Trump administration cuts in rent subsidies compound US housing crisis

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In Washington DC, the nation's capital, a worker needs to earn $34.48 an hour to afford a two-bedroom rental home. A worker earning the minimum wage in DC, $13.25 an hour, would have to work 91 hours each week to afford a modest one-bedroom apartment at Fair Market Rent.

While DC has the second-highest housing shortage for extremely low-income renters, following Hawaii, no state in the US has an adequate supply of rental housing for this household income group. The stock of affordable housing for extremely low-income households spans a low of 22 per 100 units needed in Miami-Fort Lauderdale-West Palm Beach, Florida to a high of only 47 per 100 units needed in Providence-Warwick, Rhode Island.

While rents continue to rise and construction of affordable apartments lags far behind need, the Trump administration is implementing a punitive policy that will only exacerbate the already dire housing crisis facing the working class. This is part of the White House's war on the poor, which includes attacks on Medicaid, the health insurance program for the poor serving 67 million people, and moves to gut the SNAP food stamp program, serving an estimated 42 million, through the imposition of work requirements and time limits aimed at purging beneficiaries from the rolls.

This year, the Trump administration proposed to slash $8.8 billion from the most important housing programs run by the Department of Housing and Urban Development (HUD). The administration's main housing initiative was unveiled this spring by HUD Secretary Ben Carson. His sadistic proposal would triple the minimum rent for subsidized households with an adult younger than 65 from the current $50 to at least $150.

Carson's proposal would also raise rents for those receiving federal housing assistance from the current 30 percent to 35 percent of gross income. In addition, local public housing authorities would be able to impose work requirements on those receiving benefits.

The typical household affected by the HUD secretary's plan would be a single mother with two children with an annual income of $2,400, or just $200 a month. After paying rent, this family would have only $48 a month left to pay for necessities like clothing, diapers, school supplies and food or medical needs not covered by other assistance.

An immediate threat to affordable housing is the tax bill passed by Congress last year, which threatens the Low Income Housing Tax Credit, one of the most important sources of long-term housing funding. Demand for the $9-billion-a-year credit could shrink as investors realize savings through the tax cuts, according to Novogradac & Company, which provides analytics for the construction and finance industries. It estimates that nearly 235,000 fewer apartments will be built over the next decade as a result.

The National Low Income Housing Coalition (NLIHC) earlier this year published "The GAP: A Shortage of Affordable Homes." The group found that the US has a shortage of more than 7.2 million rental homes available and affordable for extremely low-income renter households. This group of renters is defined as those with household incomes at or below the poverty level or 30 percent of area median income.

Of the 11.2 million extremely low-income renter households, 71 percent, or 8 million, are severely cost-burdened, meaning they spend more than half of their incomes on rent and utilities. According to NLIHC, 84 percent are seniors, persons with disabilities or people who are in the labor force.

This statistic puts the lie to Trump and Carson's

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claims that individuals in these households are shirking work responsibilities and living off the government, and require a push to propel them out of poverty. The reality is that the vast majority are either too old to work, disabled, or are in fact working but earn so little they cannot find affordable housing.

Severe housing cost burdens have direct negative consequences for household members' physical as well as mental well-being, NLIHC found. According to the Joint Center for Housing Studies, severely cost-burdened households with children spend 75 percent less on health care and 40 percent less on food than similarly poor households that are not cost-burdened. The situation is bleak for cost-burdened seniors as well, who spend 62 percent less on health care than similarly poor seniors.

The administration's housing proposals will lead to increased hunger, malnutrition, forgone health care and early death for millions of poor adults and children, who will be forced to choose between paying the rent, purchasing nutritious food or going to the doctor.

United Way data made available this spring found that 50.8 million US households cannot afford a basic monthly " survival budget," including housing, food, child care, health care, transportation and a smart phone. This included 16.1 million households living below the official federal poverty level, an absurdly low $24,300 for a family of four in 2016.

While maintaining their laser focus on claims of Russian meddling in the 2016 elections and Trump campaign "collusion," the Democrats have sounded no alarm bells about the affordable housing crisis ravaging vast swaths of the US population. They have called no congressional hearings or town hall meetings on Trump's cuts to Medicaid, food stamps and housing aid.

Any serious policy to confront the attacks on the social rights of the working class, including decent, affordable housing, must take as its starting point the rejection of the policies of both big business parties and the fight for an independent, socialist perspective.

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