

Home Stability Support FAQs

What is Home Stability Support (HSS)?

Home Stability Support is a statewide rent subsidy proposal that would bridge the difference between inadequate public assistance shelter allowances and actual rents for families and individuals who are homeless or at risk of homelessness. It would save kids and adults from the trauma of homelessness while also saving tax dollars.

Who will it help?

HSS would help families and individuals in receipt of public assistance who are homeless or at risk of homelessness because they are facing eviction or loss of housing due to domestic violence or hazardous conditions. For example, it would supplement the woefully inadequate \$400 monthly public assistance shelter allowance for a New York City household of three that includes a child and help the family afford their apartment rent. A 2016 analysis found that two-thirds of the estimated 171,000 households statewide receiving public assistance shelter allowances have rents that exceed the allowances, placing them at risk of homelessness.

Why not just raise the public assistance shelter allowance instead?

Due to the way public assistance benefits are calculated, raising the shelter allowance could result in cuts to other types of vital assistance households receive, like SNAP. Given the severity of the affordability crisis across the state, it is important that people receiving public assistance are not inadvertently harmed through such policy changes.

How is HSS different from existing subsidies?

HSS would replace the patchwork of optional rent subsidies that localities including New York City have created. It would also allow a higher maximum rent than many existing subsidies, which would eliminate a common barrier people encounter when searching for an apartment. The FY2020 Fair Market Rent for a two-bedroom apartment in NYC is \$1,951, but the public assistance shelter allowance for a typical family of three is only \$400. If HSS were adopted, the State would supplement the shelter allowance up to 85 percent of the Fair Market Rent, and localities would have the option to cover the additional amount needed to bring maximum rents up to 100 percent of Fair Market Rents.

What will happen to the City-funded subsidy I currently have if HSS passes?

HSS is intended to replace existing City-funded subsidies, such as CityFHEPS in New York City. It will be better than the current subsidies because HSS will have higher maximum rents, and the State will help pay for the costs of the subsidies. However, HSS will likely be phased in over multiple years, so it might take some time before local subsidies are transitioned to HSS. Although the details will be worked out at a later date, the overarching goal is for HSS to benefit households that currently receive locally funded rent subsidies. Note that HSS will not replace Federal subsidies, such as the Section 8 Housing Choice Voucher.

What happens if households' incomes rise and they no longer qualify for public assistance?

HSS was deliberately crafted with the intention of encouraging employment among those who are able to work. Therefore, the program design includes a one-year transitional benefit for households that increase their earnings enough to leave public assistance. By avoiding a "benefits cliff," the plan would remove perverse incentives to limit employment income, and enable families to maintain housing stability when their financial circumstances change.

Where's the proof that rent subsidies actually work?

Research has shown that long-term housing subsidies are the most effective intervention in helping homeless children and their parents maintain stability and improve overall well-being: In 2016, the multi-year *Family*

Options Study commissioned by the U.S. Department of Housing and Urban Development concluded that long-term housing assistance helped families avoid returning to homelessness and also reduced psychological distress, domestic violence, school mobility, food insecurity, and children's sleep and behavior problems. Permanent housing gives people the foundation they need to thrive.

How much will it cost?

HSS was estimated by the NYS Assembly to cost \$400 million, phased in over five years. The initial cost will be \$40 million in State funds for the first year, then \$80 million annually for the following four years. Although \$80 million per year might seem like a large number, it is only a small fraction of the State's FY2019 budget of over \$175.5 billion. And, since HSS would be targeted to families already receiving public assistance, it would not require additional administrative costs to identify eligible households. In fact, rent subsidies like HSS are considerably less expensive than the \$71,624 annual cost of emergency shelters for each family in New York City. Compared with 2011, New York State had 30,656 more emergency shelter beds by 2018, an increase of nearly 60 percent. NYC Comptroller Scott M. Stringer projected in 2017 that HSS could reduce New York City's shelter population by 80 percent among families with children and 40 percent among single adults in a decade, saving New York City about \$316 million in its tenth year through foregone shelter costs and streamlined services. The State has largely left localities to fund shelters and preventive services on their own in recent years, so the State's investment in HSS would represent a long-overdue course correction. All levels of government must work together to tackle homelessness.

Why now?

Simply put: New York is in the midst of a historic homelessness and housing crisis, and bold action is necessary. The number of New Yorkers across the entire state who experienced homelessness at some point in the 2018-2019 school year, whether in shelters or doubled-up, is an astonishing 252,977 people – a number larger than the population of every city in the state except for New York City and Buffalo. The supply of apartments affordable to low-income renters, including those relying on a \$400 per month public assistance shelter allowance, is rapidly disappearing, and many low-income New Yorkers have been shut out of the market entirely. Since the lack of affordable housing is the cause of the homelessness crisis, it is fiscally prudent and at the same time far more humane to bridge the difference between incomes and rents to enable people to stay in their homes instead of turning to the costly shelter system.

What's the holdup?

The State legislature has sought funds for HSS since 2016, but has been stymied by Governor Cuomo. In the 2019-2020 Legislative Session, the HSS bill (S.2375/A.1620) had the support of 35 Senators and 125 Assemblymembers – more than half of each legislative body. However, Governor Cuomo has refused to budget on HSS for years, even as the number of homeless New Yorkers swelled to record highs.

Will HSS solve homelessness?

Not entirely – but it is an important, and eminently feasible, first step toward that goal. A key benefit of HSS is that it can be implemented quickly and, therefore, would have a dramatic impact on the shelter census in the near term. Ideally, all levels of government would both create more rent subsidies and fund the construction of more affordable housing while also implementing this particular program. HSS would only be for public assistance recipients because they are at the greatest risk of homelessness due to their extremely low incomes, including completely inadequate allowances for housing. It is not the only solution to homelessness, but it could serve as a model for other groups of people who are not receiving public assistance, including people who are undocumented and those in receipt of various disability benefits, which also tend to be quite low. HSS is projected to decrease homelessness to such an extent among public assistance households that it would free up other resources currently supporting a costly shelter system bursting at the seams. If the City and the State work together to decrease the shelter census through HSS, they could build on this success by collaborating on similar rent subsidies for other New Yorkers who are homeless or struggling to pay rent. HSS is only one piece of a robust plan we need to combat homelessness, but it is both foundational and urgently needed.