



Public Housing Rent Hikes Resurface

When HUD Secretary Ben Carson on June 11 dropped his plan to increase the tenant rent obligation in public and assisted housing because the FY 2018 budget deal was sufficient to cover costs, the universal thought was that the idea was dead or at least on a lengthy hiatus.

Not so fast. Apparently Carson's decision didn't sit well with the a cost-conscious White House Office of Management & Budget, and Carson got the hint to resurrect the idea which the Trump administration considers an incentive to get public housing tenants to seek work.

The new initiative is still in legislative draft form, and Carson will have to find a lawmaker willing to introduce what likely will be hot-button legislation. Considering the mid-term elections are less than four months away, the proposal will likely remain in draft form until at least November.

Sources say the rent hikes will include the elderly and disabled, although -- to ease a possible outcry -- they would be phased in after two or three years. The elderly and disabled make up slightly more than half of the 4.7 million families now receiving federal housing subsidies.

The balance of the rent increases would be immediate, reaching 300% or more. The average tenant now pays 30% of their earnings for rent and utilities.

The minimum rent is now \$50. That would be raised to \$150. Rent for those in Section 8 subsidized housing would increase from 30% of adjusted gross income to 35% of AGI.

Complicating the Carson effort is a proposal from Rep. Dennis Ross (R-FL), a bill to allow state and local housing authorities to raise the minimum monthly rent above the federal level. Families with an AGI of \$2,000 or less would see a average monthly increase of \$500 or more.

The Ross bill would allow the local agencies to select from a menu of alternative rent rules or design their own rules, which would take effect if HUD doesn't reject them within 90 days.

7/20/18 11:11 AM