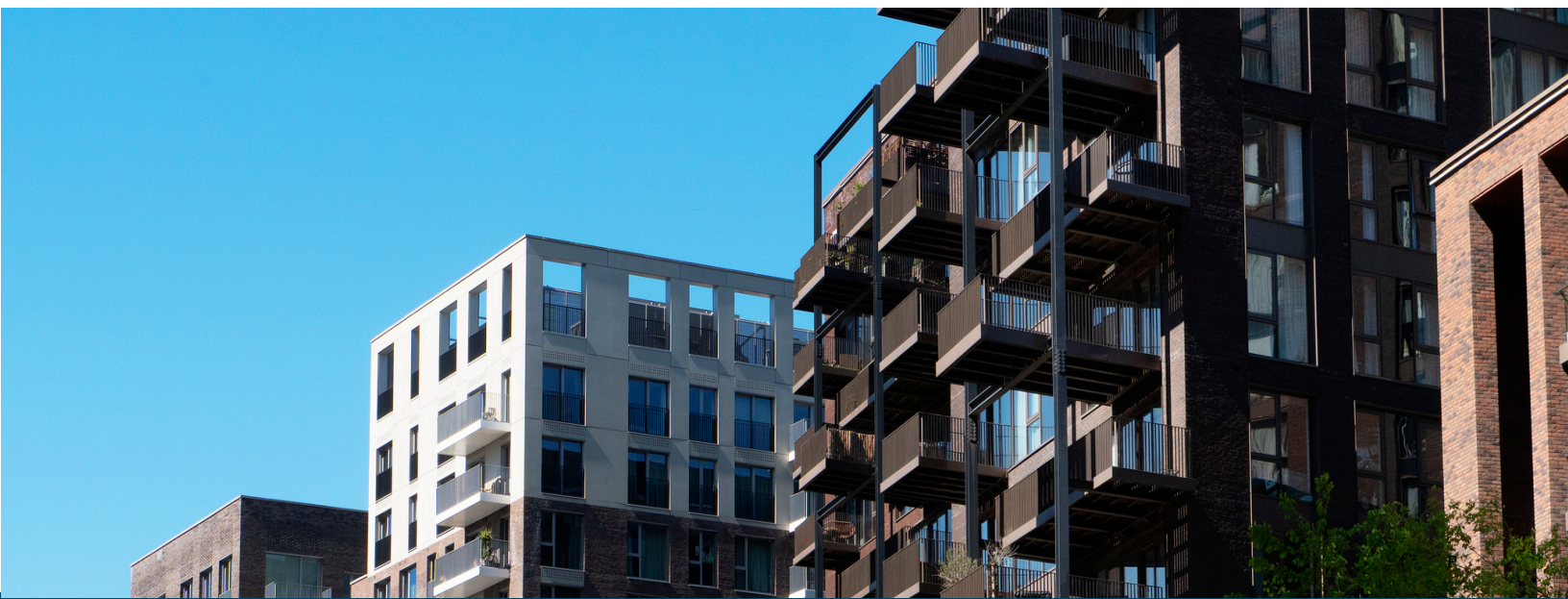




AMERICA IS STILL FAILING TENANTS WITH LOW INCOMES

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INTRODUCTION: THE POLICY PROBLEM

Renting is no longer a temporary stop on the path to homeownership for millions of Americans. Instead, it has become a long-term reality. Researchers estimate¹ that the income needed to afford house payments on a median-priced home was \$120,000 in 2025, while the median income, according to 2024 U.S. Census Bureau data, is approximately \$83,730. Yet, while there are housing anti-discrimination laws and state grants meant to support first-time home buyers, renters remain largely absent from federal housing policies intended to promote economic security. Since renters make up a third of U.S. households, this gap in policy has profound consequences as, due to generations of discriminatory housing, mortgage lending, appraisals, and land use policies, renters tend to be disproportionately people of color who have been denied the same wealth-building opportunities as white people.

Recent legislative proposals, including the 21st Century Road to Housing Act,² reflect growing bipartisan recognition that housing affordability demands federal action. These reforms represent meaningful progress toward addressing the chronic shortage of affordable housing available to families with low incomes, but supply-side solutions alone will not reduce rent burdens and eliminate racial inequities. Many rental households will remain priced out of economic stability if the federal government fails to establish universal rental assistance and strengthen rights and protections for tenants.

Our country is currently in an affordability crisis that has seen the prices of goods and services rise in all sectors, including rental housing. This year also saw celebrations for the 250th anniversary of America's independence. The juxtaposition of crisis with celebration raises an uncomfortable question: how far have we come from the ideal of opportunity that defined the nation's founding when millions of Americans still struggle to simply secure a roof over their heads?

ABOUT THIS RESEARCH

METHODOLOGY

To better understand renters' access to economic opportunity, I conducted a semi-structured phenomenological³ focus group with young, non-white renters in Washington, D.C. who had received or are currently receiving public benefits. I was introduced to these renters through a community-based organization. All focus group participants had lived experience navigating rental assistance and housing benefit programs. To understand their experiences beyond the statistics, I developed an interview protocol to learn about the participants' housing journeys, experiences with rental assistance, and the ways that housing costs shape their lives. Rather than solely focus on the role housing played, I curated questions to invite reflections on their experiences and what they believe needs to change.

All participants identified as women, making this report an incidental examination of how housing insecurity intersects with gender, caregiving responsibilities, and racial inequity. All participants have chosen to remain anonymous to protect their privacy and speak truthfully to their experience.

Importantly, participants rejected widespread narratives suggesting⁴ that assistance discourages work ethic. Instead, they consistently described employment as essential while emphasizing that rising rents continually overrode their ability to improve their circumstances.

CURRENT FEDERAL HOUSING ASSISTANCE ISN'T ENOUGH

The current public benefits system lacks a universal rental assistance program. Instead, rental assistance is provided through a fragmented system of discretionary programs with different requirements for eligibility, different funding streams, and different methods of administering assistance. At the federal level, major programs that help people with low incomes pay rent include⁵ Housing Choice Vouchers, Public Housing, and Project-Based Rental Assistance, all of which are funded by the Department of Housing and Urban Development and administered by state and local Public Housing Agencies. On the state level, many states have established emergency rental assistance, eviction prevention initiatives, and even renter tax credits to address gaps left by federal assistance.

Although these programs collectively assist millions of households, demand consistently exceeds available discretionary funding. Only about one in four income-eligible households receives federal rental assistance, leaving millions of renters without support despite significant housing cost burdens.⁶ An estimated 17 million households do not receive rental assistance despite qualifying based on need, with over 8 million of those households spending more than 50 percent of their incomes on rent in 2023.⁷

Only about **one in four** income-eligible households receives federal rental assistance. An estimated **17 million** qualifying households go without.

The tax code has primarily aided⁸ homeowners with high incomes, and the current slate of federal tax breaks and deductions also only benefit homeowners.⁹ Renters do not benefit from fixed mortgage payments that can insulate households from inflation and rising housing costs, nor do they receive comparable tax advantages. As a result, millions of renters face growing housing insecurity, increasing their risk of eviction and homelessness and making it more difficult to achieve the stability that every family deserves. Alongside this research, three major themes emerged across the focus group I conducted.

THEME 1

HOUSING COSTS DRIVE POVERTY

Interviewees all described how rent was the dominant obligation in their lives, absorbing investments meant for education, childcare, or savings. One participant mentioned that she has been working to continue her education and “give [their child] the life they deserve.” Another summarized the experience simply: “All the government assistance goes back to the rent... **They want to see you back in the same situation. They want to see you back in the shelters. They want to see you back sleeping on the bench.**” These experiences show that high rent, combined with skepticism about the efficacy of rental assistance programs, limits renters' ability to invest in themselves and their families, creating barriers to long-term economic mobility.

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FOCUS GROUP PARTICIPANT

Throughout the discussion, interviewees raised the idea of a renter's tax credit as a potential policy solution that fit into the web of universal rental assistance. As a participant put it, “[the] tax credit should be clear and available for everybody.” Under the proposed tax credit, households with low incomes would receive¹⁰ a tax benefit that is the difference between 30 percent of their income and the fair market rent. This credit would serve the almost 17 million households struggling with rent costs who don't currently receive help.

For households with greater needs, the tax credit should also fit into a broader comprehensive housing safety net. Our tax code should be a reflection of our national priorities, including the priority of ensuring that Americans don't have to choose between which basic needs to afford. "If you want to play fair with everyone," as one participant put it, renters should have access to both "the tax credit and rental assistance" when they qualify.

THEME 2

RENTER INSTABILITY IS EXACERBATED BY POOR HOUSING QUALITY

Renters frequently paid market-rate rents for housing that failed to meet basic standards of living. Interviewees emphasized that paying high rent did not guarantee safe or healthy housing and receiving public benefits does not prevent them from being stuck in low-quality housing. Rental assistance gives recipients the economic power to search for quality housing on the private rental market, in turn disempowering landlords who overcharge for units in poor condition. One participant said that most policymakers are scared to come to these "unhealthy environments," but they as renters are "scared for [their] lives and [their] children's." They also noted that in their neighborhoods, rodent infestations were highly prevalent, and rodents had eaten through "Similac cans, clothing, and more."

“ THE ONLY PEOPLE WHO CAN CHECK A LANDLORD IS A LAWYER.

FOCUS GROUP PARTICIPANT

Another noted that while their unit's exterior was occasionally fixed up, giving the impression that they lived more comfortably than households without assistance, the exterior concealed living conditions that contributed to their chest pains and respiratory concerns and worsened their children's asthma. These experiences demonstrate that affordability and housing quality cannot be separated, and that policy should strengthen quality standards and landlord accountability. Expanding access to tenant legal assistance is also critical. As one participant said, "The only people who can check a landlord is a lawyer." Greater access to legal support would help renters challenge landlord violations, including discrimination based on source of income and/or public assistance status.

THEME 3

ADMINISTRATIVE SYSTEMS DEEPEN INSTABILITY

In the fight to maintain housing stability, participants described their navigation of interconnected public benefits systems and different system representatives as an overwhelming and lengthy experience. On average, people waited twenty-five months for subsidized housing in 2025.¹¹ “I have to go through a lot of programs” to get benefits, one interviewee noted. On top of the challenges of affording rent, a participant mentioned that “it’s hard, it’s stressful... it’s overworking” to navigate different programs.

These experiences point to a need to streamline both how assistance is administered and programs’ eligibility requirements. Rather than forcing people into navigating overly complex systems, policymakers should consider more accessible pathways whose design is informed by the lived experience of participants. Among other benefits to this approach, incorporating lived experience can identify administrative burdens that are often overlooked on the drawing board. “If the people in government had to apply through the programs, or the landlords had to live in the houses they were giving to tenants, it would be different,” an interviewee observed.

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FOCUS GROUP PARTICIPANT

Applications to state or federal assistance were not the only barriers focus group participants described. They have also encountered barriers to housing stability erected by landlords and property management offices. Tenant screening practices that rely heavily on eviction or credit history compound housing instability by limiting access to future housing after a household has already experienced financial hardship. Policymakers must seriously consider¹² limiting the use of eviction and credit history, particularly given that those records often reflect circumstances outside of a household’s control. These findings underscore the need for easily navigable housing and assistance systems, designs that are responsive to residents’ needs, and the need to prevent screening practices that deepen housing instability.

IMPLICATIONS

The views of these focus group participants reinforce a broader body of rental assistance research showing that rent burden is not a merely financial issue that impacts people’s ability to meet their basic needs—it is an opportunity issue. When households devote excessive portions of income toward rent, they have less to invest in education, workforce participation, children’s development, community building, and unexpected emergencies. Families are therefore much more likely to incur credit card debt or seek emergency loans for large but necessary one-time expenses, which could sink their credit scores and cause other long-term consequences. Furthermore, when looked at with an understanding of enduring inequities in wealth accumulation and homeownership, these consequences disproportionately affect communities of color.

TENANTS SUPPORT EACH OTHER, BUT THAT'S NOT ENOUGH—CONGRESS MUST ACT

While reflecting on the financial and mental stress of renting, focus group participants emphasized that their communities filled the gaps created by federal and state-level assistance programs. Specifically, community-based organizations that usually provided childcare have expanded their support systems to involve financial and health assistance to those struggling with housing. “Without them,” one participant said, “we wouldn’t be this far.” However, they acknowledge that these communities don’t receive enough support themselves to continue the work. “They can’t keep doing it ... There’s a time and place where we want to be able to help them too,” the same person shared.

While these interviews brought key themes, like housing quality and complex administrative processes, to the forefront, the importance of Congressional action was reiterated through the urgent policy priorities that also emerged. One clear priority is establishing universal rental assistance where support is available based on need and not contingent on limiting requirements. Some prospective policies include the Ending Homelessness Act of 2025,¹³ which would expand access to housing vouchers to all income-eligible households and prevent sources of income discrimination, and the Rent Relief Act of 2025,¹⁴ which would establish a federal renter’s tax credit to provide financial relief to renters nationwide. These proposals, alongside the research and interviews findings, reflect a larger goal to make housing assistance reliable and affordable.

After 250 years, our nation must reflect on the broader question of who truly has access to opportunity. The opportunity to achieve economic mobility through education, entrepreneurship, and homeownership all become increasingly difficult when an outsized share of a household's income is consumed by rent. If our tax code reflects our national priorities, and our public benefits are meant to aid those with the least support, then unequal treatment of citizens based on homeownership status and race reveals a significant gap between our ideals and the realities facing millions of households. It’s time to start making good on that unrealized national promise and ensure that a safe, stable home is within reach for every American.



Endnotes

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