

# Funding Shortfall for Housing Vouchers Could Have Serious Health Consequences for Children

The Center on Budget and Policy Priorities (CBPP) reports that funding shortfalls for the 2009 Housing Choice Voucher Program (also known as 'Section 8') could cause state and local housing agencies to terminate vouchers or raise rents to levels beyond the financial reach of many families.

## > Affordable Housing Protects Children's Health and Development

Housing subsidies protect children's health. Children's HealthWatch research has shown that young children whose families have a housing subsidy are less likely to be seriously underweight than young children whose families are eligible for but do not receive a subsidy.<sup>1</sup>

Nationally, 53% of the households that receive vouchers are families with children.<sup>2</sup> These vouchers generally limit rents to 30% of a tenant's income. When housing costs are too high, families are often forced to move frequently or to live in overcrowded<sup>3</sup> apartments or doubled up<sup>4</sup> with friends or family. Children's HealthWatch research has shown that "hidden homeless" children, whose families live crowded or doubled up or have moved twice or more in the past year, are more likely to be:

- Food insecure<sup>5</sup>
- Child food insecure (a more severe form of food insecurity)
- In fair or poor health
- At risk for developmental delays
- Gaining weight too slowly<sup>6</sup>

Housing agencies need an additional \$130 million in voucher funding in 2009 to avoid cuts in assistance.<sup>7</sup> Cost-cutting measures will likely vary among the housing agencies but may include:

- Not issuing vouchers to families on the waiting list when other families leave the program
- Reducing the dollar value of vouchers, thereby raising rents
- Reducing rents paid to property owners
- Terminating vouchers of current voucher holders

## Summary of Findings

- State and local housing agencies will be forced to reduce or eliminate rental assistance to thousands of families due to a federal funding shortfall.
- These cutbacks could push more children and families into the ranks of the "hidden homeless" — families that move frequently, crowd into apartments that are too small, or live doubled up with other households when they cannot find affordable housing.
- Children's HealthWatch has found that children in hidden homeless families are at increased risk for poor health, nutrition, and growth, as well as developmental delays.

If the housing agencies respond to reductions in funding solely by terminating housing vouchers, CBPP estimates that at least 33,000 households would lose housing assistance.<sup>8</sup>

### States facing the largest cuts in vouchers

State	Voucher Funding Shortfall	Voucher Cuts Needed to Address Shortfall
New York	\$22,620,868	4,034
California	\$13,242,869	2,538
Florida	\$10,855,080	2,328
Alabama	\$7,793,880	2,213
Michigan	\$7,838,331	1,752

Source: Rice, Douglas. *Funding Shortfalls Causing Cuts in Housing Vouchers: Tens of Thousands of Low-Income Families Facing Higher Rents, Loss of Assistance This Year*. Center on Budget and Policy Priorities. September 14, 2009.

### Conclusion

Congress can keep families in affordable housing and protect children's health if it acts quickly. Maintaining current vouchers is critical to protecting the supply of affordable housing, especially as unemployment grows and many families struggle to make ends meet. Cutting vouchers will only push more families into the ranks of the hidden homeless. Research by Children's HealthWatch has shown that young children in these families are at risk for poor health, nutrition and growth, as well as developmental delays. Decreasing support for housing vouchers will increase funding requirements for both education and health care as more children suffer from developmental delays and food insecurity.<sup>9</sup> Timely Congressional action to protect the Housing Choice Voucher Program ensures that families have the stable, affordable housing essential to children's health.

*This Policy Action Brief was prepared by Annie Gayman, Research and Policy Fellow, Stephanie Ettinger de Cuba, MPH, Research and Policy Director, Elizabeth L. March, MCP, Executive Director, John T. Cook, PhD, Co-Principal Investigator, Alan F. Meyers, MD, Co-Principal Investigator, and Diana Becker Cutts, MD, Co-Principal Investigator.*

*Children's HealthWatch is a non-partisan pediatric research network that carries out research on the impact of economic conditions and public policies on the health of children under age three. For more than a decade, Children's HealthWatch has interviewed families with young children in emergency departments and urgent care clinics in five hospitals in Baltimore, Boston, Little Rock, Minneapolis and Philadelphia that serve largely low-income families. Data are collected on a wide variety of issues including demographics, food security, public benefits, caregivers' health and earnings, housing, home energy conditions and children's health status and developmental risk.*

<sup>1</sup> Meyers, A, et al. *Archives of Pediatric and Adolescent Medicine*. 2005.

<sup>2</sup> HUD Resident Characteristics Report, August 31, 2009.

<sup>3</sup> 'Crowding' is defined as more than two people per bedroom.

<sup>4</sup> 'Doubling up' is defined by the household temporarily living with other people because of economic difficulties.

<sup>5</sup> Food insecurity occurs when there is limited or uncertain access to enough nutritious food due to economic constraints. Child food insecurity occurs when caregivers are no longer able to buffer them from household food shortages. Food insecurity puts children at risk for poor health, increased hospitalizations, iron-deficiency anemia, and developmental delays.

<sup>6</sup> Cutts, DB, et al. *Housing Insecurity and Infant and Toddler Health*. In Preparation.

<sup>7</sup> Rice, D. Center on Budget and Policy Priorities. September 14, 2009.

<sup>8</sup> Ibid.

<sup>9</sup> Murphy, C, et al. *Children's HealthWatch and Cooper, R and Weill, JD. Food Research and Action Center. The Partnership for America's Economic Success*, 2008.

