1,000	100	200
Housing Authority of the Birmingham District	AL	700	1,700	200	400
Housing Authority of the City of Little Rock	AR	300	700	67	100
City of Phoenix Housing Department	AZ	800	2,300	200	500
Contra Costa Housing Authority	CA	1,000	2,200	200	500
County of Sacramento Housing Authority	CA	1,500	3,400	300	700
Housing Authority of the City & County of San Francisco	CA	1,700	2,900	400	600
Housing Authority of the City of Los Angeles	CA	5,300	10,100	1,200	2,200
Housing Authority of the County of Riverside	CA	1,100	2,300	200	500
Housing Authority of the County of San Bernardino*	CA	1,300	3,300	300	700
Housing Authority of the County of San Diego	CA	1,300	3,000	300	600
Los Angeles County Development Authority	CA	2,900	7,000	600	1,500
Oakland Housing Authority	CA	1,400	3,200	300	700
Orange County Housing Authority	CA	1,200	2,800	300	600
San Diego Housing Commission	CA	1,900	4,400	400	1,000
Santa Clara County Housing Authority*	CA	1,400	3,100	300	700
Housing Authority of the City and County of Denver	CO	900	2,100	200	500
Connecticut Department of Housing	CT	1,000	2,400	200	500
D.C. Housing Authority*	DC	1,400	2,900	300	600
Wilmington Housing Authority	DE	300	600	58	100

TABLE 2

Estimated Reduction of Housing Vouchers Under House and Senate Bills, by Selected Housing Agencies

Public Housing Authority	State	Under the House Bill: Reduction in Households Served	Under the House Bill: People Impacted by Lost Vouchers	Under the Senate Bill: Reduction in Households Served	Under the Senate Bill: People Impacted by Lost Vouchers
Jacksonville Housing Authority	FL	1,000	2,700	200	600
Miami Dade Public Housing and Community Development	FL	2,100	5,200	500	1,100
Tampa Housing Authority	FL	1,300	3,400	300	700
Georgia Department of Community Affairs	GA	1,400	4,000	300	900
Housing Authority of the City of Atlanta*	GA	2,200	4,400	500	1,000
City and County of Honolulu	HI	500	1,400	100	300
Des Moines Municipal Housing Agency	IA	400	700	80	200
Idaho Housing and Finance Association	ID	400	800	85	200
Chicago Housing Authority*	IL	6,300	13,600	1,400	3,000
Housing Authority Cook County	IL	1,600	3,700	300	800
Indianapolis Housing Agency	IN	800	2,000	200	400
Wichita Housing Authority	KS	400	900	84	200
Louisville Metro Housing Authority*	KY	1,300	3,300	300	700
Housing Authority of New Orleans	LA	2,200	5,200	500	1,200
Boston Housing Authority	MA	2,000	4,900	400	1,100
Executive Office of Housing & Livable Communities*	MA	2,700	5,900	600	1,300
Housing Authority of Baltimore City*	MD	2,200	5,200	500	1,100
Housing Opportunities Commission of Montgomery County	MD	900	2,300	200	500
Maine State Housing Authority	ME	400	800	96	200
Michigan State Housing Development Authority	MI	3,600	7,900	800	1,700
Metropolitan Council	MN	800	2,700	200	600

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Estimated Reduction of Housing Vouchers Under House and Senate Bills, by Selected Housing Agencies

Public Housing Authority	State	Under the House Bill		Under the Senate Bill	
		Reduction in Households Served	People Impacted by Lost Vouchers	Reduction in Households Served	People Impacted by Lost Vouchers
Housing Authority of Kansas City, Missouri	MO	900	1,800	200	400
Mississippi Regional Housing Authority No. VIII	MS	800	2,100	200	500
Montana Department of Commerce	MT	400	700	85	200
Charlotte Housing Authority (INLIVIAN)*	NC	700	2,300	100	500
Fargo Housing and Redevelopment Authority	ND	200	300	39	72
Omaha Housing Authority	NE	500	1,200	100	300
New Hampshire Housing Finance Agency*	NH	500	1,000	100	200
Newark Housing Authority	NJ	900	1,800	200	400
State of New Jersey Department of Community Affairs	NJ	2,900	6,800	600	1,500
City of Albuquerque Housing Authority	NM	400	800	85	200
Southern Nevada Regional Housing Authority	NV	1,500	3,900	300	800
New York City Department of Housing Preservation and Development	NY	4,500	6,000	1,000	1,300
New York City Housing Authority	NY	11,700	24,300	2,600	5,300
New York State Housing Trust Fund Corporation	NY	5,700	14,300	1,300	3,100
Rochester Housing Authority	NY	1,000	2,100	200	500
Cincinnati Metropolitan Housing Authority	OH	1,300	3,200	300	700
Columbus Metropolitan Housing Authority	OH	1,500	3,800	300	800
Cuyahoga Metropolitan Housing Authority	OH	1,600	3,700	400	800
Oklahoma Housing Finance Agency	OK	1,300	2,900	300	600

TABLE 2

Estimated Reduction of Housing Vouchers Under House and Senate Bills, by Selected Housing Agencies

Public Housing Authority	State	Under the House Bill: Reduction in Households Served	Under the House Bill: People Impacted by Lost Vouchers	Under the Senate Bill: Reduction in Households Served	Under the Senate Bill: People Impacted by Lost Vouchers
Housing Authority of Portland*	OR	1,300	3,000	300	700
Philadelphia Housing Authority*	PA	2,400	5,700	500	1,200
Puerto Rico Public Housing Administration	PR	1,400	2,800	300	600
Providence Housing Authority	RI	300	700	65	200
Housing Authority of the City of Columbia	SC	500	1,100	100	300
Sioux Falls Housing and Redevelopment Commission	SD	200	500	49	100
Memphis Housing Authority	TN	1,000	2,800	200	600
Housing Authority of the City of Dallas	TX	1,900	5,300	400	1,200
Houston Housing Authority*	TX	2,100	5,300	500	1,200
San Antonio Housing Authority*	TX	1,400	4,000	300	900
Housing Authority of the County of Salt Lake*	UT	400	900	85	200
Virginia Housing Development Authority	VA	1,100	2,500	200	600
Vermont State Housing Authority	VT	400	900	97	200
King County Housing Authority*	WA	1,400	4,500	300	1,000
Seattle Housing Authority*	WA	1,300	2,400	300	500
Housing Authority of the City of Milwaukee	WI	700	1,700	200	400
Charleston-Kanawha Housing Authority*	WV	400	700	79	200
Housing Authority of the City of Cheyenne	WY	200	400	52	85

Note: Agencies marked with * participate in the Moving to Work (MTW) demonstration, which permits them to use voucher funds for purposes other than voucher subsidies. The cut estimates for MTW agencies assume that they would apply the funding shortfall proportionately to vouchers and to other purposes for which they use voucher funds. Figures are rounded to the nearest hundred (unless under 100) and may not sum to totals due to rounding.
Source: 2023 HUD Picture of Subsidized Households, HUD Housing Choice Vouchers Dashboard

TABLE 3

Demographics of People Harmed by Housing Voucher Shortfall in House Bill

State	People Impacted Under the House Bill	People Impacted Under the Senate Bill
Race and Ethnicity		
American Indian/Alaska Native	4,200	900
Asian/Pacific Islander	20,100	4,400
Black	334,200	73,300
Latine	123,500	27,100
White	153,400	33,600
Other Populations		
Children	248,700	54,500
Older Adults	102,800	22,500
People With Disabilities	163,500	35,800
Women and Girls	401,600	88,000

Note: Figures are rounded to the nearest hundred. Latine category may contain individuals of any race who identify as Latine or Hispanic; other categories exclude individuals who identify as Latine or Hispanic. Estimates for children, older adults, people with disabilities, and women and girls are not mutually exclusive. Older adult category includes individuals aged 62 or older. People with disabilities includes people of all ages.
Source: CBPP analysis of 2022 HUD administrative data

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