

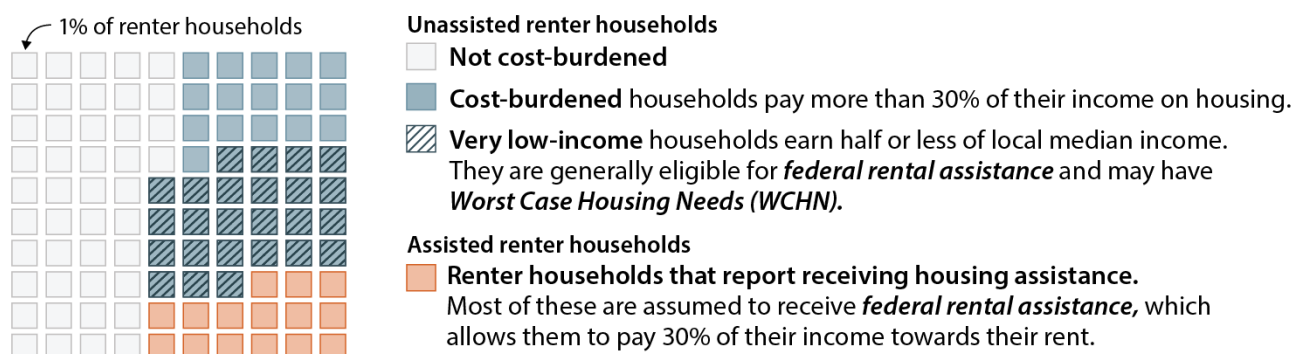
Updated August 13, 2026

Federal Rental Assistance and Affordability

Housing is generally considered affordable if it costs a household no more than 30% of their income; households who pay more are considered cost-burdened. About half of U.S. renters are cost-burdened and the lowest-income renters have the highest cost burdens. To address high cost-burdens for lower-income families, the federal government funds several rental assistance programs that allow recipients to pay affordable rents; federal funding for these programs is insufficient to serve all eligible households.

One-quarter of U.S. renter households are very low-income, unassisted, and cost-burdened.

According to U.S. Census data, there were 46 million renter households in 2023 and 11.5 million of those were cost-burdened, very low-income, and did not receive rental assistance (unassisted).



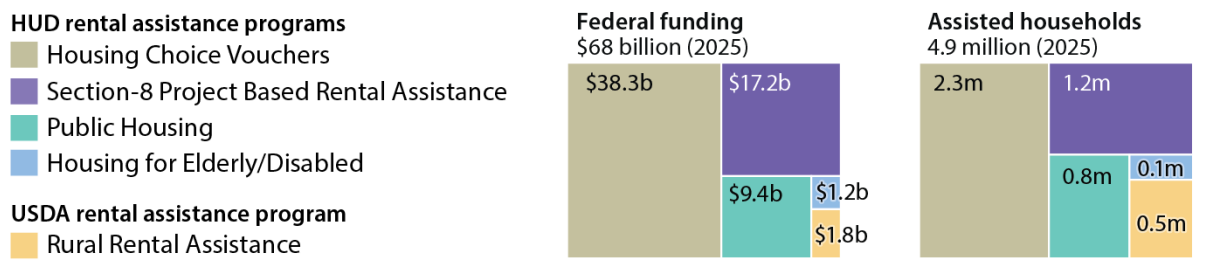
Worst Case Housing Needs hit a record high.

Congress has mandated that the U.S. Department of Housing & Urban Development (HUD) report on Worst Case Housing Needs: unassisted families with **very low-incomes** paying half or more of their income for housing or living in substandard conditions. HUD's most recent report showed a record number of renter households with Worst Case Housing Needs in 2023.

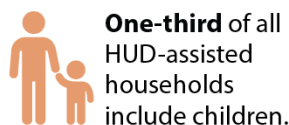
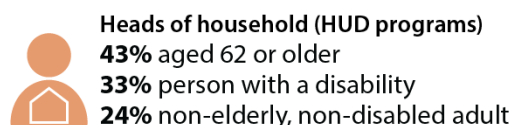


Renter households with very low-income are generally eligible for federal rental assistance.

Federal rental assistance takes different forms—from housing vouchers that subsidize private market rents to subsidized apartments owned by private entities or public agencies.



Most assisted households are headed by a person who is elderly or disabled (2025).



1 in 4* eligible households receive federal rental assistance; there are waiting lists for assistance in most communities *Estimated.

Sources and Notes

Renter Cost Burden

Source: Data from Tables A-1A and A-3 of HUD, *Worst Case Housing Needs: 2025 Report to Congress*, November 2025, <https://www.huduser.gov/portal/publications/Worst-Case-Housing-Needs-2025-Report-to-Congress.html>. HUD's analysis in this report is based on special tabulations of 2023 Census American Housing Survey data.

Notes: Renters are presented as either “assisted” or “unassisted” and rent burden status is provided only for households that are unassisted, consistent with HUD WCHN methodology. However, assisted households may be cost-burdened; for example, households with Housing Choice Vouchers are only required to pay 30% of their incomes toward their rent; however, they may choose to pay up to 40% in the first year, or more in subsequent years, in order to acquire or retain a higher-cost unit.

“Assisted” renters presented here self-report their receipt of housing assistance. It is presumed most of these renters participate in a federal rental assistance program; however, more households report receipt of housing assistance than there are federal rental assistance program recipients. There may be various causes of this discrepancy, including renters mistakenly reporting housing assistance receipt and renters receiving state- or locally funded housing assistance. HUD and the Census Bureau have developed an oversample of HUD-assisted renters to better inform their understanding of HUD-assisted renters. For more information, see HUD, U.S. Census Bureau, U.S. Department of Commerce, *HUD-Assisted Renter Oversample: 2015-2024*, September 2024, <https://www.census.gov/content/dam/Census/programs-surveys/ahs/tech-documentation/2015-later/HUD-Assisted%20Renter%20Oversample%202015%20and%20Beyond.pdf>.

Worst Case Housing Needs

Source: Data from HUD, *Worst Case Housing Needs: 2025 Report to Congress*, November 2025 <https://www.huduser.gov/portal/publications/Worst-Case-Housing-Needs-2025-Report-to-Congress.html>, Exhibit 1-1. For the historical time series, see <https://www.huduser.gov/portal/AFWCN.html>.

Notes: “Severely inadequate housing” is defined as housing that has one or more serious physical problems related to heating, plumbing, and electrical systems or maintenance (explained in Appendix E of the 2025 WCHN report). While both severe cost burden and severely inadequate housing are considered WCHN, as in past years, severe rent burden was the primary driver of WCHN (severely inadequate housing alone caused 2% of WCHN in 2023).

Federal Rental Assistance

Sources: Household data from HUD, “2025 Picture of Subsidized Households” dataset, <https://www.huduser.gov/portal/datasets/assths.html>; and U.S. Department of Agriculture (USDA), *Multi-Family Section 514 and 515 Management*, “Tenant Info” dataset,

https://www.sc.egov.usda.gov/data/MFH_section_515.html. Figures represent occupied units/subsidies in use. USDA data are as of June 2026.

Federal spending (outlays) data from the Office of Management and Budget, “Public Budget Database,” FY2027, https://www.whitehouse.gov/wp-content/uploads/2026/04/outlays_fy2027.xlsx. Accounts included Tenant-Based Rental Assistance, Project-Based Rental Assistance, Housing Certificate Fund, Other Assisted Housing, Public Housing Fund, Public Housing Operating Fund, Public Housing Capital Fund, Revitalization of Severely Distressed Public Housing, Choice Neighborhoods Initiative, Housing for the Elderly, Housing for Persons with Disabilities, Rental Assistance Program (USDA) and Rural Housing Voucher (USDA).

Notes: These data focus on federal rental assistance, a category of federal housing assistance that is categorized by ongoing (not temporary) housing assistance that requires recipients to pay no more than 30% of their income toward their housing costs. The federal government also funds various grant and tax credit programs that can be used to subsidize the development of rental housing with below-market rents (e.g., Low Income Housing Tax Credits [LIHTC], HOME Investment Partnerships block grants, Continuum of Care grants). Those programs—which are not considered federal rental assistance programs—are not included here, but may be used in conjunction with federal rental assistance programs. For example, a tenant with a Housing Choice Voucher may choose to live in a housing unit financed with LIHTCs.

Assisted Households

Source: Data from HUD, “2025 Picture of Subsidized Households” dataset, <https://www.huduser.gov/portal/datasets/assths.html>.

Notes: A household that is headed by an elderly person with disabilities is shown as an elderly household.

The estimate that one in four eligible households receives federal rental assistance comes from dividing the number of households receiving federal rental assistance by the number of very low-income renters. In 2023, according to HUD’s “2023 Picture of Subsidized Households” data and USDA’s *Multifamily Housing Annual Occupancy Report*, there were 4.8 million assisted renters.* This compares to 19.14 million very low-income renters in 2023, according to HUD’s *Worst Case Housing Needs Report, 2025*. This is a rough measure, as some rental assistance programs serve households with higher income and some households with very low incomes may have other characteristics that would disqualify them from receiving federal housing assistance (e.g., ineligible immigration status, significant assets).

*While 2025 data are presented elsewhere in this *In Focus*, 2023 data are used in this calculation for comparability.

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