

Trump and Ross Proposals to Raise Rents Would Hurt Efforts to Prevent and End Homelessness

Representative Dennis Ross and the Trump Administration [recently announced](#) separate proposals that would raise rents on vulnerable households receiving federal rental assistance or cut off their assistance entirely – putting many people at risk of homelessness and creating barriers for those experiencing homelessness who are trying to access housing. Making rental assistance less affordable would diminish its [power to help](#) prevent and end homelessness.

[Federal rental assistance](#) ties the share of rent that a household pays to its income, making rent affordable for people in over 5 million households who might otherwise face housing instability, eviction, or homelessness. Most households receiving assistance currently pay 30 percent of their income after deductions, 10 percent of their gross income, or a minimum rent (\$0-\$50) – whichever is highest.

The [Trump proposal](#) requires [specific rent increases](#) (such as raising the minimum rent) on nearly all households receiving rental assistance through the Department of Housing and Urban Development (HUD), including Housing Choice Vouchers (HCVs), [Project-Based Rental Assistance](#), and the Section 811 program. The [Ross proposal](#) largely focuses on [HCVs](#) and [Public Housing](#), and while it would let state and local housing agencies choose from different rent rules or adopt their own, [it's likely](#) that many agencies would exercise the proposal's rent increase options, which are closely based on a proposal that local agencies themselves developed.

Each of the Trump and Ross policy proposals to raise rent or eliminate assistance would hurt efforts to prevent and end homelessness. The following examples help illustrate how the Trump and Ross policy proposals would create new barriers to rental assistance for people experiencing homelessness or increase the risk of homelessness among people currently receiving assistance (See our [collection](#) of materials for more detail on these policies.)

Diminish the Power of Rental Assistance to Help End Homelessness

When rental assistance covers the gap between what someone experiencing homelessness can afford to pay and the cost of rent, it can make the difference between living in a crowded shelter or on the street and having a place to call home. The Trump and Ross rent raises would make it harder for people experiencing homelessness to use rental assistance to find stable housing, because the assistance would no longer make rent affordable for people with little or no income.

[Raising rent on the lowest-income families and individuals.](#) Currently, tenants with very little or no income, who are the least able to bear greater costs, may be required to pay a minimum rent between \$0-\$50 if it's more than the household's income-based rent. Under the Trump proposal, the minimum rent for "disabled" and "elderly" households would be raised to at least \$50. And all other households would see minimum rent at least triple to \$150, affecting nearly [1 million](#) children. HUD would also have the authority to increase minimum rent as much as it wants. Many people experiencing homelessness have little to no income, meaning \$50 or \$150 rent might prove too high a barrier, rendering rental assistance useless for those who need it most.

The Ross proposal would let state and local housing agencies raise rents well above the Trump proposal's minimum rent, making rent unaffordable for the lowest-income households even with rental assistance. For example, under the proposal's "tiered rent" option, households would pay one of three rent levels according to their income and location. If a mother living in a shelter with her two small children and who has \$2,000 a year (\$167 per month) in income received rental assistance under the tiered rent structure, she could have to pay \$530 a month in rent – more than three times the family's monthly income. The rental assistance wouldn't be enough to help the family leave the shelter and rent a home. A [family](#) with similar income but already receiving rental assistance would be at risk of eviction and homelessness due to the steep increase in their rent.

The Trump proposal and some of the Ross proposal options include "[hardship exemptions](#)" from minimum rent (and in some cases from other rents). But experience from current policy [has shown](#) that few people are protected from hardship despite the requirement that public housing agencies offer temporary exemptions from minimum rent for families facing [such circumstances](#) as a death in the family or job loss. One challenge is that tenants must know about and request the exemptions in order to take advantage of them.

[Taking assistance away for not meeting work requirements.](#) The Trump proposal would let public housing agencies take rental assistance away from non-disabled, non-elderly households if adults don't work or complete work-related activities for a [set number of hours](#) each week. That would make assistance less viable for people experiencing homelessness, who

face significant **barriers** to work, such as physical and behavioral health conditions, lack of work experience or inconsistent work history, and histories of incarceration. People who do work, including those with seasonal or unstable jobs that don't provide enough hours each week to meet the requirement, could still lose their rental assistance.

Cause Homelessness Among People Receiving Rental Assistance

The Trump and Ross proposals would leave many rental assistance recipients without enough money to cover rent and other necessities — such as by raising rents or eliminating housing deductions — putting families at risk of homelessness.

Charging a higher share of income for rent. The Ross proposal would let HUD raise the percentage of income that households HUD categorizes as “disabled” must pay, without limits on how high rents could rise. Raising rent can be particularly harmful for people with disabilities, who face a greater risk of homelessness and **nearly double** the rate of unemployment. **Over 40 percent** of adults living in shelters have a disability. In addition, Supplemental Security Income, which over 4.8 million adults with disabilities ages 18-64 **receive**, by itself **isn't enough** to afford rent anywhere in the country. The Trump proposal would also raise the share that non-elderly, non-disabled households pay toward rent from **30 to 35 percent** of their income, raising their rent by \$1,400 a year on average.

Dramatically raising rent regardless of income. Several of the Ross proposal's rent policy options would cause large rent increases. For example, the “stepped rent” option would base rents entirely on how long a family receives assistance regardless of income, eventually holding households responsible for 100 percent of the rent. As rents increase over time, families would be left without enough money left over to cover costs like child care, food, and health care on top of rent, effectively imposing a time limit on assistance.

Eliminating deductions. HUD currently allows deductions that lower the total income used to calculate household rent, making rent more affordable to households that have special expenses, including:

- disability-related expenses, such as in-home care expenses that allow another member in the household to work;
- costs related to dependents, including minor children or an adult (other than a spouse) with a disability;
- high, unreimbursed health care costs; and
- child care costs.

The Trump proposal would eliminate all of these deductions, raising rents on over 3.6 million households. The Ross proposal would let HUD eliminate deductions for “disabled” households, which the Trump Administration would almost certainly do given its own proposal to do so. Some of the Ross proposal's rule options would also eliminate all deductions for non-elderly, non-disabled households.

Eliminating deductions alone can lead to large rent increases for some households. Consider a household with \$11,000 in annual income and that's made up of a parent getting deductions for \$1,600 in out-of-pocket disability and medical expenses and for having a 19-year-old college student living at home as a dependent. Even if HUD didn't raise the percentage of their income paid toward rent, the lost deductions alone would increase their rent by **27 percent**.

Rental Assistance Is Critical to Preventing and Ending Homelessness

Rental assistance addresses the heart of the homelessness problem — unaffordable housing — by covering the gap between families' rent and what they can afford to pay. Rental assistance has been shown to help **families** and people with disabilities exit homelessness and **stay stably housed** in the community. For instance, tens of thousands of new vouchers funded through the HUD-Veterans Affairs Supportive Housing program helped drive a **striking drop** in veteran homelessness; those vouchers could be subject to rent increases under the Trump and Ross proposals.

Raising rent in federal programs would make them much less effective at preventing and ending homelessness. That's why groups like the **National Health Care for the Homeless Council**, the **National Law Center on Homelessness & Poverty**, and the **National Low Income Housing Coalition** oppose these proposals. An estimated **1.4 million people** stayed in a U.S. emergency shelter in 2016, and that's not including people who stayed on the street. Many people also live at imminent risk of living on the streets or in shelters, including tens of thousands of children whose families live **doubled up** with other families. Instead of promoting policies that make rent unaffordable for some of the lowest-income and most vulnerable households, the Trump Administration should support — and Congress should fund — increased rental assistance.

October 11, 2018