

The Housing Choice Voucher Program

Created in the 1970s, the “Section 8” Housing Choice Voucher Program has become the dominant form of federal housing assistance.

What Is the Housing Voucher Program?

Low-income families use vouchers to help pay for housing in the private market. The program is federally funded but run by a network of about 2,150 state and local housing agencies. More than 5 million people in 2.2 million low-income families use vouchers.

Who Is Eligible for Vouchers?

Federal rules ensure that vouchers are targeted at the families who need them most. Seventy-five percent of new households admitted each year must be “extremely low income,” with incomes not exceeding 30 percent of the local median or the poverty line, whichever is higher. Other new households may have incomes up to 80 percent of the area median.

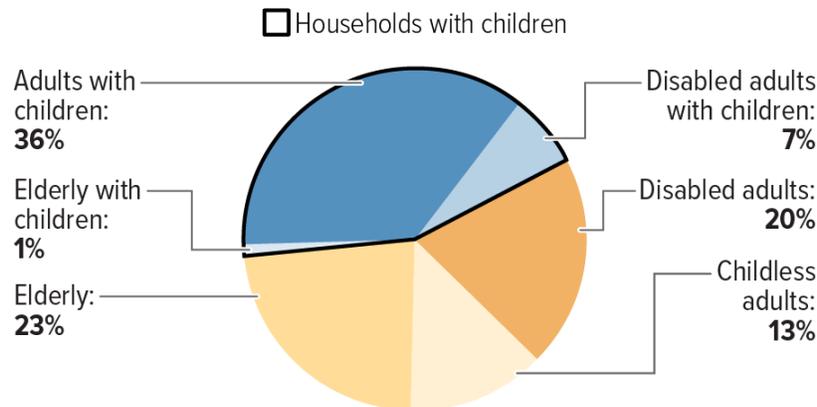
Housing agencies may set admissions preferences based on housing need or other criteria. Undocumented immigrants are not eligible for voucher assistance.

How Does a Family Use a Voucher?

Once a family receives a voucher, it has at least 60 days to find housing. A family can use a voucher to help pay the rent either for its current unit or for a new unit. In either case, the housing agency must verify that the unit meets federal housing quality standards and that the rent is reasonable compared to market rents for similar units in the area.

A family with a voucher generally must contribute the higher of 30 percent of its income or a “minimum rent” of up to \$50 for rent and utilities. The voucher pays the rest of those costs, up to a limit (called a “payment standard”) set by the housing agency.

Who Is Helped by Housing Choice Vouchers?



Note: Childless adults are households headed by a person under 62 without disabilities and without children in the home. Disabled adults are younger than 62. Elderly households are headed by a person age 62 or older.

Source: CBPP tabulation of 2016 HUD administrative data.

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Are Vouchers Used Only to Rent Units That Tenants Select?

No. Up to 30 percent of vouchers can be used for subsidies — called “project-based” vouchers — that are tied to a particular property rather than a particular family and thus can help pay for the construction or rehabilitation of housing for low-income families. Also, vouchers are sometimes used to help with mortgage payments, enabling low-income families to purchase homes.

How Are Vouchers Allocated to Housing Agencies?

Each agency has a cap on the number of vouchers it is authorized to administer. An agency’s number of “authorized vouchers” is essentially the sum of the vouchers the agency has been awarded since the start of the voucher program. Each year, Congress provides some new vouchers. Since 2003, new vouchers have been either “tenant-protection” vouchers (which replace either public housing that is demolished or sold or other affordable housing units that lose federal subsidies) or “special purpose” vouchers (which are aimed at particular types of households, such as homeless veterans).

How Are Vouchers Funded?

Most agencies’ voucher funding each year is based on the number of their authorized vouchers in use in the prior year and the actual cost of those vouchers, adjusted for inflation. If Congress provides less overall funding than agencies are due, each agency’s funding is reduced proportionately. Funding for new vouchers

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and administrative costs is provided separately. Agencies participating in the Moving-to-Work demonstration are funded under their agreements.

How Effective Are Vouchers?

Vouchers sharply reduce homelessness and other hardships, lift more than a million people out of poverty, and give families an opportunity to move to safer, less poor neighborhoods. These effects, in turn, are closely linked to educational, developmental, and health benefits that can improve children’s long-term prospects and reduce costs in other public programs.

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Most voucher households that can reasonably be expected to work, do work. In 2016, 69 percent of non-elderly, non-disabled households using vouchers were working or had worked recently, while an additional 10 percent were likely subject to a work requirement under the Temporary Assistance for Needy Families program. Moreover, vouchers enable more than 1.1 million elderly or disabled individuals to afford to live independently.

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For more information on Housing Choice Vouchers, see:

National and State Housing Fact Sheets & Data

<http://www.cbpp.org/research/housing/national-and-state-housing-fact-sheets-data>.

Research Shows Housing Vouchers Reduce Hardship and Provide Platform for Long-Term Gains Among Children

<http://www.cbpp.org/research/housing/research-shows-housing-vouchers-reduce-hardship-and-provide-platform-for-long-term>