



POLICY BRIEF

The Bush Administration's Attack on the Housing Voucher Program and the Impact on Homelessness in New York City

The Section 8 housing voucher program – the largest Federal housing program for low-income Americans – is under threat on several fronts. All in all, the Bush Administration's current actions and proposed budget cuts represent the most severe attack on Federal housing programs in more than two decades.

New York City, with high levels of housing need and homelessness, has a lot to lose. Currently 118,000 low-income New York City renters rely on Section 8 vouchers, and another 120,000 households are on waiting lists. Section 8 is also the City's largest program for re-housing homeless families – any cutback in funding for housing vouchers will increase homelessness beyond the current record levels of 37,000 homeless children and adults sleeping each night in municipal shelters.

Following are highlights of the Bush Administration's proposals:

- First, HUD recently issued regulations that threaten to reduce the number of vouchers available in many states and cities. New York City stands to lose as much as \$55 million in Section 8 funding this year, and the regulatory change may force the New York City Housing Authority to stop issuing vouchers or to demand higher rent payments from poor households.
- Second, the Bush Administration has proposed funding reductions for next year that threaten to cut as many as 250,000 vouchers nationwide in 2005, and as many as 600,000 vouchers by 2009. New York City could lose more than 10,000 vouchers next year, and as many as 26,000 vouchers by 2009.
- Finally, the Bush Administration has proposed converting the Section 8 program to a block grant administered by local public housing authorities. Block grants are nearly always a recipe for future budget cuts, and threaten to remove protections for poor households -- for instance, under the Bush proposal, NYCHA and other housing authorities could charge higher rents to poor families, or target Section 8 to higher-income households. This may limit the number of housing vouchers available to homeless and very-low-income households.

Taken together, the Bush Administration's attack on the Section 8 housing voucher program represents the most severe threat to housing assistance for low-income Americans in more than two decades. The bottom line: President Bush's Section 8 proposals will result in more homelessness in New York City and nationwide.

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For more information, please visit our website or contact Patrick Markee, Senior Policy Analyst, Coalition for the Homeless, 212-776-2004.

Additional information on Section 8 budget issues is available from the Center for Budget and Policy Priorities at www.cbpp.org.