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DEPARTMENT OF COMMERCE

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July 8, 2019

The Honorable Ben Carson
Secretary
U.S. Department of Housing and Urban Development
451 7th Street SW, Room 10282
Washington DC 20410

RE: Docket No. FR-6124-P-01, Comments on Proposed Rule: *Housing and Community Development Act of 1980; Verification of Eligible Status*, RIN 2501-AD89

Dear Mr. Secretary,

On behalf of the Washington State Department of Commerce, I write to express my serious concerns with the U.S. Department of Housing and Urban Development's (HUD) proposed rule to separate immigrant families in public housing (*Housing and Community Development Act of 1980: Verification of Eligible Status*). I urge that it be withdrawn.

The mission of our agency is to strengthen communities. We do so by working closely with local governments, community action agencies, nonprofits and philanthropists, with a shared mission of improving housing affordability and reducing homelessness. Unfortunately, the proposed changes would do the opposite. They will move people who are currently housed into homelessness, which will not only plunge families and children into crisis, but will also shift costs to our state and local government partners, and increases cost for the entire service delivery system.

If finalized, the proposed changes will create new administrative burdens and impose additional red tape on all families receiving housing assistance, requiring unnecessary documentation that may not be readily available for many. The proposed rule requires all recipients under the age of 62 to provide certain documentation or risk termination of assistance for their entire household. This change would affect everyone currently receiving assistance, including thousands of U.S. citizens and lawful permanent residents. Although there is no way to estimate accurately how many individuals currently residing in Section 8 housing have ready access to citizenship documentation, such as a birth certificate, naturalization certificate or United States passport, national surveys show that extremely low-income individuals like those receiving HUD assistance are much more likely to lack such documentation. It is highly likely that the new documentation requirements will result in a delay of benefits for many eligible families.

The current rules are fair, workable for tenants and property owners alike, and ensure proper use of taxpayer resources. They allow for the pro-ration of public housing benefits in “mixed status” household, so that only eligible individuals eligible for public housing are receiving benefits — while still allowing them to live under the same roof as family members who are ineligible, whether due to immigration status or income level.

In contrast, the proposed HUD rule requires that *all* tenants living in a unit that receives HUD housing assistance be eligible, which threatens to instill fear, break up families, harm children and increase homelessness. In Washington, we estimate that there are 750 families living in mixed status households. If finalized, the proposed changes would needlessly destabilize these families, potentially displacing them from HUD-assisted housing and shifting \$6 million in annual costs to the state and local governments.

Washington State is experiencing tight rental markets and high rental rates relative to the incomes of these families currently receiving Section 8 vouchers. The national average yearly income of a voucher household is \$13,033 — a fraction of what it costs to rent an average two bedroom apartment in any community in the state of Washington. After examining potential drivers of homelessness trends, it is now widely understood that the increase in homelessness is overwhelmingly caused by growing rents pushing people living at the margins into homelessness. Changes that result in the loss of public housing benefit are likely to result in these families being homeless. Section 8 vouchers lift families out of poverty and give them an opportunity to live in safe, opportunity-rich neighborhoods. These effects, in turn, are closely linked to educational, developmental, and health benefits that improve children’s long-term prospects. Even five nights in an emergency shelter will result in trauma that is likely to affect educational achievement and health of these children.

HUD’s current rules ensure that vouchers are targeted at the families who need them most. Seventy-five percent of new households admitted to the program each year must be “extremely low income,” with incomes not exceeding 30 percent of the local median or the poverty line, whichever is higher. The justification for this is simple — without access to a subsidy, these extremely low-income families would not be able to afford housing. But there is no valid justification for breaking up mixed status families and taking housing assistance away from our nation’s most vulnerable children.

The proposed rule will have a ripple effect on our communities that, in addition to harming specific recipients of current benefits, will fail to result in long-term savings. It will shift the burden of cost onto state and local governments, who will be forced to pay for this change in policy. I urge that it be withdrawn.

I appreciate your consideration. If you have any questions, please contact the Director of Governor Inslee’s Washington, D.C. office, Casey Katims, at Casey.Katims@gov.wa.gov.

Sincerely,

Lisa Brown
Director