

## Article 20: Poverty and Housing Assistance Programs

**Housing assistance programs** directly combat **poverty** by reducing housing costs for low-income families, which allows them to use resources for other essential needs. These programs also address the systemic issues of poverty by offering pathways to better economic and social outcomes (Collinson et al., 2024; Schapiro et al., 2021; Tatian & Snow, 2005). However, persistent underfunding and other barriers can often limit the reach of such programs (Hepburn et al., 2023; Li & Zhang, 2025; Lundberg & Donnelly, 2019).

### Causes and Scope of Poverty and Housing Limitations in the United States

Poverty in the United States in 2025 is a complex issue driven by multiple, interconnected factors, including low-wage work, inflation, and persistent systemic inequities. While federal programs provided a temporary reduction in poverty during the COVID-19 pandemic, the expiration of those benefits and rising costs for necessities like housing, food, and healthcare have caused poverty rates to increase. The scope of this challenge remains significant, disproportionately impacting vulnerable populations such as children and people of color, and leading to widespread hardship despite millions of Americans participating in the workforce (Hepburn et al., 2023; Li & Zhang, 2025; Lundberg & Donnelly, 2019).

For instance, a study explored how the pandemic disrupted Americans' ability to keep up with rent or mortgage payments. Using over two million responses from the U.S. Census Bureau's Household Pulse Survey, along with county-level demographic data, the researchers examined how income, age, race, education, and family structure shaped housing payment insecurity. They collected and analyzed data from across the pandemic period, applying spatial techniques to identify regional differences. The results showed that renters, adults aged 40–54, lower-income and less-educated households, families with children, and Black and Hispanic populations were hit hardest. Payment insecurity was concentrated in parts of the South and certain counties nationwide, revealing strong geographic inequalities. The researchers concluded that COVID-19 amplified long-standing disparities in housing stability and that both personal vulnerability and local context must guide future housing policy. They argued that national solutions alone are insufficient, noting that effective responses must target at-risk groups and regions where insecurity is most severe (Li & Zhang, 2025).

Another study assessed how unstable housing contributes to cycles of poverty among urban families. Using long-term data from the Fragile Families and Child Wellbeing Study, which followed children born in large U.S. cities between 1998 and 2000 through age 15, the researchers tracked eviction experiences reported during multiple family interviews. They found that nearly one in seven children had been evicted by mid-adolescence, and the rate rose to one in four for those born into deep poverty. These findings highlight that housing insecurity is not an isolated hardship but a recurring condition that pushes families further into economic vulnerability. When families lose their homes, they often face job disruptions, school instability, and financial strain, which reinforce poverty rather than relieve it. The study reveals that eviction disproportionately affects low-income and minority households, showing how unequal access to stable housing can entrench long-term disadvantage. The researchers conclude that eviction is a critical, yet often overlooked, driver of persistent poverty in American cities and that addressing housing instability is essential for breaking the cycle (Lundberg & Donnelly, 2019).

Similarly, a study examined how housing loss and displacement contribute to poverty and neighborhood decline in U.S. cities. It argues that many evictions and forced moves happen **outside** areas experiencing gentrification, which is the process where rising investment and higher-income residents transform low-income neighborhoods by raising costs and displacing longtime residents. The researchers used longitudinal administrative data on over 1.2 million households from five major U.S. cities between 2013 and 2018, linking eviction filings, subsidized housing exits, and neighborhood changes. Data came from housing authority records, court filings, and census-tract indicators of socioeconomic status. Their analysis showed that most housing loss occurred in neighborhoods already poor, not in those being gentrified, and often pushed families into deeper poverty and more disadvantaged areas. Housing loss also worsened neighborhood decline by increasing vacancy, lowering investment, and reducing access to stable housing. The researchers concluded that focusing only on gentrifying areas overlooks the majority of displacement and its poverty-deepening effects. They argue that housing instability is a broad driver of urban inequality, requiring policies that address forced moves in recurrently poor communities (Hepburn et al., 2023).

### **Effectiveness and Impact of Housing Assistance Programs**

Housing assistance programs provide individuals with a stable foundation that promotes long-term growth and well-being. Access to affordable housing has been shown to reduce financial stress, improve mental and physical health, and allow people to focus on education, employment, and personal goals. This stability not only helps break intergenerational cycles of poverty but also empowers individuals to build stronger, healthier, and more secure futures. By lowering housing expenses, these programs make it easier for people to allocate their income towards daily needs, skill development, and overall quality of life (Collinson et al., 2024; Schapiro et al., 2021; Tatian & Snow, 2005).

Following that lead, a study examined how federal housing assistance programs influence people's financial stability and work outcomes in the United States. Researchers used data from the U.S. Department of Housing and Urban Development (HUD) linked with the Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) files, which tracked individuals' employment and earnings over time. Particularly, they analyzed a large sample of low-income households receiving public housing, vouchers, or other forms of rental assistance. Data were collected from administrative records, allowing the authors to observe real income and employment patterns rather than self-reported data. The study found that receiving housing assistance did not discourage work or reduce earnings in homes, as some critics suggest. Instead, stable housing helped households maintain employment and gradually improve their financial standing. Results also showed that housing support reduced income volatility and provided a safety net that kept families from falling deeper into poverty. By easing rent burdens and stabilizing living conditions, these programs gave individuals the foundation to pursue work and education. The researchers concluded that housing assistance strengthens economic security and plays a key role in helping lift families out of poverty (Tatian & Snow, 2005).

Another study examined how federal rental aid helped renters during COVID-19 in four U.S. cities. Researchers analyzed administrative data from five large Emergency Rental Assistance programs, which together distributed over \$200 million, and combined it with surveys of applicants. Data were collected through program records that tracked who received aid and through follow-up surveys

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measuring rent payments, eviction risk, and well-being. Since some applicants were randomly chosen to receive assistance, the researchers were able to fairly compare outcomes between those who got help and those who didn't. The results showed that people who received rental assistance were more likely to stay current on rent, avoid eviction, and experience lower financial stress—factors that protect households from falling deeper into poverty. Some also reported modest improvements in mental and physical health. However, the study found little evidence that assistance alone improved long-term housing stability or overall financial security. The researchers concluded that rental aid offered crucial short-term protection against poverty during the crisis, but lasting progress would require continued and broader support for low-income renters (Collinson et al., 2024).

Lastly, a study examined how federal housing support improves people's living conditions and overall well-being in the United States. Researchers used survey data from the U.S. Department of Housing and Urban Development's (HUD) Family Options Study, which followed thousands of low-income households experiencing homelessness or housing instability. Data were collected through detailed interviews and follow-ups that tracked changes in housing status, affordability, and life circumstances over several years. The study found that rental assistance programs significantly increased housing stability, reduced homelessness, and improved the quality and safety of living environments. Participants who received assistance were less likely to face eviction or unsafe conditions and reported lower financial stress. These benefits allowed families to redirect limited income towards food, health, and other essentials, reducing the strain of poverty. The findings showed that stable housing is not only a shelter solution but also a foundation for economic and emotional well-being. The researchers concluded that housing assistance plays a key role in reducing poverty by helping families achieve greater stability, autonomy, and financial security (Schapiro et al., 2021).

## References

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