

Outside Witness Testimony of the Baltimore Regional Housing Partnership

Submitted to the U.S. Senate Committee on Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies

Regarding: Housing and Urban Development (HUD) FY 2026 Appropriations July 24, 2025

Dear Chair Hyde-Smith and Ranking Member Gillibrand:

On behalf of the Baltimore Regional Housing Partnership, I'm writing with deep concern about the Trump Administration's FY26 budget proposal, which recommends a scorched-earth campaign against federal housing programs – proposing a staggering 43% cut to the Department of Housing and Urban Development (HUD)'s rental assistance programs – in a move that would eviscerate federal housing assistance, eliminate Housing Choice Vouchers as we know them, and leave millions of families vulnerable to eviction, homelessness, and deepened poverty.

The proposal does not stop at defunding longstanding, bipartisan programs – it seeks to dismantle the entire federal housing safety net, transforming and consolidating proven rental programs into a single state-run block grant alternative with two-year time limits and work requirements. This approach would not only destabilize millions of low-income households but also reverse decades of progress in reducing homelessness and poverty through federal rental assistance.

If enacted, this budget would gut rental assistance by over \$26 billion, directly threatening more than 2 million families who rely on Housing Choice Vouchers (HCVs) for stable housing in the private market. 69% of federal rental assistance recipients are seniors, children, or people with disabilities. Families with children, seniors on fixed incomes, veterans, people with disabilities, and low-wage workers would be forced into housing insecurity and homelessness in an attempt to balance the country's budget on the backs of low-income Americans.

Success of Federal Housing Assistance

Federal affordable housing investments lift millions of families out of poverty. HCVs are the cornerstone of that work while already underfunded with only 1 in 4 eligible

families receiving the help they need. The documented benefits of these programs are well-worth the investment. HUD's core rental assistance programs are <u>proven</u> to reduce homelessness, support upward economic mobility, improve health outcomes, and keep communities stable:

- Proven intervention for homelessness and housing instability <u>Research</u>
 across multiple cities has found that rental assistance reduces homelessness,
 overcrowding, and instability far more effectively than other antihomelessness interventions.
- Far reaching impacts for children Among children, homelessness is associated with increased likelihood of cognitive and mental health problems, physical health problems such as asthma, physical assaults, and poor school performance.
- Long-term benefits for families <u>A national study</u> found that teenagers had higher earnings and lower incarceration rates as adults for each additional year their family used a voucher or lived in assisted housing.
- **Health and safety benefits** <u>Evidence</u> shows that rental assistance reduces domestic violence, alcohol and drug use, and psychological distress among adults.

Rental assistance can have powerful additional benefits for children when it enables their families to move to neighborhoods with less poverty and crime and better-performing schools. Researcher Raj Chetty found through his Moving to Opportunity experiment that families using housing vouchers to move from high poverty to low poverty neighborhoods enables children to grow up in healthier communities. These children are more likely to attend college, less likely to become single parents, and more likely to earn more as adults compared to children in high poverty neighborhoods. In fact, Chetty found a 31% increase in annual income for children under 13 years old who move to lower poverty neighborhoods.

Rental Assistance Supports Working Families

Justifications for work requirements rest on the false assumptions that people who receive benefits do not work and must be compelled to do so, and yet 60% of non-disabled, working-age American households receiving HUD rental assistance include at least one worker. These assumptions are rooted in ugly stereotypes based on race, gender, and class. They ignore the realities of the low-paying labor market, caregiver responsibilities and costs, lack of childcare and paid family leave, and ongoing discrimination. Research showswork requirements for public safety net programs are not an effective means of increasing employment and earnings

because they do nothing to address these systemic barriers to employment. In reality, it is work requirements – not the programs themselves – that are <u>inefficient</u>, <u>costly to states</u>, and harmful to the well-being of people with low incomes.

Imposing time limits on voucher holders further ignores the reality of the current housing market – extremely low-income households that are able to attain a greater level of economic self-sufficiency through increased wages still struggle to afford homes as a result of the nationwide housing shortage and subsequent rise in housing costs. Time limits ignore that one of the most compelling rationales for the voucher program is its impact on the life trajectories of children, as discussed above, and research show that the <u>length</u> of time children spend growing up in low-poverty neighborhoods is directly correlated to the level of that impact. Pulling the rug out from under families with children just as they are getting their footing in low-poverty neighborhoods is counterproductive to achieving the administration's stated goals of inspiring financial self-sufficiency and economic mobility. Additionally, it would cost housing providers significantly more administrative expenses.

The real families we serve are a testament to the inaccuracy of the assumptions on which these policy proposals are based. Consider Ms. Marks, a single mother who found herself unable to make her monthly rental payments after her job working in medical records at a healthcare facility was eliminated, and she was laid off. During her search for new employment, she depleted the retirement savings she had worked to earn over the course of years of working her way up at the hospital from kitchen staff to record keeping. Ms. Marks has never been unemployed for a significant period of time – always searching for employment during her brief periods not working. She has worked for eight years for the Anne Arundel County School System as a classroom aide for children needing special assistance, which is her passion. She says about the children that she works with, "They have an opportunity to grow and succeed, and I want to be that light. I want to be a beacon of light in their lives." When the school year is out, Ms. Marks finds temporary employment working in retail.

Ms. Marks has worked her entire life, but she simply does not make enough money to keep up with the cost of housing and caring for her family. This situation exposes one of the very reasons housing assistance is necessary – housing costs far exceed wages so that even for many essential workers who dedicate their lives to guiding our children like Ms. Marks, affording a home without assistance is simply impossible. Thanks in part to the stability that housing assistance provides, now in her 10th year in the program, Ms. Marks has recently returned to school to obtain her high school diploma and ultimately increase her earning potential. Forcing time limits and work

requirements on hardworking mothers like Ms. Marks would undermine any progress toward self-sufficiency.

These are not cost-saving measures. They are calculated acts of harm on the most vulnerable Americans. Families will lose their homes. Children will face unsafe, unstable housing conditions. Seniors and people with disabilities will be forced into making impossible choices about paying for food and medicine or keeping a roof over their heads.

We urge you to unequivocally reject this assault on the housing safety net. Appropriators in Congress must:

- 1. Fully fund all Housing Choice Voucher (HCV) renewals in FY26, with adjustments for rising rents and inflation.
- 2. Reject all proposals to block grant HUD's rental assistance programs to states.
- 3. Reject all proposals to impose time limits or work requirements
- 4. Preserve and strengthen programs that support affordable housing –like the HOME Investment Partnerships and CDBG programs which communities like Baltimore rely on to rehabilitate homes, invest in infrastructure, and support families at risk of homelessness.

Housing is foundational. It touches everything—education, health, jobs, public safety. Every dollar cut from housing assistance will cost us more in emergency shelters, lost opportunity, and generational poverty.

The families we serve do not need red tape or roadblocks. They need resources, respect, and results. They are counting on you to stop this injustice and stand up for them.

Sincerely,

Adria Crutchfield

Executive Director

About the <u>Baltimore Regional Housing Partnership</u> (BRHP): As the Regional Administrator for the Baltimore Housing Mobility Program, BRHP has been opening pathways to better futures for low-income families for over 10 years. BRHP currently provides over 4,300 low-income families rental assistance in the form of Housing Choice Vouchers coupled with counseling support for families as they move from areas of concentrated poverty to areas of opportunity in Baltimore City and the five surrounding counties.