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July 8, 2019

Office of General Counsel, Rules Docket Clerk Department of Housing and Urban Development 451 7th Street SW, Room 10276 Washington, DC 20410-0500

Re: HUD Docket No. FR-6124-P-01, RIN 2501-AD89 Comments in Response to Proposed Rulemaking: Housing and Community Development Act of 1980: Verification of Eligible Status

Dear Sir/Madam:

I am writing on behalf of First Focus on Children in response to the Department of Housing and Urban Development's (HUD) proposed rule to express our strong opposition to the changes regarding "verification of eligible status," published in the Federal Register on May 10, 2019 (RIN 2501-AD89; HUD Docket No. FR-6124-P-01). We urge the rule to be withdrawn in its entirety, and that HUD's long-standing regulations remain in effect.

First Focus on Children is a national bipartisan children's advocacy organization dedicated to making children and families a priority in federal budget and policy decisions. As an organization committed to improving the well-being of our nation's children, we are opposed to this rule because it will put tens of thousands of children at risk of homelessness with detrimental effects to healthy child development and our nation's economy.

Children - Including U.S. Citizen Children - Stand to Lose the Most

Children represent over half of the population that will be harmed by this rule. If enacted, this rule would eliminate the ability of mixed-status families to receive housing assistance, thereby putting 25,000 households with 55,000 children at-risk of homelessness. Currently, only U.S.-born individuals or those who are "qualified" immigrants are eligible for housing assistance, but mixed-status households can receive prorated assistance based on the number of household members eligible for assistance.

Families with children, who have larger households and need more spacious and costly housing, already face a disadvantage in current law by limiting access to housing assistance based on eligible members, not the total household. This rule goes in the entirely wrong direction by eliminating assistance altogether for mixed-status families.

The overwhelming majority – 70 percent – of the households affected by this proposed rule include children that are U.S. citizens or lawful permanent residents (LPRs) and would technically remain eligible for federally subsidized housing assistance. However, children cannot live in a house on their own or legally sign a lease, so in reality they will be prohibited from subsidized housing because their access housing assistance is dependent on the eligibility of the adults in their family.

HUD acknowledges in its impact analysis that "fear of the family being separated would lead to prompt evacuation by most mixed households, whether that fear is justified." Many mixed-status households with a family member that cannot prove citizenship or nationality status after a period of time will be forced to forgo assistance and risk homelessness in order to stay together.

Children in immigrant families are already under attack in the United States - from impending deportation raids, extended detention of children in inhumane conditions at our border, and a pending rule from the U.S. Department of Homeland Security to redefine public charge determinations that would deny millions of families access to critical public assistance. Due to this climate of fear, this rule will have the predicted chilling effect and cause many immigrant families, regardless of their eligibility, to evacuate from subsidized housing or forgo applying for assistance out of fear that utilizing government services could harm their immigration status.

Approximately 18 million children in the U.S. live in a family with at least one immigrant parent, and an estimated 5 million children (of whom more than 80 percent are U.S. citizens) live in homes with at least one undocumented parent. The overwhelming majority (94 percent) of citizen-children of immigrants live in a household with at least one parent who is employed. However, immigrant parents are more likely to be restricted to poor quality jobs—with inadequate wages, and without access to employer-sponsored health insurance or a pension plan—which diminish their ability to invest in their children.

Poor quality jobs combined with skyrocketing rents and the high cost of everyday goods means that immigrant parents still struggle to make ends meet and are in need of key assistance programs to supplement resources for their families. Yet the inability for undocumented parents to access public assistance based on their immigrant status means children in immigrant families have higher rates of poverty than children in U.S.-born families.

Stable and Adequate Housing is Critical to Healthy Child Development

A lack of access to affordable housing remains one of the main barriers to economic stability for many families. Housing costs continue to increase in the United States, yet family incomes have not kept pace. A third of children live in households with a high housing cost burden, meaning that more than 30 percent of monthly household income was spent on housing expenses, leaving limited resources for food, utilities, transportation, and other needs. Yet access to housing assistance remains limited for families – only one in four families who are eligible receive it. Families with children are decreasing as a share of federal housing assistance beneficiaries and are given no priority status for assistance, even though the majority of households on the waiting list for housing assistance (60 percent) are families with children.

The fact that housing assistance remains limited for children is especially problematic because access to stable housing is critical for healthy child development. Housing instability, which includes situations such as being behind on rent and making multiple moves, is associated with an increased risk of poor child health,

including hospitalizations, and maternal depression. Sustained housing instability can lead to homelessness, further destabilizing families and causing trauma that has severe negative implications for children's healthy development and educational attainment.

Research shows that rental assistance for households with children results in significant positive effects for future child outcomes and family economic security. Housing assistance lifts about a million children out of poverty each year, and can improve a child's chances for long-term economic mobility—one study finds that children in households receiving Housing Choice vouchers have higher adult earnings and a lower chance of incarceration.

Housing assistance also improves child health - children of families receiving housing assistance had a 35 percent higher chance of being labeled a "well child," a 28 percent lower risk of being seriously underweight and a 19 percent lower risk of food insecurity. Access to affordable housing provides stability for families and frees up income for other necessities. Low-income households with children that pay more than half of their monthly income on rent spend considerably less on other basic necessities - they spend \$200 less per month on food, nearly \$100 less on transportation, and about \$80 less on healthcare.

This rule would add insult to injury by further limiting access to housing assistance for families with children. By HUD's own assessment, the proposed rule will likely lead to a decrease in the number of assisted families. According to HUD, if the agency were to replace the 25,000 mixed-status families currently receiving HUD assistance with households comprising of members who are all eligible, this transition would cost the agency an additional \$372 million to \$437 million annually. HUD acknowledges that Congress is unlikely to allocate this additional funding, and therefore the agency will have to lower costs by reducing the quantity and quality of available housing assistance.

As a result, this rule will serve to further contribute to our skyrocketing rate of child and family homelessness in the United States. The U.S. Department of Education identified 1.3 million homeless children in the 2016-2017 school year, which is a 70 percent increase since the 2007-2008 school year. This rule will only serve to further increase child homelessness, with detrimental effects to child well-being and our economy.

Homelessness, even for a brief time, is extremely detrimental to a child's healthy development. The younger and longer a child experiences homelessness, the greater the cumulative toll of negative health outcomes. Homelessness is also associated with an 87 percent greater likelihood of a child or youth dropping out of school.

A recent landmark study from the National Academy of Sciences finds that child poverty and homelessness costs our society over \$1 trillion each year. This same study finds that making housing vouchers available for 70 percent of the families who are currently eligible would reduce child poverty by 3 percentage points.

By restricting access to housing assistance for tens of thousands of children, this rule flies in the face of research from leading experts as to what is best for the well-being of our nation's children.

Children Living with Grandparents or in Other

While immigrant and mixed-status families are the targets of this harmful rule, there are potentially thousands of other eligible children who may also lose access to housing assistance if these changes are enacted.

In addition to prohibiting assistance to mixed-status families, this rule would also require public housing authorities to verify the eligibility of all individuals currently living in federally subsidized housing or applying for federal housing assistance. Currently, all residents claiming to be eligible for assistance must only provide a signed declaration of their citizenship or nationality status. Under this rule, all current residents and future applicants would now have to prove their citizenship or nationality through documentation such as a birth certificate or passport.

This change puts many additional children at risk of losing their housing. Due to the opioid crisis and the fact that rents are increasing faster than wages, there is a growing trend of multi-generations of family members living under one roof and situations where children are living with and being cared for by their grandparents. As of 2010, 1 in 14 children in the United States were living with a grandparent.

Yet grandparents and other family members may not have access to their birth certificate or other government ID that proves their citizenship or nationality. One survey from 2006 shows that 12 percent of citizens earning less than a \$25,000 lacked proof of citizenship, and 25 percent of African-American citizens and 18 percent of citizens over the age of 65 lacked a photo ID. Some of these individuals may have lived in subsidized housing for decades yet now could be evicted, along with the children in their households, as a result of this rule.

The Proposed Rule Will Hurt our Country's Economic Future

In the coming decades, the ratio of seniors to those of working age will be twice as great as it was in the 20th century. This means far fewer workers to support our economy and replace those who are retiring. This shift would be even more dramatic if it weren't for immigration because grown children from immigrant families will account for about three-quarters of the growth in working-age population projected from 2020 to 2030. Therefore it is critical for us to invest in our nation's children, who make up our future tax base. Yet we have been seeing the opposite trend.

Despite the fact that children make up nearly 23 percent of our population, they only account for 8 percent of the federal budget each year. The U.S. spends much less of its gross domestic product on benefits for families – less than one percent - compared to other middle- and high-income countries. In comparison to 21 other countries, the U.S. ranks second-to-last in its spending on families.

As a result, child poverty and homelessness remains high and currently costs our country over \$1 trillion a year, representing 5.4 percent of our GDP. Reducing access to housing assistance will only increase child poverty and homelessness, and is the wrong direction for our nation's economy.

This Proposed Rule Goes Directly Against Congressional Intent

Current law clearly states that mixed-status families are eligible for prorated housing assistance based on the number of eligible individuals in the house.

Section 214 of the Housing and Community Development Act of 1980 limits access to federally subsidized housing programs to U.S. citizens and a specific list of noncitizen categories. In 1988, Congress included a provision by which mixed-status families who had been receiving full subsidy prior to the statute's passage

could avoid family breakup. Then in 1996, Congress added provisions to provide prorated assistance for mixed-status families. Therefore, Congress has been clear and consistent with its intent to allow mixed-status families to access federal housing assistance. This proposed rule goes directly against the plain language of current law by prohibiting mixed-status families to receive prorated assistance if they cannot prove citizenship or nationality status after a period of time.

Conclusion

If enacted, this rule would force tens of thousands of families with children struggling to make ends meet to choose between accessing critical housing assistance that supports their children's healthy development, and keeping their family together.

Denying children access to safe and stable housing is not only immoral, but economically foolish. The long-term viability of our economy is dependent on our children and youth. We urge HUD to immediately withdraw its current proposal, and dedicate its efforts to advancing policies that strengthen—rather than undermine—the ability of immigrants to support themselves and their families in the future.

Thank you for the opportunity to submit comments on the proposed rulemaking. Please do not hesitate to contact Cara Baldari at carab@firstfocus.org to provide further information.

Sincerely,

Bruce Lesley, President

Bruce Lesley