

# 1. EXECUTIVE SUMMARY

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Our housing assistance system is broken. The goals of our nation’s housing programs should not be to maintain a bureaucracy, but rather to serve those in need efficiently and effectively. Moreover, we should ask the foundational question: If designing a system from scratch, would it look anything like the current system?

The federal government spends over \$50 billion per year on low-income housing assistance programs, guarantees \$2 trillion in home loans, and provides billions more through the tax code. A Government Accountability Office analysis identified 20 different entities administering 160 housing assistance programs and activities.

This sprawling, fractured system is the result of 80-plus years of legislative efforts to address shifting goals. Those changing priorities and other shifts have led to duplication and overlap. For example:

- The loan guarantee and rental assistance programs of the departments of Agriculture (USDA) and Housing and Urban Development (HUD) overlap in terms of the assistance offered, service delivery, and areas served.
- HUD’s three main rental assistance programs—Public Housing, Housing Choice Vouchers, and Section 8 project-based rental assistance—each have similar eligibility rules and serve largely similar populations.
- Two block grant programs, the Housing Trust Fund and the HOME Investment Partnerships Program, are identical in many respects and should be consolidated or streamlined. They are the same in terms of their allocation, administrative funds, fund commitment and expenditure deadlines, and overall goal of affordable housing.
- The government also supports housing through tax preferences. The Low Income Housing Tax Credit is a multi-billion dollar tax expenditure that overlaps with other housing programs, most notably project-based Section 8 and the tenant-based Housing Choice Voucher Program.

This byzantine system is failing the neediest Americans. We spend billions each year, yet over half a million people in this country were homeless in a single night in 2019. Programs are scattered across agencies, creating confusion and headaches for those seeking assistance. The system can and should be improved.

To that end, this report seeks to begin a needed conversation about reforming our housing system. An important first step would be consolidating some of these programs under one roof.