

Highlights of [GAO-07-1012](#), a report to congressional committees

Why GAO Did This Study

Veterans returning from service in Iraq and Afghanistan could increase demand for affordable rental housing. Households with low incomes (80 percent or less of the area median income) generally are eligible to receive rental assistance from the Department of Housing and Urban Development’s (HUD) housing choice voucher, public housing, and project-based programs. However, because rental assistance is not an entitlement, not all who are eligible receive assistance.

In response to a congressional mandate, GAO assessed (1) the income status and demographic and housing characteristics of veteran renter households, (2) how HUD’s rental assistance programs treat veteran status (whether a person is a veteran or not) and whether they use a veterans’ preference, and (3) the extent to which HUD’s rental assistance programs served veterans in fiscal year 2005. Among other things, GAO analyzed data from HUD, the Department of Veterans Affairs (VA), and the Bureau of the Census, surveyed selected public housing agencies, and interviewed agency officials and veterans groups.

GAO makes no recommendations in this report. VA agreed with the report’s findings. HUD objected to the characterization in the report regarding HUD’s policies on veteran status and program eligibility and subsidy amounts.

www.gao.gov/cgi-bin/getrpt?GAO-07-1012.

To view the full product, including the scope and methodology, click on the link above. For more information, contact David G. Wood at (202) 512-8678 or woodd@gao.gov.

RENTAL HOUSING

Information on Low-Income Veterans’ Housing Conditions and Participation in HUD’s Programs

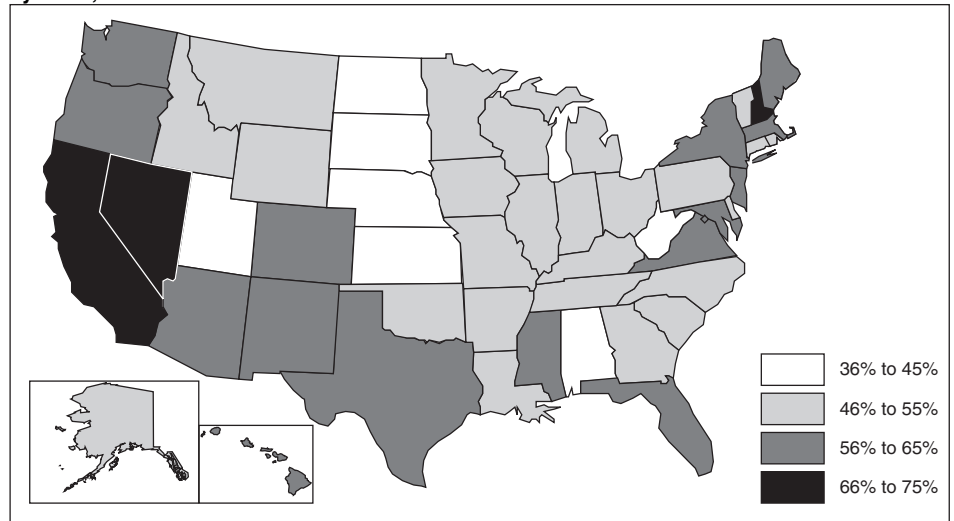
What GAO Found

In 2005, an estimated 2.3 million veteran renter households had low incomes. The proportion of veteran renter households that were low income varied by state but did not fall below 41 percent. Further, an estimated 1.3 million, or about 56 percent of these low-income veteran households, had housing affordability problems—that is, rental costs exceeding 30 percent of household income. Compared with other (nonveteran) renter households, however, veterans were somewhat less likely to be low income or have housing affordability problems.

HUD’s policies for its three major rental assistance programs generally do not take veteran status into account when determining eligibility or assistance levels, but eligible veterans can receive assistance. Also, HUD generally does not distinguish between income that is specific to veterans, such as VA-provided benefits, and other sources of income. The majority of the 41 largest public housing agencies that administer the housing choice voucher or public housing programs have no veterans’ preference for admission. The 13 largest performance-based contract administrators that oversee most properties under project-based programs reported that owners generally did not adopt a veterans’ preference.

In fiscal year 2005, an estimated 11 percent of all eligible low-income veteran households (at least 250,000) received assistance, compared with 19 percent of nonveteran households. Although the reasons for the difference are unclear, factors such as differing levels of need for affordable housing among veteran and other households could influence the percentages.

Percentage of Low-Income Veteran Renter Households with Housing Affordability Problems, by State, 2005



Sources: GAO analysis of sample survey data from 2005 American Community Survey; Art Explosion (map).