



**Solutions Needed to Mitigate Devastating Effects of the
Termination of the Emergency Housing Voucher Program**
*60,000 Households at Risk of Homelessness,
Thousands of Property Owners Face Loss of Rental Income*

The Emergency Housing Voucher (EHV) program, established in May 2021 through the American Rescue Plan, represents one of the most significant and successful federal investments in addressing homelessness in recent history. The sudden and unexpected termination of the program will be devastating for families, private property owners and their communities.

With \$5 billion in funding, the program created 70,000 vouchers to assist individuals and families who are homeless, at risk of homelessness, fleeing domestic violence, or transitioning out of homelessness. CLPHA members administer approximately 30,000 EHV, accounting for half of the total leased EHV in the United States. EHV have proven to be a lifeline for some of the nation's most vulnerable populations, including young children, seniors, and people with disabilities, by providing immediate access to stable housing and supportive services. The program's success has been driven by flexible funding that enables public housing authorities (PHA) to offer landlord incentives, pay security and utility deposits, and support tenants with housing search assistance. Strong coordination between PHAs and Continuum-of-Care (CoC) partners, local or regional planning bodies that coordinate housing and services funding for homeless individuals and families, ensures a streamlined referral and eligibility process, helping households move quickly from crisis to stability.

On March 6, 2025, HUD announced that PHAs would receive their final Housing Assistance Payment (HAP) renewal allocation, most of which is expected to be depleted by the end of FY26. Just weeks later, HUD directed PHAs to stop issuing new EHV by April 9 and to manage program costs using remaining service fees and HAP funds. This marks an early and unexpected sunset of a program that was originally intended to run through September 2030.

60,000 Families at Risk of Homelessness

Without continued funding, 60,000 EHV households will be at extreme risk of becoming homeless. Many tenants who lose assistance will be unable to pay the rent and face eviction, causing severe hardship and long-term harmful impacts on children and families.

As of April 2025, nearly 60,000 EHV households remain in use supporting households that will be at risk of homelessness if federal funding is not extended. The looming termination of the EHV program threatens to unravel the progress made in reducing homelessness and stabilizing vulnerable families. Urgent action is needed to prevent thousands from being pushed back into crisis.

Transitioning EHV Households Would Delay Assistance to Waiting List Applicants

Even when it is possible, transitioning EHV households into other programs would delay assistance for other applicants who urgently need help and may have been waiting for years. Rental assistance reaches fewer than 1 in 4 households in need, meaning that nearly all programs have long waiting lists. Transitioning EHV households would cause a significant burden on PHAs that are already facing budget constraints and shortfall. If PHAs or other agencies try to absorb EHV families into other voucher or rental assistance portfolios, this will be at the expense of eligible families on the waiting list who will be forced to wait even longer for housing stability.

Private Property Owners at Risk for Lost Rental Income, Mortgage Defaults

The abrupt end of assistance for these families will undermine the relationship between private property owners and their respective PHAs. Termination of EHV assistance would likely cause widespread evictions that harm both tenants and owners. Property owners may be forced to begin the eviction process, resulting in lost time and money while accommodating the holdover tenant. This process, which often spans several months, is likely to discourage property owners from participating in the HCV program in the future, ultimately reducing the availability of affordable housing.

Why is the EHV Program Successful?

Partnerships with Continuums of Care

The partnership between PHAs and Continuums of Care (CoCs) is essential to the EHV program. CoCs identify and refer eligible individuals experiencing or at risk of homelessness to PHAs, while PHAs verify eligibility and issue vouchers. This collaboration combines CoCs' expertise in outreach and support with PHAs' housing infrastructure. CoCs are local or regional planning bodies composed of nonprofit providers, government agencies, and other community stakeholders that coordinate efforts to address homelessness. Under the EHV program, HUD required PHAs to enter into a Memorandum of Understanding (MOU) with their local CoCs to ensure a streamlined referral process for highly vulnerable populations, such as those experiencing homelessness, fleeing domestic violence, or recently homeless.

Accelerated Lease Up

CoCs have generally been effective in their referral role, helping PHAs quickly identify individuals most in need of housing assistance. As of July 2022, 87% EHV vouchers were either leased or issued to individuals actively searching for housing, an outcome largely attributed to strong CoC engagement and coordination. Best practices from successful CoC-PHA partnerships include co-location of staff, shared data systems, and regular case conferencing to track voucher progress and resolve housing barriers. These strategies have proven effective in accelerating lease-ups, ensuring support services are aligned with housing placements, and maximizing the impact of the EHV program.

HUD supports this coordination by providing \$3,500 per voucher to fund housing navigation, landlord incentives, and related services. This relationship has resulted in shortened timelines for lease up and overall greater utilization rates for EHV. The average time from voucher issuance to lease up was 77 days, with many PHAs showing shorter search periods. Many PHAs, including CLPHA members, were able to reach 100% utilization of their allotment of EHV. One key example is the Chicago Housing Authority, which announced that they reached full utilization as of May 2023, housing over 1,100 families.

High Landlord Engagement and Acceptance

Landlords have shown a relatively high level of participation in the EHV program due to key features that mitigate risk and enhance financial stability. The program offers guaranteed, timely rent payments, along with supplemental incentives such as signing bonuses and security deposit assistance. Additionally, the integration of supportive services for EHV tenants helps promote housing stability and reduce potential tenancy challenges. These features have made the EHV program a viable and attractive option for property owners and managers in a tight rental market. PHAs have also been innovative in their use of service and administrative fees to aid in the successful implementation of the program, including offering attractive landlord incentives such as providing unit holding fees and security deposits. The success of these fees lies in their flexibility, and this contributes to landlord engagement in the program and a strong relationship with the PHA.

CLPHA Member EHV Leasing Data

When determining the impact of the program's success and the consequences of an early end to the program, it is important to examine the population being served. Of the approximately 30,000 EHV that CLPHA members administer, roughly **25% of these households have a child under 5 years old** and **46% are households with seniors and/or disabled members**. These statistics show that EHV provide housing for extremely vulnerable populations, with lower average annual incomes than participants in the traditional Housing Choice Voucher program.

Most CLPHA members leased up their allocated EHV's quickly and have a monthly HAP expense that reflects high utilization and costs in their area. The rising costs associated with leasing these vouchers, including escalating local rents, have resulted in PHAs using their HAP funds at a quicker pace than expected at the onset of the program. This is creating a dire situation for these families, who may become unhoused as soon as November 2025.

We Can Protect Families from Homelessness

Secure Additional Funding

HUD estimates a \$200 million shortfall to fully fund EHV's through Calendar Year (CY) 2026. To sustain assistance for these families at risk of becoming homeless again, and to combat the anticipated shortfall for the EHV program in 2026, CLPHA urges Congress to appropriate shortfall funds to ensure stability for these households through CY 2026.

Most PHAs expect to exhaust their remaining EHV funding by November 2026, the expected shortfall creates a severe problem for families at the beginning of CY 2027. PHAs expected funding to last through 2030, as initially authorized, and because of high costs in the rental markets in many cities and localities, funding will not be sufficient to continue housing these families beyond CY 2026. Without additional funding, EHV households face a funding cliff and homelessness in CY2027. HUD estimates that full funding for CY 2027 is \$1.1 billion. Therefore, CLPHA urges Congress to provide sufficient funds to ensure that EHV households remain housed.

Enact Statutory Solutions

To prevent vulnerable families from falling back into homelessness, Congress must take targeted legislative action through the annual Transportation, Housing and Urban Development, and Related Agencies (THUD) appropriations bill. Appropriators should include language authorizing the use of Tenant Protection Vouchers (TPVs) to allow PHAs to transition EHV households into permanent assistance. TPVs already provide continued assistance for a variety of other expiring rental subsidies. Additionally, PHAs should be permitted to repurpose remaining EHV service fees to fund Housing Assistance Payments (HAP) for these families. Finally, Congress should authorize non-MTW PHAs to use their existing reserves to cover HAP costs for at-risk EHV households. These policy adjustments would provide critical continuity of housing assistance as EHV funding expires.

Provide Regulatory Flexibility

PHAs may be able to transition EHV households to traditional Section 8 or other special purpose vouchers by revising their administrative plan. These changes are at the discretion of the PHA and often do not require HUD approval unless deemed significant. However, HUD should review regulatory

requirements for the use of funds for EHV and work with PHAs to streamline the transition of households to other forms of rental assistance.

While these are options that would help PHAs sustain assistance for vulnerable households, these solutions alone are not enough. We expect that Congress and HUD will need to utilize multiple approaches to ensure these families do not become homeless again.

Conclusion

In just a few short years, the EHV program has demonstrated a powerful and measurable impact on reducing homelessness across the United States. By targeting individuals and families at the highest risk—including those experiencing homelessness, survivors of domestic violence, and people with disabilities—EHVs have provided immediate, stable housing for 60,000 vulnerable households. Through strong partnerships between PHAs and CoCs, high landlord acceptance, flexible funding and supportive services, the program has achieved faster lease-up rates, improved housing stability, and high voucher utilization—proving to be one of HUD’s most effective tools in solving homelessness.

As the program faces an early sunset, the risk of reversing this progress is significant. Without renewed federal funding and legislative actions, nearly 60,000 households could lose their homes, eroding years of coordinated effort and investment. The success of EHV is not just measured in numbers, but in the lives stabilized, families kept together, and communities strengthened through housing. Continued support is not only fiscally responsible, but also essential to sustaining progress in the effort to reduce homelessness and expand housing opportunities for low-income families.