

CHOICE IN AFFORDABLE HOUSING ACT

| U.S. SENATORS CHRIS COONS AND KEVIN CRAMER |

The Housing Choice Voucher (HCV) [program](#) at the Department of Housing and Urban Development (HUD) helps 5+ million low-income people, including the elderly and people with disabilities, in a total of 2.3 million households, afford safe and decent housing in the private market. More than two-thirds of those households are headed by a person of color. Administered by local Public Housing Agencies (PHAs), families that receive a voucher have 60 days to find a unit. They then pay 30% of household income toward rent and utilities while the PHA pays the landlord the remaining rent. HCVs increase housing stability, reduce homelessness, and each year lift more than 1 million people out of [poverty](#).

As HUD acknowledges in its [2019 Evidence Matters report](#), landlord participation in the HCV program “determines the number of available units and their geographic distribution, which in turn affects tenant mobility, healthy housing, fair housing...” Unfortunately, rent payment standards, administrative processes, and misperceptions of the HCV program can cause uncertainty in rental housing operations and deter owners from participating in the program. In fact, landlord participation is declining, with an average of [10,000](#) housing providers having left the program each year between 2010 and 2016. Landlord participation is especially lacking in high-opportunity neighborhoods that have low poverty rates and access to quality schools, jobs, and public transportation, qualities that can lead to better financial and health outcomes for families. In one [experiment](#) led by economist Raj Chetty, voucher holders were offered services to move to high-opportunity neighborhoods. The results indicate that the lifetime income of children who moved to those neighborhoods at birth will increase by \$214,000. As part of improving voucher holders’ access to high-opportunity areas, Congress should increase resources and reduce programmatic barriers in the HCV program that will help attract and retain landlords.

THE CHOICE IN AFFORDABLE HOUSING ACT:

- 1. Provides \$500 million to create the Herschel Lashkowitz Housing Partnership Fund.** Named after the longtime Fargo, N.D. mayor, who was an advocate for affordable housing, the funds would be distributed for:
 - PHAs to offer a signing bonus to a landlord with a unit in a low-poverty area;
 - PHAs to provide security deposit assistance, so that tenants can better afford to meet required deposits and landlords are assured greater protection against damages;
 - HUD to provide a financial bonus to PHAs that retain a dedicated landlord liaison on staff;
 - Other uses determined by the PHA and approved by HUD to recruit and retain landlords.
- 2. Increases funding to the Tribal HUD-VASH program.** To help renters on tribal land, the bill supports the [Tribal HUD-VASH](#) program for Native American Veterans who are homeless.
- 3. Uses neighborhood-specific data to set rents fairly.** The bill would require HUD to expand its 2016 rule requiring the use of [Small Area Fair Market Rents](#) in certain metro areas.
- 4. Reduces inspection delays.** Units in buildings financed by other federal housing programs would meet the voucher inspection if the unit has been inspected in the past year. New landlords could also request a pre-inspection of their unit from a PHA prior to selecting a voucher-holder.
- 5. Refocuses HUD’s evaluation of housing agencies.** The bill would encourage HUD to reform its [evaluation](#) of PHAs to promote an increase in the diversity of neighborhoods where vouchers are used. The bill also requires HUD to report to Congress annually on the effects of the bill.

ENDORSEMENTS: *National Low Income Housing Coalition (NLIHC), National Housing Law Project (NHLP), Poverty & Race Research Action Council (PRRAC), Habitat for Humanity, Enterprise Community Partners, National Apartment Association (NAA), National Multifamily Housing Council (NMHC), National Association of Realtors (NAR), National Association of Home Builders (NAHB)*

WHAT PEOPLE ARE SAYING ABOUT THE CHOICE IN AFFORDABLE HOUSING ACT

“The National Apartment Association proudly supports the Choice in Affordable Housing Act, which will streamline the Section 8 Housing Choice Voucher (HCV) Program and help even more American families access assistance for their housing needs. We applaud Senator Coons (D-Del.) and Senator Cramer (R-N.D.) for their work on this bill, which addresses many of the burdensome barriers that complicate and deter housing providers’ participation in the HCV Program. By speeding tenancy approval processes, reducing duplicative inspections requirements and providing better ongoing support for housing provider participants, the Choice in Affordable Housing Act will encourage more voluntary participation in the program and, most importantly, increase positive outcomes for participating owners and residents alike.” – **Bob Pinnegar, President and CEO, National Apartment Association (NAA)**

“NMHC applauds the bipartisan work done by Senators Coons and Cramer in introducing the Choice in Affordable Housing Act. After a year of pandemic related financial distress, communities across the country are grappling with deep housing affordability challenges and are in need of real solutions to bring the private and public sector together in delivering them. This legislation will attract and incentivize private housing providers' participation in the Section 8 HCV program while working to streamline inefficient and duplicative requirements, which discourage private housing providers from accepting vouchers. Through this critical legislation, the public-private partnership envisioned by the Section 8 HCV program could be closer to reality and has the potential to be one of the most effective means of addressing our nation's affordable housing needs.” – **Doug Bibby, President, National Multifamily Housing Council (NMHC)**

“Research shows that increasing families' access to high-opportunity areas is an important pathway to upward mobility. Children who grow up in opportunity rich neighborhoods are more likely to go to college and to earn more as adults. Making it easier for landlords to participate in the Housing Choice Voucher program is critical for increasing housing supply in opportunity rich areas and by way of this, supporting families' long-term success.” – **Raj Chetty, Director of Opportunity Insights, William A. Ackman Professor of Economics at Harvard University**

“These are much-needed reforms to our nation’s largest low-income housing program, and it is great to see Congress operating in a bipartisan, problem-solving way to expand housing opportunities and choices for low-income families and children.” – **Philip Tegeler, Executive Director, Poverty & Race Research Action Council (PRRAC)**

“The Housing Choice Voucher program—which houses more than two million American families—has been losing landlords each year in droves. Our research in four cities shows that the voucher program has been losing these landlords for avoidable reasons: burdensome and time-consuming inspections, no one to talk to at the PHA when problems arise, and concerns about responsibility for repairs. The Choice in Affordable House Act makes important and much needed strides towards addressing these very issues and will, our research further shows, lead to greater landlord participation in vouchers in high-opportunity areas. That, in turn, means this Act will help many children to finally get a chance to live where they will have far better economic prospects, helping our nation’s much needed recovery over the long term.” – **Stefanie DeLuca, Director, Poverty and Inequality Research Lab, James S. Coleman Professor of Social Policy and Sociology at Johns Hopkins University**

“The Jewish Community Relations Council of Minnesota and the Dakotas (“JCRC”) strongly supports the prophetic reflection of the need to provide secure and affordable housing to all via the bi-partisan legislation of Sen. Kevin Cramer and Sen. Christopher Coons—The Choice in Affordable Housing Act. The JCRC is deeply proud that the Housing Partnership Fund component of the legislation is named for Herschel Lashkowitz. The 20-year Mayor of Fargo, Mr. Lashkowitz was a scion of the 150-year history of the Jewish community dating to territorial times. Born, raised and ultimately graduated from Fargo Central High School, Mr. Lashkowitz practiced law in Fargo and served in city and state government from 1954-1989. Mayor Lashkowitz presided over two major urban renewal projects in Fargo resulting in a new public library, City Hall and auditorium and public works improvement and expansion. Joining these health, cultural and civic endeavors was the construction of apartments for senior citizens and the disabled. Given the expansive nature of the Cramer-Coons legislation and the broad community vision of Mayor Lashkowitz, it is deeply meaningful to honor his memory and accomplishments in providing housing opportunities throughout our nation.” – **Steve Hunegs, Executive Director, Jewish Community Relations Council of Minnesota and the Dakotas (JCRC)**