

Testimony
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Presented to the U.S. Senate Committee on Banking, Housing, and Urban Affairs
“Housing Roadblocks: Paving a New Way to Address Affordability”

March 12, 2025

Chair Scott, Ranking Member Warren, and members of the Committee on Banking, Housing, and Urban Affairs, thank you for convening this hearing and spearheading this important conversation. My name is Renee Willis, and I am the interim President and Chief Executive Officer of the National Low Income Housing Coalition (NLIHC). It is my honor to testify before this committee on the urgent need to address America’s affordable housing and homelessness crisis, especially for the lowest-income households, who have the greatest and clearest needs.

NLIHC is dedicated to achieving racially and socially equitable public policy that ensures people with the lowest incomes have quality homes that are decent, accessible, and affordable in communities of their choice. NLIHC members include state and local affordable housing coalitions, residents of public and assisted housing, nonprofit housing providers, homeless service providers, fair housing organizations, researchers, faith-based organizations, public housing agencies, private developers and property owners, local and state government agencies, and concerned citizens. While our members represent the spectrum of housing interests, we do not represent any segment of the housing industry. Rather, we work on behalf of and with low-income people who receive, and with those who are in need of, federal housing assistance, especially extremely low-income people and people experiencing homelessness.

The growing affordable housing crisis impacts rural, urban, and suburban communities alike. More renters – particularly those with the lowest incomes - are struggling to keep a roof over their heads, and a record number of people are experiencing homelessness.

While the effects of the affordable housing and homelessness crisis are pervasive and felt across the income spectrum, the crisis itself is rooted in the severe shortage of deeply affordable, available homes and the growing gap between incomes and the cost of housing. According to NLIHC’s latest research, which will be published tomorrow on our website under “The Gap Report”, there is a national shortage of 7.1 million affordable, available rental homes for the 10.9 million renters with extremely low-incomes (ELI), which are individuals living either at the federal poverty line or paid 30% or less of their area median income, whichever is greater. This shortage is a structural feature of our country’s housing system, impacting every state and congressional district in the country.

Despite the clear, urgent need for additional resources, Congress only provides enough housing assistance to serve one in four eligible households. Without affordable homes, these households are forced to occupy rental units they cannot reasonably afford, and as a result, three out of every four ELI households spend over half of their income on rent, leaving them without the resources they need to put food on the table, receive needed medical care, find childcare or transportation, or otherwise make ends meet. These households are often a single missed paycheck or unexpected expense away from facing eviction, or worse, homelessness.

Federal investments play a key, integral role in addressing the root causes of the affordable housing crisis. While market solutions like zoning and land use reform can incentivize the construction of new housing affordable to middle- and sometimes even low-income households, the market cannot, on its own, afford to build, operate, and maintain housing that is inexpensive enough for people with the lowest incomes to afford. Federal subsidies are essential to ensure housing providers can build and maintain quality, accessible units at rents affordable to people with the lowest incomes, and to help people with the lowest wages afford to the cost of market-rate rental housing.

To fully address America's affordable housing and homelessness crisis, Congress must invest at the scale needed to ensure that renters with the lowest incomes have an affordable place to call home. As outlined in NLIHC's national HoUSed campaign [policy agenda](#), federal investments are needed to bridge the gap between incomes and housing costs through universal rental assistance, build and preserve rental homes affordable to people with the lowest incomes, prevent evictions and homelessness by stabilizing families during a crisis, and strengthen and enforce renter protections to address the power imbalance that tilts heavily in favor of landlords. These solutions must be paired with reforms to break down barriers that prevent access to critical resources and that deepen racial disparities.

In 2025, Congress should advance a bipartisan housing package to help make meaningful strides towards the goal of ensuring that every American citizen can access decent, accessible, and affordable housing.

As we discuss the importance of these federal programs and the vital role they play across communities, I must also bring to the Committee's attention the immediate threat facing HUD, and by extension, the communities and people HUD serves. Elon Musk and his Department of Government Efficiency propose to fire half of HUD's current workforce. Without adequate funding for federal housing and homelessness programs – and without the staff to administer and oversee these funds – states and communities will face new barriers to accessing the critical federal resources they need to pay rent, build affordable

housing, address homelessness, recover from disasters, revitalize distressed communities, promote homeownership, enforce fair housing laws, and more. Rather than improving efficiency, such drastic staffing cuts at HUD will cause significant, harmful, and costly delays and worsen America's affordable housing and homelessness crisis, as well as its significant disaster recovery needs.

Even short delays in accessing federal resources will slow down affordable housing construction and drive up development costs, stall or even freeze congressionally directed spending projects, slow recovery after disasters, and cause organizations that rely on federal funding, like homeless service agencies, to limit services or close their doors completely.

I look forward to opportunities to work together to protect and expand federal housing investments – and protect the federal agency staff necessary to administer and oversee these funds – to help address the affordable housing needs of communities across the nation.

Underlying Causes of the Affordable Housing Crisis

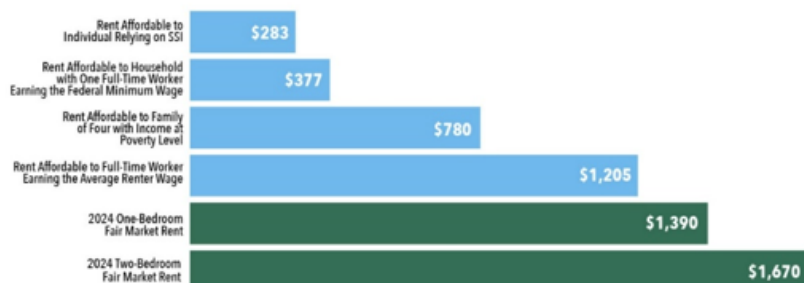
The United States is experiencing an affordable housing and homelessness crisis impacting every state and congressional district, with renters facing sky-high rents and homelessness reaching its highest level on record. While many households are dealing with higher housing costs, ELI households have the greatest, clearest needs: three out of four of these renters (75%) spend over half of their income on rent every month, compared to just 3% of middle-income renters.ⁱ

The Gap Between Incomes and Housing Costs

A major cause of housing instability is the fundamental mismatch between growing housing costs and comparatively stagnant incomes for people with the lowest incomes. Over one-third of ELI renters are in the labor force (34%), while the remaining extremely low-income renters tend to be either seniors (33%), people with a disability (18%), students (4%), or single-adult caregivers to young children or household members with a disability (2%).ⁱⁱ

Despite the fact most of the lowest-income renters in the labor force work more than 20 hours per week, they are still unable to reasonably afford the cost of rent. Nationally, the average monthly fair market rents for one-bedroom and two-bedroom rental homes are \$1,390 and \$1,670, respectively. These rents are much higher than what many renters can afford, and they significantly outpace the average income of low-wage workers and people who rely on Supplemental Security Income.

RENTS ARE OUT OF REACH



NLIHC’s *Out of Reach: The High Cost of Housing*ⁱⁱⁱ annual report estimates each locality’s “Housing Wage” – the hourly wage a full-time worker must earn to afford a modest one- or two-bedroom apartment at fair market rent without spending more than 30% of their income on housing. In 2024, the national Housing Wage was \$32.11 per hour for a modest two-bedroom rental home, and \$26.74 per hour for a modest one-bedroom rental home. Even in states with the least expensive rents, a renter working full time and earning less than \$18 per hour is unable to afford a modest two-bedroom apartment. Housing Wages are highest in traditionally high-cost states like California, Hawaii, Massachusetts, and New York, but areas with lower Housing Wages also tend to have lower wages, so tenants in these areas still struggle to afford housing.

Even after factoring in state and county-level minimum wages that exceed the federal minimum wage of \$7.25 per hour, the average minimum wage worker must work 113 hours per week (2.8 full-time jobs) to afford a two-bedroom rental home, or 95 hours per week (2.4 full-time jobs) to afford a one-bedroom rental home at fair market rent.

Fourteen of the 20 most common occupations in the U.S. pay a lower median hourly wage than the housing wage for a one- or two-bedroom rental home. Sixty-four million people, or 42% of the entire workforce, work in these 14 occupations, including retail and restaurant workers, health home aides and nursing assistants, building cleaners and repair workers, administrative assistants, and construction tradespeople.^{iv}

14 OF THE 20 LARGEST OCCUPATIONS IN THE UNITED STATES PAY MEDIAN WAGES LESS THAN THE ONE- OR TWO-BEDROOM HOUSING WAGE



The Shortage of Affordable Homes for ELI Households

NLIHC’s research shows a shortage of 7.1 million affordable and available homes for our nation’s lowest-income renters. Put another way, for every 10 of the lowest-income renters, there are fewer than four affordable apartments available to them. Despite the clear need, just one in four eligible households receive housing assistance because of chronic underfunding by Congress.^v

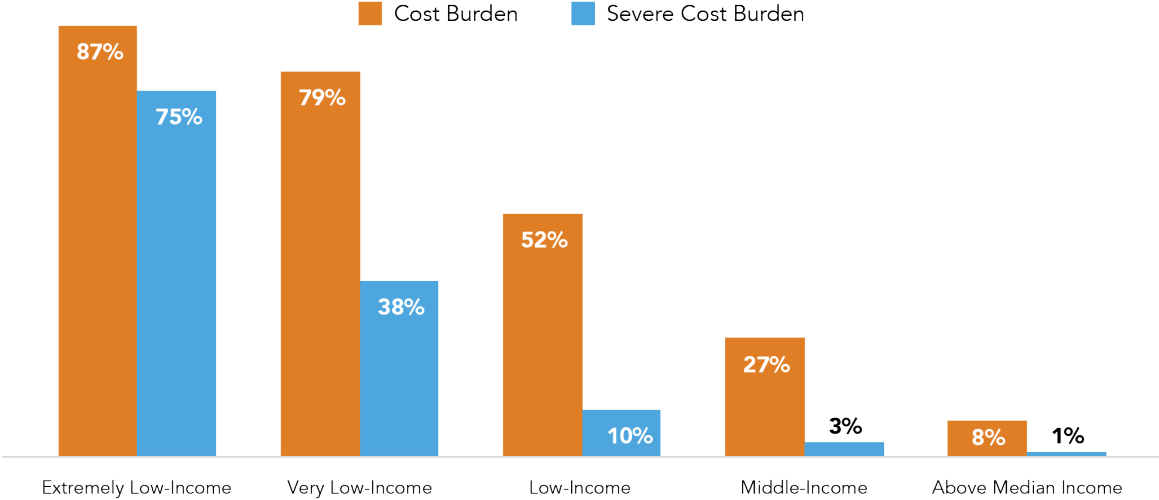
As a result, 10 million of the nation’s lowest-income households pay at least half of their income towards rent – and many pay much more – leaving them always one unexpected expense or financial emergency away from facing the risk of eviction and, in worst cases, homelessness. Another 770,000 people experience homelessness on any given night – the highest number on record.^{vi}

The shortage of affordable and available homes for the lowest-income renters ranges in severity depending on state and congressional district, but there is no state or district in the country with enough affordable homes for its lowest-income renters. For example, in Chair Scott’s state of South Carolina, there are just 47 affordable homes available for every 100 of the lowest-income renter households. Ranking Member Warren’s state of Massachusetts faces a similar situation^{vii} with only 44 affordable and available homes for every 100 of the lowest-income renters.

Housing cost burdens are concentrated among the lowest-income renters. Eighty-seven percent of extremely low-income renters are cost-burdened (paying over 30% of their income on housing), and 75% of extremely low-income households are severely cost-

burdened (paying over half of their income on housing).^{viii} Research indicates that the lowest-income households spend significantly less on other necessities – such as food, clothing, transportation, and healthcare – when they are forced to spend more than half of their income on rent and utilities.

EXTREMELY LOW-INCOME HOUSEHOLDS DISPROPORTIONATELY EXPERIENCE SEVERE HOUSING COST BURDENS
RENTER HOUSEHOLDS WITH HOUSING COST BURDENS BY INCOME, 2023



SOURCE: 2023 ACS PUMS.

Systemic racism, past and present, has led to significant racial disparities in both renter demographics and adverse outcomes experienced by renters, such as cost burdens, evictions, and homelessness. The unaffordability of the rental market disproportionately harms Black and Latino households because they are more likely at all income levels to be renters: 27% of white, non-Latino households are renters, compared to 57% of Black, non-Latino households and 52% of Latino households.

Moreover, renters of color are much more likely than white households to be extremely low-income renters. Eighteen percent of Black, non-Latino households, 17% of American Indian or Alaska Native households, and 13% of Latino households are extremely low-income renters, compared to only 6% of white non-Latino households. Renters of color are also more likely to experience housing cost burdens than white, non-Latino renters. While 46% of white renters are cost-burdened, 57% of Black, non-Latino renters and 54% of Latino renters are housing cost-burdened. Nearly one-third of Black renters are severely cost-burdened, compared to 24% of white renters.

A Lack of Federal Resources

The shortage of rental homes affordable to the lowest-income people is caused by market failures and the chronic underfunding of solutions. Government intervention, in the form of subsidies, is necessary to fill the gap between what the lowest-income people can afford to pay and the costs of developing and operating rental homes. Congress has consistently underfunded housing subsidies such that only one in four households eligible for housing assistance receives any funding assistance.^{ix} In consequence, millions of families are placed on waitlists for housing assistance, with many facing homelessness or overcrowding while they wait.^x

Congress has also divested from public housing for decades, resulting in the accrual of over \$90 billion in unmet capital backlog needs.^{xi} Our nation now loses 10,000 to 15,000 units of public housing every year to obsolescence or decay, while other units continue to fall into deep disrepair. This divestment leaves public housing residents routinely exposed to dangerous living conditions and health hazards including lead, carbon monoxide, mold, asbestos, radon, and pests.^{xii}

Long-Term Solutions

Only sustained and significant federal investments in rental housing can ensure that the lowest-income renters have safe, accessible, affordable homes. Addressing the roots of the housing affordability problem requires a commitment from Congress to bridging the gap between incomes and rent through universal rental assistance, expanding and preserving the supply of rental homes affordable to the lowest-income people, providing emergency assistance to stabilize and prevent homelessness for renters experiencing financial shocks, and establishing and enforcing strong renter protections.

Bridging the Gap between Incomes and Housing Costs through Universal Rental Assistance

Congress should expand rental assistance to make it universally available to all eligible households in need. Making rental assistance available to all eligible households is central to any successful strategy for solving the housing crisis. Rental assistance is a critical tool for helping the lowest-income people afford decent, stable, accessible housing, and the Housing Choice Voucher program has a proven record of reducing homelessness and housing poverty.^{xiii} A growing body of research finds that rental assistance can improve health and educational outcomes, increase children's chances of long-term success, and advance racial equity.^{xiv}

Expanding and Preserving the Supply of Affordable Rental Homes

To fully address the shortage of affordable rental housing for renters with extremely low incomes, Congress must increase funding both to preserve the stock of existing affordable housing and increase the supply of deeply affordable units through expansion of the national Housing Trust Fund (HTF), while also incentivizing or requiring communities to reform restrictive local zoning ordinances that inhibit the supply of apartments and drive up costs for everyone.

Efforts to expand the federally assisted housing stock and close the affordability gap hinge on the preservation of existing affordable housing. Preservation prevents the displacement of current tenants, stops the loss of difficult-to-replace housing in desirable neighborhoods, mitigates disinvestment from distressed communities, and prevents further decline in the already limited federally subsidized housing stock, while also presenting opportunities to reduce greenhouse gas emissions through energy retrofitting. Congress must provide robust resources to preserve the roughly 900,000 public housing units currently home to over 2 million residents, the majority of whom are people of color. Public housing is critical to ensuring people with the greatest needs have an affordable and accessible place to call home, and the preservation of this community asset is key to any strategy to address America's housing crisis.

Providing Emergency Rental Assistance to Stabilize Families and Prevent Evictions

The COVID-19 crisis highlighted a reality that has long been true: many households are only one missed paycheck or unexpected expense away from being unable to afford their housing. Permanent solutions are needed to combat the evictions and homelessness that can occur when low-income renters experience income loss or unexpected financial shocks. Congress should build on the successes and lessons learned from the emergency rental assistance (ERA) program created during the pandemic by enacting a permanent HUD program to help stabilize families before they face eviction, displacement, or homelessness.

Together with the national eviction moratorium, ERA helped millions of renters avoid eviction and homelessness during the pandemic. Through December 2022, an estimated 10.8 million ERA payments were provided to renter households who were behind on their rent. Overall, ERA programs have provided at least \$34 billion in financial assistance to households and housing stability services. In 2021, these resources helped cut eviction filings in half – to the lowest levels on record. More than 85% of households served by the ERA program were extremely low- or very low-income, and funding reached a diverse set of households, with available data indicating that a high share of the households served

identified as Black, Latino, or female.^{xv} Given the success of ERA in promoting housing stability and preventing evictions, every effort should be made to preserve the newly created ERA infrastructure as an essential component of the housing safety net.

Establishing and Enforcing Strong Renter Protections

During the pandemic, state and local jurisdictions across the country were quick to recognize the crucial role tenant protections play in preventing evictions and ensuring housing stability for the most marginalized households. Since early 2021, state and local governments have enacted or implemented nearly 700 renter protections to protect renters in their jurisdictions. Federal legislation is needed to ensure that renters in all jurisdictions benefit from basic protections.^{xvi}

Congress should enact federal protections, such as those in the National Tenants Bill of Rights published by NLIHC, National Housing Law Project, and Tenant Union Federation, to address the power imbalance between landlords and renters. Such protections should include source-of-income laws to prevent landlords from discriminating against voucher holders, “just cause” eviction standards, guaranteed access to legal counsel to put renters on more equal footing with landlords, eviction record sealing and expungement requirements, and limits on rent gouging.

Bipartisan Legislative Opportunities in the 119th Congress

We urge the Senate Banking Committee to advance a bipartisan package of legislation to help address the affordable housing and homelessness crisis. This package should include legislation to increase housing stability and economic mobility among low-income families, invest in cost-effective eviction prevention tools, improve and streamline existing housing programs, cut red tape to build housing for people with the lowest incomes, improve oversight of federal disaster resources, expand and reform affordable housing development programs, and provide better access to fair and affordable housing, among others.

Below are bills we urge you to include in any bipartisan housing package that advances in the committee.

Eviction Crisis Act

Any bipartisan housing package should include the “Eviction Crisis Act” (S.2182), introduced in the 117th Congress by Senators Rob Portman (R-OH), Michael Bennet (D-CO), and Sherrod Brown (D-OH). The legislation would provide emergency, short-term assistance to help stabilize households in crisis, building on lessons learned from and the infrastructure developed during the pandemic to keep families stably housed.

Evictions push families deeper into poverty, harming health outcomes, hampering educational pursuits, and resulting in numerous other negative effects. When a household faces an emergency, it needs focused, short-term help, not a one-way ticket to further housing instability.

By passing the bipartisan “Eviction Crisis Act,” Congress would draw on extensive experiences and insights gathered during the pandemic and create a permanent, cost-effective tool to help stabilize households before they face evictions and homelessness and to reduce the associated harms and costs to individuals and communities.

Family Stability and Opportunity Vouchers Act

Any bipartisan housing package should include the “Family Stability and Opportunity Vouchers Act” (S.1257, H.R.3776) to connect low-income families with economic and educational opportunities. The bipartisan bill, re-introduced by Senators Chris Van Hollen (D-MD) and Todd Young (R-IN) and Representatives Joe Neguse (D-CO) and Brian Fitzpatrick (R-PA) in the 118th Congress, would provide 250,000 new housing vouchers as well as counseling services to help low-income families with young children move to communities of their choice, including communities with high-performing schools, strong job prospects, and other essential resources.

Access to safe, stable, affordable housing is linked to nearly every quality-of-life measure, including better educational and health outcomes, racial equity, and economic mobility. A landmark study by Harvard University economist Raj Chetty demonstrates the enormous positive impact of affordable housing on upward economic mobility for children of low-income families. The “Family Stability and Opportunity Vouchers Act” is a bipartisan, evidence-based initiative that would improve outcomes for low-income children by helping their families afford homes in neighborhoods of their choice.

Reforming Disaster Recovery Act

We urge you to include in any housing package bipartisan legislation to permanently authorize HUD’s long-term disaster recovery program to provide greater oversight and deeper targeting of resources. The “Reforming Disaster Recovery Act” (S.1686, H.R.5940), introduced by Representative Al Green (D-TX) and Senators Brian Schatz (D-HI), Susan Collins (R-ME), and others in the 118th Congress, would permanently authorize the Community Development Block Grant-Disaster Recovery program and provide important safeguards and tools to help ensure that federal disaster recovery efforts reach the lowest-income and most marginalized disaster survivors. Because the program is not currently authorized, HUD must issue new rules through a Federal Register Notice whenever Congress provides long-term disaster funding, slowing the distribution of funds and

preventing states and municipalities from anticipating and preparing to receive funding before disasters occur.

Fair Housing Improvement Act

We encourage you to include in any housing package legislation to provide federal source-of-income protections. Before retiring in 2018, Senator Orrin Hatch (R-UT) worked with Senator Tim Kaine (D-VA) to sponsor the “Fair Housing Improvement Act,” which would expand the “Fair Housing Act” to prohibit discrimination based on source of income and military and veteran status. The bill was reintroduced in the 118th Congress by Senator Kaine and Representative Scott Peters (D-CA).

Choice in Affordable Housing Act

We urge you to include in any bipartisan housing package legislation to streamline and improve the Housing Choice Voucher program. For example, Congress should enact the bipartisan “Choice in Affordable Housing Act” introduced by Senators Chris Coons (D-DE) and Kevin Cramer (R-ND) and Representatives Emanuel Cleaver (D-MO) and Mike Lawler (R-NY) to reduce inspection delays, create landlord incentives, facilitate recruitment efforts with local property owners, and expand the use of Small Area Fair Market Rents. Such changes could increase voucher holders’ housing choices and reduce programmatic barriers to help attract and retain landlords in the program. To help renters on Tribal land, the bill would also increase funding to the Tribal HUD-Veterans Affairs Supportive Housing (HUD-VASH) program.

Yes In My Back Yard Act

A bipartisan housing package should include legislation to encourage state and local governments to reduce or eliminate restrictive zoning and land use requirements that drive up housing costs and constrict the supply of housing, especially in markets with significant growth in demand for housing. To help reduce or eliminate zoning and land use restrictions, we urge you to include in any bipartisan housing package the “Yes In My Backyard (YIMBY) Act” (S.1688, H.R.3507), introduced by Senators Todd Young (R-IN) and Brian Schatz (D-HI) and Representative Derek Kilmer (D-WA) in the 118th Congress. The bill would require HUD Community Development Block Grant grantees to report on actions taken to address zoning and land use barriers. Developers are often burdened with restrictive zoning rules that delay or prevent new housing and further restrict communities’ economic development. The YIMBY Act would cut red tape that prevents the development of affordable housing.

Yes In God's Back Yard Act

We urge you to include in any bipartisan housing package the “Yes In God’s Back Yard Act,” introduced by former Senator Sherrod Brown (D-OH) in the 118th Congress. The bill helps to support faith-based organizations and colleges wanting to build and preserve affordable housing on their land and reduce barriers to the development of this housing. The bill provides technical assistance to faith-based organizations and institutions of higher education wanting to use their existing land to increase or preserve the supply of affordable rental housing. It would also create challenge grants to provide additional resources to communities that adopt policies that remove barriers to the production and preservation of affordable rental housing on property owned by faith-based organizations and institutions of higher education.

Rural Housing Service Reform Act

NLIHC supports the “Rural Housing Service Reform Act,” (S.2790 in the 118th Congress) from Senators Tina Smith (D-MN) and Mike Rounds (R-SD). The bipartisan bill would improve the housing programs administered by the U.S. Department of Agriculture’s (USDA) Rural Housing Service (RHS) through several reforms, including decoupling rental assistance from maturing mortgages, permanently establishing the Multifamily Housing Preservation and Revitalization Demonstration (MPR), improving USDA’s Section 542 voucher program to better serve voucher holders, permanently establishing the Native Community Development Financial Institutions (CDFI) Relending pilot program, and improving staff training and capacity within RHS.

Native American Housing Assistance and Self-Determination Act

To help address the dire affordable housing needs in Native communities, we urge you to include reauthorization of the “Native American Housing Assistance and Self Determination Act” (NAHASDA) in any bipartisan housing package. NAHASDA is the primary federal statute governing the development, operation, and maintenance of housing in Tribal communities. Called “the backbone of Indian housing,” NAHASDA grants can be used for affordable housing activities that primarily benefit low-income Indian families living on Indian reservations and Alaska Native communities or in other Indian areas. Since its creation, Tribes and Alaska Native governments have used Indian Housing Block Grant (IHBG) funding to build or acquire almost 41,500 affordable homes and restore an additional 105,000 affordable homes on Tribal lands and Alaska Native communities. Despite its crucial role, NAHASDA has not been reauthorized in a decade. As a result, its programs are in desperate need of updates, and funding has decreased by 29% when accounting for inflation, remaining at less than 2% of the overall HUD budget.

Affordable Housing Preservation and Protection Act

NLIHC urges the committee to include in any bipartisan housing package the “Affordable Housing Preservation and Protection Act” from former Senator Sherrod Brown (D-OH) in the 118th Congress to help preserve distressed HUD-assisted properties for future generations. HUD-assisted buildings provide safe, affordable homes to 1.3 million households, including seniors, people with disabilities, and families with children. This valuable source of affordable housing, however, has become physically obsolescent and needs immediate rehabilitation.

Areas of Concern

NLIHC appreciates Senator Scott’s work to address the housing crisis, and we thank him in advance for his leadership in advancing a bipartisan legislative package to address the housing crisis. However, NLIHC has concerns about some provisions in the “ROAD to Housing Act.” For the reasons outlined below, we urge you to not include these provisions in any bipartisan housing package.

Moving to Work

NLIHC opposes provisions in the “ROAD to Housing Act” to expand and authorize Moving To Work (MTW) as a permanent program. The MTW demonstration allows public housing agencies (PHAs) to obtain broad waivers of federal rules governing the public housing and Housing Choice Voucher programs so they can test alternative policies related to work requirements, rent increases, and time limits, as well as other areas. While some PHAs have used their MTW flexibilities in useful ways, the outcomes of MTW have not been rigorously evaluated. NLIHC is deeply concerned about the serious adverse impacts on residents by some PHA’s uses of MTW flexibilities. One such adverse impact on residents that has been documented in some MTW agencies is a significant reduction in the number of households served and rent increases resulting in cost burdens.

A thorough, independent evaluation is needed for the original 39 PHAs participating in MTW, as well as a complete evaluation of all the MTF “flexibilities” undertaken by the 100 Expansion MTW PHAs (not just their cohort-specific MTW flexibility). Rather than permanently authorizing MTW or expanding MTW to more PHAs, we urge the committee to instead provide greater oversight and accountability of the existing 39 MTW PHAs and 100 Expansion PHAs.

Rental Assistance Demonstration

NLIHC opposes provisions in the “ROAD to Housing Act” to lift the cap on the Rental Assistance Demonstration (RAD). After decades of disinvestment from public housing that

has led to an estimated \$70 billion backlog in capital needs, Congress created RAD in 2012 as a demonstration to allow public housing authorities to change the funding source for their public housing developments from Section 9 to Section 8 of the U.S. “Housing Act” to help leverage public and private capital to preserve these homes. Since that time, Congress has incrementally increased the number of public housing units that can convert to the Section 8 platform to 455,000 units.

Although RAD statute and regulation provide significant tenant rights and protections, such protections are not always followed in practice and there has been a lack of federal oversight of those rights and protections. Many tenants have well-founded concerns about displacement and the long-term viability of their homes.

Currently, tenants in some RAD-converted projects are not experiencing the full benefit of the promise and potential of the program. There is often little transparency after conversion, and some private management agents impose improper leases with provisions inconsistent with RAD public housing lease requirements. Some residents continue to experience poor housing conditions and are losing important public housing rights, such as an explicit right to organize, access to grievance procedures, and opportunities to transfer to other PHA-owned units.

While we encourage Congress to make improvements to HUD’s monitoring and enforcement of the RAD program, we oppose the lifting of its current, expanded conversion cap and the elimination of a sunset date for the demonstration until these critical issues are fully addressed.

Immediate Threats to Federal Housing Investments

In 2025, federal housing investments face unprecedented threats that will worsen America’s housing crisis and undermine any meaningful action taken by this committee to advance solutions.

Fully Fund HUD Investments

Congress has until March 14 to enact a full-year spending bill or enact a short-term funding stopgap or face a government shutdown.

We urge Congress to reject calls for deep spending cuts and to instead enact a spending bill that includes significant funding increases for programs targeted to serve households with the greatest needs, including Housing Choice Vouchers, Public Housing Operating and Capital Funds, Homeless Assistance Grants, tribal housing programs (including competitive funding), and eviction defense. These programs provide critical resources to allow the lowest-income households to afford rental homes, provide better housing

conditions for public housing, help unhoused people regain access to permanent housing, and prevent evictions and homelessness.

Our nation cannot afford further cuts to these critical investments, which help the lowest-income households survive. Federal funding for HUD and USDA Rural Housing Service programs provides essential resources to promote strong and healthy communities and help more than five million of America's lowest-income and most marginalized seniors, people with disabilities, veterans, parents with children, and others afford stable and safe housing. Without adequate funding for vital federal affordable housing and homeless assistance programs, millions of the lowest-income and most marginalized households will continue to experience homelessness or remain at risk, paying more than half their limited income on rent.

Protect HUD Staff

Recent media reports have stated that Elon Musk's Department of Government Efficiency is proposing to eliminate half of HUD's staff, with people employed in HUD field offices around the country targeted for the first round of firings. Some offices in HUD would be harder hit; the Office of Community Planning and Development would be cut by 84%, the Office of Fair Housing and Equal Opportunity would be cut by 76%, the Office of Policy Development and Research would be cut by 76%, and the Office of Public and Indian Housing would be cut in half.

Federal investments at HUD play a critical role in helping low- and moderate-income people in urban, suburban, rural, and Tribal communities thrive. These programs benefit millions of people each year, including people of color, seniors, people with disabilities, families with children, veterans, women, survivors of domestic violence, first-time homebuyers, and others. While improvements to federal programs are always needed, drastic cuts to HUD staff would hinder the ability to allocate, oversee, and monitor vital HUD resources, and communities and households nationwide will face unnecessary delays and challenges to accessing congressionally approved resources to:

- Rebuild housing and infrastructure after major disasters and mitigate future harm by increasing resilient homes.
- Ensure congressionally directed spending can be used to support key projects in local communities identified by members of Congress.
- Help rural communities and Tribal nations address their most pressing housing challenges.
- Build and preserve affordable rental housing for low-income households.
- Address and prevent homelessness, which has reached its highest level on record.

- Provide assistance to help low-income households afford their homes and reduce energy costs.
- Operate and maintain public housing and other affordable housing for millions of seniors, people with disabilities, and families with children.
- Revitalize neighborhoods, promote economic development, and improve community facilities, including infrastructure and services in underserved communities.
- Reform restrictive zoning and land use regulations that inflate housing costs and limit housing supply.
- Fix lead-based paint and other environmental hazards in homes.
- Investigate and enforce fair housing and civil rights laws.
- Comply with legal mandates to affirmatively further fair housing and guarantee every community has fair and affordable housing and related services.
- Access affordable mortgage loans to purchase and refinance their homes and prevent foreclosures and losses to the FHA insurance fund.

Rather than improving efficiency, such drastic staffing cuts at HUD will cause significant, harmful, and costly delays. As a direct consequence, homeless shelters will close their doors, communities will stop construction on housing and community centers, households receiving rental assistance will face immediate rent increases and evictions, fair housing organizations will be unable to assist victims of discrimination, and communities, families, and small businesses impacted by disasters will be unable to rebuild. Further, local organizations that rely on federal funding to serve their communities may be forced to lay off staff or stop operations.

We are also deeply concerned about efforts to unilaterally and illegally withhold funding approved by Congress or terminate contracts. Funding for homelessness, fair housing, technical assistance, and capacity building have been wrongly withheld. Withholding this is causing irreparable harm. Victims of discrimination, including survivors of domestic violence who are attempting to escape their abusers, will have no way to enforce their rights under the law, and shelters may have no choice but to close their doors and turn unhoused people onto the street.

At a time when housing costs are far out of reach for renters and homelessness has reached an all-time high, now is the time to strengthen federal investments in affordable housing and homelessness solutions.

Conclusion

Thank you again for the opportunity to testify. We look forward to working with members of the Committee to enact policies to help address America's affordable housing and homelessness crisis.

ⁱ National Low Income Housing Coalition. (2025). *The Gap: A Shortage of Affordable Homes*. Washington, DC. Available March 13, 2025 at: <https://nlihc.org/gap>

ⁱⁱ National Low Income Housing Coalition. (2025). *The Gap: A Shortage of Affordable Homes*. Washington, DC. Available March 13, 2025 at: <https://nlihc.org/gap>

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