



Budget Request Targets Public Housing

A draft of President Donald Trump's FY 2019 HUD budget request would have the department levy an increase on the minimum rent HUD requires for federally subsidized housing and impose strict work requirements on able-bodied tenants.

The proposals would be accompanied by suggested legislative changes to the Housing Act of 1937. If the draft proposals hold up in the final budget request due Feb. 12, the results, if adopted, could boost the number of homeless individuals and families in an already saturated homeless environment.

The work requirement proposal mirrors the Trump administration's policy now in effect -- and facing a legal challenge -- that allows states to require able-bodied Medicaid recipients to work in exchange for Medicaid benefits.

The budget proposal would require each able-bodied adult tenant benefiting from housing vouchers, public housing, or project-based rental assistance to work up to 32 hours a week to continue receiving benefits.

If adopted, tenants would also be required to adhere to a new structure for calculating subsidies that would effectively raise rents for most tenants. Currently, subsidized tenants pay 30% of their income for rent and HUD pays the difference between that and the fair market rent.

The proposal, which will likely take the form of separate legislation, would charge families and individuals the higher of two options: 35% of a family's monthly gross income or 35% of the amount earned by working 15 hours a week for four weeks at the minimum wage of \$7.25. The latter option would mean a minimum rent of \$152.25 a month or three times higher than current minimum rent.

Elderly and disabled families would pay less -- the higher of 30% of monthly gross income or \$50. But the deductions for dependents, elderly and disabled people, medical and disability expenses, and childcare would be eliminated.