

US sequester cuts cause 185,000 families to lose housing assistance

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Up to 185,000 families will lose housing assistance by December 2014 as a result of the “Sequester budget cuts,” which slashed the subsidies by \$1.7 billion, according to a report issued earlier this month by the Center on Budget and Policy Priorities.

More than 2.1 million low-income households use the Housing Choice Voucher Program (HCVP) to offset the cost of paying for private housing. The program pays a section of rent directly to landlords, and the renters pay the difference. Only one in four households eligible for assistance received vouchers, and wait times for assistance can be months or even years.

As a result of the sequester cuts, between 40,000 to 65,000 fewer people will be using housing vouchers by the end of this year compared to December 2012, the CBPP reported. The report observed that “many of the 2,300 state and local housing agencies that administer housing vouchers are reducing the number of families that receive assistance, by no longer reissuing vouchers when current families leave the program.”

In order to be eligible for the program, a household must have an income below the poverty line and have housing costs amounting to over half its income. The average family receiving vouchers through the Housing Choice Voucher Program makes \$12,500 per year.

Low-income families are often forced to choose between paying for essentials such as food and electricity, and are at high risk of finding themselves unable to pay rent, resulting in eviction and possible homelessness.

As a result of the budget cuts, agencies have been forced to either lower assistance payments or attempt to negotiate with landlords to lower rent. While the housing agencies have some leeway to negotiate rents with landlords, “if housing agencies pursue such reductions too aggressively, owners may refuse to rent

units to tenants using vouchers,” the report noted.

“Either scenario could bring additional hardship to these families, who by definition are our communities’ lowest income families, either because of increased rent burden or by their landlords choosing not to participate in the voucher program in the future”, said Linda Couch, Vice President for Policy and Research for the National Low Income Housing Coalition, speaking to the WSWS on Thursday.

“Families struggling to pay rent will continue to shoulder what should be unimaginable proportions of their extremely low incomes for shelter as any prospect of receiving housing assistance is now more unlikely than ever,” she added.

Housing choice vouchers have faced a shortfall of around one percent per year since 2009, but housing agencies are slated to “receive 6 percent less funding than they need to continue to assist the same number of families in 2013 as in 2012,” according to an earlier report by the CBPP.

More than one million school children in the US are homeless or highly mobile each year, a 32 percent increase since 2007, according to the National Association for the Education of Homeless Children and Youth.

Almost 16 million children in the US, or 22 percent, live with families whose income is below the federal poverty line, according to the National Center for Children in Poverty. Earlier this year, the United Nation’s Children’s Fund released a report showing that, among developed countries, the United States ranks 26 out of 29, behind Greece and just above Lithuania, Latvia and Romania, in terms of the percentage of children living in poverty.

In July, the Associated Press reported that four in five Americans were “economically insecure,” having

struggled with near-poverty or unemployment, or relying on government programs for at least a year of their lives. The report added that, based on the current growth rate of poverty, 85 percent of all working-age adults will experience economic insecurity at some point in their lives by 2030.

The cuts to housing assistance are part of the overall assault on social programs that benefit working people and the poor. This month, benefit payments for the Supplemental Nutrition Assistance Program (SNAP) program were slashed by \$5 billion for more than 45 million recipients. The federal Emergency Unemployment Compensation program, which provides extended unemployment benefits beyond the 26-week cutoff for most state unemployment assistance programs, is scheduled to expire in December.

The sequester budget cuts, which totaled \$85 billion in 2013 alone, represent a savage attack on the social conditions of the working class, including \$9.9 billion in cuts to Medicare, \$840 million in cuts to special education programs, and \$400 million in cuts to Head Start, in addition to the nearly \$2 billion slashed from housing aid.

Far from seeking to end these cuts, both the Democrats and Republicans are using them as the baseline for even further attacks on social programs, including drastic cuts to Medicare, Medicaid, and Social Security.



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