

Impact of the Housing and Community Development act of 1974 (Section 8)

Why was it created?¹

- Periods such as the Great Depression created vast poverty, and led many folks to foreclosure
- Section 8 was created to address the poor living conditions, or lack of housing for people
- Section 8 was supposed to reduce homelessness and poverty by allowing people to pay 30% of their rent, while the federal government paid the remainder
- Goal was to provide safe and affordable housing without limiting people to subsidized housing projects

How does it work?²

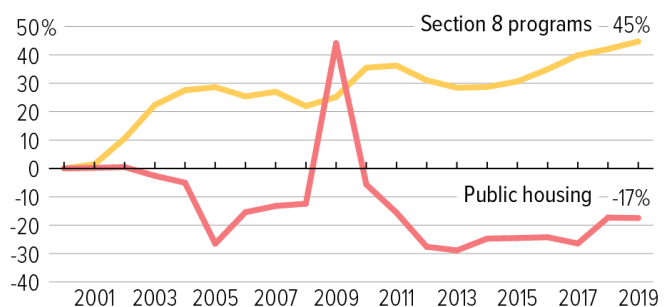
- Housing choice vouchers are administered locally by public housing agencies (PHAs)
- People use the vouchers to find housing that meets certain criteria
- Eligibility is determined by total annual gross income and family size
- How much you actually pay is based on your income and your area's Fair Market Rent
 - Fair Market rent is the cost of rent for a safe and sanitary home in your area including utilities.
- The program currently serves roughly two million homes

What are the gaps?³

- Section 8 is underfunded
- Designed to help families get out of public housing, but the places that families end up in are often the same as public housing.
- People may spend years on a waiting list before they can get vouchers.
- After receiving vouchers, people face the difficult task of finding landlords that accept the voucher.
- Fair market rent tends to keep people in poor neighborhoods.

Public Housing Funding Has Dropped While Section 8 Funding Has Responded to Cover Rising Needs

Percent change in funding since 2000, adjusted for inflation



Note: "Public Housing" includes capital and operating funds. "Section 8 programs" includes outlays for the Housing Choice Voucher and Project-Based Rental Assistance programs. The graph reflects annual budget authority for public housing and (to avoid distortions from one-time rescissions of funds and other factors) annual outlays for Section 8. Public housing funding for 2009 includes supplemental capital funds provided in economic recovery legislation.

Source: Office of Management and Budget Public Use Database, Department of Treasury expenditure data, and annual appropriations legislation

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¹ Sullivan, L., & Anderson, M. (2017, May 10). *Section 8 available*. NPR. Retrieved March 3, 2022, from <https://www.npr.org/2017/05/10/527660512/section-8-available>

² W. & Team, E. (2020, June 23). *How the Housing Choice (Section 8) Voucher Program is funded*. Eligibility. Retrieved March 3, 2022, from <https://eligibility.com/section-8/how-the-housing-choice-section-8-voucher-program-is-funded>

³ Husock, H., Blevins, E., VerBruggen, R., & Sapir, L. (2019, June 18). *Let's end housing vouchers*. City Journal. Retrieved March 3, 2022, from <https://www.city-journal.org/html/let%E2%80%99s-end-housing-vouchers-12152.html>

- Landlords in low-income areas recruit voucher-holders, because vouchers are a more consistent source of income than a normal tenant brings.

Who is vulnerable?⁴

- A large portion of people who use section 8 vouchers are minorities, and landlords are afraid accepting them will drive away market-rate tenants
- White people are more likely than minorities to be accepted by landlords, leading to greater inequality in communities
- People being forced to live in low-income and dangerous areas and being turned away even though they can afford it is racial segregation

Why does this matter?

The way section 8 functions right now is inaccessible and unsustainable. The program is oppressive and does not serve the population that it was created to. There are continued gaps that this program does not and cannot address. This is because it does not take into account other systemic factors that are coming into play. Creating a system that leads to accessible housing for all is imperative to address factors that contribute to high levels of poverty and homelessness. Advocating for these changes is something that social workers must engage in at the micro, mezzo and macro level.

⁴ *A brief historical overview of affordable rental housing.* (n.d.). Retrieved March 4, 2022, from https://nlihc.org/sites/default/files/Sec1.03_Historical-Overview_2015.pdf