



A Review of Work Requirement Policies in HUD-Funded Assisted Housing

Final Research Report



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FINAL RESEARCH REPORT

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Office of Policy Development and Research

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FOREWORD

Moving to Work (MTW) is a demonstration program for public housing agencies (PHAs) that allows them the opportunity to work outside the normal HUD housing assistance rules in order to design and test innovative, locally developed alternative strategies for the delivery of housing assistance. These innovative strategies are designed to achieve one or more of the following statutory goals: use federal dollars more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families.

Since the inception of the MTW program in 1996, 9 of the 39 initial MTW PHAs have used their flexibilities to implement work requirement policies in their assisted housing programs, and as of 2022, only 7 MTW agencies still had a work requirement policy in place. Work requirement policies essentially impose requirements on assisted households to engage in either employment or employment-related activities to maintain eligibility for their housing assistance. The policies that have been implemented by the MTW PHAs vary widely in their requirements, target population, and monitoring and compliance procedures. To date, very little rigorous research and a modest number of descriptive studies have been conducted on the outcomes of work requirement policies in assisted housing.

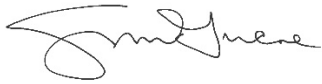
In 2016, Congress directed HUD to expand the MTW demonstration by an additional 100 agencies, thus providing an additional set of PHAs with the opportunity to implement a work requirement policy, should they choose to do so. HUD's Office of Policy Development and Research (PD&R) sponsored this study to document the experience of the few PHAs that have implemented work requirements using MTW flexibilities, gather the perspectives of industry and advocacy group leaders on this topic, and summarize the research on the outcomes of work requirement policies in other similar public benefit programs.

Literature documenting outcomes of work requirement policies in other federal government programs reveal few, if any, beneficial outcomes and several negative outcomes for program participants. For example, studies of the work requirement policy in TANF [Temporary Assistance for Needy Families], which provides cash assistance to needy families, indicate that it has failed to help families achieve financial independence and led to a rise in deep poverty. Similarly, research on the work requirements in SNAP [Supplemental Nutrition Assistance Program], the nation's largest antihunger program, found that the policy has had no positive impact on employment and led to reduced participation in the program, contributing to negative public health impacts due to the lack of food access.

Less is known about work requirements in HUD-assisted housing. This report elevates the perspectives of expert stakeholders and industry leaders in the housing policy community and presents case studies of the nine MTW PHAs that implemented work requirements.

HUD is committed to implementing the MTW expansion in a way that is responsive to the economic realities and needs of low-income families and decided to stop seeking applicants for the MTW cohort on work requirements in June 2021. Although HUD rescinded the MTW expansion cohort, MTW

expansion agencies have the option to implement work requirements. We hope that MTW agencies considering implementing a work requirement policy will find this report useful.

A handwritten signature in black ink, appearing to read "Solomon J. Greene". The signature is fluid and cursive, with the first name being the most prominent.

Solomon J. Greene
Principal Deputy Assistant Secretary for Policy Development and Research
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1. INTRODUCTION

MTW PHAs that have implemented work requirements:

- Atlanta Housing
- Housing Authority of Champaign County
- INLIVIAN (formerly Charlotte Housing Authority)
- Chicago Housing Authority
- Delaware State Housing Authority
- Lawrence-Douglas County Housing Authority
- Lexington-Fayette Urban County Housing Authority
- Louisville Metro Housing Authority (sunset in 2017)
- Housing Authority of the County of San Bernardino (sunset in 2019)

In 2020, nearly 4.6 million households received housing assistance from the U.S. Department of Housing and Urban Development (HUD) through tenant-based vouchers, project-based subsidies, and the provision of public housing (HUD, n.d.). Those subsidies are intended to aid low-income families and individuals in finding safe, decent, and affordable housing and to potentially meet their individual goals related to employment and asset building. Starting in the late 1990s, Congress has enacted laws that incorporate work requirements into several federal public benefit programs, including the Temporary Assistance for Needy Families (TANF) program and the Supplemental Nutrition Assistance Program (SNAP). Recently, several states adopted similar work requirement policies for individuals receiving Medicaid. Over time, various

legislative proposals related to housing policy have included the option to implement work requirement policies for individuals and families who received HUD-assisted housing, but none of those proposals have become law.

In 1996, Congress authorized the Moving to Work (MTW) demonstration to give public housing agencies (PHAs) greater flexibility in how they provide housing assistance to achieve one or more statutory objectives: to reduce costs and achieve greater cost-effectiveness in federal expenditures; to provide incentives to families with children, in which the head of household is working, seeking work, or preparing for work; and to increase housing choices for low-income families. As of December 15, 2015, 39 PHAs had an active MTW agreement under the original 1996 authorization; those PHAs are referred to as initial MTW agencies. In 2016, Congress directed HUD to expand the MTW demonstration program from the 39 initial MTW agencies by an additional 100 agencies. As of March 2022, 109 PHAs have been designated as MTW agencies.

MTW agencies have the authority to implement a work requirement policy in either the Housing Choice Voucher (HCV) or the public housing program. Nine of the initial 39 MTW agencies have implemented a work requirement policy at some point since their designation as an MTW agency, and as of 2022, 7 MTW agencies still had a work requirement policy in place.¹ Aside from one study of the impact of work requirements at INLIVIAN (Rohe, Webb, and Frescoln, 2015), limited rigorous evidence exists regarding the impact of work requirement policies in assisted housing. The initial MTW PHAs submit annual MTW

¹ Each of the MTW PHAs went through a 30-day public review process, as detailed in their MTW Standard Agreement, to inform the community of this programmatic change; conducted outreach to encourage participation; and gave the public an opportunity to comment on the implementation of the program.

Plans and Reports that provide descriptive analyses on all of their MTW policies, including work requirements.

HUD supported this research effort to explore what could be learned about the implementation and outcomes of work requirement policies by studying the initial MTW agencies that have chosen to implement a work requirement policy at some point in time. Specifically, this study has three components:

1. A literature review focusing on work requirement policies in select public benefit programs, including assisted housing.
2. A series of interviews with a range of industry and advocacy groups and researchers to gather their perspectives on work requirement policies in HUD-funded assisted housing.
3. Semi-structured interviews with the nine initial MTW agencies that have ever implemented a work requirement policy.

Data collection and analysis for this study focused on the nine initial MTW agencies that have ever implemented a work requirement policy and is built on the developmental research conducted by HUD in October 2018.

Study Approach to Addressing the Research Objective

Exhibit 1 presents the study team’s approach to each of the three study components. The first step was to conduct a systematic literature review (component 1) focused on work requirement policies in four public benefits programs: SNAP, TANF, Medicaid, and HUD-assisted housing. Simultaneously, in consultation with HUD, the authors conducted interviews with eight industry and advocacy group experts and researchers to collect their perspectives on work requirements (component 2) and with key stakeholders at each of the nine initial MTW agencies that have implemented a work requirement policy (component 3).

Exhibit 1. The Team’s Mixed-Methods Design

Components	Procedures
1. Literature Review	<ul style="list-style-type: none"> • Conduct systematic literature review of published articles and reports on selected programs with work requirements.
2. Expert Interviews	<ul style="list-style-type: none"> • Develop interview protocol. • Select 12 key experts for interviews. • Interview eight experts from industry or advocacy groups and researchers.
3. MTW PHA Interviews	<ul style="list-style-type: none"> • Develop interview protocol. • Review key documents (MTW plans, website review, and other public information published regarding their work requirement policy). • Conduct nine interviews with staff from the MTW PHAs with work requirements (one per PHA).

Component 1: Literature Review

Under component 1 of this study, the study team conducted a comprehensive literature review of research on work requirements that have been established in four public benefit programs—SNAP, Medicaid, TANF, and housing assistance—by summarizing the peer-reviewed literature and any state and federal government reports that have documented or evaluated work requirement policies in each public benefit program identified. This literature review focused on research efforts that have documented the work

requirement policy, how the policy is implemented and enforced, and any available impact or outcomes data related to the work requirement policy. The findings from this literature review contribute to a foundational understanding of how public benefit programs implement work requirements; the findings also highlight key gaps in the existing knowledge base.

Reviewing and Screening Identified Literature

After conducting the initial searches on databases that store peer-reviewed literature and searching the web, the study team systematically documented the relevant literature for review and flagged any references in those articles for review. When the title or abstract met the inclusion criteria (see exhibit A.3 in appendix A), the authors flagged the study for a full-text review. For comprehensiveness, during the screening process, the team reviewed the literature not only for mentions of the selected programs of interest but also for mentions of work requirements in the relevant programs. For articles or reports that met the criteria for a full-text review, the authors extracted the following information, when available, for inclusion in the literature review.

- Citation
- Included program(s)
- Data source(s)
- Unit of analysis
- Population (and subpopulations of interest—for example, race and ethnicity, gender, income, geography, and other community characteristics)
- Work requirement
- Main theme
- Study design and methods
- Included variables
- Findings
- Study implications
- Suggestions for future research

Summarizing, Synthesizing, and Interpreting the Final Literature

Using the review process described in appendix A, the team identified common themes in the literature regarding work requirement policies, areas of concurrence or disagreement, and knowledge gaps. The Literature Review chapter in this report synthesizes the information from more than 50 articles and reports that provide a foundational understanding of the implementation of work requirements in public benefit programs and available outcomes and impacts that have been documented. For details on the methods used for the literature review, please see appendix A.

Component 2: Semi-Structured Interviews with Key Stakeholders

For this component, the study team conducted 60-minute semi-structured interviews with eight key stakeholders—experts and industry leaders in housing policy—identified by HUD. The interview data were analyzed using qualitative methods to identify key themes. Those themes are presented in the Findings from Key Stakeholder Interviews chapter in this report. Those interviews provide information on each organization’s perspective on work requirement policies in assisted housing and any intended outcomes from the work requirement policy.

Interview Guide Domains for Key Stakeholders

- Goal of a Work Requirement
- Development of a Work Requirement Policy
 - Inclusion/Exclusion Criteria for Participants
- Implementation of the Work Requirement
 - Length of Phase-in Period
 - Potential Barriers and Supportive Services to Overcome Those Barriers
 - Monitoring Compliance and Sanctions for Noncompliance
- Assessment of a Work Requirement Policy
 - Desired Outcomes

Key Stakeholder List

- **Angela Rachidi**, Senior Fellow and Rowe Scholar in Poverty Studies, American Enterprise Institute
- **Deborah Thorpe**, Deputy Director, National Housing Law Project
- **Diane Levy**, Principal Research Associate, Metropolitan Housing and Communities Policy Center at Urban Institute
- **Georgi Banna**, Former Director of Policy and Program Development, previously at the National Association of Housing and Redevelopment Officials
- **Michael Webb**, Managing Associate, Community Science
- **Nicole Barrett**, MTW Program Manager, MTW Collaborative
- **Tim Kaiser**, Executive Director, Public Housing Authorities Directors Association
- **Will Fischer**, Senior Director for Housing Policy and Research, Center for Budget and Policy Priorities

Component 3: Semi-Structured Interviews with MTW PHA Staff

Component 3 consisted of administering a 60-minute semi-structured interview guide² to staff from the nine initial MTW agencies that have ever implemented a work requirement policy. The interviews covered the motivations behind pursuing a work requirement policy; perceived benefits and desired outcomes from the policy; details on how the policy was implemented, monitored for compliance, and enforced for noncompliance; any documentation of outcomes from the policy; any modification to the requirement during the COVID-19 pandemic; any challenges faced and lessons learned during implementation; and recommendations for other MTW agencies that might be considering implementation of a work requirement policy. The PHA interviews provided information that could not be found in existing literature or program documents. Each MTW PHA profile includes standard elements representing the domains established in the interview guide and, as appropriate, integrated data abstracted from the literature review, data abstracted from PHA websites, a review of existing documents (such as MTW PHA plans, transcripts from previous interviews, and articles obtained during the literature review search), any relevant program or policy reports provided to the study team by HUD, and program data. After developing the program profile, the team provided the MTW PHA profile to respective program staff for review to ensure accuracy before the interview.

After the data collection phase ended, the team developed a case study for each PHA, updating the program profile using the interview data and using the guide domains as a template. This final case study was also sent to the PHA for review before finalizing.

Interview Guide Domains for PHA Staff

- Motivation for Work Requirement Policy
- Intended Benefits and Desired Outcomes
- Implementation of the Work Requirement, Including Compliance and Sanctions for Noncompliance
- Perceived Outcomes
- Inclusion/Exclusion Criteria for Participants
- Successes and Challenges of the Program
- Recommendations for Improvement, Expansion, and Sustainability to Better Serve HUD-Assisted Households

In qualitative research, *themes* are patterns across datasets that are important to the description of a particular phenomenon and are associated with a specific research question.

² Where available, the study team updated the Master Interview Guides through the background research conducted on each stakeholder and each MTW PHA program.

2. LITERATURE REVIEW

In the late 1990s, Congress began enacting laws that incorporated work requirements into several federal public benefit programs, including the Temporary Assistance for Needy Families (TANF) program and the Supplemental Nutrition Assistance Program (SNAP). Recently, several states adopted similar work requirement policies for individuals receiving Medicaid. This chapter provides a foundational understanding of the implementation of work requirements in those select public benefit programs and any outcomes or impacts of those policies that have been documented.

Temporary Assistance for Needy Families

Overview of TANF's Work Requirement Policy.

TANF provides cash assistance to needy families with children to help them achieve economic self-sufficiency. States can set their own policies regarding who is required to participate in work activities and which activities “count” as work activities. To maintain cash benefits, adults in families are generally required to participate in work activities for a certain number of hours per week depending on the number of work-eligible adults and the ages of children in their family. For example, single parents with a child younger than age 6 are required to work at least 20 hours per week, whereas two parents with young children are required to work at least 35 hours per week if the family is not receiving subsidized childcare or 55 hours per week if the family is receiving subsidized childcare (Hahn et al., 2017). Participants can engage in any of nine core activities to satisfy the work requirement; TANF also has three supplemental activities individuals can engage in after completing 20 hours per week of core activities. Federally funded TANF benefits are restricted to not more than 60 months for each family (Center on Budget and Policy Priorities, 2022). The work requirement component of the TANF program is the most rigorously evaluated work requirement policy across the set of federal benefit programs in which such a policy has been implemented.

Sanctions for Noncompliance. Sanctions are imposed on families that fail to meet the requirements without “good cause.” Although each state may determine its own penalty policy, nearly all states choose to terminate benefits to

TANF

TANF is designed to help low-income families with children with financial assistance and employment-related support services for up to 60 months. Each state has some flexibility in operating the program.

Eligibility: Participants are U.S. citizens or legal/qualified aliens who are residents of the state and who are pregnant or have a child.

Work Requirement Policy: All adults in families that receive TANF benefits are required to participate in work-related activities. Adults who have a documented disability, are pregnant, or have recently given birth can be temporarily exempted from the work requirements.

Desired Outcome of the Policy: Increase self-sufficiency of program participants and reduce their dependence on government benefits.

Activities That Count Toward Work Requirement:

- **Core activities:**
 - Unsubsidized employment.
 - Subsidized private sector job
 - Subsidized public sector job
 - Job search and job readiness
 - Community service
 - Work experience
 - On-the-job training
 - Vocational educational training
 - Caring for a child of a recipient
- **Supplemental activities:**
 - Job skills training
 - Education related to employment
 - Completion of secondary school

Federal Standards for Compliance: States engage more than 50 percent of cash assistance recipients with one work-eligible adult and 90 percent of families with two work-eligible adults in work activities for a minimum number of work hours.

entire families who are noncompliant. However, states' decisions are substantially affected by the federal work participation standards that penalize states by a reduction in TANF grant funding if they fall out of compliance (Falk, 2011). States also receive "caseload reduction credit" toward meeting the federal requirements if they have had a decrease in families on TANF since 2005, as most states meet their federal work compliance rates.

Impact and Success of the Work Requirement Policy. The body of literature evaluating the impact of the work requirement feature of the TANF program is robust and includes numerous rigorous impact studies. Studies of TANF's work requirement policy indicate that it has not been effective in assisting families to achieve financial independence, as designed (Hahn, 2018; Pavetti, 2018; Pavetti and Zane, 2021), for the following reasons:

- **The TANF work requirement policy led to a rise in deep poverty.** TANF work requirements led to modest employment increases, but most TANF benefit recipients remained in poverty because the initial employment gain tended to decrease over time (Pavetti, 2016). According to Trisi and Saenz (2020), the deep poverty (income below 50 percent of the federal poverty line) ratio among children in single-mother families, who are one of the target beneficiaries of TANF, had increased from 5.4 percent to 7.4 percent from 1995 to 2005 (one decade after the restrictive TANF program was created in 1996). Mitchell, Pavetti, and Huang (2018) found that 40 percent of parents had no earnings, and another 30 percent had earnings below the deep-poverty level in the fourth year after leaving TANF because of noncompliance sanctions.
- **The TANF work requirement policy did not help welfare recipients secure and retain stable jobs.** Because of low educational attainment or limited work experience, lack of childcare, or lack of transportation, many parents who received TANF assistance found securing and maintaining employment difficult. Although studies (for example, Zane and Pavetti, 2020) showed that at least 60 percent of TANF recipients were able to secure jobs during the first year after leaving the program, few worked steadily throughout that year, and the jobs tended to have high income volatility and turnover. For families with work-eligible adults whose TANF benefits were terminated due to noncompliance with the work requirement, employment rates tended to be lower compared with employment rates than families in which the parents exited TANF for other reasons (Lee, Slack, and Lewis, 2004).

Assessment of the Work Requirement Policy. The literature reviewed also indicated that the TANF work requirement policy produced other negative impacts, which are summarized below.

- **The TANF work requirement policy caused a decline in TANF welfare coverage.** Bentele and Nicoli (2012) observed a decline in TANF welfare coverage from 1995 to 2009, and they argued that with the strict work requirement policy, assistance recipients either found and were covered by other types of financial support (for example, SNAP) (Grogger, Karoly, and Klerman, 2002) or were terminated from TANF because of noncompliance with the work requirement (Falk, McCarty, and Aussenberg, 2014).
- **The TANF work requirement policy decreased the share of nonparticipants who reported wanting to work.** Barnichon and Figura (2016) found a decreasing share of nonparticipants (who were previously participating in TANF) who reported wanting to work, as the strict TANF work requirement policy pushed the recipients who were least able to find work out of the program.
- **The TANF work requirement policy contributed to restrictive childcare subsidies.** Ha and Ybarra (2013) observed that states strictly implementing the TANF work requirement policy were likely to have restrictive income eligibility rules for childcare subsidies, implying that childcare

assistance amounts might be insufficient in states that enforced the work requirement policy stringently.

- **The TANF work requirement policy did not have positive impacts on child well-being.** Wang (2015) found that stringent TANF policies did not positively affect children's well-being. Children were more likely to repeat a grade, parents were less likely to praise children or engage them in fun activities, and parents tended to spend less time reading to or with children in states with stricter adherence to TANF policies than in states with more lenient approaches to TANF policies.

Summary

TANF was designed to help needy families with children achieve self-sufficiency by providing financial assistance and connecting parents to work. However, research regarding TANF suggests that the work requirement policy failed to lift the families out of poverty or help them gain and retain employment. A review of the literature also revealed that the work requirement policy caused several negative outcomes for families. To improve the effectiveness of the current policy, Schott and Pavetti (2013) proposed the following changes for policymakers to choose from to improve the effectiveness of TANF's work requirement policy.

- **Redesign work requirements to engage recipients in a broader range of activities.** Changes such as (1) allowing a wider range of work activities, including those addressing serious barriers to employment, and (2) removing limits on some activities, including job training and vocational education, could be incorporated into the current work requirement policy.
- **Place more emphasis on employment outcomes instead of engaging in work activities.** Consider replacing assessment standards with employment-based measures that evaluate whether parents successfully secure employment after they exit TANF benefits. That change could encourage states to focus more on improving employment placement by giving more credits to states for successful employment placements and fewer credits for engaging participants in work activities.

Supplemental Nutrition Assistance Program

Overview of SNAP's Work Requirement Policy.

SNAP is the nation's largest antihunger program, providing food support to supplement the food budget of needy, low-income families so they can purchase healthy food and move toward self-sufficiency (USDA, 2018). SNAP has two sets of work requirements:

- General work requirements for program participants ages 16 through 59 who are able to work. They are required to register for work, participate in SNAP Employment and Training (E&T) or workfare, or take a suitable job.
- Additional work requirements for “able-bodied adults without dependents” (ABAWD) ages 18 through 49. They are required to meet both the general and ABAWD work requirements to receive SNAP for more than 3 months in a 3-year period. ABAWDs need to work or participate in a work program at least 80 hours a month to be considered compliant (USDA, 2019).

Sanctions for Noncompliance. If recipients fall out of compliance with the general work requirement, they are disqualified from receiving SNAP for at least 1 month. If recipients reenroll in SNAP and fail to meet the requirements again, disqualification from receiving SNAP could be longer than 1 month or even permanent.

For noncompliance with ABAWD work requirements, recipients are disqualified from benefits after 3 months of benefit receipt.

Individuals must meet the work requirement for a 30-day period or become excused from the work requirement to be eligible for SNAP participation again. Otherwise, they need to wait until the end of a 3-year period before they can apply to receive another 3 months of benefits (USDA, 2018).

Challenges Implementing Work Requirement Policy. SNAP's work requirement policy and time limits are complicated to administer, causing errors in determining which recipient's benefits should be terminated and increasing administrative costs. For example, some states struggled to determine if a beneficiary has a “good reason” to avoid sanctions and found that some recipients who had their benefits taken away actually met exemption criteria (Bolen, Llobrera, and Keith-Jennings, 2021). Moreover, Gehr (2017) argued that because state administrators devoted considerable time tracking work hours and

SNAP

SNAP aims to improve food purchasing power for eligible low-income households to improve their nutrition and reduce hunger and malnutrition. The federal government pays all benefits and splits the administration cost with states that operate the program.

Eligibility:

- A household's gross monthly income must be at or below 130 percent of the federal poverty line.
- A household's income minus allowable deductions must be at or below 100 percent of the federal poverty line.
- A household with elderly members or members with a disability have slightly different income limits.

Exceptions/Excused:

- Working at least 30 hours a week
- Meeting work requirements for another program (such as TANF or unemployment)
- Taking care of a child younger than age 6 or an incapacitated person
- Having a physical or mental limitation
- Participating in an alcohol or drug treatment program
- Studying in school or a training program at least half-time

Work Requirement Policy: Work-able adults ages 16 through 59 are required to meet SNAP work requirements.

Desired Outcome of the Policy: Improve food security and health

Activities that Count Toward Work Requirement:

- **General work requirements:**
 - SNAP E&T or workfare
 - Employment
- **ABAWD work requirements:**
 - Employment
 - Work program or workfare.

documenting compliance with the policy, they had less time and fewer resources to provide effective education and training services or assist beneficiaries reentering the workforce.

Impacts and Successes of Work Requirement Policy. Impacts of SNAP's work requirement policy have been widely examined in literature. The major findings are summarized below.

Work requirements led to a reduction in SNAP participation. Several studies found that the SNAP work requirement policy caused a large reduction in overall SNAP participation (Gray et al., 2021; Harris, 2021; Ku, Brantley, and Pillai, 2019; Stacy, Scherpf, and Jo, 2018), with nearly 600,000 people losing SNAP benefits from 2013 to 2017, which could lead to negative public health impacts due to the lack of food access (Ku, Brantley, and Pillai, 2019). Moreover, Gray et al. (2021); Stacy, Scherpf, and Jo (2018); and Harris (2021) observed that SNAP work requirements tended to disproportionately screen out people with greater economic vulnerability, including African-American recipients or recipients with low educational attainment.

Work requirements had no positive impact on employment. Although Harris (2021) detected a slight increase in employment caused by SNAP's work requirement policy, Feng (2021) argued that this increase might also be due in part to a strong economy with sufficient employment opportunities. Several other studies (Cuffey, Beatty, and Mykerezi, 2022; Feng, 2021; Stacy, Scherpf, and Jo, 2018; Wheaton et al., 2021) failed to find an effect of the work requirement on employment. Bolen, Llobrera, and Keith-Jennings (2021) argued that sanctions for noncompliance are not helpful for recipients to gain employment. Taking away SNAP benefits can result in significant hardship because food insecurity and poor health can make finding and sustaining employment more difficult.

Lessons Learned About SNAP Work Requirement Policy. Individuals who apply for SNAP benefits typically live in low-income neighborhoods and have low-paying jobs without paid sick leave, basic benefits, or stability (Keith-Jennings and Chaudhry, 2018), which creates challenges for beneficiaries to remain employed for an extended period and to work the required 20 hours per week to stay eligible for SNAP benefits (Bolen, Llobrera, and Keith-Jennings, 2021). For example, workers can lose their jobs when they are sick or because of transportation barriers, which would put them at risk of being terminated from SNAP benefits under the work requirement policy (Karpman, Hahn, and Gangopadhyaya, 2019). Stakeholders have also been critical of the 3-month time limit, as it does not consider labor market realities, such as the time required to look for a job (Bolen, Llobrera, and Keith-Jennings, 2021).

Summary

SNAP is designed to provide food support to low-income households. However, the work requirement policy in the program can create barriers to receiving benefits for some eligible households (Gray et al., 2021; Harris, 2021; Ku, Brantley, and Pillai, 2019; Stacy, Scherpf, and Jo, 2018). The policy has also been shown to be ineffective in helping recipients work toward self-sufficiency (Cuffey, Beatty, and Mykerezi, 2022; Feng, 2021; Stacy, Scherpf, and Jo, 2018; Wheaton et al., 2021). Bolen, Llobrera, and Keith-Jennings (2021) proposed the following two changes to make the work requirement policy more effective.

- **Focus on connecting SNAP participants to employment opportunities.** Instead of forcing participants to engage in required work activities, SNAP's work requirement policy should shift focus to help participants improve their skill sets through employment training, which may yield better employment outcomes and does not risk taking away benefits from needy families.
- **Eliminate the 3-month time limit.** As discussed above, the 3-month time limit increases the incidence of food insecurity for families without children. Bolen, Llobrera, and Keith-Jennings (2021) suggested that the additional work requirement applied to ABAWDs should be permanently eliminated.

Medicaid

Overview of Medicaid’s Work Requirement Policy.

In 2018, the Centers for Medicare & Medicaid Services (CMS)³ released a letter to state Medicaid directors outlining how states might implement a work requirement in the state Medicaid program, also referred to as community services engagement. Arkansas was the first state to implement a work requirement policy in its Medicaid program.⁴ The specifics of the work requirement policies among the 12 states⁵ that were approved to implement such a policy vary by state, with most states requiring work-able enrollees to work approximately 20 to 80 hours per month through qualifying activities to receive Medicaid benefits (Sommers et al., 2019). In January 2021, the U.S. Department of Health and Human Services (HHS) was directed to review waiver policies that may undermine Medicaid, and CMS subsequently withdrew Medicaid work requirement waivers in all states that had approvals.⁶

Sanctions for Noncompliance. Penalties for non-compliance vary slightly across states. For example, in Arkansas, enrollees who fail to comply with the work requirements for 3 months are disenrolled from Medicaid benefits and prohibited from reenrolling until the following January. In Indiana, Kentucky, New Hampshire, and Utah, noncompliant families were disenrolled but were able to regain Medicaid coverage as soon as they satisfied the work requirement (American Academy of Family Physicians, 2020).

Challenges Implementing the Work Requirement Policy.

Research suggests that a work requirement policy created the following hurdles for eligible beneficiaries (Hill and Burroughs, 2019; Wagner and Schubel, 2020):

Medicaid

Medicaid is a public insurance program that provides health coverage to low-income families and individuals, including children, parents, pregnant women, seniors, and people with disabilities. Each state has a great deal of flexibility in designing and administering its Medicaid program.

Eligibility:

- Children through age 18 in families with incomes below 133 percent of the federal poverty line.
- Women who are pregnant and have incomes below 133 percent of the federal poverty line.
- Certain parents or caretakers with very low incomes.
- Most seniors and people with disabilities.

States need to cover the populations above to receive federal funding, but they may also receive federal Medicaid funds to cover other optional populations.

Work Requirement Policy: Able-bodied Medicaid enrollees are required to work approximately 20 hours per week or 80 hours per month. Children younger than 18 years old, seniors, people who are medically frail or have a disability, pregnant women, and primary caregivers are exempted from the work requirements.

Desired Outcome of the Policy: Promote better health and help beneficiaries escape poverty.

Activities That Count Toward the Work Requirement:

- Full- or part-time employment
- Job training
- Education
- Volunteering
- Caregiving
- Community engagement activities

³ CMS did not implement a work requirement policy; instead, it approved states’ requests to implement a work requirement policy.

⁴ Arkansas’ work requirements resulted in 18,000 Arkansans losing coverage and were halted by a judge in federal district court.

⁵ Work requirement policies were approved by CMS to be implemented in 12 states, including Arizona, Arkansas, Georgia, Indiana, Kentucky, Michigan, Nebraska, New Hampshire, Ohio, South Carolina, Utah, and Wisconsin.

⁶ For further information, see the article at <https://www.kff.org/medicaid/issue-brief/an-overview-of-medicaid-work-requirements-what-happened-under-the-trump-and-biden-administrations/>.

Difficulty understanding the work requirement policy. Hill and Burroughs (2019) found that people interviewed generally had little knowledge and understanding of the policy, and many thought they were not subject to the policy. Understanding the policy was also more challenging for those with lower literacy and limited English proficiency, who are generally the target population of Medicaid.

Difficulty reporting work hours to stay in compliance. Participants are required to report work hours in an online system every month so they can stay in compliance. However, 33 percent of Medicaid-recipient adults had never used a computer before or had no access to the internet or a computer (Hill and Burroughs, 2019), which could lead to their mistakenly being disqualified from Medicaid benefits for noncompliance.

Lack of staff support. Lack of staff to assist beneficiaries by answering questions or providing reasonable accommodations for individuals with disabilities creates a bureaucratic maze that may lead to coverage loss for many eligible enrollees (Wagner and Schubel, 2020).

Impacts and Successes of the Work Requirement Policy. CMS noted that the work requirement policy can promote better health and improve well-being by increasing employment. However, several studies have shown that the work requirement policy was ineffective and potentially counterproductive (Garfield et al., 2018; Katch, 2016; Katch, Wagner, and Aron-Dine, 2018; Solomon, 2019; and Wagner and Schubel, 2020).

The Medicaid work requirement policy led to large coverage losses. According to Aron-Dine, Chaudhry, and Broaddus (2018), the rigid work requirement policy led to 46 percent of low-income working adults covered by Medicaid facing risk of losing coverage because of failure to meet the 80-hour requirement every month. At the state level, the proportion of Medicaid beneficiaries losing insurance coverage due to the work requirement policy also appeared large, with 25 percent in Arkansas (Hardy, 2018), 33 percent in Michigan (Erb, 2020), and 40 percent in New Hampshire (Wagner and Schubel, 2020). Coverage losses result in adverse consequences, including difficulty paying off medical debt, losing access to care, delaying care, worsened health conditions, and skipping medications because of the cost (Katch, Wagner, and Aron-Dine, 2018; Wagner and Schubel, 2020). For people with disabilities, losing coverage is even more harmful because they often depend on regular care to manage their health (Wagner and Schubel, 2020).

The Medicaid work requirement policy failed to increase employment or reduce poverty. The work requirement policy in the Medicaid program failed to increase long-term employment or reduce poverty due to the following reasons (Garfield et al., 2018; Katch, Wagner, and Aron-Dine, 2018; Wagner and Schubel, 2020).

1. Most Medicaid enrollees were already employed. For example, Garfield et al. (2018) found that in Virginia, 51 percent of enrollees worked full time (at least 35 hours per week), and the remaining 49 percent worked for only part of the year (26 weeks or more). However, many beneficiaries were working low-paying jobs; 78 percent of Medicaid benefit recipients were paid hourly, and 36 percent earned an hourly wage at or below \$10 an hour.
2. Sommers et al. (2019) and Sommers et al. (2020) found no evidence that the work requirement policy implemented in the Medicaid program promoted employment, increased the number of work hours, or increased rates of community engagement activities. For example, the researchers found that in Kansas, the number of enrollees who met the requirement by reporting enough work hours every month was low.
3. Medicaid enrollees reported that they struggled with unstable work and faced barriers to employment, such as a lack of access to transportation and childcare, low education, and lack of

vocational training—barriers that, unfortunately, are not supported by Medicaid (Musumeci, Rudowitz, and Lyons, 2018).

Summary

Research reveals that Medicaid’s work requirement policy does not promote better health, as evidence has consistently shown that the inclusion of a work requirement policy has led many people to lose or experience interruptions in Medicaid coverage. Moreover, the work requirement policy is ineffective in improving employment gains and moving people out of poverty. The following action was proposed to prevent more people from losing coverage.

- **Pause Medicaid’s work requirement policy.** The non-partisan Medicaid and Children’s Health Insurance Program Payment and Access Commission suggested pausing Medicaid’s work requirement policy (Medicaid and CHIP Payment and Access Commission, 2018). Solomon (2019) agreed that policymakers should follow this advice and pause the work requirement policy.

Housing Assistance

Overview of Moving to Work's Work Requirement Policy.

Moving to Work (MTW) is a demonstration program for public housing authorities (PHAs) that has three objectives: (1) improving the cost effectiveness of federal expenditures, (2) increasing the self-sufficiency of assisted households, and (3) increasing housing choice (HUD, 2022b). As of December 2015, 39 PHAs were designated as MTW agencies, and those PHAs had the option of implementing a work requirement policy in either the Housing Choice Voucher (HCV) program⁷ or the public housing program.⁸ To date, nine⁹ of those 39 initial agencies have ever implemented a work requirement policy. The work requirement policies that have been implemented vary by who is required to participate, how work is defined, and how the requirements are enforced (Webb, Frescoln, and Rohe, 2015). All nine agencies implementing a work requirement policy require all work-able adults (between the ages of 18 and 54 or 61) to work at least a certain number of hours (ranging from 15 to 30) per week. For most agencies, participating in a training or education program is also counted as engagement in work activities (Hahn et al., 2017; Levy, Edmonds, and Simington, 2018). In some PHAs, the work requirement policy generally applies to participants of all housing programs. Other PHAs have slightly different policies for different housing programs (for example, Lexington-Fayette Urban County Housing Authority [LHA]; LHA, 2020).

Sanctions for Noncompliance. Similarly, sanctions for noncompliance vary among the nine agencies. If households fall out of compliance with the work requirement policy, some agencies provide time for households to get back into compliance before terminating housing assistance altogether, whereas other agencies increase the household's rent contribution (for example, increasing it to market rate). Most agencies give households a window of time, such as 14 days or even 90 days, to get back into compliance.

MTW Demonstration Program

The MTW demonstration program aims to help residents achieve self-sufficiency and improve housing choices for low-income families. Between 1996 and 2016, HUD designated 39 PHAs as MTW agencies. In 2016, Congress directed HUD to expand the MTW program and add 100 PHAs to the program.

Eligibility: Congress has authorized specific PHAs to become part of MTW, and, in others, Congress has authorized HUD to competitively select the agencies through its own processes.

Work Requirement Policy: The policy varies among the nine initial MTW agencies, but they generally require adult participants to be involved in work activities to receive assistance. Elderly households and people with a disability are exempted from the work requirements.

Desired Outcome of the Policy: Varies across PHAs; in general, to help households achieve self-sufficiency and increase housing choices for participants.

Activities That Count Toward Work Requirement: Varies across PHAs, but can include the following:

- Full- or part-time employment
- Job training
- Full- or part-time enrollment in education
- Volunteering

⁷ The HCV program is the federal government's major program for assisting very low-income families, the elderly, and people with disabilities. A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program.

⁸ Public housing was established to provide decent and safe rental housing for eligible low-income families, the elderly, and people with disabilities. Public housing comes in all sizes and types, from scattered single-family houses to high-rise apartments for elderly families.

⁹ The nine agencies are the Housing Authority of the City of Atlanta, Housing Authority of Champaign County, INLIVIAN (Charlotte, NC), Chicago Housing Authority, Delaware State Housing Authority, Lawrence-Douglas County Housing Authority, Lexington-Fayette Urban County Housing Authority, Louisville Metro Housing Authority, and Housing Authority of the County of San Bernardino.

Families frequently are assigned to work with a case manager to help them get back into compliance with the policy.

Assessment of the Work Requirement Policy. Five¹⁰ of the nine agencies assess their work requirement policies through partnering with universities, researchers, or consultants. They generally evaluated the effectiveness of the policies by measuring employment rates, household earned incomes, and TANF usage rates and determined unintended consequences by assessing eviction rates. The final assessment outcomes were included in their annual reports and sent to HUD for review. To date, rigorous research on public housing's work requirement policy is scant; only one study (Rohe, Webb, and Frescoln, 2015) has conducted a relatively comprehensive evaluation on a work requirement policy, focused on the INLIVIAN work requirement policy. That study examined only short-term effects during the year following implementation of the work requirement, an important limitation because some studies of work requirements in other programs have found that benefits faded over time and adverse effects grew.

The main findings of Rohe, Webb, and Frescoln (2015) are summarized and presented below.

- The study found that the proportion of residents paying minimum rent decreased (as compared with a comparison group) after the imposition of sanctions due to a work requirement policy. The study also found that case management alone did not reduce the percentage of residents paying minimum rent (which the study considers a proxy for earned income).
- In the absence of employment data from a comparison group, the study analyzed the end-of-month data collected by case managers to track residents' work efforts. The results show that the percentage of employed residents in INLIVIAN increased substantially following work requirement enforcement, as residents did not want to be evicted for noncompliance. However, the study found that among those working, the average number of working hours did not display an increase similar to the employment rate; it remained unchanged despite a number of additional households working, probably because the newly obtained jobs often were part time. Although evidence exists of the effectiveness of work requirement policy in improving employment, determining whether the increase in employment was sufficient to meaningfully pull residents out of poverty requires further investigation.
- The study found no evidence that the work requirement and sanction policies increased evictions, likely because of the INLIVIAN's emphasis on assisting tenants to meet requirements instead of adopting a punitive approach. However, the study noted that one household was evicted due to nonpayment of the increased rent (part of the sanction for noncompliance) in the year following the enforcement of the work requirement policy.

Findings of annual reports and other descriptive studies are summarized and presented below.

- The Housing Authority of Champaign County's (HACC's), Chicago Housing Authority's (CHA's), and Lexington-Fayette Urban County Housing Authority's (LHA's) evaluations suggested that the work requirement policies positively affected average household income (HACC, 2019; Levy et al., 2019; LHA, 2020), consistent with the finding in Levy et al. (2019) that average annual household income per person subject to the work requirement had increased since CHA's work requirement policy went into effect. However, Levy et al. (2019) argued that

¹⁰ The agencies assessing their work requirement policies in this manner are the Housing Authority of Champaign County (HACC), INLIVIAN (Charlotte, NC), Chicago Housing Authority (CHA), Lexington-Fayette Urban County Housing Authority (LHA), and Housing Authority of the County of San Bernardino (HACSB); the assessment discusses the entire PHA program and does not evaluate the work requirement policy specifically).

whether the marginal increase in income was attributable to the work requirement policy or the economic recovery from the Great Recession and the city's increased minimum wage is unclear.¹¹

- The Delaware State Housing Authority (DSHA) reported that there were a growing number of households positively moving out of assisted housing and purchasing their own homes in 2020 (Delaware State Housing Authority, 2020).
- LHA's evaluation found that engagement in government assistance programs (for example, TANF) decreased from 2017 to 2018 (LHA, 2018).
- Similar to Rohe, Webb, and Frescoln (2015), Levy et al. (2019) found no eviction due to the work requirement and sanction policies in CHA, likely because of the PHA's emphasis of not adopting a punitive enforcement policy (which was also known to most residents). However, residents interviewed in the study expressed their frustration with having CHA determine the number of hours they should work; they suggested that working hours should vary on the basis of residents' circumstances, such as the number of children in a household.
- HACC's program assessment noted some major barriers to employment faced by households, including having a large number of children, having a felony conviction on their record, and having limited access to transportation and childcare (HACC, 2019). Levy et al. (2019) agreed that lack of childcare is one of the major barriers to employment in high-quality jobs encountered by residents participating in the CHA program. By examining the residents who failed to meet the work requirement of Housing Authority of the County of San Bernardino (HACSB), Distelberg and Taylor (2010) identified similar barriers to employment, including health problems, lack of job skills, poor education, disability, and lack of transportation.

Summary

Although annual reports by agencies and one rigorous study (Rohe, Webb, and Frescoln, 2015) provide some insights regarding the impacts of implementing a work requirement policy in assisted housing, whether the increases in employment and household income associated with implementation of the work requirement policy reach a level that enables self-sufficiency remains unclear. In addition, because this limited research has focused on only five of the nine PHAs that have implemented a work requirement policy, little is known as to whether similar impacts reported by those agencies would be found in the remaining four agencies. Moving forward, Hahn et al. (2017) and Levy, Edmonds, and Simington (2018) noted that comprehensive examinations of the effectiveness of housing assistance work requirement policies across the nine agencies are critical for policymakers to gain a better understanding of the policy.

¹¹ The city of Chicago raised its minimum wage from \$8.25 to \$11.00 in 2017 and subsequently to \$13.00 in 2019.

3. FINDINGS FROM KEY STAKEHOLDER INTERVIEWS

This section presents the findings from interviews with eight key stakeholders from industry groups, advocacy groups, and academics with expertise in the study of work requirements. Stakeholders included the following individuals:

1. **Angela Rachidi**—Senior Fellow and Rowe Scholar in Poverty Studies, American Enterprise Institute.
2. **Deborah Thrope**—Deputy Director, National Housing Law Project.
3. **Diane Levy**—Principal Research Associate, Metropolitan Housing and Communities Policy Center at Urban Institute.
4. **Georgi Banna**—Former Director of Policy and Program Development, National Association of Housing and Redevelopment Officials.
5. **Michael Webb**¹²—Managing Associate, Community Science.
6. **Nicole Barrett**—Moving to Work (MTW) Program Manager, MTW Collaborative.
7. **Tim Kaiser**¹³—Executive Director, Public Housing Authorities Directors Association (PHADA).
8. **Will Fischer**—Senior Director for Housing Policy and Research, Center for Budget and Policy Priorities.

The insights offered by those stakeholders can further our knowledge about the role of a work requirement policy in HUD-funded assisted housing, including considerations for policy design, implementation, and assessment of desired outcomes.

Designing a Work Requirement Policy for HUD-Funded Assisted Housing

The research team administered a semi-structured interview guide with each of the eight key stakeholders that was designed to gather information policymakers should consider when developing a work requirement policy, including policy goals, target population, number of work hours, work-related activities, changes in rent structures, and entities that should be involved in the policymaking process. The stakeholders were selected on the basis of their knowledge and expertise on work requirement policies in assisted housing or other public assistance programs (for example, Temporary Assistance for Needy Families [TANF], the Supplemental Nutrition Assistance Program [SNAP], and Medicaid) and to ensure a diverse representation of perspectives. Stakeholders were informed that the study team was interested in their perspectives as experts, not necessarily the official position of their organizations. Some stakeholders noted that they were opposed to a work requirement policy in assisted housing, and their input reflected policy options that could, in their view, reduce the harm caused by a work requirement policy if one were implemented.

¹² At the time of the interview, Dr. Webb was the Research Director at the Center for Urban and Regional Studies, University of North Carolina at Chapel Hill.

¹³ Mr. Kaiser requested the inclusion of two policy analysts affiliated with PHADA in his interview with the study team: Mr. Jim Armstrong and Mr. David Weber. The study classified the discussion as one interview despite having three interviewees.

Policy Goals. All stakeholders¹⁴ recommended that if a work requirement policy were to be instituted, policymakers should have the primary goal of increasing the employment and earned income of assisted households. Three stakeholders specified that employment should offer sustainable wages or, at least, wages that are enough to cover the costs associated with being employed, such as childcare, transportation, and clothing requirements (for example, steel-toed shoes and work uniforms). Four stakeholders stated that a work requirement policy should help assisted households achieve self-sufficiency and allow them to permanently move out of assisted housing. Two stakeholders suggested that the additional goal should be to help assisted households build assets.

I think that the goals would be that for people who are able to be employed, to support them in their efforts to access gainful employment that offers a living wage so that they're not, in a way, financially burdened by it, which sounds somewhat counterintuitive, but it needs to be a wage that would cover their costs. So if it's somebody who has not had to cover childcare because they've been at home and now they have to pay for childcare, what they earn from a job would need to be able to cover that and [other basic expenses] beyond that to help them on their way financially.

—Key Stakeholder

Target Population. All stakeholders generally agreed that if a work requirement policy were implemented, the policy should exempt households that are not work-able, including elderly and disabled households. However, stakeholders' views differed on how *work-able*, *disabled*, and *elderly* should be defined. Two stakeholders stated that public housing agencies (PHAs) should use HUD designations, whereas three stated that the decision should be left to individual PHAs. Two stakeholders stated that persons with caregiving responsibilities, such as parents of young children, should also be exempt from a work requirement policy.

Number of Work Hours. Stakeholders' views varied with respect to the number of hours of work that should be required under the policy if a work requirement were implemented. Some stakeholders (n=3) stated that assisted households should be required to work full time (at least 30 hours per week), whereas others (n=2) noted that the requirement should be for part-time work (about 15 to 20 hours per week). Two stakeholders suggested that PHAs could use a tiered system, in which work hours are increased over time. However, most stakeholders (n=6) agreed that flexibility should be used in determining the number of work hours, with considerations for local economies and job markets. Almost all (n=7) stakeholders stated that accommodations should be made for people with childcare needs.

Work-Related Activities. All stakeholders agreed that activities that help households find sustainable employment—such as job/career readiness activities, job/vocational training, apprenticeships, and internships—should count toward meeting any work requirement policy that would be established. Stakeholders also agreed that participation in an educational program should count regardless of whether it is an adult education program, a certificate program, or a degree program. Two stakeholders recommended that volunteer or community service should also count in terms of meeting a work requirement.

¹⁴ As detailed above, some stakeholders noted that they were opposed to a work requirement policy in assisted housing, particularly due to the punitive components of such policies. Those stakeholders were asked to participate in the discussion regarding work requirement as a thought experiment.

Changes in Rent Structures. Stakeholders offered various ideas on how to implement changes in rent structures that could encourage work, such as the following:

1. Disregarding a portion of the increased income for a period of time when calculating rent.
2. Implementing a tiered rent policy, in which households are grouped into tiers based on income. The rent is then fixed within each tier for a period of time (for example, 3 years) and stays the same during that period even if a household's income increases.
3. Saving a portion of the increased income in an escrow account for assisted households to use toward housing expenses, such as homeownership or rent.
4. Recertifying compliance with the work requirement on a biannual or triennial basis—or even more frequently—instead of annually.

At the present time, if somebody's earnings increase, they do pay more rent. And a major beef that assisted households have is that rent calculations are based on gross income. So I walk home with my check from Kroger's. I work there as a checker, and I come home with my check from Kroger's, and they've taken out Social Security and income tax withholding, Medicare, maybe some other state and local stuff, and my rent goes up at 30 percent of the gross on that check stub, not the net. And as a result, I end up with holding onto maybe 30 percent of what my take-home is. And so the current rent policy, I think, is very punitive around earnings and does a lot of disincentive.

—Key Stakeholder

Several stakeholders (n=5) also recommended that policymakers should look at examples of MTW PHAs that have implemented rent reforms effectively.

Entities That Should be Involved in the Policymaking Process. Stakeholders recommended that the following entities should be involved in the policymaking process:¹⁵

1. Assisted households, whether directly or through advocacy organizations.
2. PHA staff who will be involved in the implementation of the policy.
3. Service providers and community organizations that will be involved in the provision of supportive services.

Some stakeholders (n=2) stated that property managers or owners and industry groups should also be involved in the process, whereas others (n=5) recommended that HUD's role in the policymaking process should be to set policy guidelines, serve as a resource for information, and provide oversight. Certain stakeholders (n=2) noted that HUD could also play an instrumental role in facilitating collaboration and coordination of services among government agencies at the federal, state, and local levels because assisted households often are involved with other public assistance programs, such as TANF, Medicaid, and SNAP.

¹⁵ Stakeholders did not specify whether those entities should be engaged in policymaking at the PHA level, federal level, or both.

Policy Framing. Several stakeholders (n=4) expressed concern with the framing of the policy as a “work requirement” because the term has negative connotations and is politically divisive. They noted that the term does not accurately reflect the work-related activities and support services often included as part of the policy. Stakeholders recommended changing the name of the policy to, for example, “economic self-sufficiency policy” or “work incentive policy.”

I want to just also know if there's a way to move from the work requirement language because I think if you're providing job training opportunities, vocational training, or work opportunities and it's nonpunitive, I think moving away from the work requirement language is really important because people hear “work requirement” and totally freak out. Understandably.

—Key Stakeholder

Implementation and Monitoring of a Work Requirement Policy for HUD-Funded Assisted Housing

The second set of interview questions focused on what policymakers should consider pertaining to implementation of a work requirement policy and monitoring of compliance with the policy.

Implementation of Work Requirement Policy

Phase-In Period. Most stakeholders (n=6) agreed that households should be given an adequate phase-in period (that is, a notice period) before a work requirement policy becomes effective. Stakeholders' views on what constitutes an adequate phase-in period varied widely, with stakeholders recommending 6-, 12-, 18-, or 24-month phase-in periods. Almost all (n=7) stakeholders recommended that the appropriate length of time for the phase-in period should be left to individual PHAs and be based on factors such as the local job market and economy, availability of support services, and activities that count toward meeting the work requirement.

Effective Communication. All stakeholders suggested that effective communication of a work requirement policy requires language access (for non-English speakers) and the use of multiple platforms, including one-on-one meetings; in-person and virtual community meetings; electronic communications (for example, emails and e-newsletters); flyers or bulletins; and mailers, among others. Specifically, several stakeholders (n=4) recommended that PHAs should communicate information about a work requirement through public-facing staff (for example, case managers, property managers, and service providers) who interact with assisted households on a day-to-day basis and often have established relationships with them. Some stakeholders (n=3) recommended that PHAs can also communicate with assisted households through resident leaders or resident councils, especially for housing choice voucher (HCV) households.

Concerns or Needs that Should Be Considered.

Most stakeholders (n=7) agreed that barriers that prevent assisted households from participating in the labor market should be considered if designing a work requirement policy. In particular, stakeholders cited barriers such as lack of access to childcare, lack of reliable transportation, lower educational attainment, language barriers, substance abuse, mental health, domestic violence, and child welfare involvement. Some stakeholders (n=4) stated that policymakers should also consider local socioeconomic conditions, such as job market, economy, skills mismatch, and concentration of poverty.

For a work requirement policy in the housing assistance programs to work, there does need to be services provided. And that includes around employment, so job search help, help with soft skills in terms of how just even to interview, how to show up to work on time, as well as hard skills for people that don't have hard skills or [skills that are] marketable in the labor market. But then it goes even beyond that in terms of other social services. So if there is domestic violence in the household, or if there is a child welfare involvement, or if there's past history of homelessness or any sort of trauma in the household, those also can prevent people from entering the labor market.

—Key Stakeholder

Supportive Services.

All stakeholders mentioned that comprehensive supportive services would be crucial to the implementation a work requirement policy in assisted housing. They stated that supportive services should be targeted to address the barriers and needs of assisted households in a holistic manner related to childcare, transportation, job search, job readiness, job training, educational programs, financial literacy, afterschool programs, case management, mental health services, and substance abuse treatment, among others. Many supportive services are beyond the scope and capabilities of PHAs, and stakeholders acknowledged that those agencies must establish partnerships with community partners, such as Workforce Investment Boards, community colleges and universities, trade groups (for example, chambers of commerce), employers, childcare providers, financial literacy organizations, youth organizations, social service providers, and healthcare providers. Several stakeholders (n=5) also suggested that HUD can support PHAs in the provision of those supportive services by providing funding or facilitating coordination of service delivery with other government agencies, such as the U.S. Department of Labor and the U.S. Department of Health and Human Services.

Benefits Reduction Resulting from Increases in Earned Income. All stakeholders agreed that a challenge to increasing earned income among assisted households is the resulting possible reduction in benefit eligibility in other programs (for some tenants those reductions are fully or partially offset by increases in benefits, such as the Earned Income Tax Credit.) Stakeholders noted that no easy solution to the problem exists because HUD and PHAs do not have control over the policies of other public benefit programs such as TANF, Medicaid, and SNAP. Some stakeholders offered the following potential solutions: (1) disregarding increased income for a period of time and (2) interagency coordination of public assistance programs such as housing assistance, TANF, Medicaid, and SNAP.

Monitoring of a Work Requirement Policy

Compliance Monitoring. Stakeholders offered various suggestions on how PHAs could monitor assisted households' compliance with a work requirement policy:

1. Using a tracking system in which PHA staff or employment service providers can verify employment information and enter it in the tracking system.
2. Verifying compliance during recertification, whether annually, biannually, or triennially. However, assisted households should be required to report any loss of job or change in income within a specified period.

3. Allowing assisted households to self-report employment status as much as possible. PHA staff would then verify the information as needed.
4. Working directly with employers.

Sanctions for Noncompliance. Most stakeholders (n=6) agreed that households who are not in compliance with a work requirement policy should be given multiple opportunities to come into compliance before sanctions are imposed. Stakeholders recommended that PHAs should work with assisted households to address any barriers to employment. Most stakeholders (n=6) stated that assisted households should not be sanctioned for factors beyond their control—for example, lack of job opportunities due to an economic downturn. Several stakeholders (n=4) also recommended a soft sanctions approach, in which assisted households are given warnings, which can be escalated to sanctions such as an increase in rent. Most stakeholders (n=5) agreed that eviction or termination from an assisted housing program should be a sanction of last resort and should be used on very rare occasions. Some stakeholders (n=2) shared the perspective that eviction or termination should never be used as a sanction for noncompliance with a work requirement in assisted housing.

The most popular way has been kind of increasing rent sanctions. Again, there's an administrative burden attached to that. But I think from a program standpoint, it probably makes more sense. If your goal is to increase self-sufficiency and to get residents working. I mean, certainly increasing rent sanctions is a more effective way.

—Key Stakeholder

Suspension of Policy. Most stakeholders (n=7) agreed that a work requirement policy should be suspended during periods of economic downturn; natural disasters (for example, severe storms and tornados); and public health emergencies (for example, the COVID-19 pandemic). Four of the seven PHAs have suspended their work requirement policy due to the COVID-19 pandemic, and the remaining three have made necessary changes to their day-to-day operations in response to the pandemic (see additional details in the Case Studies Synthesis and Key Findings chapter).

Desired Outcomes of a Work Requirement Policy in HUD-Funded Assisted Housing

The third set of questions focused on what measures policymakers might assess when evaluating the effectiveness of a work requirement policy.

Policy Assessment. All stakeholders emphasized the importance of evaluating a work requirement policy to measure the positive outcomes of the policy, including increases in employment or earned income, and less desirable outcomes, such as increased hardship for households subject to the policy. Stakeholders highlighted several outcome measures that should be tracked:

- Rates of employment.
- Earnings.
- Number of hours worked.
- Job tenure—that is, length of time with a particular job.
- Employment tenure—that is, length of time in the workforce.
- Tenure in assisted housing.
- Number of assisted households sanctioned (including types of sanctions).
- Number of assisted households exiting the program (including reasons for exit).
- Destinations of assisted households who exit the program (short-term and long-term).
- Number of households achieving self-sufficiency.
- Number of households participating in workforce development activities and programs.
- Rent payment.

- Number of households receiving supportive services.
- Assets.
- Rates of poverty.

Most stakeholders (n=7) recommended that outcomes be tracked over long periods of time, at least 5 years, especially for assisted households who exit assisted housing after achieving self-sufficiency or as a result of sanctions. In addition, several stakeholders (n=3) recommended that assisted households be surveyed to learn more about their experiences.

4. CASE STUDIES SYNTHESIS AND KEY FINDINGS

This section synthesizes findings from the case studies of the nine Moving to Work (MTW) agencies that have ever implemented a work requirement policy. First is an overview of the public housing agencies (PHAs) and the characteristics of their work requirement policies, then comes discussion of the development and implementation of the work requirement policies at each PHA. Appendix B describes case studies providing in-depth information about each of the nine PHAs and the details of their individual work requirement policies.

Overview of Nine PHAs and Their Work Requirement Policies

The nine MTW agencies that have ever implemented a work requirement policy are diverse in size, maturity of implementation of work requirement policies, and key program parameters and requirements. (See exhibit 2 for an overview of key work requirement characteristics by PHA). Among the nine PHAs, the Delaware State Housing Authority (DSHA) and Lawrence-Douglas County Housing Authority (LDCHA) have been implementing their work requirement policies for the longest time (since 1999), followed by Atlanta Housing (AH) and Chicago Housing Authority (CHA), which instituted a work requirement policy in Fiscal Years (FYs) 2005 and 2009, respectively. The Housing Authority of Champaign County (HACC), INLIVIAN (formerly Charlotte Housing Authority), and Lexington-Fayette Urban County Housing Authority (LHA) were the most recent PHAs to implement a work requirement policy, in 2013 and 2014. Two PHAs have sunset their policies: Louisville Metro Housing Authority (LMHA) implementation started in 2007 and ended in 2017, and the Housing Authority of the County of San Bernardino (HACSB) work requirement policy for inbound housing choice voucher (HCV) portability households was implemented from 2010 to 2019 and for the Maplewood Homes Public Housing Community from 2013 to 2016.

Number of Households Affected. The annual number of households associated with work requirement policies varied greatly, with 106–420 households in smaller programs (for example, LMHA) and 5,900–8,000 households in larger programs (for example, AH and CHA).

Some PHAs apply work requirements to both public housing and HCV residents.

Age Requirement. All PHAs specified the ages of assisted households subject to work requirements, but those ages varied. Generally, work-able adults¹⁶ ages 18 years and older were required to engage in employment, but two PHAs extended the requirement to minors: AH required youths ages 16 and 17 years to work unless they were enrolled in school; CHA required 17-year-olds in assisted households who were not attending school to be employed. The age requirements for older adults varied as well: six PHAs set the upper age limit at 61 years, two PHAs at 54 years, and one PHA at 57 years. All PHAs except LHA and INLIVIAN required all eligible work-able individuals to be compliant with the work requirement. LHA required only the heads or co-heads/spouses of eligible households to be compliant, and INLIVIAN required only one work-able individual in eligible households to be compliant.

Elderly and household members with a disability are exempted from work requirements at all nine PHAs.

¹⁶ The definition of *work-able* adults varied between PHAs but generally excluded adults who were elderly or had a disability.

Exhibit 2. Key Characteristics of the Work Requirement Policy by PHA

PHA	Policy Implementation Start Date	Approximate Number of Assisted Households Affected Annually	Household Members Subject to Work Requirement	Employment or Self-Employment Hour Requirements ¹⁷
AH	FY 2005	8,600; public housing and HCV (PBV).	All work-able individuals ages 18–61 years; youths ages 16 and 17 years not enrolled in school.	Average 20+ hours/week.
CHA	2009	5,900; public housing and RAD conversion units.	All work-able individuals ages 18–54 years and 17-year-olds who are not attending school.	20+ hours/week of work or work-related activities.
DSHA	1999	420; public housing and HCV.	All work-able individuals ages 18–57 years.	Years 1 and 2: 20+ hours/week. Year 3: 25+ hours/week. Years 4 through 7: 30+ hours/week.
HACC	2013	1,200; HCV (including PBV).	All work-able individuals ages 18–54 years.	25+ hours/week.
HACSB	2010–2019 for inbound HCV portability; 2013–2016 for one public housing site (Maplewood Homes Community)	179 individuals (in 2013) at one public housing site (Maplewood Homes Community); number of inbound HCV portability households is unknown.	All work-able individuals ages 18–61 years.	In Phases I and II: work-related activities (but limited to 4 years). In Phase III: 15+ hours/week of employment.
INLIVIAN	2014	3,600; HCV (including PBV).	At least one work-able individual ages 18–61 years in a household.	20+ hours/week across eligible members of the household.
LDCHA	1999	400; public housing and HCV.	All work-able individuals ages 18–61 years.	15+ hours/week for each work-able adult. 35+ hours/week for two-adult households with a child age 13 years or younger. ¹⁸
LHA	2014 for newer public housing units and one PBV site; 2018 for 18 HCV households	813; newer public housing units, one PBV site, and 18 HCV households.	Work-able heads-of-household or co-heads/spouses ages 18–61 years.	In LSS I: 37.5+ hours/week. In LSS II and Centre Meadows [PBV site]: 20+ hours/week.
LMHA	FY 2007–FY 2017	106 (in 2016); new single-family public housing units	All work-able individuals ages 18–61 years.	20+ hours/week.

¹⁷ The number of hours is per individual except for INLIVIAN, where the number of hours is per household.

¹⁸ Only one work-able adult is required to meet the 35+ hours/week work requirement for this type of household.

A Review of Work Requirement Policies in HUD-Funded Assisted Housing

AH = Atlanta Housing. CHA = Chicago Housing Authority. DSHA = Delaware State Housing Authority. HACC = Housing Authority of Champaign County. HACSB = Housing Authority of the County of San Bernardino. HCV = housing choice voucher. LDCHA = Lawrence-Douglas County Housing Authority. LHA = Lexington-Fayette Urban County Housing Authority. LMHA = Louisville Metro Housing Authority. LSS = Local Self-Sufficiency. PBV = project-based voucher.

Hours and Work Requirement. The number of required work (or work-related) hours per week and the type of activities that fulfill the work requirement also varied across the nine PHAs. See exhibit 2 for further details on the hours and work requirement for each PHA.

DSHA increases the required work hours for residents as they progress: 20+ hours/week in years 1 and 2, 25+ hours/week in year 3, and 30+ hours/week in years 4 through 7. In years 1 through 3, residents can pursue part-time education or job training to fulfill the work requirement, but starting in year 4, only paid employment can fulfill the work requirement.

INLIVIAN planned to increase the required work hours across the two phases of the program: 15+ hours/week in phase 1 and 30+ hours/week in phase 2; however, that plan was not implemented, so specific details are not available. In year 1 (the start of an individual's eligibility), engagement in education, job training, or volunteering counted toward the work requirement, but starting in year 4, only paid employment fulfilled the work requirement. However, the PHA found monitoring this tiered work requirement to be overly complicated and ultimately modified the work requirement to mandate a minimum of 20 hours of employment per week, per household to simplify compliance monitoring.

Term Limits. Four PHAs paired their work requirement policy with term limits on the receipt of housing assistance. HACC implemented an 8-year term limit on assistance, DSHA implemented a 7-year term limit, LMHA implemented a 5-year term limit, and LHA implemented a 5-year term limit with the potential for a 2-year extension. LHA's term limit applied to only 18 households in the HCV Time Limit Pilot Program.

Other PHAs enforced a phased approach in which each phase had a limited length. For example, public housing assisted households in HACSB were allowed a maximum of 2 years in phase I and an additional 2 years in phase II. For an overview of qualified types of activities, see exhibit 3.

Exhibit 3. Activities That Qualify Toward the Work Requirement

Qualified Activity	Public Housing Authority								
	AH	CHA	DSHA	HACC	HACSB	INLIVIAN	LDCHA	LHA	LMHA
Paid Employment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Self-Employment	✓			✓			✓		
Volunteering ^a		✓			✓	✓	✓		
Education/Job Training ^b									
Full-time enrollment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part-time enrollment	✓	✓	✓		✓			✓	

AH = Atlanta Housing. CHA = Chicago Housing Authority. DSHA = Delaware State Housing Authority. HACC = Housing Authority of Champaign County. HACSB = Housing Authority of the County of San Bernardino. LDCHA = Lawrence-Douglas County Housing Authority. LHA = Lexington-Fayette Urban County Housing Authority. LMHA = Louisville Metro Housing Authority.

^a CHA: 10 of 20+ required work hours may be achieved through volunteering; INLIVIAN: 8 to 15 hours/week and volunteering are allowed for up to 60 days during households’ tenure in assisted housing; LDCHA: 15+ work hours may be achieved through volunteering; HACSB: In phases I and II of the program, volunteering may fulfill the work requirement.

^b AH and CHA: A combination of part-time education or training and part-time paid employment may fulfill the work hour requirement; DSHA: For the first 3 years, full-time enrollment in an educational or training program may fulfill the work requirement, as well as a combination of part-time education or training and part-time employment; HACSB: In phases I and II, vocational training, GED classes, apprenticeship, and enrollment in an educational program may all fulfill the work requirement; INLIVIAN: GED preparation or work toward a 2- or 4-year degree must be combined with part-time employment (15+ hours/week), and job training is allowed for only up to 12 months during households’ tenure in assisted housing; LHA: only paid on-the-job training qualifies.

Evaluation Efforts of the PHAs. All nine PHAs internally track and monitor key program metrics, such as year-over-year earnings and employment engagement of assisted households. Some PHAs had engaged in an initial assessment of household employment barriers and supportive service needs before the implementation of their work requirement policies. Those assessments led to PHAs providing wraparound services for families who were subjected to the work requirement policy. At various points in their policy development and implementation, some agencies have engaged with local research centers and university-based consultants to assess their program outcomes.

INLIVIAN is the only agency that conducted a third-party outcome evaluation of its work requirement policy, focusing on employment and evictions.

Initial Assessments:

- AH contracted with an urban planning research firm to conduct an independent study of its efforts to deconcentrate poverty in assisted household communities. The study's findings helped inform the development of the PHA's MTW program, including the work requirement policy.
- CHA worked with a local research center to conduct focus groups with various stakeholders, generating valuable information about early implementation challenges of its work requirement policy.

Annual Assessments:

- HACC involved a consultant in its policy development and has partnered with a university to help with the agency's annual reports.
- LHA engages a university-based consultant to conduct an annual assessment of the agency's MTW initiatives.
- HACSB contracted a university to conduct a needs assessment study of the Maplewood Homes Public Housing Community that compared the needs of residents at the site between 2010 and 2016.

Development of a Work Requirement Policy

Motivations and Goals. The PHAs shared overarching goals for implementing a work requirement policy: ***promoting economic self-sufficiency and assisted households' quality of life.*** PHAs reported that, combined with supportive services, the work requirement policy encourages assisted households to gain or retain jobs.

Additional goals reported by the PHAs were ***reducing cost and achieving greater cost-effectiveness in federal expenditures.*** Two agencies (CHA and AH) implemented work requirement policies as part of their broader plans and public housing portfolios. To help households move away from communities with concentrated poverty, the two PHAs redeveloped their public housing into mixed-income housing.

So I think, overarchingly, we want to see our families thrive. Back when we got the Moving to Work designation, we knew that we wanted to get our families out of that concentrated poverty environment because we knew it didn't have any good outcomes for our families and the cycle, the generational cycle of living in poverty. So a lot of our work under MTW has been deconcentration of poverty.

—AH Staff Member

Policy Development Considerations and Stakeholders Involved. In developing their work requirement policies, PHAs considered the barriers that assisted households often face in achieving self-sufficiency and exiting housing assistance. Barriers identified by assisted households included—

- Lack of affordable housing.
- Transportation.
- Childcare.
- Limited local employment opportunities.
- Poor credit history.
- Lack of skills and education.
- Generational poverty.
- Low-performing schools.

Most PHAs involved their leadership and local partner organizations in the development of the work requirement policy. Those agencies reported that their resident services or resident advisory councils, local housing advocacy groups, and homeless services networks were involved in the development of the policy. As previously mentioned, three PHAs also engaged outside consultants in their policy development work.

Policy Changes. Over the years, PHAs have modified their work requirement policies in several ways to adjust to local job market conditions, increase the number of households eligible to participate in their work requirement policies, and facilitate assisted households' compliance with the work requirement policy.

One-half of the PHAs have reduced the required number of hours of work, and two PHAs have dropped their work requirement completely.

Four PHAs modified their work requirement by decreasing the required number of work or work-related hours.

- In FY 2007, LDCHA reduced the number of required work hours per week from 20 to 15 because an economic downturn made finding and retaining jobs difficult for assisted households.
- AH reduced required work hours from 30 to 20 hours per week 10 years into implementing the policy. The key rationale prompting the change was that AH realized that most of its assisted households were being “penalized” for working in jobs where employers would not schedule their employees for 30 or more hours to avoid triggering the requirement to provide insurance under the Affordable Care Act (ACA).¹⁹
- In FY 2010, LMHA reduced its required work hours from 30 to 20 hours per week because its assisted households were affected by the downturn in the local economy.
- INLIVIAN’s work requirement policy was a phased model, which initially conceived that assisted households would progress from 20 to 30 hours of required work per week. The policy also specified required hours for the head of household and other household members. Due to a significant administrative burden to track compliance with required work hours and to help families graduate from minimum rent, the policy was modified to institute a 20-hours/week work requirement across all members of a household for assisted households in both phases of the program.

¹⁹ ACA, sometime called Obamacare, is a federal healthcare statute that Congress enacted and signed into law in 2010. For more information about ACA, see: <https://www.healthcare.gov/where-can-i-read-the-affordable-care-act/>.

By contrast, two PHAs increased the number of required work hours.

- DSHA increased its required work hours from 20 to 25 hours per week for assisted households in year 3, and from 25 to 30 hours per week for assisted households in program years 4 through 7. The PHA reported that MTW participants often achieved the 20-hours-per-week work requirement but did not increase their hours beyond that requirement, prompting a revision of the policy.
- HACC also increased its required work hours from 20 to 25 hours per week during its second year of policy implementation.

Other policy changes included extending time for assisted households to become compliant with work requirements before imposing sanctions.

- CHA increased the time for each Safe Harbor period—that is, a period when assisted households can obtain an exemption from the work requirement policy—from 90 to 180 days to provide assisted households adequate time to work with service providers on becoming compliant with the work requirement policy.

Policy Changes Resulting from the COVID-19

Pandemic. Due to the COVID-19 pandemic, four of the seven PHAs with a work requirement policy (AH, DSHA, INLIVIAN, and LDCHA) suspended their policy. Specifically, INLIVIAN waived enforcement of the work requirement policy and increased its capacity to provide coordinated case management services and oversee the assisted households' health.

Three PHAs (CHA, HACC, and LHA) did not suspend their work requirement policies but made necessary changes to their day-to-day operations in response to the pandemic. For example, HACC continued to accept vital documents from assisted households through email, fax, or drop box and launched virtual online briefings beginning in April 2020. CHA reported that, due to job losses and health and safety reasons, the agency expected more assisted households to enter Safe Harbor status, which allows assisted households a 180-day exemption from the work requirement policy. LHA waived the requirement for the 3 months work history to be consecutive; it also waived imputed rent for public housing households.

We haven't technically suspended it, even with the pandemic. We knew that it affected our residents, but because we have Safe Harbor we certainly knew that there might be periods of time where people would go to that. I think we are a bit more liberal in acknowledging that people were losing their jobs or their jobs were unsafe to go to because a lot of times we're talking about the frontline worker that was essential and low paid.

—CHA Staff Member

Implementation of a Work Requirement Policy

Supportive Services. The MTW agencies implementing work requirements provide a wide range of supportive services directly or through community organizations to promote assisted households' employment and educational attainment and to help them address barriers to employment. For an overview of the types of supportive services offered by the PHAs, see exhibit 4. Case management and employment services are specifically highlighted below. Most of the PHAs offer case management, employment or workforce development services, or both to their assisted households. However, the types of services vary and are provided in different ways. For example—

- AH and CHA contract with various service providers to provide a wide range of workforce

development services, including job readiness and training, career counseling, job coaching and retention support, and employment referrals, among others.

- LDCHA employs two *Employment Specialists* who help assisted households become ready for work by engaging them in activities such as resume and cover letter preparation, conducting mock interviews, and helping them purchase an interview outfit. The PHA's community partners (for example, Lawrence Workforce Center, Peaslee Tech, and Kansas University) provide job training, and the PHA has a computer lab where assisted households can conduct job searches.
- HACSB contracted with the local workforce development department to visit the public housing residents once a week to provide onsite services such as job search and placement, resume writing, career assessment and counseling, interviewing techniques, and training or job referrals.
- DSHA case managers work with assisted households to identify employment and training needs and then refer the households for services at the Delaware Department of Labor One-Stop Centers. At the One-Stop Centers, assisted households can receive services such as resume preparation, job searching, interviewing skills, and job training. Assisted households also have access to the PHA's computer labs to conduct job searches.
- INLIVIAN works with local community partners (e.g., Charlotte Works [local workforce development board] and other local partner organizations) to offer assisted households a range of workforce development services, including job readiness, career assessment, job search and placement, and job training.
- HACC provides a pre-apprenticeship program through YouthBuild for households where youths are subject to a work requirement. The PHA's development partners and contractors provide assisted households with construction job training and placement. Assisted households also receive referrals for job readiness assistance.

Exhibit 4. Types of Supportive Services Provided by PHAs or their Community Partners

Public Housing Agency								
AH	CHA	DSHA	HACC	HACSB	INLIVIAN	LDCHA	LHA	LMHA
Case Management								
	Mandatory only if a household falls out of compliance.	Mandatory; has onsite case managers.	Mandatory only if a household falls out of compliance.	Optional.	Optional; provided on site in properties.			Initially mandatory, then made optional.
Employment/Workforce Development Services								
Job readiness, training, job search and placement, career counseling, job coaching and retention support, referrals, among others.	Job readiness, training, job search and placement, career counseling, job coaching, referrals, among others.	Range of services through the Delaware Department of Labor One-Stop Centers.	YouthBuild/ Apprenticeship Program, training in construction jobs through contractors and development partners, job search and referrals.	Contracted with a local workforce development department for onsite employment services (once a week).	Job readiness and placement, range of employment services through local partnerships, including local workforce development board.	Job readiness, training, job search and placements, job training through local One-Stop Center, and employment referrals.	Referrals to local employers and employment services providers.	Referrals to local employers and local workforce investment board.
Education Services								
Adult basic education, GED classes.	Adult basic education, GED classes.	Adult basic education, GED classes.	Academic counseling, scholarships and grants, tutoring.	Adult literacy.	College prep and readiness programs, college scholarships.	Adult basic education, GED classes, assistance with school enrollment and financial aid applications, tutoring.		
Childcare/Afterschool programs								
Afterschool and summer programs, childcare assistance.	Afterschool programs, summer youth employment program,	Onsite day care centers, afterschool programs, summer youth	Referrals for childcare.	Referrals for childcare.	Childcare subsidies, afterschool programs, summer	Onsite day care center, childcare assistance, early childhood education, baby	Referrals for childcare assistance	

Public Housing Agency								
AH	CHA	DSHA	HACC	HACSB	INLIVIAN	LDCHA	LHA	LMHA
	childcare assistance, early childhood education, parenting resources.	development initiatives, parenting classes.			activities, early education program.	supplies, parenting education, afterschool program.	and services.	
Homeownership/Economic Mobility Programs								
Down Payment Assistance Program, homeownership education and counseling, Good Neighbor Program, financial literacy.	Homeowners hip education and counseling, economic stability education, financial literacy.	Homeownership education and counseling, financial literacy, MTW Savings Account, an escrow account.	SHIFT, an FSS program that helps HCV heads of household achieve economic self-sufficiency, including homeownership.	Financial literacy.	Homeownership program.	Homeownership program, financial literacy.		
Other Services								
Aging well programs, assistance with basic needs such as transportation, clothing, utilities, health care, among others.	Family coaching, clinical services and referrals, assistance with basic needs such as transportation, clothing, health care, among others.			Self-sufficiency coaching and referrals, social services referrals.	Transportation services, youth sports, and athletics programs.	Grants for car repairs, bus passes, funding for driver's education, nutrition, assistance with clothing for work.	Referrals for social services.	

AH = Atlanta Housing. CHA = Chicago Housing Authority. DSHA = Delaware State Housing Authority. FSS = Family Self-Sufficiency. GED = General Educational Development. HACC = Housing Authority of Champaign County. HACSB = Housing Authority of the County of San Bernardino. HCV = housing choice voucher. LDCHA = Lawrence-Douglas County Housing Authority. LHA = Lexington-Fayette Urban County Housing Authority. LMHA = Louisville Metro Housing Authority. MTW = Moving to Work.

Compliance Monitoring. At some PHAs, compliance monitoring is done by agency staff; others engage property managers and service providers. Other aspects of compliance monitoring vary across the PHAs as well, such as the frequency and process for rent recertification and the implementation of sanctions for noncompliance. At all PHAs, staff help noncompliant households directly or refer them for needed services to help them return to compliance.

At CHA, service providers and property managers monitor compliance, whereas CHA's Departments of Resident Services and Property & Asset Management document and track data collected from assisted households. Data tracked include the reason for requesting a Safe Harbor exemption and the timeframe for tracking the 180 days. CHA then pulls the data every 180 days to determine assisted households' compliance with the work requirement. Noncompliant households can request Safe Harbor exemption but must participate in mandatory support services if approved. The 180-day exemption can be reapplied an unlimited number of times with the service provider's approval.

DSHA requires households to present their pay stubs to a case manager on a quarterly basis. In the event of a job loss, households are given 30 days to find a new job; otherwise, they receive a compliance violation warning. After three such warnings, households can lose housing assistance. The PHA also has sanction waivers, allowing exemptions from work requirements due to medical emergencies and other extenuating circumstances.

For an overview of compliance monitoring processes and sanctions for noncompliance at the nine PHAs, see exhibit 5.

Challenges. PHA staff mentioned the following key challenges in implementing a work requirement policy:

- Early implementation challenges, such as securing staff buy-in for the policy and achieving resident awareness and understanding of the work requirement policy.
- Assisted households' concerns that being employed will cause them to experience a "benefits cliff," making them no longer qualified for other types of public assistance they depend upon.
- A lot of time spent on compliance monitoring and tracking, leaving PHA staff with limited time to provide supportive services.
- Motivating assisted households who experience multiple barriers to engage in work and providing support to address the barriers that are identified.
- Stigma associated with receiving housing assistance that makes finding employment difficult for assisted households.
- Local job market conditions and low minimum wage that make achieving self-sufficiency difficult for assisted households.

Exhibit 5. Compliance Monitoring Process and Sanctions for Noncompliance by PHA

	Compliance Monitoring Process	Sanctions for Noncompliance
AH	<p>Recertification is on an annual, biennial, and triennial basis depending on the household’s compliance status.</p> <p>Conducted by PHA for households in the HCV program and by property managers in the public housing program.</p>	<p>In the event of a job loss, households are referred to employment services and given 90 days to find a new job.</p> <p>Rent relief is granted on a case-by-case basis.</p> <p>Noncompliant households can be terminated, but it is a rare occurrence. Staff reported that over the past 8 years, AH has terminated only 64 households from the program for failure to comply with the work requirement, including nonparticipation in referral service activities.</p>
CHA	<p>Monitoring is done by service providers and property managers; CHA’s Departments of Resident Services and Property & Asset Management ensure that data are being tracked correctly.</p>	<p>In the event of a job loss, households can enter Safe Harbor status.</p> <p>Households can have 180-day exemptions approved for having a child younger than age 1 or for experiencing domestic violence.</p> <p>Noncompliant households are subject to lease termination and eviction. However, staff reported that CHA has never evicted any household for noncompliance with the work requirement since the policy went into effect in 2009.</p>
DSHA	<p>Households must present their pay stubs to a case manager on a quarterly basis.</p>	<p>In the event of a job loss, households are given 30 days to find a new job.</p> <p>After three compliance violation warnings, households can lose housing assistance, although it is a rare occurrence. Staff reported that the policy has been in place since 1999, but less than 2 percent of households have ever received a third strike.</p> <p>DSHA has sanction waivers, allowing exemptions from work requirements due to medical emergencies and other extenuating circumstances.</p>
HACC	<p>Compliance monitoring is done by PHA staff at the household’s annual recertification.</p> <p>Households are required to present proof of employment, such as pay stubs.</p>	<p>In the event of a job loss, households have 90 days to either find a job or enroll in an education program to get in compliance.</p> <p>Noncompliant households can be terminated from the program.</p> <p>HACC has sanction waivers, allowing exemptions from work requirements due to medical or sole caregiver reasons.</p>
HACSB	<p>Recertification was annual and done by an onsite coach for the Maplewood Homes Public Housing Community and by an HACSB Housing Services Specialist for inbound HCV portability households.</p>	<p>When not in compliance, households were given 90 days to become compliant and were able to extend it for an additional 90 days; for public housing, sanctions included rent being increased to market rate; for HCV households, previous imputed income determined rent subsidy.</p>
INLIVIAN	<p>Monitoring is done by life coaches in coordination with property managers.</p> <p>Life coaches meet with the property managers on a monthly basis to review and discuss households’ compliance with the work requirement.</p>	<p>In the event of a job loss, households get a 90-day window to comply before rent sanctions begin.</p> <p>After 90 days in noncompliance status, Phase I sanctions are imposed: the household’s income is calculated using the state minimum wage multiplied by the number of hours in the work requirement (i.e., 20 hours/week) for up to 3 months, then sanctions are escalated to Phase II.</p>

Compliance Monitoring Process	Sanctions for Noncompliance
<p>LDCHA</p> <p>Households are subject to the work requirement at admission/move-in to public housing or HCV programs. Recertification is conducted annually and done by PHA staff. LDCHA does not monitor compliance between annual recertifications.</p>	<p>Under Phase II Sanctions, households lose 100 percent of their housing subsidy for up to 180 days and are required to pay the established contract rent. If the household remains noncompliant after that period, it is recommended for termination and receives an informal hearing before final program termination. However, terminations from the program due to noncompliance with the work requirement are very rare. Staff reported that fewer than 10 households have been terminated from the program since the policy went into effect in 2014.</p> <p>Sanction waivers are granted on a case-by-case basis for extenuating circumstances (e.g., medical emergencies). The waivers are reviewed every 90 days.</p> <p>Households are given 30 days to comply with the policy if they are not in compliance at admission.</p> <p>When households are not in compliance at annual recertification, they receive a notice of violation and are given 14 days to comply.</p> <p>Households who are noncompliant are given an opportunity to participate in LDCHA’s FSS or ROSS-SC program to become compliant, but participation is voluntary. Households who remain noncompliant after referral to the FSS or ROSS-SC program can be sanctioned. Possible sanctions include a rent increase to full market rate and termination from housing assistance. However, staff reported that LDCHA has never terminated any household for noncompliance with the work requirement. LDCHA provides a degree of rent relief to assisted households who experience loss of earned income through sanction waivers, known as hardship rent reduction.</p>
<p>LHA</p> <p>Monitoring is done by PHA staff during annual recertification. Households are required to provide at least six pay stubs.</p>	<p>When households are not in compliance, they are subject to rent based on imputed income. Households can request a hardship waiver, allowing them to pay the minimum rent for 90 days. The hardship waiver can be renewed and assisted households are not limited in the number of waivers allowed.</p>
<p>LMHA</p> <p>Monitoring was done by property managers. Annual recertification was done by property manager and paired with quarterly review of employment status done by case managers.</p>	<p>When not in compliance, LMHA moved households back into regular public housing units, if available; the housing authority had no formal process for sanction waivers.</p>

AH = Atlanta Housing. CHA = Chicago Housing Authority. DSHA = Delaware State Housing Authority. FSS = Family Self-Sufficiency. GED = General Educational Development. HACC = Housing Authority of Champaign County. HACSB = Housing Authority of the County of San Bernardino. HCV = housing choice voucher. LDCHA = Lawrence-Douglas County Housing Authority. LHA = Lexington-Fayette Urban County Housing Authority. LMHA = Louisville Metro Housing Authority. MTW = Moving to Work. PHA = public housing authority. ROSS-SC = Resident Opportunity and Self-Sufficiency Service Coordinator.

Successes. PHA staff have observed increases in wages, employment, workforce engagement, and retention among assisted households subject to the work requirement policy. PHA staff also shared vignettes describing how some assisted households benefited from work requirement programs, were able to achieve their academic goals, completed employment trainings, and were successfully placed in jobs.

The most successful thing is that it really does move individuals toward self-sufficiency. And we've had individuals who started our program that didn't have a GED. They got their GED. They did job training; they got into employment and were able to move on successfully.

—DSHA Staff Member

Lessons Learned. All PHA staff interviewed viewed the work requirement policy as valuable in helping assisted households move toward self-sufficiency. Staff emphasized the importance of supportive services in support of the implementation of the work requirement policy. Furthermore, some staff underscored that having a work requirement policy establishes that public housing is temporary while people get back on their feet. PHAs highlighted several considerations as critical for successful implementation of the work requirement policy:

I would not recommend doing a work requirement without providing internal employment and education supports through FSS and ROSS-SC. I would be philosophically opposed to that because I don't think that's a fair application of a work requirement.

—LDCHA Staff Member

- Conducting a community needs assessment and research about the local job market to help tailor services to support assisted households.
- Educating assisted households and conducting public outreach about available support services.
- Getting buy-in from stakeholders, including tenants and staff, during development of the work requirement policy.
- Continuously monitoring the program to assess outcomes and outline potential changes to the policy.
- Having flexibility and patience in implementing and modifying the policy to achieve intended goals.

Overall, PHAs share similarities but also vary significantly in many aspects of their work requirement policies, as each PHA has adapted their work requirement to local population and labor market conditions.

5. CONCLUSION

Two of the largest federal public benefit programs, Temporary Assistance for Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP), have a work requirement policy as a condition of program eligibility and benefits, rationalized on the basis of reducing poverty through paid employment. Beginning in 2018, several states adopted similar work requirement policies for Medicaid beneficiaries, although by 2022, those policies were no longer in effect. Similarly, over the past two decades, 9 of the initial 39 public housing agencies with Moving to Work (MTW) designations have implemented a work requirement policy. As of March 2022, seven of the nine MTW PHAs still had a work requirement policy in place.

Several studies have investigated the effectiveness of work requirement policies in fulfilling the policy goals across the four public benefit programs. Literature review findings for TANF, SNAP, and Medicaid revealed that the work requirement policies in those three programs caused many recipients to lose or experience an interruption in program benefits and failed to help people gain meaningful employment to move them out of poverty. Researchers have proposed to policymakers that to improve the employment outcomes of TANF and SNAP participants, work requirement policies need to focus on improving participants' skillsets through employment training such as on-the-job learning and connecting them to better-quality jobs to improve employment outcomes rather than requiring immediate engagement in required work activities. Because of the serious negative outcomes that have resulted from Medicaid's work requirement policy, the Centers for Medicare and Medicaid Services (CMS) has rescinded approval for work requirements in all states that had implemented its policy in recent years.

Only one rigorous evaluation of the impact of a work requirement policy in HUD-assisted housing has been conducted (INLIVIAN in Charlotte, NC). This study has shown some promise, as the program demonstrated short-term improved employment gains and household income among the households that were subject to the work requirement policy. Other PHAs have assessed their work requirement policy by examining their outcome measures over time, but those studies were largely observational and lacked a comparison group.

To better understand the various perspectives on work requirement policies, the study team conducted interviews with eight key expert stakeholders and industry leaders in the housing policy community to gather their perspectives on the role of a work requirement in assisted housing. Although some stakeholders were opposed to the implementation of a work requirement policy in assisted housing, most agreed that if a work requirement policy were to be implemented, the policy should strive to increase assisted households' employment and earned income so households can permanently move out of assisted housing. In addition, the consensus among the stakeholders was that comprehensive supportive services are crucial for the success of a work requirement policy and to reduce the adverse consequences for households subject to the policy. Several stakeholders expressed concern with framing the policy as a "work requirement." Those stakeholders noted that the term has negative connotations, is politically divisive, and does not reflect the support services provided to assisted households by MTW PHAs that have implemented a work requirement.

The study also collected and analyzed data from the nine MTW PHAs that have implemented a work requirement policy to date. The work requirement policies at each of the MTW PHAs share similarities but also vary substantially in terms of specifics, such as work activities, work hours, time limits, which participants are subject to the work requirement, and implementation procedures. However, the MTW PHAs share a common goal: to promote economic self-sufficiency and quality of life of public housing

assisted households (and reduce their residents' dependence on government assistance). Each PHA has adapted its work requirement policy to the unique needs of the assisted households served and the local community. That adaptation has resulted in considerable variation in the implementation of the work requirement policy adopted by each MTW PHA. Case studies of each of the nine MTW PHAs that have implemented a work requirement policy are presented in appendix B.

Overall, the findings from this study contribute to a contextual understanding of how work requirements might be implemented in assisted housing, providing key insights into how each of the nine MTW PHAs have implemented the work requirements and highlighting key gaps in the existing knowledge base that can be explored in future studies.

APPENDIX A: DETAILS OF LITERATURE REVIEW

The study team employed a multistep literature review process to describe Medicaid, Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), and assisted housing (public housing and Housing Choice Voucher [HCV]) programs’ work requirements. The literature review process consisted of the following steps:

1. Searching the literature using approved search terms, including soliciting seminal literature from U.S. Department of Housing and Urban Development (HUD) subject matter experts and reference lists.
2. Reviewing and screening identified literature using inclusion and exclusion criteria.
3. Reviewing full-text literature.
4. Summarizing, synthesizing, and interpreting final literature.

The following sections provide details regarding the team’s approach to searching the databases for peer-reviewed literature, state and federal government reports, and organization websites, including the process for screening and reviewing the identified literature and synthesizing and interpreting the included literature.

1. Searching Literature

In consultation with the Contracting Officer’s Representative (COR), the team developed initial search terms (such as the specific program names “SNAP,” “Medicare,” “TANF,” and “housing” with “work requirement”) to limit the search. Those search terms and inclusion and exclusion criteria (see exhibit A.3) were used to search for state and federal government reports and peer-reviewed literature.

Peer-Reviewed Literature

The team searched four electronic databases for peer-reviewed literature in December 2021 and January 2022: Academic Search Complete, PubMed, Web of Science, and JSTOR. Those databases catalog a wide array of peer-reviewed journals that publish content related to well-being and housing support programs. Searches were restricted to articles published or written in the past 10 years (2011 or later) for TANF, SNAP, and Housing programs, with research conducted in the United States and available in English. For Medicaid, searches were restricted to articles published in 2016 or later. See exhibit A.1 for the search terms used for the peer-reviewed article search.

Exhibit A.1. HSA for NED Search Terms

Programs of Interest			Year	Geography	Language
Medicaid	AND	Work Requirement	2016 or later	United States	English
Temporary Assistance for Needy Families (TANF)			2011 or later		
Supplemental Nutrition Assistance Program (SNAP)					
Public housing					
Housing Choice Voucher (HCV)					

Exhibit A.2 provides the specific number of papers returned for each of the four databases searched before removing duplicates. In total, the preliminary searches initially identified 1,285 articles. Because

initial searches in PubMed and JSTOR retrieved a number of Medicaid articles, the remaining searches focused on the other programs. After removing duplicate articles, 75 papers remained.

Exhibit A.2. Number of Papers Returned for Databases Searched

Database	Date of Search	Number of Papers Returned (Before Duplicates Removed)
Academic Search Complete	11/22/2021–1/09/2022	66
JSTOR	11/22/2021–1/09/2022	559
PubMed	11/22/2021–1/09/2022	428
Web of Science	11/22/2021–1/09/2022	232
Total number of papers before duplicates were removed:		1,285*
Total number of papers after duplicates were removed:		75

*This number only includes results from Academic Search Complete, PubMed, and Web of Science.

In consultation with HUD, the research team decided to drop JSTOR as a source, as the most relevant articles from JSTOR were captured by the other three databases.

Organization Reports on their Websites

In consultation with the COR, the team identified the Urban Institute and Center on Budget and Policy Priorities (CBPP) as public programs having websites that contained relevant reports addressing work requirements that were not published in journals. In total, 35 reports were initially identified on the Urban Institute website and 23 reports on the CBPP website.

Reviewing and Screening Identified Literature

In total, the team reviewed 58 articles from organization websites and 75 articles from peer-reviewed literature databases (see exhibit A.3 for information regarding each program). The 2M Team then screened and reviewed this list of articles (with abstracts) using a standardized procedure. Using inclusion and exclusion criteria (see exhibit A.4), at least one trained team member reviewed the title, abstract, or both components of every publication identified through the peer-reviewed literature and organization report searches.

Exhibit A.3 | Articles and Reports Available for Full-Text Review for Each Program

Programs	Number of Papers Available for Full Text Review for Each Program
TANF	25
SNAP	26
Medicaid	38
Housing	15
Multiple	28

Exhibit A.4. Inclusion/Exclusion Criteria for Literature Review

Component	Inclusion Criteria	Exclusion Criteria
Housing Services Programs	<ul style="list-style-type: none"> ▪ TANF ▪ SNAP ▪ Housing ▪ Medicaid 	<ul style="list-style-type: none"> ▪ Other programs
Topics of Interest	<ul style="list-style-type: none"> ▪ Work requirements 	

Component	Inclusion Criteria	Exclusion Criteria
Type of Data/Analysis	<ul style="list-style-type: none"> ▪ Observational ▪ Qualitative ▪ Program evaluation ▪ Experimental 	<ul style="list-style-type: none"> ▪ Commentaries ▪ Thought papers ▪ Raw data without analysis (for example, financial data, infographics, caseload data, participation rates) ▪ Infographics ▪ Caseload data ▪ Participation rates ▪ Systematic review ▪ Meta-analysis
Type of Publication	<ul style="list-style-type: none"> ▪ Reports to Congress ▪ Federal reports ▪ State reports ▪ Policy issue/briefs ▪ Promising practice ▪ Scholarly journals 	<ul style="list-style-type: none"> ▪ Letters to the editor/opinion ▪ Blogs ▪ Websites/webpages ▪ Dissertations/theses ▪ Books ▪ Contingency funds award ▪ Success story ▪ Working papers
Publication Date*	<ul style="list-style-type: none"> ▪ 2011 or later ▪ 2016 or later (Medicaid only) 	<ul style="list-style-type: none"> ▪ Before 2011 ▪ Before 2016 (Medicaid only)
Country	<ul style="list-style-type: none"> ▪ United States 	<ul style="list-style-type: none"> ▪ Any other country
Language	<ul style="list-style-type: none"> ▪ English 	<ul style="list-style-type: none"> ▪ Any other language

*Note: This information applied only to peer-reviewed literature.

2. Reviewing Full-Text Literature

The team systematically tracked all literature reviewed and the reasons for exclusion, when applicable. When the title, the abstract, or both met the inclusion criteria (based on exhibit A.4), it was flagged for a full-text review. For articles or reports that met the inclusion criteria for a full-text review, the following information was extracted, when available, to facilitate a final decision about inclusion using the same criteria as above but using the full-text information rather than just the title and the abstract.

- | | |
|--|---|
| <ul style="list-style-type: none"> ▪ Citation ▪ Included housing assistance and housing-related services program(s) ▪ Population (and subpopulations of interest—for example, type of disability, housing situation before housing assistance receipt, race/ethnicity, sex, income, geography, other community characteristics) ▪ Data source(s) | <ul style="list-style-type: none"> ▪ Unit of analysis ▪ Services and methods of service delivery ▪ Challenges and barriers identified ▪ Main theme ▪ Study design/methods and included variables ▪ Findings, outcomes, and impacts ▪ Study implications and areas of gaps ▪ Suggestions for future research |
|--|---|

Differences between reviewers were resolved through discussion or consultation with another team reviewer. For example, if one reviewer thought a paper warranted a full-text review but the other reviewer excluded the same paper, those reviewers would discuss their reasoning for their decisions and arrive at a consensus. If an agreement could not be reached, a third reviewer was consulted. The screening and full-text review results from the 46 articles (see exhibit A.5) and reports that the team deemed relevant are summarized, interpreted, and synthesized in the Literature Review chapter of the report.

Exhibit A.5. Articles and Reports Cited in the Report for Each Program

Programs	Number of Papers Cited for Each Program
TANF	16
SNAP	11
Medicaid	13
Housing	6

APPENDIX B: CASE STUDIES OF MTW PHAS WITH A WORK REQUIREMENT

- Atlanta Housing
- Housing Authority of Champaign County
- INLIVIAN (formerly Charlotte Housing Authority)
- Chicago Housing Authority
- Delaware State Housing Authority
- Lawrence-Douglas County Housing Authority
- Lexington-Fayette Urban County Housing Authority
- Louisville Metro Housing Authority
- Housing Authority of the County of San Bernardino

Atlanta Housing

1. BRIEF BACKGROUND

Atlanta Housing (AH)—serving the City of Atlanta, Georgia²⁰—is the largest public housing agency (PHA) in Georgia and the 10th largest PHA in the United States. AH joined the U.S. Department of Housing and Urban Development’s (HUD) Moving to Work (MTW) Demonstration Program²¹ in 2003 and instituted its work requirement policy in Fiscal Year (FY) 2005 (Atlanta Housing Authority, 2005). AH established its work requirement with the goal to help households build economic capacity and stability, thus allowing them to reduce their dependency on housing assistance.

All target adults in public housing, HomeFlex, and Housing Choice Voucher (HCV) programs are subject to AH’s work requirement policy.

AH’s work requirement policy requires all target adults²² to work an average of 20 hours per week. Target adults are public housing or HomeFlex²³ residents or HCV program participants who are between the ages of 18 and 61 years and who are neither elderly nor have a disability.²⁴ Adults categorized as elderly or who have a disability are exempt from this policy. Details about the policy are in Section 3, Description of the Work Requirement Policy.

AH served more than 26,000 households in FY 2021, with staff reporting that more than 8,600 of these households were subject to the work requirement policy (Atlanta Housing Authority, 2021). During the last 15 years, AH has significantly increased the number of assisted households it serves from about 19,500 households in FY 2005 to about 26,000 households in FY 2021. However, the number of households needing housing assistance has also increased significantly during the same period, with more than 73,500 households currently on AH’s public housing, mixed communities, and HCV waiting lists compared with nearly 40,000 households who were on the waiting lists in FY 2005 (Atlanta Housing Authority, 2005, 2021).

This case study details AH’s work requirement policy as of December 2021, including the development and implementation of the policy, challenges, successes, and lessons learned. The study team collected the summarized information through interviews with AH staff and a review of PHA documents, such as annual reports, MTW plans, and other related documents and websites.

²⁰ For more information about AH, see: <https://www.atlantahousing.org/>.

²¹ MTW, launched in 1996, is a HUD demonstration program that provides PHAs with the flexibility to design and test innovative local strategies. For more information about MTW, see <https://www.hud.gov/mtw>.

²² AH uses the term *target adults* instead of *work-able adults*. Staff explained that “AH moved away from the *work-able* term based on guidance from its legal department and some concerns expressed by its constituency and stakeholders that the term suggested that non-working individuals were disabled and potentially discriminated against.”

²³ HomeFlex is AH’s MTW project-based voucher program.

²⁴ Individuals who are between the ages of 16 and 17 years and are not enrolled in school are also subject to AH’s work requirement policy.

2. DEVELOPMENT OF THE WORK REQUIREMENT POLICY

Motivation for Instituting the Policy. AH instituted its work requirement policy in FY 2005 as part of the PHA's broader vision for its MTW program. That vision includes helping assisted households to move away from communities with concentrated poverty and into mixed-income communities where they can achieve self-sufficiency. Staff explained that before MTW designation, most assisted households served by AH lived in public housing sites that had concentrated poverty, which contributed to poor socioeconomic outcomes for those households. Therefore, AH has focused its efforts on deconcentrating poverty in those communities to help assisted households thrive economically and socially.

Desired Policy Outcomes. The original goal of AH's work requirement policy was to increase resident accountability and contribution to the rental payment. The policy has since evolved to helping assisted households achieve economic self-sufficiency, allowing them to reduce dependency on housing assistance.²⁵ Staff noted that, although the goal has evolved, AH continues to hold residents and program participants accountable to the rent payment in preparation for life after housing assistance.

Concerns and Needs Considered During Policy Development. Before developing its work requirement policy, AH conducted an assessment of its assisted households to identify concerns and needs. The assessment identified the following concerns and needs of assisted households that AH considered during the development of its work requirement policy (Atlanta Housing Authority, 2004):

- **High Poverty Rate**—Most AH-assisted households had very low income; the average income was \$8,874 per year.²⁶ Staff noted that the high poverty rate led to a generational cycle of assisted households living in public housing communities.
- **Low Educational Achievement**—Most assisted households lived in conventional public housing sites with high crime rates and low-performing schools with a high percentage of high school dropouts. Low educational achievement presented a significant barrier to assisted households' readiness for the workforce.
- **Childcare**—Most assisted households were headed by single mothers, who often struggled to afford childcare services. Staff noted that those households also struggled to secure or maintain dependable transportation, which presented a significant barrier to employment.

Section 4, Implementation of the Work Requirement Policy, details the supportive services and resources AH provides to assisted households to address those barriers and challenges.

Entities Involved in the Development of the Policy. AH staff developed its work requirement policy under the leadership of Renée Lewis Glover, the Executive Director of AH at the time. AH also contracted with an urban planning research firm, Boston Consulting Group, to conduct an independent study of its efforts to deconcentrate poverty in assisted household communities. The study examined the quality-of-life changes for assisted households that had moved from one housing arrangement to another as AH demolished and reconstructed its properties (Atlanta Housing Authority, 2004). AH staff noted that findings from the study helped inform the development of the PHA's MTW program, including the work requirement policy.

²⁵ Staff reported that AH initiated the goal change in 2008 and finalized it in 2012 as part of AH's business transformation plan, which included benchmarking outcomes of an independent study conducted by the Boston Consulting Group (BCG), an urban planning research firm. AH believed that the self-sufficiency index developed by BCG better measured the movement of families toward self-sufficiency. Staff noted that HUD has since developed standard metrics for all MTW PHAs' consideration, and some of the metrics are similar to what AH was already measuring.

²⁶ The average household income includes incomes for AH's conventional public housing, mixed communities, and HCV households.

3. DESCRIPTION OF THE WORK REQUIREMENT POLICY

AH’s work requirement policy requires that all target adults, defined as individuals who are between the ages of 18 and 61 years and do not have a disability, to be legally employed or self-employed in a legitimate business enterprise for an average of 20 hours per week. The policy applies across all AH rental programs: public housing, HomeFlex, and HCV programs. Individuals who are between the ages of 16 and 17 years and are not enrolled in school are also subject to AH’s work requirement policy.

AH provides support services to assisted households subject to the work requirement policy through its Human Development Services Program to help them develop self-reliance and enable them to realize better financial, social, and health outcomes. AH provides the services in partnership with local service providers, combining case management, service navigation, and coaching to assist families in attaining their goals. The program assists those families with goal setting, education opportunities, job and life skills training, counseling, money management, assessment services, and other additional support services that holistically serve the needs of the family. In addition, households receiving housing assistance for the first time must participate in AH’s Good Neighbor Program. Details about AH’s Human Development Services Program and Good Neighbor Program appear in section 4. Implementation of the Work Requirement Policy.

AH’s work requirement policy allows for education, job training, or both. For the education component, AH requires assisted households to be enrolled full time in an accredited educational institution or a training program approved by AH. Assisted households can also engage in a combination of part-time education or training and part-time paid employment.²⁷

In instances in which assisted households become noncompliant with the work requirement policy, AH refers HCV households to the Human Development Services program for support services that will help them return to a compliant status. For public housing and HomeFlex households, onsite AH staff coordinate, facilitate, or make referrals to activities and service providers that can assist the households in returning to a complaint status.

Policy Changes. AH has implemented only one major policy change since the work requirement policy went into effect in FY 2005. Exhibit B.1 summarizes the policy change.

Target Population (Inclusion/Exclusion Criteria)

- All target adults in public housing, HomeFlex, and HCV programs are subject to AH’s work requirement policy.
- Elderly and disabled households are excluded.

Activities That Count Toward Work Requirement

- Paid employment—
 - Average of 20 hours/week.
- Education/training—
 - Full-time enrollment in an accredited educational institution or an approved training program.
 - Combination of part-time education/training and part-time paid employment.

²⁷ AH previously defined *full-time* and *part-time employment* as working 30+ hours/week and 16+ hours/week, respectively. It is unclear how AH currently defines *part-time employment* given the FY 2019 policy change highlighted in exhibit B.1.

Exhibit B.1. Key Policy Change Implemented by AH

Policy Change	FY	Rationale
AH reduced the requirement for paid employment from 30+ hours/week to an average of 20+ hours/week.	2019	AH realized that most of its assisted households were being “penalized” for working in jobs in which employers would not schedule their employees for 30 or more hours to avoid triggering the requirement to provide insurance under the Affordable Care Act (ACA). ²⁸ Hence, many employers strategically scheduled their staff for fewer hours, especially employers in service industries (e.g., restaurants, retail stores, hotels), where work hours and schedules are flexible.

AH = Atlanta Housing.

Suspensions of the Policy and Associated Reasons for Suspension. In 2020, AH suspended enforcement of its work requirement policy for the first time since inception due to the COVID-19 pandemic. The enforcement of the policy remained suspended as of December 2021. AH did not assess sanctions on assisted households during that period for failure to comply with the work requirement policy, continuing to provide them support services. Staff noted that they follow various pandemic protocols—including local, state, and Centers for Disease Control and Prevention’s guidance on COVID-19—to help inform their decision on when to reinstate the enforcement elements of the work requirement policy.

²⁸ ACA, sometime called Obamacare, is a federal health care statute that Congress enacted and signed into law in 2010. For more information about ACA, see: <https://www.healthcare.gov/where-can-i-read-the-affordable-care-act/>.

4. IMPLEMENTATION OF THE WORK REQUIREMENT POLICY

Support Services

Working with the local partners listed in exhibit B.2, AH provides a range of supportive services and resources to help assisted households achieve economic self-sufficiency. Staff noted that AH designs supportive services to holistically address barriers and challenges faced by assisted households. For example, when AH refers an unemployed individual to the Human Development Services team, the team focuses on addressing the barriers and challenges faced by the individual as well as by the individual’s entire household. If the individual is a caregiver to an elderly family member, AH can provide a continuum of supportive services to both the individual and the elderly family member. AH’s support services include the following:

Support Services Provided by AH and Its Community Partners
<ul style="list-style-type: none"> ▪ Workforce development services. ▪ Financial literacy. ▪ Support for basic needs. ▪ Aging well programs. ▪ Afterschool programs. ▪ Homeownership programs. ▪ Good Neighbor Program.

- **Workforce Development Services.** Various community partners provide workforce development services to assisted households who are unemployed or underemployed.
 - **Essential skills and employment preparation training:** Established partnerships with nine organizations that provide job training and placement services as well as entrepreneurial training and coaching.
 - **Job search and placement services:** Workforce development organizations that help assisted households search for work in target industries such as construction, health care, hospitality, retail, safety and security, and transportation.
 - **Job coaching and retention support:** Workforce development organizations that help assisted households find and maintain employment.
- **Financial Literacy.** Financial literacy providers offer various financial classes, including banking relationships, budgeting, credit counseling or repair, and retirement or wealth building, among others. Those services are provided through referral from AH.
- **Support for Basic Needs.** Various community partners help assisted households address basic needs, including childcare, transportation, clothing, utilities, and health care, among others. Those services are also provided through referral from AH.
- **Aging Well Programs.** Various community organizations empower older assisted households to be active by providing them with opportunities for social engagements and connections to family and friends. AH also connects those households to resources that promote wellness, such as healthy eating and mental health resources.
- **Afterschool Programs.** Youth development organizations such as the Boys and Girls Clubs of Metro Atlanta provide afterschool programs to assisted households.
- **Homeownership Programs.** AH operates a Down Payment Assistance (DPA) Program that helps eligible, qualified households earning up to 80 percent of the Area Median Income to purchase their first home. Households can combine AH’s DPA award with other assistance programs to help

maximize housing affordability. In addition, AH operates an HCV Homeownership Program that allows qualified assisted households to use their HCV subsidies toward monthly mortgage payments. AH no longer accepts new families into the HCV Homeownership Program but continues to support households who were already in the program.²⁹

- Good Neighbor Program.** AH initially developed the Good Neighbor Program to help assisted households transition from low-income communities into vibrant, mixed-income communities, but the program has grown since its inception. Although it continues to cover a variety of topics—including civic awareness and engagement, neighborly values, and effective tenant-landlord relationships—the program has evolved to include comprehensive life skills. AH designed the current training curriculum to educate participants on tenant rights, landlord relationships, soft skills, self-efficacy, communication, and problem solving to promote a successful tenancy. In addition to addressing those topics, the program offers a variety of training modules to further develop and enhance assisted households’ life skills during and after their tenure in assisted housing. Training modules offered include improving self-reliance and personal responsibility, homeownership, and parenting, among other topics. The Martin Luther King Senior Community Resources Collaborative, AH’s contracted partner for the Good Neighbor Program, provides program services.

Exhibit B.2. Contracted AH Service Providers

Name of Partner	Type of Organization	Supportive Services Provided
1. Mercy Care	Behavioral health agency	Behavioral health counseling
2. Atlanta Center for Self-Sufficiency	Workforce development provider	Comprehensive workforce development training
3. City of Refuge, Inc.	Workforce development provider	Comprehensive workforce development training
4. WorkSource Atlanta	Government agency	Job readiness, job training, job search and placement, and career counseling
5. Urban League of Greater Atlanta	Workforce development provider	Job placement, adult literacy, and vocational counseling
6. Boys and Girls Clubs of Metro Atlanta	Youth organization	Afterschool program
7. Young Men’s Christian Associations (YMCA)	Youth organization	Afterschool and summer programs
8. Fulton County Government Senior Services	Government agency	Seniors: in-home, community-based programming and transportation for AH residents
9. Liberty Group Senior Services	Senior citizen organization	Comprehensive programs and activities for seniors
10. Martin Luther King Senior Community Resources Collaborative	Economic support organization	Economic mobility education and counseling

AH = Atlanta Housing.

²⁹ AH directs new HCV households who are interested in homeownership to the DPA Program.

In addition to providing referrals to the contracted service providers listed above, AH also engages in collaborative efforts with a variety of noncontracted organizations that provide housing, essential services, senior services, and additional supportive services to support the health and well-being of program participants. Formal and informal partnerships focus on three main areas of collaboration: service planning, service delivery, and advancing intended agency outcomes.

Compliance Monitoring

Process for Monitoring Compliance. AH requires assisted households to recertify continued eligibility annually, biennially, or triennially depending on their program compliance status. AH recertifies households that maintain steady compliance less frequently than those who fall out of compliance on a regular basis. AH staff complete recertification for assisted households in the HCV program, and property managers conduct recertifications for assisted households in the public housing and HomeFlex programs. For public housing and HCV programs, AH gives assisted households who lose employment 90 days to meet compliance requirements; otherwise, they may be considered noncompliant and referred to the Human Development Services team or other employment support resources. For the HomeFlex program, AH gives assisted households up to 12 months to become compliant with the policy. In all cases, AH may extend the cure period when households present evidence of active search for employment or at the discretion of AH. AH may also grant rent relief on a case-by-case basis to assisted households who lose employment due to factors beyond their control.

Work Requirement Policy Compliance Rate. AH staff reported that before the COVID-19 pandemic, the average compliance rate for their work requirement policy was about 71 percent. Staff explained that AH calculates the compliance rate by taking the number of target households compliant with the policy and dividing it by the total target households. Exhibit B.3 illustrates the compliance rate calculation.

Exhibit B.3. AH’s Compliance Rate³⁰

Fiscal Year End (FYE)	Compliant/Employed Households	Target Households	Compliance Rate
2020	5,917	8,205	72%
2021	5,712	8,606	66%
2022*	5,853	8,576	68%

AH = Atlanta Housing.

*As of December 31, 2021.

The AH goal is to achieve an average compliance rate of 75 percent each year. However, staff noted that they have learned about several factors that currently affect the employment expectations of assisted households and achievement of the compliance rate that were not present 15 years ago, when the policy was instituted.³¹ As a result, AH will reassess the 75-percent benchmark during its 2023 MTW planning process and may revise the benchmark to one that is more reflective and representative of the current workforce and market conditions.

Sanctions for Noncompliance. Assisted households who are noncompliant risk losing their housing assistance. However, termination from the program is a last resort and a rare occurrence. AH offers intensive supportive services to noncompliant households designed to support households getting back

³⁰ AH provided the data highlighted in exhibit B.3.

³¹ AH did not provide details on the current factors that affect employment expectations of households and achievement of the compliance rate.

into compliance. Support services include referrals to available jobs, workshops to upskill in technology, application completion, or interview techniques, and “Dress for Success” services. AH prefers to exhaust alternative measures before exercising end-of-program options. Staff explained that over the past 8 years, AH has terminated only 64 households from the program for failure to comply with the work requirement, including nonparticipation in referral service activities.

Sanction Waivers. Staff noted that AH does not provide waivers per se because it administers a local residency preference to ensure that low-income Atlantans who reside or work in the city have priority for housing assistance. AH expects participating households to maintain employment or remain in compliance with their service plan for continued participation in the PHA’s housing assistance programs. In some instances, AH may offer a Caretaker Exemption as a reasonable accommodation for target adults who care for homebound family members. AH may also exercise a Special Admissions Exemption for HAVEN households³² on the basis of certain admission criteria or status of the household.

³² HAVEN is AH’s supportive housing program that provides persons experiencing or at risk of homelessness with stable housing, intensive case management, and supportive services. For more information, see <https://www.atlantahousing.org/wp-content/uploads/2020/09/Supportive-Housing-Program-Offerings-1.pdf>.

5. CHALLENGES, SUCCESSES, AND LESSONS LEARNED

Challenges Implementing the Work Requirement Policy. Staff reported that AH faces several implementation and ongoing administrative challenges to the work requirement policy beyond the challenges of changing assisted households’ mindsets. Staff described challenges including difficulty finding affordable childcare or open slots available and accessible to low-income households; lack of dependable transportation, which prevents some households from obtaining or maintaining employment; and assisted households who lack employment and conflict resolution skills. AH staff believed that the primary challenge in implementing the work requirement policy was due to limitations of its network of support services providers. Staff explained that, over the years, they have realized the importance of having a network of service providers that can address the variety of barriers and challenges faced by assisted households, including literacy barriers, poor work culture backgrounds, limited work experience and expectations, and undiagnosed mental health issues, among others. In addition, staff emphasized that networks of support services providers must be able to handle the volume of referrals from PHAs. Further, those networks should be equipped to provide long-term support services that address generational and situational poverty among assisted households.

Successes of the Work Requirement Policy. Staff noted AH’s biggest success is the program’s effectiveness in opening a greater array of economic opportunities for assisted households and helping them move out of poverty.

Key Success of AH’s Work Requirement Policy
89 percent of assisted households pay above AH’s minimum rent of \$125 per month.

They reported that, as of FY 2021, 89 percent of all assisted households across all programs were paying above AH’s minimum rent of \$125 per month. Staff also noted that they monitor a set of performance metrics that provide a clearer indication of success (see exhibit B.4).

Exhibit B.4. AH’s Performance Metrics

Performance Metric	FYE 2018	FYE 2021	% Change	Mid-Year* FY 2022	% Change
HHs paying 100% of Their Rent—Zero Housing Assistance Payment	76	103	36%	137	33%
Average HH Earned Income	\$20,935	\$22,397	7%	\$22,613	1%
Average Tenant Rent to Owner	\$238	\$305	28%	\$319	5%

AH = Atlanta Housing. FY = Fiscal Year. FYE = Fiscal Year End. HH = household.

*As of December 31, 2021.

Note: AH provided the data highlighted in exhibit B.4. Staff noted that, due to multiple system changes, AH had data only since FYE 2018 readily accessible.

Assessment of the Policy. Staff noted that AH is not required to conduct a third-party evaluation of its work requirement policy or its MTW program. However, AH has conducted several internal reviews and third-party studies of its broader MTW program. Those studies have examined the following (Atlanta Housing Authority, 2011):

- The effectiveness of AH’s approach in deconcentrating poverty.
- The impact of AH’s revitalization efforts at various public housing sites.
- The economic impact of AH’s mixed-income communities revitalization efforts.
- The outcomes of assisted households that relocated to private rental markets with the HCV program.

- The impact of public housing transformation on receiving communities.

Lessons Learned During Implementation and Monitoring of the Work Requirement Policy. Staff stated that PHAs should develop a work requirement policy with the goal of helping assisted households achieve long-term self-sufficiency, ensuring that program participants contribute to their rental payments and to develop a strong work culture among assisted households. Staff emphasized that a work requirement policy should consider the following: PHA jurisdiction, availability of jobs, job readiness of assisted households, the distance of job locations, availability of affordable childcare and open slots for assisted households, incentives that match the intent of the policy, and the mode of transportation used by assisted households (whether mass transit or “community taxis” are available and whether those modes of transportation are reliable).

Staff recommended that PHAs thinking about implementing a work requirement policy also consider potential barriers and challenges for assisted households with undiagnosed mental health issues, in which those who want to work and be active may not be aware that they have limited capability to work full time (i.e., 32+ hours) or long term (i.e., 24+ consecutive months). Staff also stated that monitoring compliance with the work requirement policy adds a heftier administrative burden to AH’s operational process than originally anticipated because opportunities exist for assisted households to “game” the system. They noted that PHAs must understand the administrative burden associated with monitoring compliance with a work requirement policy and to make long-term preparations to achieve success.

Overall, staff noted that the work requirement program has played a critical role in helping many assisted households move away from communities with concentrated poverty and into mixed-income communities where they can achieve self-sufficiency. Staff credit the success of the program to AH’s holistic approach to the provision of supportive services.

Housing Authority of Champaign County

1. BRIEF BACKGROUND

The Housing Authority of Champaign County (HACC) is a municipal corporation organized pursuant to the Illinois Housing Authority Act, covering the County of Champaign, Illinois.³³

HACC provides affordable housing to low- and

moderate-income households through project-based vouchers (PBVs) and housing choice vouchers (HCVs). By December 2018, HACC had converted the final public housing units to private ownership under the Rental Assistance Demonstration, thus zeroing out the public housing program. As of January 2022, HACC administers nearly 1,700 HCVs and 340 PBVs to serve more than 2,000 families.³⁴

The LSS requirement applies to all able-bodied individuals ages 18 through 54 years in each household except for elderly people and individuals with disabilities.

HACC became one of 39 public housing authorities (PHAs) to be designated as a Moving to Work (MTW) agency in 2010. In 2016, HACC signed a new agreement with the U.S. Department of Housing and Urban Development that ensures it remains in the MTW program until 2028. HACC identified three primary goals that drive its MTW activities:

1. **Operational efficiency through innovation:** Streamline business processes and implement advanced technological solutions that lead to operational cost efficiencies and enable reallocation of resources to local initiatives and strategies.
2. **Self-sufficiency:** Provide incentives to motivate families to actively seek financial independence and transition from dependency on housing subsidy.
3. **Expand housing opportunities:** Develop new housing in rural communities that HACC does not serve by leveraging private capital to ensure HACC's economic variability and sustainability.

HACC implemented a mandatory Local Self-Sufficiency (LSS) requirement under its MTW program in 2013 (although HACC had approved it in 2011). HACC requires participation in the LSS program as a condition of eligibility for new admissions and continued occupancy for existing participants. This requirement applies to all able-bodied individuals—described as those ages 18 through 54 years—in each household except for elderly people and individuals with disabilities. In addition, HACC expects households to exit the program at the end of the 8-year term limit. HACC can also terminate a household from receiving assistance if it falls out of compliance with the LSS requirement policy (details about the LSS requirements are in section 3, Description of the Work Requirement Policy) (HACC, n.d.d).

This case study details HACC's work requirement policy as of December 2021, including development and implementation of the policy, challenges, successes, and lessons learned. The study team summarized the information collected through interviews with HACC staff and a review of PHA documents, such as annual reports, MTW plans, and other related documents, and on HACC's website. The following sections describe details about the policy's development, implementation, challenges, successes, and lessons learned.

³³ See the HACC website at <https://hacc.net/about-us/>.

³⁴ The HACC annual reports can be found here: <https://hacc.net/2020-annual-report/>.

2. DEVELOPMENT OF THE WORK REQUIREMENT POLICY

Motivation for Instituting the Policy. HACC designed the LSS requirement policy to motivate all able-bodied individuals to seek self-sufficiency³⁵ and to exit housing assistance so that HACC can offer assistance to other low-income families. In 2016, HACC incorporated the 8-year term limit. HACC had always envisioned it as an integral component of its work requirement policy but wanted to first introduce and monitor the work requirement policy before introducing the term limit.

Desired Policy Outcomes. The desired outcomes of the LSS requirement are—

1. Participants are well-paid and have secure, stable employment.
2. Households' income increases annually and they become financially independent.

Concerns or Needs Considered During Policy Development. Although HACC approved the LSS program in 2011, it did not implement the policy until January 1, 2013, because many community leaders, stakeholders, and residents were concerned that complying with the employment requirement would be challenging due to the economic conditions, limited availability of jobs, and lack of transportation. To address those concerns, HACC developed a new strategy allowing participants ample time to prepare for employment (HACC, n.d.c).

Entities Involved in the Development of the Policy. HACC Interim Executive Director, Cindy Herrera, was involved in developing HACC's work requirement policy with researchers from University of Illinois at Urbana-Champaign (UIUC). Ms. Herrera was also a consultant for HACC when it developed its MTW plans. UIUC has assisted HACC with annual reports from 2011 through 2018 and has undertaken evaluation efforts each year.

³⁵ HACC defines self-sufficiency as “demonstrated behavior that exhibits personal accountability and financial responsibility through consistent (more than 12 months) employment appropriate to the maximum skill level achievable by the individual.”

3. DESCRIPTION OF THE WORK REQUIREMENT POLICY

HACC instituted its work requirement policy in 2013 through the mandatory LSS program for all residents (public housing³⁶ and HCV participants). Under the LSS program, HACC requires all able-bodied individuals ages 18 through 54 years to actively pursue activities to achieve economic self-sufficiency. The program counts three activities toward the work requirement: work 25+ hours/week (which HACC increased from 20+ hours/week in 2016); be enrolled in a training or educational program that offers a degree or certificate on a full-time basis (as defined by the institution); or be self-employed, including home childcare providers as long as they have an annual income equivalent to 1,300 hours times the minimum wage for the state of Illinois. Household members who are unemployed are encouraged to

Target Population (Inclusion/Exclusion Criteria)

- All able-bodied individuals ages 18 through 54 years must meet the work requirement.
- Elderly people and individuals with disabilities are exempt from this requirement.
- Sole caregivers (providing full-time care for an elderly parent or disabled or sick child) are also exempt from this requirement if HACC grants a waiver.

enroll on a full-time basis in an educational program that offers a degree or certificate to prepare them to obtain employment and become economically self-sufficient; they must complete 75 percent of all required courses on an annual basis to be considered as making successful progress toward the degree or certificate (HACC, n.d.d). HACC’s original policy also required household members ages 5 through 18 years to be enrolled in and attend school, but HACC dropped that condition in 2018 because they could not access attendance documentation from the local school district to monitor members.

Activities That Count Toward Work Requirement

- Employed 25 hours or more per week and meeting the minimum earned income requirement.
- Enrolled full-time in an educational or training program.
- Self-employed and meeting the minimum earned income requirement.

Term Limit—Starting January 1, 2016, HACC approved and established an 8-year term limit on households receiving housing assistance after their first annual recertification. Households may face assistance termination during the 8-year term if they fail to comply with all the work requirements (including the income requirement discussed below).

Income Requirement—In 2019, HACC based its work requirement policy on annual earned income instead of the required number of hours (25+) per week, basing the minimum earned income for compliance on the number of years the household has received assistance and the annual median income (AMI) for Champaign County. According to staff, household members who meet the required number of hours per week should meet the annual earned income at the minimum wage rate. HACC implemented the earned income requirement to provide flexibility for those who earned at a higher rate but worked fewer hours (exhibit B.5). HACC increases the earned income requirement by 5 percentage points or more each year to prepare participants to exit the program at the end of the 8-year term limit.

³⁶ By December 2018, HACC had converted all public housing units to private ownership under the Rental Assistance Demonstration program, so the LSS requirement applies only to all HCV residents.

Exhibit B.5. HACC Minimum Earned Income Requirements for Each Year in the Program, 2022

Years on Assistance	Year 1	Year 2	Year 3-4	Year 5-6	Year 7	Year 8
Minimum Earned Income	\$10,368	\$14,688	\$19,008	\$24,192	\$31,104	\$38,880
% of Champaign County AMI	12%	17%	22%	28%	36%	45%

AMI = annual median income. HACC = Housing Authority of Champaign County.

Description of the Program Implementation: The LSS program requires the head of household to develop a self-sufficiency plan that identifies goals and objectives for each household member to participate in the program.³⁷ HACC holds the head of household accountable for the household’s overall compliance. During annual recertification, LSS program staff provide households with information on where they are within the 8-year term-limit window and discuss their exit plans from the program so that it is a planned event.

LSS coordinators work with program participants in the development of an Individual Training and Services Plan that aligns with the head of household’s self-sufficiency plan. The coordinator ensures that every participant is linked to supportive services they need to achieve their economic self-sufficiency goals.

Policy Changes. HACC has approved policy changes in the LSS program since it approved the work requirement policy in 2011 and implemented it in 2013. Exhibit B.6 summarizes key policy changes.

Exhibit B.6. Key Policy Changes Implemented by HACC

Policy Change	Fiscal Year	Rationale
1. The work requirement applied to able-bodied heads of household, who were required to engage in work-related activities for at least 20 hours/week.	2011	HACC approved but never implemented this change. HACC added the age limit in 2012.
2. HACC expanded the work requirement to include all able-bodied adults ages 18 through 54 years in the household.	2013	This was the year of implementation.
3. HACC requires all nonexempt household members to be employed for 25 hours or more per week or be enrolled in an educational program.	2016	This change ensures that the participants meet their self-sufficiency goal.
4. HACC established the 8-year term limit.	2016	HACC had always envisioned term limits as a component of its LSS program but wanted to first implement the work requirement. Term limits also allow individuals to move off the waiting list so that HACC can serve them.
5. HACC dropped the requirement for members ages 5 through 18 years to be enrolled and attend school.	2018	HACC could not access attendance documentation from local school districts.
6. HACC implemented the minimum annual earned income criteria (instead of the number of hours employed).	2019	This change ensured that the participants progressed toward their self-sufficiency goal and were able to exit the program at the end of the 8 years.
7. HACC implemented financial incentives of \$2,000 per year for households who meet the	2019	This change incentivizes households to meet self-sufficiency goals. In addition, such an incentive or an

³⁷ HACC gave the heads of households until the end of 2012 to develop a self-sufficiency plan. If a new-admission household is not compliant with LSS requirements before submission of a Request for Tenancy Approval, the household must meet with an LSS case worker and develop a self-sufficiency plan.

Policy Change	Fiscal Year	Rationale
<p>LSS requirement within a calendar year. Households accrue credits, and HACC pays only upon the household’s voluntary exit from the program in good standing or upon expiration of the 8-year term limit. The household forfeits all credits if the household is terminated from the program for cause or ports to another jurisdiction for any reason.</p>		<p>escrow account may be helpful to families’ successful transition from housing assistance, including helping those families interested in homeownership after exit (this change aligns with UIUC’s recommendation for HACC) (HACC, n.d.b).</p>
<p>8. HACC implemented a mandatory job-retention training program for individuals who had lost employment more than once. HACC requires those individuals to enroll, attend, and complete a job-retention program (as required by the LSS case manager).</p>	<p>2019</p>	<p>Many individuals had difficulty maintaining employment (this change aligns with UIUC’s recommendation for HACC to identify additional resources to transition to long-term employment) (HACC, n.d.a).</p>

HACC = Housing Authority of Champaign County. UIUC = University of Illinois at Urbana-Champaign.

Suspensions of the Policy and Associated Reasons for Suspension. HACC has not suspended its work requirement policy since its implementation. Beginning March 13, 2020, HACC closed its office to the public due to the COVID-19 pandemic and postponed appointments. However, HACC continued to accept vital documents through email, fax, or drop box. To provide efficient services to clients, HACC began hosting virtual online briefings on April 15, 2020 (HACC, n.d.c).

4. IMPLEMENTATION OF THE WORK REQUIREMENT POLICY

Support Services

The LSS program aims to promote work, educational attainment, or both for all assisted households subject to the work requirement policy through the provision of case management and other community-provided supportive services designed to help households achieve economic independence. A selected set of community partners to HACC is shown in exhibit B.7. The supportive services are summarized below.

Support Services Provided by HACC
<ul style="list-style-type: none"> ▪ Case management. ▪ Employment services. ▪ Education services. ▪ Financial support. ▪ Childcare support.

- **Case Management.** Case management is a critical feature of the LSS program, and it is available to all households. However, if a household falls out of compliance, HACC requires the head of household to meet with an LSS specialist first to ensure that noncompliance is not due to missing documentation. If the family needs additional services to get back into compliance, the head of household works with the LSS coordinator, who ensures that the family is connected with necessary supportive services. The case manager then works closely with the household and follows up to ensure that the household gets back into compliance with LSS requirements. Any household that is not compliant with the LSS requirement has 90 days to get back into compliance.
- **Employment Services.** The YouthBuild program helps at-risk youth complete high school or equivalent degrees and earn credentials recognized by industries for in-demand occupations (HACC, n.d.c). The YouthBuild Pre-Apprenticeship program provides work opportunities for youth to gain work experience. HACC coordinates with development partners and contractors to place eligible participants on construction sites so they can work with and learn from skilled tradesmen. In addition, HACC provides employment referrals to eligible households and holds workshops to assist with writing a resume and cover letter and developing interview skills.
- **Education Services.** Parkland College and UIUC support families in the community that are in need of academic assistance. During the COVID-19 pandemic, students from UIUC offered virtual tutoring and homework assistance to needy students (HACC, 2021). In addition, HACC provides counseling to participants seeking higher education opportunities.
- **Financial Support.** Illinois Commitment provides scholarships and grants to students at the University of Illinois to cover tuition and other campus expenses. The cost of room and board is not included in the financial aid package, but HACC offers an Illinois Commitment Student Voucher that covers the cost of living on campus in student dormitories. Students who are Illinois residents ages 17 to 24 years with a family income of \$61,000 or less can apply for this assistance.
- **Childcare Support.** Some local agencies provide workshops to help participants find local childcare providers. If families reach out to the HACC office for assistance on childcare, HACC links them with childcare providers.
- **SHIFT.** In 2020, HACC implemented the SHIFT Program, which assists families that are LSS-compliant but have not yet achieved a level of self-sufficiency adequate to exit the HCV program. The SHIFT program is funded through the Family Self-Sufficiency Grant and focuses primarily on assisting heads of households in developing skills that will lead to higher-paying employment opportunities (HACC, n.d.d).

Exhibit B.7. Selected HACC Implementation Partners

Name of Partner	Type of Organization	Supportive Services Provided
1. YouthBuild	Youth and community development program	Helps at-risk youth earn industry-recognized credentials, provide work opportunities to youth
2. Parkland College	Educational institution	Provides academic support to students
3. UIUC	Educational institution	Provides academic support to students
4. Illinois Commitment	Financial aid package	Provides scholarships and grants for students at UIUC

HACC = Housing Authority of Champaign County. UIUC = University of Illinois at Urbana-Champaign.

Compliance Monitoring

Process for Monitoring Compliance. HACC requires all households with nonexempt members to show proof of compliance with the LSS requirement to the property manager or HCV staff at annual recertification. Households usually present proof of employment to HACC for assessment, and staff follow up to review household’s pay stubs. HCV staff refer noncompliant households to an LSS specialist, who follows up for any missing documents. If the household provides no documentation, the LSS specialist works closely with the household to ensure compliance with the LSS requirement.

Work Requirement Policy Compliance Rate. Of the 1,817 households HACC served in 2017, 381 (17 percent) transitioned to self-sufficiency, 454 (25 percent) were exempt from work requirements, and 984 (54 percent) were active LSS households. Among the active LSS households, 89 percent were compliant with the work requirement policy, and only 11 percent of the households were noncompliant. In 2021, HACC terminated five households from the program due to noncompliance.

Sanctions for Noncompliance. If a nonexempt household falls out of compliance with the work requirement policy, HACC gives the household 90 days to come into compliance by either finding a job or enrolling in an education program. If the household fails to comply during that window of time, HACC proposes the household for termination from the LSS program. The household has the opportunity for a hearing at that stage.

Sanction Waivers. HACC can grant exemptions to the work requirement policy and term limits to a household on a case-by-case basis for two reasons: medical and sole caregiver waivers.

- **Medical Waiver**—HACC may grant a medical waiver (after third-party documentation from a doctor) to an individual who cannot work and is in recovery due to an injury, pregnancy, health concerns, temporary or permanent disability, or other similar circumstances.
- **Sole Caregiver Waiver**—HACC may grant a sole caregiver waiver to an individual who cannot work because he or she is providing full-time care for an elderly parent, a sick child, or a child with a disabling condition in the household, for example.

5. CHALLENGES, SUCCESSES, AND LESSONS LEARNED

Challenges Implementing the Work Requirement Policy. HACC staff reported that implementing the work requirement policy was initially challenging, but staff notified all households about the pending policy change 1 year in advance and helped them evaluate and address any barriers that might hamper their compliance with the policy. Also, staff noted that HACC makes new households aware of the requirements when they enter the program, so implementation of the work requirement policy has become less challenging over time. According to HACC staff, the most difficult part of implementation is that some household members are turning 18 or 19 but not meeting the required amount of earned income. HACC has discussed this specific challenge internally and intends to make adjustments in their future plans.

Successes of the Work Requirement Policy. HACC staff believe that the work requirement policy is successful overall. By the end of 2020, 630 households had fully transitioned to self-sufficiency over the 6-year period, with an average of 105 households per year exiting housing assistance. In addition, the LSS program led to a substantial increase in earned income, with average household income increasing by 42 percent since the program’s implementation (HACC, n.d.c).

Key Success of HACC’s Work Requirement Policy
<ul style="list-style-type: none"> ▪ Between 2014 and 2020, 630 households transitioned to self-sufficiency. ▪ Average LSS household income increased by 42 percent between 2014 and 2020. ▪ In 2021, 19 youths who were part of the YouthBuild program graduated from high school or received educational certification. ▪ By 2021, 81 households enrolled in the SHIFT program accomplished 88 goals and earned financial incentives totaling more than \$28,000.

Assessment of the Policy. UIUC conducted an evaluation of the HACC program from 2012 to 2020 and found that, initially, heads of household faced major barriers to employment, such as having a large number of children, having a felony conviction on their record, and having limited access to transportation and childcare. The study also found that older participants with higher annual income were more likely to achieve self-sufficiency and graduate from the LSS program. In addition, the study noted that households with fewer dependents and who stay in the LSS program for a longer time had a higher likelihood of leaving the program because of term violation (HACC, 2019).

Lessons Learned During Implementation and Monitoring of the Work Requirement Policy. Staff indicated that the biggest lesson they learned was to have related supportive services in place and to make sure that households are aware that those services are free so their families can take advantage of the services and comply with the work requirements.

INLIVIAN (formerly Charlotte Housing Authority)

1. BRIEF BACKGROUND

INLIVIAN, formerly known as the Charlotte Housing Authority, is a public housing agency (PHA) in North Carolina that serves Charlotte and Mecklenburg counties.³⁸ INLIVIAN joined the U.S. Department of Housing and Urban Development's (HUD's) Moving to Work (MTW) Demonstration Program³⁹ in 2007 and instituted a work requirement policy in 2014.⁴⁰ The goal of INLIVIAN's work requirement policy is to help assisted households make progress toward economic self-sufficiency.

At least one work-able adult at all households that participate in the Housing Choice Voucher or Project-Based Voucher program is subject to INLIVIAN's work requirement policy.

INLIVIAN's work requirement policy is paired with rent reform⁴¹ to incentivize assisted households to increase their earnings. The policy requires at least one "work-able adult" at all households that participate in the Housing Choice Voucher (HCV) or Project-Based Voucher (PBV)⁴² programs to work at least 20 hours per week or participate in approved work-related activities. *Work-able adult* is defined as an individual who is between the ages of 18 and 61 and is neither elderly nor has a disability. Adults categorized as elderly or who have a disability are exempt from this policy. Details about the policy are provided below in Section 3, Description of the Work Requirement Policy.

In fiscal year (FY) 2019, INLIVIAN served approximately 7,800 households and had about 13,500 households⁴³ on its waiting lists (INLIVIAN, 2019). Staff reported that, as of December 2021, about 3,600 households were subject to the work requirement policy.

This case study details INLIVIAN's work requirement policy as of December 2021, including the development and implementation of the policy, challenges, successes, and lessons learned from implementing a work requirement policy. The information summarized was collected through interviews with INLIVIAN staff and a review of PHA documents, such as annual reports, MTW plans, and other related documents and websites.

³⁸ For more information about INLIVIAN, see <http://www.inlivian.com/>.

³⁹ MTW, launched in 1996, is a HUD demonstration program that provides PHAs with the flexibility to design and test innovative local strategies. For more information about MTW, see <https://www.hud.gov/mtw>.

⁴⁰ INLIVIAN's work requirement was proposed in 2010 and approved in 2011, but implementation was delayed until January 2014 due to local economic conditions.

⁴¹ Rent reform under the MTW program allows PHAs to change policies that determine the amount of rent paid by assisted households by moving away from the traditional 30 percent of adjusted income calculation. INLIVIAN changed its rent calculation to a stepped rent structure, in which rents are gradually increased (or, in the case of HCV, subsidies are decreased) on the basis of a fixed schedule. In FY 2019, INLIVIAN set assisted households' income bands at \$2,500 increments, with the stepped rent being 30 percent of the low end of the range. For example, in a \$5,000–\$7,500 annual income band, the low end of \$5,000 is divided by the 12 months of the year and multiplied by 30 percent. The total rent payment required would be \$125.

⁴² INLIVIAN converted all its public housing units to PBV units under HUD's Rental Assistance Demonstration (RAD) program. For more information about the RAD program, see <https://www.hud.gov/RAD>.

⁴³ INLIVIAN allows assisted households to sign up on multiple waiting lists (for example, HCV and PBV), so this number may include duplicates.

2. DEVELOPMENT OF THE WORK REQUIREMENT POLICY

Motivation for Instituting the Policy. INLIVIAN instituted its work requirement policy in 2014. The policy was proposed in 2010 and approved in 2011, but implementation was delayed until 2014 due to a spike in unemployment in the local area. Staff reported that they were motivated to implement a work requirement policy because of their MTW designation and a desire to promote self-sufficiency among assisted households. INLIVIAN believes that assisted households who can work should work, but they do not have an expectation that people will exit housing assistance in a specific time frame. Staff noted that Charlotte has an affordable housing crisis—even a full-time job at minimum wage does not provide sufficient income for many households to pay rent without some type of housing assistance.

Desired Policy Outcomes. The goal of INLIVIAN’s work requirement policy is help assisted households advance toward economic self-sufficiency. Specifically, the policy aims to—

- Increase the income of assisted households.
- Increase the number of assisted households with earned income.
- Decrease the number of assisted households paying minimum rent.

Concerns or Needs Considered During Policy Development. Before developing its work requirement policy, INLIVIAN gathered feedback from staff and assisted households through brainstorming sessions, surveys, and community meetings. That effort identified various needs or concerns that were considered during policy development, including lack of access to childcare, lack of transportation, low educational achievement, and lack of job readiness skills.

A description of the supportive services and resources INLIVIAN provides to assisted households to address those barriers and challenges is detailed later in the case study, in the Implementation of the Work Requirement Policy section.

Entities Involved in the Development of the Policy. INLIVIAN’s work requirement policy was developed by staff in collaboration with the Resident Advisory Council. Staff noted that they also received input from the Homeless Services Network (HSN) of Charlotte-Mecklenburg, a community coalition of approximately 40 organizations that work together to serve the homeless community in the Charlotte-Mecklenburg area.

3. DESCRIPTION OF THE WORK REQUIREMENT POLICY

INLIVIAN’s work requirement policy is paired with rent reform to incentivize assisted households to increase their income up to \$2,500 without a rent increase.⁴⁴ The policy requires at least one work-able adult at all households who participate in the HCV or PBV programs to work at least 20 hours per week.⁴⁵ *Work-able adult* is defined as an individual who is between the ages of 18 and 61 and is neither elderly nor has a disability. Adults categorized as elderly or who have a disability are exempt from the policy. Children younger than age 18, who have not graduated high school or received their GED, are required to be enrolled in school full time but are not subject to the work requirement.

INLIVIAN’s work requirement policy allows for approved work-related activities, such as job training, education, and volunteering or community service. However, work-related activities are allowed for up to 12 months during households’ tenure in assisted housing. In addition, assisted households with members enrolled in GED, associate’s degree, or bachelor’s degree programs are required to be employed part time for at least 15 hours per week. Volunteer or community service is allowed for up to 60 days during households’ tenure in assisted housing.

INLIVIAN’s work requirement policy was initially implemented as a pilot program at five public housing sites (Moving Forward sites). In 2017, the policy was expanded to eight additional public housing sites (now converted to PBV sites under RAD) and one Jobs Plus Initiative (JPI)⁴⁶ site. In 2020, the policy was further expanded to include work-able HCV households.

Policy Changes. INLIVIAN has implemented two major policy changes since the work requirement policy went into effect in 2014. Exhibit B.8 summarizes the key policy changes.

Target Population (Inclusion/Exclusion Criteria)

At least one work-able adult at all eligible households that participate in the HCV or PBV program is subject to INLIVIAN’s work requirement policy.

Exclusion:

- Elderly or disabled households.

Activities That Count Toward the Work Requirement

- Paid employment:
 - 20+ hours/week.
- Education (GED, 2-year degree, 4-year degree):
 - Full-time enrollment.
 - Must be combined with part-time employment (15+ hours/week).
- Job/vocational training:
 - Full-time enrollment.
 - Allowed for up to 12 months.
- Volunteer/community service:
 - 8 to 15 hours/week.
 - Allowed for up to 60 days.

⁴⁴ As part of MTW Rent Reform program, INLIVIAN implemented a stepped rent structure, known as a banded rent policy, that allows assisted households to pay rent based on 30 percent of the lower range of \$2,500 income bands. For example, a household with an adjusted income of \$5,000 would fall in the \$5,000-to-\$7,500 income band, and their rent would be 30 percent of \$5,000 (the lower range of the band) instead of \$7,500 (the upper range of the band).

⁴⁵ The 20+ hours-per-week work requirement can be met by a combination of two or more work-able adults in the household—e.g., the work-able head of household and another work-able adult household member.

⁴⁶ JPI is a HUD program that encourages PHAs to develop local, job-driven approaches to increase incomes and advance employment outcomes for assisted households. For more information about JPI, see https://www.hud.gov/program_offices/public_indian_housing/jpi.

Exhibit B.8. Key Policy Changes Implemented by INLIVIAN

Policy Change	Fiscal Year	Rationale
1. INLIVIAN changed the requirement for paid employment to 20+ hours/week from the initial work requirement, which was designed to be rolled out in phases. In phase 1, the work requirement policy required work-able heads of household to work a minimum of 15 hours per week. Any additional household members had to be employed at least 5 hours per week. After 1 to 3 years in phase 1, households were expected to move into phase 2 of the work requirement, requiring work-able heads of household to work a minimum of 30 hours per week and any additional household members to be employed at least 10 hours per week.	2018	INLIVIAN found that tracking compliance under the original design of the work requirement presented a significant administrative burden. The new approach has made compliance monitoring simpler for the PHA.
2. INLIVIAN changed phase 1 sanctions for noncompliance households from an approach in which assisted households lost 50 percent of their housing subsidy for up to 3 months to an approach in which assisted households' income is calculated using the state minimum wage multiplied by the number of hours required by the work requirement policy (i.e., 20 hours/week) for up to 3 months.	2018	After INLIVIAN converted its public housing units to RAD, the PHA learned that it could not sanction contracted housing assistance payments. INLIVIAN therefore changed its policy to imputed income at the state's minimum wage rate multiplied by 20 hours/week.

PHA = public housing authority. RAD = Rental Assistance Demonstration.

Note: Sanctions for noncompliant households are detailed in the next section, Implementation of the Work Requirement Policy.

Suspensions of the Policy and Associated Reasons for Suspension. INLIVIAN suspended its work requirement policy for the first time⁴⁷ in April 2020 due to the COVID-19 pandemic, and the policy remained suspended as of December 2021. Assisted households were not required to comply with the work requirement policy but continued to be offered supportive services. Staff noted that they were monitoring several in-house administrative metrics to help inform their decision on when to reinstate the work requirement. Those metrics included the local rate of unemployment, school closures and the availability of childcare, and the number of local COVID-19 cases.

⁴⁷ The work requirement was suspended for the first time since the policy was implemented in 2014. Between 2011 and 2013, the policy had been approved but not implemented due to local economic conditions.

4. IMPLEMENTATION OF THE WORK REQUIREMENT POLICY

Support Services

Working with local partners, INLIVIAN provides a range of support services and resources to help assisted households make progress toward economic self-sufficiency. Services are not mandatory; they are voluntary but highly encouraged. Support services include the following:

Support Services Provided by INLIVIAN

- Life coach and case management services.
- Workforce development services.
- After-school programs.
- ParentChild+ program.
- Homeownership.
- College prep and readiness programs.
- College scholarship program.
- Childcare subsidies.
- Transportation services.
- Youth sports and athletic programs.

- ***Life Coach and Case Management.*** INLIVIAN offers onsite life coach and case management services at all its properties. Case managers, known as life coaches, work one-on-one with assisted households to help them identify strengths, remove barriers to employment, and achieve their goals toward self-sufficiency. Services are available to all assisted households subject to the work requirement policy, but priority is given to households with the greatest needs—in particular, households paying minimum rent and those that are noncompliant with the work requirement.
- ***Workforce Development Services.*** INLIVIAN works with local community partners (e.g., Charlotte Works [local workforce development board] and other local partner organizations) to offer assisted households a range of workforce development services, including job readiness, career assessment, job search and placement, and job training.
- ***After-School Programs.*** INLIVIAN partners with two youth organizations (YWCA Central Carolinas and Above and Beyond Students) to provide afterschool programs and summer activities at three of its properties.
- ***ParentChild+ Program.*** INLIVIAN operates the ParentChild+ program, an early childhood education program that prepares 2- and 3-year-old children for school success by increasing language and literacy skills, enhancing social-emotional development, and strengthening the parent-child relationship. The program is offered free of charge to all assisted households.
- ***Homeownership, College Prep, Youth Sports, Childcare Subsidies, and Transportation Services.*** INLIVIAN staff noted that they provide additional support services, including homeownership programs, college prep and readiness programs, college scholarship programs, childcare subsidies, transportation services, and youth sports and athletics programs. However, specific information about those services was not available to the study team.

Compliance Monitoring

Process for Monitoring Compliance. INLIVIAN uses a work requirement system to monitor, track, and manage assisted households' compliance with the work requirement. Compliance monitoring is mostly done by life coaches in coordination with property managers. Life coaches meet with the property managers on a monthly basis to review and discuss assisted households' compliance with the work requirement. Households who are noncompliant are given a 90-day warning period to meet the work requirement; otherwise, they are subject to phase I sanctions (detailed below).

Work Requirement Policy Compliance Rate. As noted above, INLIVIAN’s work requirement policy has been suspended since April 2020 due to the COVID-19 pandemic. Before that time, staff reported that the average annual compliance rate for the work requirement was about 50 percent.⁴⁸

Sanctions for Noncompliance. Assisted households who are noncompliant with INLIVIAN’s work requirement policy are subject to incremental sanctions. The sanctions are implemented in two phases:

- **Phase I Sanctions**—The assisted household’s income is calculated using the state minimum wage multiplied by the number of hours in the work requirement (i.e., 20 hours/week) for up to 3 months. If the household remains noncompliant after the 3-month period, sanctions are escalated to phase II sanctions.
- **Phase II Sanctions**—The assisted households lose 100 percent of their housing subsidy for up to 180 days and are required to pay the established contract rent. If the household remains noncompliant after the 180-day period, they are recommended for termination and are afforded an informal hearing before final program termination. However, terminations from the program due to noncompliance with the work requirement are very rare. Staff reported that fewer than 10 households have been terminated from the program since the policy went into effect in 2014.

Sanction Waivers. INLIVIAN has sanction waivers, known as temporary suspensions, which allow assisted households with extenuating circumstances (e.g., medical emergencies) that prevent them from engaging in work or work-related activities to be exempted from the work requirement. Temporary suspensions are granted on a case-by-case basis and are reviewed every 90 days.

⁴⁸ INLIVIAN measures its compliance rate on the basis of the employment rate of work-able assisted households.

5. CHALLENGES, SUCCESSES, AND LESSONS LEARNED

Challenges Implementing the Work Requirement Policy. INLIVIAN staff reported several challenges in implementing its work requirement, including (1) motivating assisted households with multiple barriers to want to work, including assisted households’ concerns that going to work will cause them to experience a “benefits cliff” because they will no longer qualify for other public assistance that they need to make ends meet; (2) environmental challenges when the area has limited employment opportunities; and (3) internal program challenges with tracking compliance.

Successes of the Work Requirement Policy.⁴⁹

INLIVIAN staff noted that its work requirement policy has been very successful in helping assisted households make progress toward self-sufficiency. Staff have observed an increase in wages, a decrease in the number of assisted households that are paying the minimum rent, and an increase in the number of working households.

Key Successes of INLIVIAN’s Work Requirement Policy
<ul style="list-style-type: none"> ▪ Average earned income per household increased. ▪ Percentage of households paying minimum rent decreased. ▪ Number of working households increased.

Assessment of the Policy. INLIVIAN assessed the impact of the work requirement policy on assisted households in partnership with a team of researchers from the Center for Urban and Regional Studies at the University of North Carolina at Chapel Hill. The published paper is titled *Work Requirements in Public Housing: Impacts on Tenant Employment and Evictions* (Rohe, Webb, and Frescoln, 2015). The research examined the impacts of the work requirement policy in the initial five pilot sites. Key findings include the following:

- In the 2+ years before enforcement—when assisted households were receiving case management but the requirement was not enforced—employment did not increase at the work requirement sites relative to those in the comparison group that did not receive case management. Following enforcement of the work requirement, however, assisted households’ employment increased significantly, although the average number of hours worked among employed households did not increase.
- No evidence indicated that sanctions increased evictions or other forms of negative move-outs, possibly due to INLIVIAN’S emphasis on helping tenants reach compliance instead of adopting a punitive approach.
- More than 80 percent of INLIVIAN assisted households responding to the study—including those affected by the policy and those not subject to it—expressed general support for work requirements. This response suggests that most public housing assisted households have the same values concerning work as the larger population.

Lessons Learned During Implementation and Monitoring of the Work Requirement Policy. INLIVIAN staff noted that if they could make a change to their current work requirement policy, they might consider a technical change, such as allowing enrollment in a degree program to count toward fulfilling the work requirement for longer than the current 12 months. They acknowledged that continuing schooling and simultaneously working enough hours to comply with the work requirement is difficult, particularly if one has other obligations, such as caring for children. Because additional schooling typically results in increased earning power, this change would likely be beneficial for assisted households.

⁴⁹ The study team did not have access to the data on successes detailed in this section.

Staff also noted the importance of having supportive services in place for the program to be successful. As one staff person noted, “It is hard to push people into work without providing necessary services.” Finally, staff noted that assessing the local job market is critical before launching a new policy such as the work requirement. For example, knowing the local unemployment rate and the types of jobs that are available enable PHAs to better tailor services to support assisted households in the pursuit of paid work to fulfill the work requirement.

A work requirement is not for everyone, and it likely won't work in every jurisdiction. If you do not roll it out thoughtfully, you're setting the PHA up for failure. You have to be realistic about expectations, and carefully consider the local jurisdiction.

—INLIVIAN Staff Member

Overall, INLIVIAN staff believed that the work requirement has been very successful, as demonstrated by many households increasing their wages and a reduction in the number of households paying the minimum rent. Staff believe that the range of supportive services provided by INLIVIAN and a broad set of community partners have been important elements of the program's success.

Chicago Housing Authority

1. BRIEF BACKGROUND

The Chicago Housing Authority (CHA) is a public housing agency (PHA) based in Chicago, Illinois.⁵⁰ CHA joined the U.S. Department of Housing and Urban Development’s (HUD’s) Moving to Work (MTW) Demonstration Program⁵¹ in 2000 and instituted its work requirement policy in 2009. The goal of CHA’s work requirement policy is to promote economic independence and help assisted households move out of public housing and into mixed-income housing.

All work-able adults who are residents of public housing units or the RAD conversion units are subject to CHA’s work requirement policy.

CHA’s work requirement policy requires all “work-able adults” who are residents of public housing units or the Rental Assistance Demonstration (RAD)⁵² conversion units to engage in employment or employment-related activities for at least 20 hours per week.⁵³ *Work-able adults* is defined as individuals who are between the ages of 18 and 54 years and are neither elderly nor have a disability.⁵⁴ Assisted households in the Housing Choice Voucher (HCV) program are exempt from the policy.⁵⁵ Adults categorized as elderly or who have a disability are also exempt from this policy. In addition, CHA has a Safe Harbor provision that allows certain categories of adults to receive temporary exemption from the work requirement—for example, parents of children younger than the age of 1 year, victims of domestic violence, individuals with a temporary medical condition, and those waiting for Supplemental Security Income (SSI) eligibility determination.⁵⁶ Details about the policy are discussed in Section 3. Description of the Work Requirement Policy.

In Fiscal Year (FY) 2020, CHA served approximately 65,000 households and had about 143,000 households on its public housing, project-based voucher (PBV), and HCV waiting lists (CHA, 2021). Staff reported that, as of December 2021, about 5,900 households were subject to the work requirement.

This case study details CHA’s work requirement policy as of December 2021, including the development and implementation of the policy, challenges, successes, and lessons learned. The study team collected the information summarized through interviews with CHA staff and a review of PHA documents, such as annual reports, MTW plans, and other related documents and websites.

⁵⁰ For more information about CHA, see <https://www.thecha.org>.

⁵¹ MTW, launched in 1996, is a HUD demonstration program that provides PHAs with the flexibility to design and test innovative local strategies. For more information about MTW, see <https://www.hud.gov/mtw>.

⁵² RAD is a HUD program that allows PHAs to convert public housing properties to PBV. For more information about the RAD program, see <https://www.hud.gov/RAD>.

⁵³ The policy also applies to assisted households in select special programs, for example, CHA’s Re-Entry Pilot Program.

⁵⁴ Individuals who are 17 years old and not enrolled in school full time are also subject to CHA’s work requirement policy.

⁵⁵ Staff stated that assisted households in the HCV program are exempt due to difficulties in tracking and monitoring compliance for those households.

⁵⁶ Assisted households who have lost employment or who are having difficulties obtaining employment can also request Safe Harbor exemption, but CHA requires them to participate in support services if approved. Assisted households who receive Safe Harbor exemption for other reasons are not required to participate in support services.

2. DEVELOPMENT OF THE WORK REQUIREMENT POLICY

Motivation for Instituting the Policy. CHA instituted its work requirement policy in 2009. Staff reported that they were motivated to implement a work requirement policy as part of a broader *Plan for Transformation*, through which a CHA redeveloped a portion of its public housing portfolio into mixed-income housing (CHA, 2000). The goal of CHA’s Plan for Transformation was to—

- Rehabilitate or redevelop 25,000 housing units in Chicago.
- Reintegrate low-income families and housing into the larger physical, social, and economic fabric of the city.
- Provide opportunities and services to help residents improve their lives.
- Spur the revitalization of communities once dominated by CHA developments.

Staff noted that CHA wanted to prepare assisted households living in public housing to move into the rehabilitated or redeveloped mixed-income housing.

Desired Policy Outcomes. The goal of CHA’s work requirement policy is to help assisted households achieve economic independence. Specifically, the policy aims to—

- Increase the incomes of assisted households.
- Increase the number of households employed.

Concerns or Needs Considered During Policy Development. As CHA worked to convert its public housing inventory to mixed-income housing, staff determined that some public housing tenants would have difficulty meeting the tenant selection requirement for a mixed-income unit (30 hours of work per week). CHA was concerned that this requirement would relegate tenants to public housing long term and they would not be able to take advantage of the opportunity that mixed-income housing presented. As a result, CHA introduced the work requirement as a step toward preparing the tenants to be eligible for mixed-income units in the future.

Staff reported that CHA also designed the policy to address the stigma associated with those who lived in public housing by providing support services and encouraging potential employers to “take a chance” on public housing tenants.

Staff noted that CHA considered several other needs during policy development, including whether the policy could make a positive difference in families’ lives or increase labor participation rates.

Entities Involved in the Development of the Policy. CHA staff were the primary parties involved in the development of the work requirement policy. CHA’s Department of Resident Services drove the policy development. Staff noted that resident leadership was also involved in the policy development process. In addition, outside advocacy groups provided input during the public comment period. Some groups were supportive of the policy, whereas others believed that the work requirement would result in the eviction of many assisted households.

3. DESCRIPTION OF THE WORK REQUIREMENT POLICY

CHA’s work requirement policy requires all work-able adults who are residents of public housing units or RAD conversion units to engage in work at least 20 hours per week. The policy also applies to assisted households in select special programs, such as CHA’s Re-Entry Pilot Program. *Work-able adults* are defined as individuals who are between the ages of 18 and 54 years and are neither elderly nor have a disability. Individuals who are 17 years old and not enrolled in school full time are also subject to the policy.

Assisted households in the HCV program are exempt from the policy because, as staff noted, tracking and monitoring compliance for those households is difficult.

The policy includes a Safe Harbor provision, which provides a temporary exemption (up to 180 days) for certain categories of adults—for example, parents of children younger than the age of 1 year, victims of domestic violence, and individuals with a temporary medical condition. Assisted households who have lost employment or who are having difficulties finding employment can also request a Safe Harbor exemption. However, CHA requires those households to participate in support services if approved (details about support services appear in Section 4.

Implementation of the Work Requirement). Assisted households who receive Safe Harbor exemption for other reasons are not required to participate in support services. All assisted households with a Safe Harbor exemption are reexamined every 180 days to determine compliance with the conditions of the exemption. At each reexamination, CHA either extends the exemption for another 180 days or denies it. Assisted households who are denied Safe Harbor exemption can appeal the decision through CHA’s grievance process.⁵⁷

CHA’s work requirement policy allows for education, job training, or a combination to meet the work requirement. Assisted households are required to be enrolled part time⁵⁸ or full time in an accredited educational institution or a training program. Assisted households are also allowed to engage in a combination of part-time education or training and part-time paid employment. In addition, households are allowed to participate in volunteer or community service for up to 10 hours per week, but those hours must be combined with part-time education or training or part-time paid employment.⁵⁹

Target Population (Inclusion/Exclusion Criteria)

Inclusion—

- All work-able adults in—
 - Public housing units.
 - RAD conversion units.
 - Select special programs—e.g., CHA’s Re-Entry Pilot Program.

Exclusion—

- Elderly people and disabled households.
- Assisted households in the HCV program.
- Assisted households with a Safe Harbor exemption.

Activities That Count Toward the Work Requirement

- Paid employment—
 - 20+ hours/week.
- Education/training—
 - Full-time enrollment.
 - Combination of part-time education/training and part-time employment.
- Volunteer/community service—
 - Up to 10 hours/week.
 - Must be combined with part-time employment or part-time education/training (10+ hours/week).

⁵⁷ The grievance process is outlined in CHA’s Resident’s Grievance Procedure. For more information, see https://cha-assets.s3.us-east-2.amazonaws.com/s3fs-public/2021-03/cha_grievance_procedure_for_rad_program.pdf.

⁵⁸ Assisted households enrolled part time in an educational institution must meet the remaining work hours requirement through employment or volunteering.

⁵⁹ Part-time education or training or part-time paid employment must be for at least 10 hours per week.

Policy Changes. CHA has implemented policy changes since the work requirement policy went into effect in 2009. Exhibit B.9 summarizes the key policy changes.

Exhibit B.9. Key Policy Changes Implemented by CHA

Policy Change	Fiscal Year	Rationale
3. CHA changed the target population from “all work-able public housing residents between the ages of 18 and 62” to “all work-able public housing residents between the ages of 18 and 54, and age 17 if not in school full time.”	2011	CHA had reduced the number of aged properties; therefore, the PHA wanted to keep the policy focused on work-able families rather than seniors.
4. CHA began requiring mandatory participation in support services for all assisted households who receive Safe Harbor exemption because of failure to obtain employment. This requirement does not apply to assisted households who receive Safe Harbor exemption for other reasons—e.g., domestic violence or waiting on SSI determination.	2016	CHA’s resident leadership requested this change to ensure that households were compliant and received assistance in meeting the requirement at the front end rather than on the back end for a lease violation if noncompliant.
5. CHA expanded the target population for the work requirement to include residents of RAD conversion properties.	2016	CHA made this change to ensure consistency between public housing and RAD properties.
6. CHA increased the Safe Harbor period from 90 days to 180 days.	2018	CHA determined that 90 days was insufficient time for assisted households to establish an action plan to become compliant with the policy, which often resulted in multiple Safe Harbor requests. Increasing the time period to 180 days enabled assisted households to work with a service provider to create and implement an action and engagement plan.

CHA = Chicago Housing Authority. PHA = public housing authority. RAD = Rental Assistance Demonstration. SSI = Supplemental Security Income.

Suspensions of the Policy and Associated Reasons for Suspension. CHA has implemented no formal suspensions to its work requirement policy since its inception in 2009, including during the COVID-19 pandemic. However, staff noted that they understood that during the pandemic, more assisted households might enter Safe Harbor status as people lost jobs or left jobs for safety reasons. Staff reported a 10-percent drop in employment during the pandemic but indicated that employment rates among eligible households were beginning to recover as the number of households in Safe Harbor returned to prepandemic levels.

4. IMPLEMENTATION OF THE WORK REQUIREMENT POLICY

CHA implemented its work requirement policy immediately upon approval in 2009. However, CHA provided training to residents before the rollout of the work requirement policy. CHA staff noted that trainings have been in place since 2005 for assisted households moving to mixed-income properties, so CHA was able to add the details of the work requirement policy to those trainings. CHA’s Department of Resident Services contracts with service providers who work with third-party property management firms (also contracted by CHA) to help implement the work requirement policy on the ground.

Support Services

Working with local social service agencies (see exhibit B.10) to implement its FamilyWorks⁶⁰ program, CHA provides a range of resources and support services designed to aid assisted households in fulfilling the work requirement, including coaching and access to workforce development programs. CHA’s goal in providing services is to engage a greater number of residents in employment, education, job training, or community service to achieve economic independence. CHA’s support services include the following:

Support Services Provided by CHA and Its Community Partners
<ul style="list-style-type: none"> ▪ Family coaching. ▪ Case management. ▪ Workforce development. ▪ Financial inclusion. ▪ Digital inclusion. ▪ Afterschool programs. ▪ Clinical services and referrals. ▪ Support for basic needs.

- **Family Coaching.** FamilyWorks offers family coaching services to assisted households. The purpose of these services is to help families navigate and engage with a range of resources, such as—
 - The community college system (to attend city colleges for no cost through financial aid).
 - Partnerships with the local workforce investment boards (which enables assisted households to be served through the American Jobs Centers).
 - Referrals to help families overcome barriers to work (for example, transportation or childcare).
- **Case Management.** Case management is a component of family coaching. FamilyWorks providers provide mandatory case management services to assisted households who are granted Safe Harbor exemption due to challenges obtaining or maintaining employment. This requirement ensures that assisted households receive the necessary support services to become compliant with the work requirement. Case managers work with assisted households to develop an action plan upon the initial Safe Harbor exemption request and any subsequent requests for an extension to the exemption. The action plan outlines the assisted household’s goals and support services needed.
- **Workforce Development.** FamilyWorks providers offer a variety of workforce development readiness services, such as—
 - **Job Training:** Providers operate a job training program known as Transitional Jobs, in which assisted households are paid while learning skills needed for work.

⁶⁰ CHA offers support services through a service model known as FamilyWorks (details about the FamilyWorks model were not available to the study team). The services are provided by contracted community partners known as FamilyWorks providers. Assisted households are assigned to specific providers on the basis of their ZIP Code.

- **Job Readiness:** Providers offer assisted households various job readiness services, including resume preparation, interviewing techniques, job search strategies, and career assessment.
- **Referral for Job Search and Placement:** Assisted households are referred to CHA's contracted workforce development providers for job search and placement services.
- **Financial Inclusion.** FamilyWorks providers offer opportunities for financial education and resources on topics such as budgeting, personal finances, and homeownership.
- **Digital Inclusion.** CHA's Digital Inclusion Services (DIS) program and Digital Resource Centers (DRCs) provide assisted households with access to training services and digital devices.
 - **DIS Program:** DIS offers assisted households various computer trainings, including Introduction to Computers, Microsoft Word, Computing with Confidence, Recognizing Internet Scams, Online Security Protection, Utilizing Mobile Applications, and Creating Google Accounts. DIS also partners with community partners such as Chicago City of Learning, EveryoneOn, Chicago Public Libraries, Chicago Public Schools, and Chicago Cook Workforce Partnership to bridge digital divide for specific categories of assisted households (e.g., youth, seniors, and non-English speakers) through customized computer trainings and free or low-cost high-speed internet services.
 - **DRCs:** FamilyWorks providers operate nine DRCs in various CHA public housing sites. The DRCs are equipped with computers, updated software, and projectors and are Wi-Fi accessible. Onsite staff at the centers provide technical support and programming to help assisted households use computers. Assisted households can use computers at the centers to search for jobs and engage in educational activities.
- **Afterschool Programs.** FamilyWorks providers offer assisted households a variety of youth programming and referrals to youth services. The providers also operate a Summer Youth Employment Program that connects youth ages 16 to 24 years to meaningful work experiences.
- **Clinical Services and Referrals.** FamilyWorks providers have licensed clinicians who offer a variety of wellness and mental health services, such as health screenings, counseling, health awareness workshops, and medical referrals.
- **Support for Basic Needs.** FamilyWorks providers help assisted households address various basic needs, including childcare, utilities, transportation, and health care. Some services are provided through referrals to other organizations.

Exhibit B.10. Selected CHA Implementation Partners

Name of Partner	Type of Organization	Supportive Services Provided
1. Employment and Employer Services	Social services provider	Job readiness, job training, job search and placement, career counseling, family coaching, and referrals for social services
2. Centers for New Horizons	Social services provider	Early childhood education, youth development, workforce and economic development, and adult and family services
3. Metropolitan Family Services	Social services provider	Early childhood education, parenting resources, and economic stability education/counseling
4. Near West Side Community Development Corporation	Social services provider	Case management, financial literacy, economic empowerment, homeownership education, youth programming, counseling, education, and medical referrals
5. YWCA Metropolitan Chicago	Social services provider	Childcare assistance, parenting resources, one-on-one coaching, career placement, computer training, financial counseling, mental health, and youth programming

Compliance Monitoring

Process for Monitoring Compliance. CHA’s FamilyWorks providers and property managers work together to assess and monitor compliance with the work requirement. Providers and property managers at each of CHA’s public housing sites hold monthly coordination meetings where they discuss and address compliance issues. The providers also work with CHA’s Departments of Resident Services and Property & Asset Management to document and track data collected from assisted households. Data tracked include the reason for requesting a Safe Harbor exemption and the timeframe for tracking the 180 days. CHA then pulls the data every 180 days to determine assisted households’ compliance with the work requirement. Noncompliant households can request Safe Harbor exemption but must participate in mandatory support services if approved. Assisted households who refuse to participate in support services are subject to lease termination and eviction. However, staff noted that CHA has never evicted any household due to noncompliance with the work requirement policy.

Work Requirement Policy Compliance Rate. CHA staff reported the average annual compliance rate for their work requirement policy was between 92 and 96 percent. The compliance rate includes assisted

households who are compliant,⁶¹ those who are exempt,⁶² and those in Safe Harbor. In 2021, for example, staff reported a 92-percent compliance rate—i.e., 53 percent of households subject to the work requirement were considered compliant, 13 percent were exempt, and 26 percent were in Safe Harbor. CHA reported 6 percent of households subject to the work requirement as noncompliant and the rest (2 percent) were under legal review.⁶³

Sanctions for Noncompliance. As noted above, noncompliant assisted households are subject to lease termination and eviction. However, CHA has never evicted any household for noncompliance with the work requirement since the policy went into effect in 2009.

Sanction Waivers. As noted above, assisted households who are subject to the work requirement can obtain a Safe Harbor exemption for a variety of reasons and can have their exemption recertified an unlimited number of times if their service provider signs off on the request.

⁶¹ This category includes assisted households who are employed, participating in education or training, or engaging in volunteer or community service.

⁶² This category includes assisted households who are categorized as elderly (55+ years old) or have a disability.

⁶³ This category includes assisted households undergoing an eviction proceeding (whether for noncompliance with the work requirement or for other reasons). They are not included in the category of households defined as noncompliant—i.e., households who are not meeting the work requirement and are not approved for a Safe Harbor exemption.

5. CHALLENGES, SUCCESSES, AND LESSONS LEARNED

Challenges Implementing the Work Requirement Policy. Staff reported that they have experienced some challenges monitoring and tracking assisted households’ compliance with the work requirement. They explained that consistently tracking assisted households’ compliance was a challenge due to difficulty in getting every PHA staff member to understand the importance of monitoring and tracking. To address that challenge, CHA has developed a new data dashboard module that will make monitoring and tracking compliance with the policy easier for property managers.

Successes of the Work Requirement Policy.⁶⁴ CHA staff believed that their work requirement policy has been successful in encouraging assisted households to work. They noted that they have experienced positive trends in workforce engagement and retention and increased wages over the years. Staff also noted that evidence has shown that youth have higher attendance rates at school when the head of household is employed.

Key Successes of CHA’s Work Requirement Policies
<ul style="list-style-type: none"> ▪ Increases in employment, workforce engagement, and retention. ▪ Secondary benefits for youth school attendance.

Assessment of the Policy. CHA staff reported that they assess the effectiveness of the work requirement policy internally by measuring employment engagement, tracking year-over-year earnings to determine if assisted households are moving along with the Area Median Income trajectory, and monitoring noncompliance. Staff also reported that they worked with a local research center at the start of the program to assess the implementation of the policy. The study did not provide feedback on the actual policy, but the focus group and interview findings provided useful information on weaknesses within the program (for example, property management staff not understanding and following the policy) that CHA was able to address.

Lessons Learned During Implementation and Monitoring of the Work Requirement Policy. CHA staff highlighted the importance of obtaining buy-in on the value of the work requirement from all stakeholders, including assisted households, property managers, and service providers. They also emphasized the critical role of supportive services, noting that without supports, many residents would struggle to meet the work requirement. Staff also noted the importance of having supports in place before implementing the policy so assisted households are aware that help is available before they are obliged to comply with the work requirement. In addition, staff underscored that having a work requirement establishes that public housing is temporary while people get back on their feet.

You need a lot of buy-in upfront from residents, workforce staff, and property management so that everyone knows why this is a good thing.

—CHA Staff Member

Overall, CHA staff reported a positive experience with the implementation of the work requirement and believed that it has promoted movement of assisted households from public housing to mixed-income housing. CHA staff further noted that the supportive services provided by CHA staff and its partners have been critical to the program’s success.

⁶⁴ The study team did not have access to the data on successes detailed in this section.

Delaware State Housing Authority

1. BRIEF BACKGROUND

The Delaware State Housing Authority (DSHA) is a public housing agency (PHA) in Delaware that serves Kent and Sussex counties.⁶⁵ DSHA joined the U.S. Department of Housing and Urban Development's (HUD's) Moving to Work (MTW) Demonstration Program⁶⁶ in 1999 and instituted its work requirement policy the same year. The ultimate goal of DSHA's work requirement policy is to help households become economically self-sufficient, allowing them to move out of assisted housing.

All work-able adults in public housing and Housing Choice Voucher (HCV) programs are subject to DSHA's work requirement policy and 7-year time limits.

DSHA's work requirement policy is structured as a two-tier system paired with time limits and organized by time in the program: MTW Tier I participants are within their first 5 years in the program, and MTW Tier II participants are in their sixth and seventh years (final 2 years) of participation in the program (details about the policy are provided in Section 3. Description of the Work Requirement Policy). All *work-able adults*—defined as individuals who are between the ages of 18 and 57 and are neither elderly nor have a disability—in public housing and HCV programs are subject to the work requirement and the 7-year time limit. Adults categorized as elderly or who have a disability are exempt from this policy.

DSHA serves approximately 1,400 households in any given year, with a goal to serve 500 of those households through its work requirement program, known as the MTW program (DSHA, 2020). However, as of November 2021, DSHA had only assisted approximately 420 households participating in the program.⁶⁷ Staff explained that the number of assisted households in the MTW program fluctuates from year to year due to waiting list cycles that result in increases and decreases in the number of elderly and disabled households served by DSHA. More than 17,000 households are currently on DSHA's public housing and HCV waiting lists (DSHA, 2020).

This case study details DSHA's work requirement policy as of November 2021, including development and implementation of the policy, challenges, successes, and lessons learned. The information summarized was collected through interviews with DSHA staff and a review of PHA documents, such as annual reports, MTW plans, and other related documents and websites.

⁶⁵ For more information about DSHA, see: <http://www.destatehousing.com/>.

⁶⁶ MTW, launched in 1996, is a HUD demonstration program that provides PHAs with the flexibility to design and test innovative local strategies. For more information about MTW, see <https://www.hud.gov/mtw>.

⁶⁷ That number is the number of assisted households that are subject to DSHA's work requirement policy and 7-year time limit.

2. DEVELOPMENT OF THE WORK REQUIREMENT POLICY

Motivation for Instituting the Policy. DSHA instituted its work requirement policy in 1999 as part of the welfare reforms of the 1990s. Staff explained that the state-level leadership at the time wanted to mirror some elements (specifically, the work requirement) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 in the assisted housing program.

Desired Policy Outcomes. DSHA has three broad goals for its MTW program (DSHA, 2020):

1. Reduce public housing and HCV program costs and achieve cost effectiveness through administrative reforms such as increasing assisted households' share of rent to 35 percent of adjusted gross income, time-limiting housing assistance, helping assisted households remove barriers to self-sufficiency, helping assisted households increase their earned income, and prohibiting alternative housing subsidies⁶⁸ while households are receiving housing assistance.
2. Incentivize assisted households to seek employment through initiatives such as amending the waiting list to include a preference for working families, capping rent increases to 35 percent of adjusted gross income,⁶⁹ and providing supportive services to assisted households.
3. Increase housing choice for assisted households through services and resources such as financial literacy and counseling, MTW saving accounts, and homeownership education and assistance.

Concerns or Needs Considered During Policy Development. The ultimate goal of DSHA's work requirement policy is to help households become self-sufficient so that they move out of assisted housing. Hence, when DSHA developed its work requirement policy, the following concerns or needs of assisted households were considered:

- **Poor credit history**—Staff noted that most of their assisted households (about 60 to 65 percent) reported that poor credit history was a barrier to self-sufficiency.
- **Transportation**—Staff noted that parts of Kent and Sussex counties where the PHA operates are rural and lack public transportation. Thus, for households without a car, getting to work is a challenge.
- **Childcare**—Staff also noted that many of their assisted households reported that lack of access to childcare was a significant barrier to self-sufficiency.
- **Seasonal employment**—Staff noted that parts of the counties served by the PHA are beach towns that rely on tourism, in which many jobs are seasonal. Members of assisted households in these areas often lose work hours or jobs in the winter months.

Supportive services and resources that DSHA provides to assisted households to address those barriers and challenges are detailed later in the case study, in the Implementation of the Work Requirement Policy section.

Entities Involved in the Development of the Policy. Staff reported that the work requirement policy was developed by DSHA's leadership at the time, in collaboration with local housing advocacy groups.

⁶⁸ This rule means that assisted households cannot receive additional housing subsidies while in DSHA's MTW program. For example, assisted households cannot receive the State of Delaware housing subsidy and the federal MTW subsidy at the same time.

⁶⁹ Details on how DSHA caps rent increases to 35 percent of adjusted gross income is provided in Section 4. Implementation of the Work Requirement Policy.

3. DESCRIPTION OF THE WORK REQUIREMENT POLICY

DSHA’s work requirement policy is paired with time limits and structured as a two-tier system. All work-able adults in assisted households (referred to as MTW participants) are automatically enrolled in the MTW program and are subject to the work requirement and 7-year time limits. The policy applies to work-able assisted households in both the public housing and HCV programs.

Target Population (Inclusion/Exclusion Criteria)
<ul style="list-style-type: none"> ▪ All work-able adults in assisted households are part of DSHA’s MTW program and subject to the work requirement policy and 7-year time limit. ▪ Elderly and disabled households are excluded.

Under MTW Tier I, defined as the first 5 years of participation in DSHA’s MTW program, MTW participants are required to work an incremental number of hours: at least 20 hours/week during the first 2 years in the program, at least 25 hours/week in the third year, and at least 30 hours/week in the fourth and fifth years of participation. At the end of year 5, MTW participants are expected to successfully complete the program and move out of housing assistance. MTW participants who are unable to successfully complete the program within 5 years are enrolled in DSHA’s MTW Tier II. Under MTW Tier II, defined as the final 2 years of participation in DSHA’s MTW program, participants are required to continue working at least 30 hours/week, earning no less than minimum wage. At the end of year 7 of the program, MTW participants are expected to move out of subsidized housing. MTW participants with extenuating circumstances may be granted a short-term extension of housing assistance on a case-by-case basis beyond the 7-year period (DSHA, 2020).

Activities That Count Toward the Work Requirement
<ul style="list-style-type: none"> ▪ Paid employment: <ul style="list-style-type: none"> ○ 20+ hours/week for years 1–2. ○ 25+ hours/week for year 3. ○ 30+ hours/week for years 4–7. ▪ Education/training: <ul style="list-style-type: none"> ○ Full-time enrollment. ○ Combination of part-time education/training and part-time employment. ○ Only allowed in years 1–3.

DSHA’s work requirement policy allows for education, job training, or a combination of the two to meet the work requirement during the first 3 years of MTW program participation. MTW program participants are required to be enrolled full time in an educational or training program. They can also engage in a combination of part-time education or training and part-time employment. At the end of year 3, MTW participants may continue with their education or training; however, they will also be required to work at least 30 hours per week. DSHA staff explained that education or training does not count toward the work requirement beyond year 3 because the goal is to promote self-sufficiency, which, in turn, enables MTW participants to exit assisted housing.

Policy Changes. DSHA has implemented policy changes since the work requirement policy went into effect in 1999. Exhibit B.11 summarizes the key policy changes.

Exhibit B.11. Key Policy Changes Implemented by DSHA

Policy Change	Fiscal Year	Rationale
1. DSHA created a time-limited safety-net program, which allowed MTW participants who were unable to successfully complete the MTW program within 5 years (MTW Tier I) to continue to receive housing assistance. MTW participants in the safety-net program were required to continue to work at least 20 hours/week or be enrolled in a full-time educational or training program.	2005	DSHA wanted to promote self-sufficiency while continuing to provide needed housing assistance to MTW participants who were unable to successfully complete the MTW program within 5 years.
2. DSHA changed the requirement for paid employment from 20+ hours/week to 25+ hours/week in year 3 and 30+ hours/week in years 4 to 7.	2008	DSHA noticed that MTW participants often achieved the 20 hours/week work requirement but did not go beyond that requirement.
3. DSHA eliminated the safety-net program and replaced it with MTW Tier II.	2012	DSHA sought to increase MTW participants' self-sufficiency and eventual exit from housing assistance but realized that the safety-net program created a false sense of security for many assisted households: at the time, 120 of 500 households in the MTW program were in the safety-net program.

DSHA = Delaware State Housing Authority. MTW = Moving to Work.

Suspensions of the Policy and Associated Reasons for Suspension. DSHA suspended its work requirement policy for the first time since its inception in March of 2020, when the Governor declared a state of emergency due to the COVID-19 pandemic. As a result, DSHA “froze” in time the status of all MTW participants. DSHA reinstated the policy on November 30, 2021, and provided the MTW participants with 6 months added to their individual time limit. DSHA’s decision to reinstate the work requirement policy depended on the following factors:

- The Governor of Delaware lifting the COVID-19 state of emergency.
- The Centers for Disease Control and Prevention lifting the nationwide housing eviction moratorium.
- The local unemployment rate declining to its prepandemic level.

4. IMPLEMENTATION OF THE WORK REQUIREMENT POLICY

Support Services

Working with local partners listed in exhibit B.12, DSHA provides a range of supportive services and resources to help MTW participants achieve economic self-sufficiency. Staff noted that supportive services are designed to help address barriers and challenges faced by assisted households. Supportive services include the following:

Support Services Provided by DSHA and its Community Partners
<ul style="list-style-type: none"> ▪ Case management. ▪ Employment services. ▪ Financial literacy. ▪ MTW savings account. ▪ Adult education services. ▪ Childcare and afterschool programs.

- **Case Management.** All MTW participants are required to participate in case management throughout their time in the MTW program. DSHA has four onsite case managers who meet with MTW participants at least once each quarter (more frequently, if needed), and the services provided are based on MTW Tiers.
 - **MTW Tier I Case Management**—At the start of the program, MTW participants are required to complete a contract of mutual participation and an individualized case plan, known as a resident action plan, which is designed to identify barriers to self-sufficiency. Case managers work one-on-one with MTW participants to help address barriers and challenges, such as a lack of transportation, lack of access to childcare, acquisition of job skills or education, or securing a driver’s license. Case managers also work with MTW participants on long-term goals (for example, homeownership, credit repair, ability to pay fair market rent) and refer them to DSHA’s financial literacy program.
 - **MTW Tier II Case Management**—During years 6 and 7, case managers focus their effort on helping MTW participants who are unable to successfully complete the program within 5 years to find housing. MTW participants are also informed that their housing assistance will terminate at the end of year 7 in the program.
- **Employment Services.** DSHA partners with the Delaware Department of Labor (DOL) to provide employment services such as resume preparation, job search, interviewing skills, and job training. Services are provided through DOL’s One-Stop Centers. DSHA case managers work with participants to identify employment or training needs and refer them to the One-Stop Centers for assistance with job placement or training. In addition, all DSHA public housing sites have computer labs with computers that can be used for job searches.
- **Financial Literacy.** DSHA partners with several organizations to provide various forms of financial education and counseling services to MTW participants. Those organizations include the National Council on Agricultural Life & Labor Fund, Inc. (NCALL), which provides homeownership education and counseling, and Consumer Credit Counseling Services, which provides budgeting and credit counseling services.

- **MTW Savings Account.** DSHA caps rent increases at 35 percent of adjusted gross income for 5 years.⁷⁰ DSHA saves any additional amount that would have been paid by an MTW participant in an escrow account known as an MTW Savings Account. MTW participants who exit the program at the end of year 5 receive 100 percent of the saved funds, whereas those who exit in year 6 or year 7 receive 60 percent and 40 percent of the funds saved, respectively. MTW participants are required to use at least 60 percent of the escrow funds on housing costs, such as rent or down payment on a house.
- **Adult Education Services.** DSHA partners with local universities, community colleges, and high schools to provide general education, adult basic education, and GED classes. Those institutions also provide job-specific trainings. In addition, DSHA has installed GED tutorial software at various locations in its public housing sites. Those sites also have instructors who provide group instruction to MTW participants studying for a GED.
- **Childcare and Afterschool Programs.** Two of DSHA’s public housing sites have onsite childcare centers, and MTW participants are given preference on the waiting lists of those facilities. DSHA has also partnered with the University of Delaware to provide programs through 4-H, an afterschool and summer youth development initiative, at two of its public housing sites.⁷¹ In addition, DSHA partners with two local organizations (Even Start and Child, Inc.) to provide parenting classes.

Exhibit B.12. Selected DSHA Implementation Partners

Name of Partner	Type of Organization	Supportive Services Provided
1. Delaware Department of Labor	Government agency	Employment services, such as resume preparation, job search, interview skills, job placement, and job training
2. First State Community Action Agency	Economic support organization	Employment training, afterschool and summer food services program
3. Boys & Girls Clubs of Delaware	Youth organization	Afterschool program
4. University of Delaware	Educational institution	Afterschool and summer youth development initiative
5. Sussex Tech Adult Education	Educational institution	Adult basic education and GED classes
6. Children and Families First	Social services provider	Family enrichment, family planning and counseling, and parenting resources
7. Even Start	Social services provider	Parenting classes for families with children younger than 8 years old

⁷⁰ DSHA caps Total Tenant Payment (TTP) for any dwelling unit to the greater of \$50, 35 percent of adjusted monthly income, or 10 percent of monthly income. Tenant rent is computed by subtracting the utility allowance for tenant-supplied utilities, if applicable, from TTP. In instances in which the utility allowance exceeds the TTP, the tenant rent is zero. For assisted households whose 35 percent of adjusted monthly income exceeds \$120, the TTP is set at the amount calculated. Once DSHA sets the TTP, the amount does not increase unless the assisted household’s utility share is greater, in which case the TTP may increase up to the amount of the utility allowance. Thereafter, if an assisted household’s income increases, the rent is capped at \$350, and the remainder, up to 35 percent of the adjusted monthly income, is placed in an MTW Savings Account by DSHA.

⁷¹ For more information about the 4-H program, see <https://www.udel.edu/academics/colleges/canr/cooperative-extension/personal-economic-development/4H-youth-development/programs/>.

Name of Partner	Type of Organization	Supportive Services Provided
8. Child, Inc.	Social services provider	One-on-one case management and parenting classes
9. Consumer Credit Counseling Services	Financial literacy provider	Budgeting and credit counseling
10. NCALL	Housing counseling provider	Homeownership education

DSHA = Delaware State Housing Authority. NCALL = National Council on Agricultural Life & Labor Fund, Inc.

Compliance Monitoring

Process for Monitoring Compliance. All MTW participants who are employed are required to provide proof that they are complying with the work requirement by presenting pay stubs to their case manager on a quarterly basis. For those without pay stubs, DSHA accepts letters from employers that are printed on company letterhead. MTW participants who lose employment are given 30 days to find a new job; otherwise, they receive a compliance violation warning, known as a compliance strike. DSHA requires MTW participants who are in educational or training programs to provide academic transcripts to prove compliance with the work requirement policy.

Work Requirement Policy Compliance Rate. DSHA staff reported that before COVID-19, the average compliance rate for their work requirement policy was about 97 percent.⁷² After COVID-19 was declared a public health emergency and many businesses shut down in the state, staff reported that the compliance rate dropped significantly until it reached 75 percent, its lowest point, in April 2020.⁷³ The compliance rate has steadily increased since then, and staff reported that it averaged about 95 to 96 percent as of November 2021.

Sanctions for Noncompliance. DSHA has a “three compliance strike” policy, in which MTW participants who accumulate three compliance warning violations lose their housing assistance. However, DSHA staff noted that getting a third strike is a rare occurrence because they do everything possible to work with noncompliant MTW participants to help them avoid getting a third strike. Staff explained that the policy has been in place since 1999, but fewer than 2 percent of MTW participants have ever received a third strike. In addition, MTW participants who receive three strikes have the option to appeal the decision to a hearing officer, who has the authority to rescind the strike if just cause to do so exists.

Sanction Waivers. DSHA also has sanction waivers, known as temporary exemptions, which allow MTW participants with extenuating circumstances, such as medical emergencies, to be exempted from the work requirement. Temporary exemptions are granted on a case-by-case basis, and MTW participants are required to provide supporting documentation, such as a doctor’s note, in cases of medical emergency.

⁷² DSHA measures its compliance rate on the basis of the unemployment rate of MTW participants—that is, staff reported that the average unemployment rate for MTW participants, before COVID-19, was 3 percent.

⁷³ DSHA’s work requirement policy was suspended during this period, so MTW participants were not required to comply with the policy. The compliance rate reflects a 25-percent unemployment rate for MTW participants that was reported by DSHA staff for April 2020.

5. CHALLENGES, SUCCESSES, AND LESSONS LEARNED

Challenges Implementing Work Requirement Policy. Staff did not report any major challenges in implementing the work requirement. The only challenge staff have experienced is with monitoring compliance, when MTW participants who lose employment fail to notify their case managers. However, staff explained that DSHA is a small PHA, and staff in various offices usually work together as a team, so often the public housing manager or the HCV office will notify case managers in those instances.

Successes of the Work Requirement Policy. DSHA staff noted that the most successful element of their work requirement policy is its effectiveness in helping many households achieve self-sufficiency. In FY 2020, DSHA reported that 1,015 assisted households had successfully completed the MTW program since it was instituted in 1999, with about 305 (30 percent) of those households going on to homeownership and 710 households (70 percent) paying full rent (DSHA, 2020). Staff also noted that the program has helped many participants to achieve their academic goals; for example, several participants earned GEDs or completed employment trainings and were successfully placed in employment—or both.

Key Successes of DSHA's Work Requirement Policy
Overall, 1,015 assisted households have completed the MTW program since 1999.
<ul style="list-style-type: none"> ▪ 30 percent (305) have gone on to homeownership. ▪ 70 percent (710) pay full rent.

Assessment of the Policy. DSHA has never conducted a third-party evaluation of its work requirement policy. Staff explained that policy assessments are conducted internally.

Lessons Learned During Implementation and Monitoring of the Work Requirement Policy. Staff stated that implementing a work requirement policy requires patience and flexibility. They explained that when they began their work requirement policy, MTW participants were required to work only a minimum of 20 hours per week; however, over time, DSHA realized that they needed to modify the requirement. They changed the requirement to allow time for the desired effect of increasing assisted households' work effort to be realized. Staff also emphasized the need to engage the affected households when developing a work requirement policy to alleviate distrust.

Overall, DSHA staff expressed pride in their MTW program, especially because more than 1,000 assisted households have been able to achieve self-sufficiency through the program. The wide range of supportive services provided by DSHA and its community partners has been a critical element of the program's success. The staff continually assess their program and outline potential changes in the PHA's annual MTW plan.

Lawrence-Douglas County Housing Authority

1. BRIEF BACKGROUND

The Lawrence-Douglas County Housing Authority (LDCHA) is a public housing agency (PHA) in Kansas that was created in 2001 through the merger of the Lawrence Housing Authority and the Douglas County Housing Authority.⁷⁴ LDCHA serves Douglas County, which includes the city of Lawrence, Kansas. LDCHA joined the U.S. Department of Housing and Urban Development’s (HUD’s) Moving to Work (MTW) Demonstration Program⁷⁵ in 1999 and instituted its work requirement policy the same year. The goal of LDCHA’s work requirement policy is to help assisted households achieve economic self-sufficiency.

All work-able adults in public housing and Housing Choice Voucher (HCV) programs are subject to LDCHA’s work requirement policy.

LDCHA’s work requirement requires all work-able adults to work at least 15 hours per week. LDCHA defines *work-able adults* as public housing residents or HCV program participants who are between the ages of 18 and 61 years and who are neither elderly nor have a disability. For two-adult households with a child age 13 years or younger, they can fulfill the work requirement if one adult works at least 35 hours per week. Adults categorized as elderly or who have a disability are exempt from this policy. Other exemptions include—

- Temporary medical exemption to households in which one adult member has a medical condition that limits or prevents work activities.
- Exemption to households in which one adult member who is receiving Temporary Assistance for Needy Families (TANF) cash assistance has been determined “not mandatory for work” by the Kansas Department of Children and Families (DCF).
- Discretionary exemptions to (1) adults who are experiencing significant barriers to employment; (2) adults with caregiving responsibilities (e.g., parents of a child with a disability); and (3) adults who are unable to work for religious reasons.⁷⁶

Details about the policy are in Section 3. Description of the Work Requirement Policy.

In Fiscal Year (FY) 2020, LDCHA served approximately 1,300 households and had about 600 households⁷⁷ on its combined public housing and HCV waiting lists (LDCHA, 2021). Staff reported that, as of December 2021, about 400 households (of about 1,300 total households served annually) were subject to the work requirement policy.

This case study details LDCHA’s work requirement policy as of December 2021, including development and implementation of the policy, challenges, successes, and lessons learned. The study team collected the information summarized through interviews with LDCHA’s staff and a review of PHA documents, such as annual reports, MTW plans, and other related documents and websites.

⁷⁴ For more information about LDCHA, see <https://www.ldcha.org/>.

⁷⁵ MTW, launched in 1996, is a HUD demonstration program that provides PHAs with the flexibility to design and test innovative local strategies. For more information about MTW, see <https://www.hud.gov/mtw>.

⁷⁶ Staff noted that LDCHA grants discretionary exemptions on a case-by-case basis, but they are rare.

⁷⁷ LDCHA allows assisted households to sign up on multiple waiting lists (for example, public housing and HCV), so this number may include duplicates.

2. DEVELOPMENT OF THE WORK REQUIREMENT POLICY

Motivation for Instituting the Policy. LDCHA instituted its work requirement policy in 1999 as part of the welfare reforms of the 1990s. LDCHA designed the policy to mirror the work requirement of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Staff noted that LDCHA did not want to subject their assisted households to two different work requirements.

Desired Policy Outcomes. The goal of LDCHA’s work requirement policy is to help assisted households achieve economic self-sufficiency, providing them with a path to move out of assisted housing.

Concerns or Needs Considered During Policy Development. When LDCHA developed its work requirement policy, it considered the following concerns or needs of assisted households:

- ***Childcare***—Staff noted that many of their assisted households reported lack of access to childcare as a significant barrier to self-sufficiency.
- ***Transportation***—Staff noted that some assisted households reported lack of transportation as a barrier to employment.
- ***Job Readiness***—Staff also noted that some of their assisted households lacked skills needed for successful participation in the workforce.

The Implementation of the Work Requirement Policy section describes the supportive services and resources LDCHA provides to assisted households to address those barriers and challenges.

Entities Involved in the Development of the Policy. LDCHA staff, under the leadership of the Executive Director at that time, developed LDCHA’s work requirement policy. Staff reported that development of the policy was an elaborate process that included multiple meetings with assisted households and a public comment period. LDCHA also engaged various advocacy groups, service providers, and industry groups, including the following organizations:

- Advocacy group—
 - Tenants to Homeowners (advocacy group for first-time homeowners).
- Service providers—
 - East Central Kansas Economic Opportunity Corporation.
 - Kansas Department of Social and Rehabilitation Services.
 - Jayhawk Chapter of the Society for Human Resource Management.
 - Brookcreek Learning Center (local childcare provider).
 - Douglas County Community Transportation Coordinating Council.
- Industry group—
 - Practitioners Panel of the City of Lawrence (a local housing advisory council).

3. DESCRIPTION OF THE WORK REQUIREMENT POLICY

LDCHA’s work requirement policy requires all *work-able adults*, defined as individuals who are between the ages of 18 and 61 years and do not have a disability, to work at least 15 hours per week. The policy applies to all work-able adults in both the public housing and HCV programs. Two-adult households with a child age 13 years or younger may meet the work requirement if one adult works at least 35 hours per week. Adults categorized as elderly or having a disability are exempt from the policy. Other policy exemptions include—

- Exemption to households receiving TANF cash assistance with one adult member who has been determined “not mandatory for work” by DCF.
- Temporary medical exemption to households in which an adult member has a medical condition, certified by a licensed physician, that lasts more than 3 months and limits or prevents work activities.
- Discretionary exemption to households with only one adult who does not have a disability status, or who—due to limitations of employment experience, education or training, or other barriers—is unable to earn sufficient income to meet LDCHA’s minimum MTW rent requirement.⁷⁸ Discretionary exemption may also be granted to assisted households with caregiving responsibilities, such as a parent of a child with a disability who is needed for the child’s care. In addition, exemption may be granted to assisted households who are unable to work for religious reasons. Staff noted that LDCHA grants discretionary exemptions on a case-by-case basis, but they are rare (less than 0.5 percent annually).
- Exemption to assisted households participating in certain special programs, such as Veterans Affairs Supportive Housing (VASH), Housing Opportunities Made Equal (HOME), Housing Opportunities and Prevention of Evictions (HOPE) Program, Transitional Vouchers, Mainstream Vouchers, and Emergency Housing Vouchers.

Target Population (Inclusion/Exclusion Criteria)

All work-able adults in assisted households are subject to LDCHA’s work requirement policy.

Exclusion:

- Households with elderly members or individuals with disabilities.
- Households receiving TANF cash assistance with a “not mandatory for work” determination by DCF.
- Households with a debilitating medical condition.
- Households with discretionary exemptions.
- Households participating in certain special programs, such as VASH, HOME, HOPE, Transitional Vouchers, Mainstream Vouchers, and Emergency Housing Vouchers.

Activities That Count Toward the Work Requirement

- Paid employment—
 - 15+ hours/week.
 - For two-adult households with a child age 13 or younger, 35+ hours per week for one adult.
- Education/training—
 - Full-time enrollment.
- Volunteer—
 - 15+ hours/week.
- FSS—
 - 15+ hours/week.

LDCHA’s work requirement policy allows for education, job training, or a combination of the two to meet the work requirement. Assisted households are required to be enrolled full time in an accredited educational institution or training program. Assisted households are also allowed to engage in volunteer activities to meet the work requirement; they must volunteer at least 15 hours per week. In addition,

⁷⁸ LDCHA sets its MTW minimum rent requirement on the basis of the size of the housing unit, and the requirement is adjusted periodically. For example, in FY 2020, the minimum rent for one-bedroom and five-bedroom units was \$185 and \$315, respectively.

assisted households may meet the work requirement by participating in LDCHA’s Family Self-Sufficiency (FSS) program or the Resident Opportunities and Self Sufficiency-Service Coordinators (ROSS-SC)⁷⁹ program for at least 15 hours per week. The program offers education and training opportunities to help assisted households reduce barriers to employment.

Policy Changes. LDCHA has implemented one major policy change since the work requirement policy went into effect in 1999. Exhibit B.13 summarizes the policy change.

Exhibit B.13. Key Policy Change Implemented by LDCHA

Policy Change	FY	Rationale
LDCHA dropped the number of work hours required from 20+ hours/week to 15+ hours/week.	2007	Economic downturn made finding and retaining a job difficult for assisted households.

LDCHA = Lawrence-Douglas County Housing Authority.

Suspensions of the Policy and Associated Reasons for Suspension. In April 2020, LDCHA suspended its work requirement policy for the first time since its inception due to the COVID-19 pandemic. Staff noted that LDCHA only suspended the policy to allow assisted households to qualify for LDCHA’s Hardship Rent Reduction (detailed in the Sanction Waivers section). LDCHA reinstated the policy in March 2021 as part of a broader rollback of measures it had instituted in response to the COVID-19 pandemic.

⁷⁹ ROSS-SC is a HUD grant program that provides funding to PHAs to hire and maintain service coordinators who assess the needs of assisted households and coordinate community resources to meet those needs. For more information about ROSS-SC, see https://www.hud.gov/program_offices/public_indian_housing/programs/ph/ross/about.

4. IMPLEMENTATION OF THE WORK REQUIREMENT POLICY

Support Services

Working with local partners (see exhibit B.14), LDCHA provides a range of supportive services and resources to help assisted households achieve economic self-sufficiency. Staff noted that supportive services are designed to help address barriers and challenges faced by assisted households and include the following:

Support Services Provided by LDCHA and Its Community Partners
<ul style="list-style-type: none"> ▪ Workforce development services. ▪ Transportation services. ▪ Education services. ▪ Childcare. ▪ Afterschool program. ▪ Homeownership program. ▪ Financial literacy.

- **Workforce Development Services.** LDCHA provides various workforce development services to help assisted households address barriers to employment.
 - **Job readiness:** LDCHA has two full-time employment specialists who provide job readiness services such as resume preparation, job search strategies, interviewing techniques, and career assessment. LDCHA also has an onsite computer lab with laptops and desktop computers that participants can use for job searches and resume writing. In addition, LDCHA uses local grant funding to help assisted households purchase clothing for interviews and work (e.g., scrubs, nonslip shoes, and steel-toed shoes).
 - **Job training:** LDCHA works with the Lawrence Workforce Center (the local One-Stop Center) and local universities and community colleges to provide training for jobs such as medical or nursing assistant, bookkeeper, social worker, electrician. LDCHA staff work with assisted households to identify and access training opportunities and resources. In addition, staff noted that when funding is available, they help assisted households pay for some courses and certification or licensing exams. LDCHA also offers computer skills training to assisted households through its onsite computer lab.
 - **Employment referrals:** LDCHA works with local employers and the Lawrence Workforce Center to refer assisted households for employment opportunities.
- **Transportation Services.** LDCHA has a car repair program that provides up to \$500 to assisted households to repair vehicles used for employment and education purposes. LDCHA also provides bus passes, funding for driver’s education, and funding for a driver’s license to help assisted households address transportation barriers.
- **Education Services.** LDCHA works with Lawrence Public Schools to provide adult basic education and GED classes. LDCHA staff also provide assisted households interested in further education with services such as researching colleges, applying for federal student aid, and enrolling in college. The agency also offers postsecondary tutoring to help assisted households who are already in school. In addition, LDCHA receives private grants, which can be used to purchase laptops and other devices to enable remote schooling for assisted households.
- **Childcare.** LDCHA partners with a provider who operates an onsite daycare center at its largest public housing site. Assisted households are given preference on the daycare center’s waiting list. Staff noted that childcare assistance from DCF has a waiting period, so sometimes LDCHA provides funding to bridge the gap. In addition, LDCHA has an Early Childhood Program that offers assisted

households who are expecting a child or who have young children, from birth to 6 years of age, with case management services. The program also offers referral services for childcare, parenting education, early education, and baby supplies (e.g., diapers, formula, and strollers).

- **Afterschool Program.** LDCHA offers a year-round afterschool program, Full Circle Youth Program, at its largest public housing site. The program, which serves children ages 7 to 17, offers services such as academic tutoring, wellness or fitness activities, arts and crafts, and college prep. The program also provides referral services to partner organizations, including the Boys and Girls Club of Lawrence, VanGo, and the Children’s Shelter.
- **Homeownership Program.** LDCHA operates a Homeownership Program (HOP) that prepares households to successfully transition from assisted housing to homeownership. LDCHA invites assisted households who earn at least 50 percent of the Area Median Income to join the program. HOP offers a savings match of up to \$3,000 that households can use toward a down payment for a house or other housing-related expenses.
- **Financial Literacy.** LDCHA partners with financial literacy providers (Housing and Credit Counseling, Inc. and Consumer Financial Protection Bureau) to provide financial education, including money management, wealth creation, budgeting, and credit repair.

Exhibit B.14. Selected LDCHA Implementation Partners

Name of Partner	Type of Organization	Supportive Services Provided
1. Lawrence Workforce Center	Government agency	Job readiness and training
2. Peaslee Tech	Educational institution	Job training
3. Kansas University	Educational institution	Degree and nondegree courses, job-specific training
4. Lawrence Public Schools	Educational institution	Adult basic education and GED classes
5. VanGo	Social services provider	Youth development and job training programs
6. Children’s Shelter	Social services provider	Foster care
7. Boys and Girls Club of Lawrence	Youth organization	Afterschool program
8. Housing and Credit Counseling, Inc.	Financial literacy provider	Financial education
9. Consumer Financial Protection Bureau	Government agency	Financial education
10. Habitat for Humanity	Nonprofit housing organization	Financial education
11. Tenants to Homeowners	Nonprofit housing organization	Financial education
12. Catholic Charities	Social services provider	Financial education
13. Growing Food Growing Health (part of Community Mercantile Education Foundation)	Nonprofit nutrition organization	Nutrition
14. Kansas State Research and Extension	Nutrition research organization	Nutrition

Name of Partner	Type of Organization	Supportive Services Provided
15. SunRise Project	Nonprofit nutrition organization	Nutrition and youth programs
16. Human Services Coalition	Social services provider	Financial resources
17. Housing Stabilization Collaborative	Social services provider	Financial resources

GED = General Educational Development. LDCHA = Lawrence-Douglas County Housing Authority.

Compliance Monitoring

Process for Monitoring Compliance. MTW households are subject to the work requirement at admission or move-in to public housing or HCV programs. LDCHA gives assisted households 30 days to comply with the policy if they are not in compliance at admission. In addition, LDCHA enforces the work requirement at annual recertification and for Hardship Rent Reduction (detailed below). It gives households 14 days to comply with the work requirement at their annual recertification if they are not in compliance with the policy. Staff noted that they do not monitor compliance between annual recertifications. During annual recertifications, LDCHA requires assisted households to provide proof that they are complying with the work requirement by providing income documentation, such as pay stubs (three are required), tax returns, etc. For assisted households who are in educational or training programs, LDCHA requires academic transcripts to prove compliance with the policy. LDCHA gives assisted households who are not in compliance at annual recertification 14 days to meet the work requirement; otherwise, the household will receive notice of compliance violation.

Work Requirement Policy Compliance Rate. LDCHA staff reported that the compliance rate for their work requirement policy was 100 percent as of December 2021.⁸⁰

Sanctions for Noncompliance. Households who are noncompliant are provided the opportunity to participate in the PHA’s FSS or ROSS-SC program to meet their work requirement, but participation is voluntary. The FSS and ROSS-SC programs offer various job readiness or training and education opportunities to help assisted households address barriers to employment. LDCHA sanctions assisted households who remain noncompliant after referral to the FSS or ROSS-SC programs. Possible sanctions include increasing rent to full market rate and termination from housing assistance. However, staff noted that they have never terminated any household for noncompliance with the work requirement.

Sanction Waivers. LDCHA provides a degree of rent relief to assisted households who experience loss of earned income through sanction waivers, known as Hardship Rent Reduction. Rent is reset to \$50 per month (up to 3 consecutive months) for households whose loss of income is equal to or greater than 50 percent of their reported earned income. If the loss of income is at least 25 percent but less than 50 percent of total reported earned income, the rent is reset to \$100 per month (up to 3 consecutive months). LDCHA allows households to request rent hardship reduction only once every 12 months. However, it does not allow Hardship Rent Reduction during annual recertification because rent has already been recalculated at that time. LDCHA also does not allow Hardship Rent Reduction when a household has already had one waiver in the previous 12 months or if an unemployed household refuses to participate in the FSS or ROSS-SC programs.

⁸⁰ LDCHA measures its compliance rate on the basis of the number of assisted households terminated from the work requirement program. Staff reported that they have never terminated or evicted any household for noncompliance with the work requirement since the policy went into effect.

5. CHALLENGES, SUCCESSES, AND LESSONS LEARNED

Challenges Implementing the Work Requirement Policy. Staff did not report any major challenges in implementing LDCHA’s work requirement. However, staff noted a lack of awareness about the policy in the first year of implementation. Many assisted households were shocked when they were required to recertify compliance at the end of year 1 even though the PHA had mailed them a lot of information about the policy. LDCHA did not sanction those households; instead, they were allowed to recertify the following year. Staff noted that the policy has become well-known by assisted households since the initial year. Staff also reported that the structure of LDCHA’s income deduction system⁸¹ is somewhat complicated. Staff explained that the system requires them to track the number of hours worked and associated deductions, which can be burdensome at times.

Successes of the Work Requirement Policy. LDCHA staff noted that the most successful element of their work requirement policy is that it has helped many assisted households achieve self-sufficiency. They reported that 104 households have left assisted housing to become homeowners since LDCHA implemented the policy in 1999. Staff also noted that the policy has transformed the lives of many households; for example, some assisted households have been able to achieve their academic goals and have gone on to establish successful careers as nurses and social workers.

Key Success of LDCHA’s Work Requirement Policy
<ul style="list-style-type: none"> Since 1999, 104 assisted households have become homeowners. Households have experienced improved career and life trajectory.

Assessment of the Policy. LDCHA has never conducted a third-party evaluation of its work requirement policy. Staff explained that they conduct policy assessments internally.

Lessons Learned During Implementation and Monitoring of the Work Requirement Policy. Staff stated that implementing a work requirement policy in jurisdictions similar to LDCHA is feasible; however, they emphasized that PHAs must provide support services internally for the policy to be successful. They noted that PHAs should provide support services, beyond housing assistance, that can comprehensively address employment and education barriers and challenges faced by assisted households.

<p><i>I would not recommend doing a work requirement without providing internal employment and education supports through FSS and ROSS-SC. I would be philosophically opposed to that because I don’t think that’s a fair application of a work requirement.</i></p> <p>—LDCHA Staff Member</p>

Overall, LDHCA staff noted that the work requirement policy has been instrumental in helping many assisted households achieve economic self-sufficiency. They credit the success of the policy to the wide array of support services they provide to assisted households.

⁸¹ The income deduction system allows LDCHA to provide special income deductions to MTW-assisted households. For example, in FY 2020, LDCHA offered the following special deductions: (1) a 10-percent earned income deduction for households working at least 35 hours per week, (2) a \$2,000 medical deduction for assisted households working at least 35 hours per week, (3) a full out-of-pocket dependent care deduction necessary to allow work or school attendance, (4) a utility allowance as an annual income deduction, and (5) an increase in the child dependent deduction to \$840 per child up to a maximum of \$1,680 per household. The goal of the deduction system is to prevent assisted households from being penalized (through rent increase) for working more hours to increase their income.

Lexington-Fayette Urban County Housing Authority

1. BRIEF BACKGROUND

The Lexington-Fayette Urban County Housing Authority (LHA) is a public housing agency (PHA) in Kentucky that serves the consolidated city-county of Lexington-Fayette.⁸² LHA joined the U.S.

Department of Housing and Urban Development's

(HUD's) Moving to Work (MTW) Demonstration Program⁸³ in 2011 and instituted its work requirement policy, known as the Local Self-Sufficiency Admissions and Occupancy Requirement, for Self-Sufficiency Level I (SSI)⁸⁴ units, Self-Sufficiency Level II (SSII)⁸⁵ units, and Centre Meadows⁸⁶ units in 2014. LHA also instituted a pilot work requirement policy, known as Housing Choice Voucher Time Limit Pilot Program, for select Housing Choice Voucher (HCV) program participants in 2018.⁸⁷ The goal of LHA's work requirement policies is to help assisted households make progress toward economic self-sufficiency.

Work-able heads-of-households or co-heads/spouses in SSI, SSII, and Centre Meadows housing units are subject to LHA's work requirement policy.

LHA's Local Self-Sufficiency Admissions and Occupancy Requirement policy requires the following for assisted households in SSI, SSII, and Centre Meadows units:

- SSI—Work-able head of household (HH) or co-head/spouse must work at least 37.5 hours per week, earning no less than the federal minimum wage.
- SSII and Centre Meadows—Work-able HH or co-head/spouse must work at least 20 hours per week, earning no less than the federal minimum wage.

Work-able HH or co-head/spouse is defined as an individual between the ages of 18 and 61 years and is neither elderly nor has a disability. HHs or co-heads/spouses categorized as elderly or who have a disability are exempt from this policy. HH and co-head/spouses who are full-time students are also exempt from the policy.

LHA pairs its Housing Choice Voucher Time Limit Pilot Program with a 5-year time limit organized by time in the program. In the first 2 years in the program, the program requires the HH or co-head/spouse to work at least 20 hours per week, earning no less than the local or federal minimum wage (whichever is higher), at least 25 hours per week in year 3 of participation in the program, and at least 37.5 hours per week in years 4 and 5 and any subsequent years of participation in the program.⁸⁸ Section 3. Description of the Work Requirement Policy provides details about LHA's work requirement policies.

⁸² For more information about LHA, see <https://www.lexha.org/home>.

⁸³ MTW, launched in 1996, is a HUD demonstration program that provides PHAs with the flexibility to design and test innovative local strategies. For more information about MTW, see <https://www.hud.gov/mtw>.

⁸⁴ SSI are newer or more desirable public housing units that are single-family homes.

⁸⁵ SSII are newer or more desirable public housing units that are either townhomes or apartments.

⁸⁶ Centre Meadows is an apartment community that provides project-based voucher (PBV) housing units.

⁸⁷ LHA's Housing Choice Voucher Time Limit Pilot Program is a volunteer program. LHA recruited the initial cohort of assisted households from its HCV waiting list. LHA offered households vouchers (regardless of their position on the waiting list) in exchange for enrolling in the Housing Choice Voucher Time Limit Pilot Program. LHA recruited 25 assisted households for the initial cohort of the program. As of December 2021, 18 households remained in the program.

⁸⁸ LHA allows assisted households who are unable to complete the Housing Choice Voucher Time Limit Pilot Program within 5 years to request a 2-year extension.

In Fiscal Year (FY) 2019, LHA served approximately 4,000 households and had about 6,700 households⁸⁹ on its combined public housing and HCV waiting lists (LHA, 2020). Staff reported that, in the same year, 813 households (643 in SSI and SSII, 152 at the Centre Meadows site, and 18 in the HCV pilot program) were subject to the work requirement policy.

This case study details LHA's work requirement policy as of December 2021, including development and implementation of the policy, challenges, successes, and lessons learned. The study team collected the information summarized through interviews with LHA staff and a review of PHA documents, such as annual reports, MTW plans, and other related documents and websites.

⁸⁹ LHA allows assisted households to sign up on multiple waiting lists (for example, public housing and HCV), so this number may include duplicates.

2. DEVELOPMENT OF THE WORK REQUIREMENT POLICY

Motivation for Instituting the Policies. LHA instituted its Local Self-Sufficiency Admissions and Occupancy Requirement policy in 2014 to encourage assisted households to gain or maintain employment so they can eventually achieve self-sufficiency. LHA also wanted to eliminate loopholes that a small but significant number of assisted households used to avoid work requirements. Staff noted that before implementation of the work requirement, some assisted households had a tendency to quit their jobs after they had moved into public housing so their rent would be reduced. LHA instituted its HCV Time Limit Pilot Program in 2018 to encourage assisted households to make progress toward self-sufficiency.

Desired Policy Outcomes. The goal of LHA's Local Self-Sufficiency Admissions and Occupancy Requirement policy and Housing Choice Voucher Time Limit Pilot Program is to help assisted households gain and maintain employment so they can advance toward self-sufficiency. Specifically, the policies aim to accomplish the following:

- Increase the income of assisted households.
- Increase the number of households that are employed.

Concerns or Needs Considered During Policy Development. Staff reported LHA considered transportation and childcare needs of assisted households in the development of both the Local Self-Sufficiency Admissions and Occupancy Requirement policy and the Housing Choice Voucher Time Limit Pilot Program. They noted that LHA typically refers assisted households to social service agencies for assistance; however, households must meet the work requirement before admission in both programs.

Entities Involved in the Development of the Policies. LHA staff developed the Local Self-Sufficiency Admissions and Occupancy Requirement policy. The PHA also held community meetings known as MTW Stakeholder Meetings that included assisted households and community partners, such as Community Action Kentucky, Lexington Fair Housing Council, City of Lexington, and Lexington-Fayette Urban County Government Department of Social Services. In addition, LHA held public hearings so that the public was aware of the policy. A committee of about five LHA staff members developed the HCV Time Limit Pilot Program.

3. DESCRIPTION OF THE WORK REQUIREMENT POLICY

LHA’s Local Self-Sufficiency Admissions and Occupancy Requirement policy includes the following requirements for assisted households in SSI, SSII, and Centre Meadows units:

- SSI—Work-able HH or co-head/spouse is required to work at least 37.5 hours per week, earning no less than the federal minimum wage.
- SSII and Centre Meadows—Work-able HH or co-head/spouse is required to work at least 20 hours per week, earning no less than the federal minimum wage.

Work-able HH or co-head/spouse is defined as an individual between the ages of 18 and 61 years who is neither elderly nor has a disability. HHs or co-heads/spouses categorized as elderly or who have a disability are exempt from this policy. HHs and co-heads/spouses who are full-time students are also exempt from the policy.

LHA pairs its Housing Choice Voucher Time Limit Pilot Program with a 5-year time limit organized by time in the program. In the first 2 years in the program, the HH or co-head/spouse is required to work at least 20 hours per week, earning no less than the local or federal minimum wage (whichever is higher), at least 25 hours per week in year 3 of participation in the program, and at least 37.5 hours per week in years 4 and 5 and any subsequent years of participation in the program. Assisted households who are unable to complete the program within 5 years may request an extension of up to 2 years (for a maximum of 7 years). The Housing Choice Voucher Time Limit Pilot Program is very small, with only 18 households participating in the program as of December 2021.⁹⁰

LHA’s Local Self-Sufficiency Admissions and Occupancy Requirement policy and Housing Choice Voucher Time Limit Pilot Program do not allow for education, unpaid job training, or volunteer activities to meet the work requirements. However, the policies allow for paid on-the-job training and subsidized employment. Staff noted that LHA expects assisted households to meet the minimum requirements regardless of the type of work activity.

Policy Changes. LHA has implemented one major change to its Local Self-Sufficiency Admissions and Occupancy Requirement policy since it went into effect in 2014. Exhibit B.15 summarizes the policy change. The PHA has not implemented any policy changes to its Housing Choice Voucher Time Limit Pilot Program since it went into effect in 2018.

Target Population (Inclusion/Exclusion Criteria)

Work-able HHs or co-heads/spouses in SSI, SSII, and Centre Meadows housing units are subject to LHA’s work requirement policy.

Exclusion—

- Elderly or disabled households.
- Full-time students.

Activities That Count Toward the Work Requirement

- Unsubsidized employment.
- Subsidized private-sector employment.
- Subsidized public-sector employment.
- Paid on-the-job training.

⁹⁰ Staff reported that 7 of the initial 25 households selected to participate in the Housing Choice Voucher Time Limit Pilot Program did not sign a lease.

Exhibit B.15. Key Policy Change Implemented by LHA

Policy Change	Fiscal Year	Rationale
LHA reduced the requirement for prospective tenants in SSI and SSII to have a prior employment history from 6 consecutive months to 3 consecutive months.	2016	LHA wanted to increase the number of prospective tenants eligible for SSI and SSII units.

LHA = Lexington-Fayette Urban County Housing Authority. SSI = Self-Sufficiency Level I. SSII = Self-Sufficiency Level II.

Suspensions of the Policy and Associated Reasons for Suspension. LHA has never suspended its Local Self-Sufficiency Admissions and Occupancy Requirement policy or the Housing Choice Voucher Time Limit Pilot Program since they went into effect in 2014 and 2018, respectively. However, LHA waived sanctions for noncompliant assisted households from April 2020 to December 2021 due to the COVID-19 pandemic. The PHA also waived the 3-month work history requirement for prospective tenants in the SSI and SSII units. Staff stated that the decision to end the waivers was based on HUD’s waiver provisions and state and federal guidance.

4. IMPLEMENTATION OF THE WORK REQUIREMENT POLICY

Support Services

LHA does not provide support services to assisted households subject to its Local Self-Sufficiency Admissions and Occupancy Requirement policy. It refers households in need of support services to appropriate resources. The PHA does not have staff through the work requirement programs for referral services, so house managers and specialists often fulfill that role. In addition, LHA often refers households in need of support services to its in-house service coordinator or the Resident Opportunities and Self-Sufficiency Service Coordinator to connect the households with support services. Staff noted that they are unable to provide support services due to limited funding.

LHA also does not provide support services to assisted households in the Housing Choice Voucher Time Limit Pilot Program. However, an HCV specialist in the program works one-on-one with assisted households to identify and refer them to appropriate support services.

Compliance Monitoring

Process for Monitoring Compliance. LHA requires assisted households to recertify compliance on an annual basis. During recertification, housing specialists conduct employment verification by obtaining third-party verification directly from employers. LHA also requires assisted households to provide at least six pay stubs for documentation. Households who are not in compliance with the work requirement policies are subject to sanctions.

Work Requirement Policy Compliance Rate. LHA staff reported that, before the COVID-19 pandemic, the average annual compliance rate for the Local Self-Sufficiency Admissions and Occupancy Requirement policy was about 80 percent. Staff noted that the compliance rate for this program has dropped significantly since the pandemic began. In FY 2020, LHA reported that the compliance rate for the Housing Choice Voucher Time Limit Pilot program was 94 percent.

Sanctions for Noncompliance. Assisted households who are noncompliant with the work requirement policies are subject to the following income imputations, illustrated in exhibit B.16.⁹¹

Exhibit B.16. FY 2019 Annual Income Imputation for LHA

Program	Minimum Hours	Hourly Rate	FY 2019 Imputed Income
SSI	37.5	Federal minimum wage	$\$7.25 \times 37.5 \times 52 = \$14,138$
SSII and Centre Meadows	20	Federal minimum wage	$\$7.25 \times 20 \times 52 = \$7,540$

Sanction Waivers. LHA has sanction waivers known as the Hardship Policy, which allows assisted households that lose employment through no fault of their own to pay minimum rent⁹² for up to 90 days while they seek to regain employment. The hardship requests can be renewed, and assisted households are not limited in the number of requests allowed.

⁹¹ Income imputations for assisted households in the Housing Choice Voucher Time Limit Pilot Program are similar to those in the Local Self-Sufficiency Admissions and Occupancy Requirement policy.

⁹² In FY 2019, LHA's minimum rent was \$150 per month.

5. CHALLENGES, SUCCESSES, AND LESSONS LEARNED

Challenges Implementing the Work Requirement Policies. Staff reported three major challenges implementing the work requirement policy, including the following:

1. Limitation on imposing sanctions for noncompliant assisted households. Staff noted that they cannot force assisted households to move out because most do not have any other options for housing.
2. Staff also noted that many households subject to the policy expressed displeasure with or resistance to complying with the work requirement, which made the policy more challenging to implement.
3. In addition, staff noted that self-sufficiency was difficult to achieve even when assisted households work full time at minimum wage because the minimum wage is not sufficient for them to afford basic necessities and the costs associated with employment (e.g., transportation and childcare).

Successes of the Work Requirement Policies. LHA staff reported that the policy has been successful, as over the years they have seen assisted households who once received housing assistance buy their own home, pay off debt, go back to school, or start their own business. Staff noted that some assisted households also participated in LHA’s Family Self-Sufficiency programs, and similar successes can be observed through that program.

Key Success of LHA’s Work Requirement Policies

Staff reported that some assisted households have gone on to purchase their own homes, pay off debt, or start a business.

Assessment of the Work Requirement Policies. LHA has not conducted a third-party evaluation of its work requirement policies. However, the PHA has contracted an independent consultant to conduct an annual assessment of its broader MTW program.

Lessons Learned During Implementation and Monitoring of the Work Requirement Policies. LHA staff identified the following lessons learned from the implementation and monitoring of the work requirement policy:

- Educating residents about the work requirement policy and any changes the PHA chooses to make to the policy over time is important.
- Having multiple options available for assisted households who may face sanctions for noncompliance may be helpful.

Overall, LHA staff noted that despite the challenges detailed above, the work requirement policy has motivated a substantial number of assisted households to gain employment and make progress toward economic self-sufficiency.

Louisville Metro Housing Authority

1. BRIEF BACKGROUND

The Louisville Metro Housing Authority (LMHA) is a public housing agency (PHA) that was formed in 2003 when the Housing Authority of Louisville and the Housing Authority of Jefferson County merged.⁹³ LMHA joined the U.S. Department of Housing and Urban Development's (HUD's) Moving to Work (MTW) Demonstration Program⁹⁴ in 1999 and instituted a work requirement policy in fiscal year (FY) 2007. The ultimate goal of LMHA's work requirement policy was to incentivize assisted households to work toward self-sufficiency. The work requirement policy was sunsetted in 2017.

All work-able adults in new single-family, scattered-site public housing units were subject to LMHA's work requirement policy and a 5-year residency time limit.

LMHA's work requirement policy required work-able adults at new single-family, scattered-site public housing units⁹⁵ to be employed for a minimum of 20 hours per week or be enrolled as a full-time student in an accredited postsecondary educational institution. The policy was paired with a 5-year residency time limit⁹⁶ and mandatory participation in case management.⁹⁷ *Work-able adults* were defined as individuals without a disability who were between the ages of 18 and 61. Adults categorized as elderly (that is, 62 years or older) or who had a disability were exempt from the component of the work requirement that mandated paid employment or education, but the households were required to participate in case management. Details about the policy are in Section 3. Description of the Work Requirement Policy.

LMHA eliminated the 5-year residency time limit and the mandatory case management component of the work requirement policy in FY 2016 to increase occupancy at the new single-family, scattered-site public housing units. LMHA eventually ended the entire work requirement policy in FY 2017 because vacancy levels at those properties remained high. Staff stated that because assisted households had the option to lease public housing units that were not subject to the work requirement, the PHA had difficulty leasing the new units subject to the work requirement policy.

LMHA served about 12,600 households in FY 2019, and in that same year, about 17,000 households⁹⁸ were on the waiting lists (LMHA, 2019). In the year before sunsetting the work requirement policy, 106 households were subject to the work requirement (LMHA, 2016).

This case study details LMHA's work requirement policy from 2007 through 2017, including the development and implementation of the policy, challenges, successes, and lessons learned. The information summarized was collected through interviews with LMHA staff and a review of PHA documents, such as annual reports, MTW plans, and other related documents and websites.

⁹³ For more information LMHA, see <https://www.lmha1.org/>.

⁹⁴ MTW, launched in 1996, is a HUD demonstration program that provides PHAs with the flexibility to design and test innovative local strategies. For more information about MTW, see <https://www.hud.gov/mtw>.

⁹⁵ New single-family, scattered-site public housing units are detached, single-family rental units that were newly developed by LMHA under HUD's HOPE VI program. The goal of the HOPE VI program is to help PHAs revitalize distressed properties (for more information, see https://www.hud.gov/program_offices/public_indian_housing/programs/ph/hope6/about).

⁹⁶ Assisted households making progress toward self-sufficiency were allowed to request a residency extension for up to 2 years, which was granted on a case-by-case basis. Extensions beyond 7 years were not allowed.

⁹⁷ The case management requirement could be fulfilled by participating in LMHA's Family Self-Sufficiency program or Individual Development Account program.

⁹⁸ LMHA allowed assisted households to sign up for multiple waiting lists (for example, public housing and Housing Choice Voucher), so this number may include duplicates.

2. DEVELOPMENT OF THE WORK REQUIREMENT POLICY

Motivation for Instituting the Policy. Staff reported that the motivation for developing a work requirement policy began with a desire to offer more households the opportunity to live in the PHA's new single-family, scattered-site public housing units. To foster that opportunity, LMHA implemented a policy that combined work or education requirements, a 5-year occupancy term limit, and mandatory case management. The goal of the multipronged policy was to promote and encourage economic progress, help assisted households move toward self-sufficiency, and prevent assisted households from residing in those homes indefinitely.

Staff reported that the new single-family, scattered-site public housing units had modern amenities and a low rent structure, making them highly desirable and sought after by assisted households. The policy was developed with the hope that assisted households in those units could become self-sufficient and move out, thus enabling the PHA to provide more households with the opportunity to live in the new units.

Concerns or Needs Considered During Policy Development. Staff reported that the development of the work requirement policy was driven by concerns that the amenities and low rent structure at the affected properties would discourage assisted households from moving out and that instituting the policy would incentivize assisted households to strive for self-sufficiency. The PHA decided to exempt elderly and disabled assisted households from the policy because of the increased barriers they would face trying to comply with the work or education requirements.

Entities Involved in the Development of the Policy. Details about the development of the work requirement policy were not readily available. Staff noted that the policy had been developed more than a decade ago, and many of the staff that were involved had retired or moved on from the PHA.

3. DESCRIPTION OF THE WORK REQUIREMENT POLICY

LMHA established a combined work requirement and 5-year term limit policy in FY 2007 as a condition of admission and ongoing occupancy of its new single-family, scattered-site public housing units. The policy required that all nondisabled adults between the ages of 18 and 61 who resided in these housing units had to work at least 20 hours per week in paid employment or be enrolled as a full-time student in an accredited postsecondary educational institution. The policy also required mandatory participation in case management. No gaps in employment longer than 90 days were allowed. Elderly and disabled households were exempt from the employment and term limit requirements but were required to participate in case management.

Target Population (Inclusion/Exclusion Criteria)

- All work-able adults in new single-family, scattered-site public housing units were subject to the work requirement/term limit policy.
- Elderly and disabled households were exempt from the employment and term limit requirements.

or be enrolled as a full-time student in an accredited

Activities That Counted Toward the Work Requirement

- Paid employment:
 - 20+ hours/week.
- Education/training:
 - Full-time enrollment at an accredited postsecondary institution.

Policy Changes. In FY 2010, the work requirement portion of the policy was reduced from 30 hours per week to 20 hours per week due to the state of the local economy at that time, which made finding and retaining jobs difficult for assisted households.

In FY 2014, LMHA implemented an admissions preference to the three-bedroom scattered units for new applicants who were able and willing to meet the work requirement and term limit requirements. However, the preference did not lead to substantial improvement in occupancy levels. Staff reported that they had difficulty filling the units because—

1. Few work-able assisted households were willing to move into the units due to the term limit.
2. Many work-able assisted households were not employed.
3. Assisted households were required to have the utilities in their name to qualify for these units.

Due to continued low occupancy rates at the sites, the policy was revised in FY 2016 to remove the 5-year term limit and the requirement that assisted households participate in case management. In FY 2017, LMHA also ended the employment or education requirement.

Suspensions of the Policy and Associated Reasons for Suspension. LMHA did not suspend its work requirement policy at any point while it was in place from 2007 to 2017.

4. IMPLEMENTATION OF THE WORK REQUIREMENT POLICY

Support Services

LMHA’s combined work requirement and term limit policy required assisted households to participate in mandatory case management. Also, less formalized workforce development supports were in place.

Support Services Provided by LMHA

- Mandatory case management.
- Workforce development and employment referrals.

Case Management. Assisted households were assigned to a case manager and had to meet with them quarterly. Case managers worked with assisted households to develop a housing goal and, if they lost employment, an employment goal. Staff reported that quarterly meetings were not entirely effective and made ensuring compliance with the policy difficult. Case managers often tried to convince assisted households to participate in the Family Self-Sufficiency (FSS) program, which required monthly meetings with a case manager. Staff believed that assisted households in FSS were generally more successful than those who received quarterly case management.

Workforce Development and Employment Referrals. Staff reported that, although they worked with the local Workforce Investment Board, KentuckianaWorks, they did not have formal contracts in place with it. When appropriate, staff provided assisted households with referrals to local career development centers. Referrals were also made to local employers and to KentuckianaWorks.

Compliance Monitoring

Process for Monitoring Compliance. Property managers were primarily responsible for monitoring compliance, but that task was not done diligently, according to staff. The compliance monitoring process was supposed to involve an annual recertification performed by property management, paired with a quarterly review of employment status by the case manager. Staff noted that when assisted households were sent letters about compliance, they were almost always related to the household’s failure to meet case management requirements.

Work Requirement Policy Compliance Rate. Staff were unable to provide compliance rates for the work requirement for the following reasons: (1) the policy ended more than 4 years ago, (2) compliance was not monitored systematically, and (3) disentangling the work or education requirement from the term limits and other requirements that were bundled together was difficult.

Sanctions for Noncompliance. Staff reported that if assisted households were unable to meet the work or education and term limit policy requirements, the household would be relocated to a different public housing unit that was not subject to the work requirement policy. Staff noted that that it was not always feasible if no public housing units were available. As a result, some assisted households would just stay in the detached single-family units, even though they were not in compliance with the work requirement policy. Staff stated that the possibility of being moved out of the single-family homes after 5 years was a deterrent to some assisted households who wanted to participate in the program but did not want to be moved from their unit.

Sanction Waivers. Because the only “sanctions” involved moving assisted households back into regular public housing units, LMHA had no formal process for sanction waivers.

5. CHALLENGES, SUCCESSES, AND LESSONS LEARNED

Challenges Implementing the Work Requirement Policy. Staff reported two major challenges with implementing the work and term limit requirement: (1) filling the new single-family, scattered-site public housing units with assisted households willing to participate in the program, and (2) having to transfer assisted households who did not comply back to other public housing units and having limited space to do so.

Successes of the Work Requirement Policy. Staff noted that the work requirement was successful in helping some assisted households move out of public housing, with 19 households being able to purchase their own homes. Staff indicated that initially, the program met the agency’s expectations but that over time, it did not achieve the desired outcomes and thus was discontinued.

Work Requirement Policy Successes

- Helped 19 households move out of assisted housing and purchase their own home.

Assessment of the Policy. LMHA did not conduct or sponsor any third-party evaluations of the work requirement policy. When the policy was in effect, case managers were responsible for keeping track of who was employed. Staff reported that instituting a work requirement led to an increase in the vacancy rate for affected units, as many assisted households failed to meet the eligibility requirements or chose not to participate. As a result, the work requirement policy was sunsetted so that they could lease the units.

Lessons Learned During Implementation and Monitoring of the Work Requirement Policy.

LMHA staff highlighted several lessons learned from their efforts to implement a work requirement policy. First, they suggested considering work requirements for all units rather than just some units. Second, staff suggested choosing a single policy to start with—either term limits or a work requirement policy—because implementing both at the same time made compliance too difficult for many assisted households. Third, staff suggested having intensive case management services at the initial stage of policy implementation to establish a relationship with assisted households.

Maybe we should have tried one thing [work requirement] and not both [term limits] . . . you need [to have] a good pool of potential residents to make it work.

—LMHA staff member

Overall, LMHA staff reported that although the implementation of a work requirement promoted movement of a few assisted households out of public housing, it was ultimately not a sustainable program for the PHA and was thus discontinued in 2017.

Housing Authority of the County of San Bernardino

1. BRIEF BACKGROUND

The Housing Authority of the County of San Bernardino (HACSB) is a public housing agency (PHA) in California that serves the County of San Bernardino.⁹⁹ HACSB joined the U.S. Department of Housing and Urban Development's (HUD's) Moving to Work (MTW) Demonstration Program¹⁰⁰ in 2008 and instituted its work requirement policy for inbound Housing Choice Voucher (HCV) portability¹⁰¹ households and residents of the Maplewood Homes Public Housing Community¹⁰² in 2010 and 2013, respectively. The goal of HACSB's work requirement policy was to help assisted households achieve economic self-sufficiency.

All work-able adults at the Maplewood Homes Public Housing Community and all work-able adults in inbound HCV portability households were subject to HACSB's work requirement policy.

HACSB sunsetted the policy for the Maplewood Homes Public Housing Community in 2016 due to the conversion of the site from a public housing site to a project-based voucher site under HUD's Rental Assistance Demonstration (RAD)¹⁰³ program. Staff stated that they were unable to mandate a work requirement under the RAD program due to legislative or regulatory restrictions. HACSB also sunsetted the policy for inbound HCV portability households in 2019, citing challenges in administering the policy.

HACSB's work requirement policy required work-able adults to participate in work-related activities for a minimum of 15 hours per week. HACSB implemented the policy using a three-phased approach of work-related activities for Maplewood Homes Public Housing Community:

- Phase I work-related activities—HACSB allowed activities that removed barriers to gainful employment for up to 2 years in the program.
- Phase II work-related activities—HACSB allowed activities that led to gainful employment for up to an additional 2 years in the program.
- Phase III work-related activities—HACSB required employment for the remainder of assisted households' participation in the program.

HACSB required work-able adults in inbound HCV portability households to comply with phase III of the program before moving to HACSB jurisdiction (i.e., be employed at least 15 hours per week in the County of San Bernardino or within reasonable driving distance). HACSB did not allow those households to participate in phase I or phase II work-related activities.

Work-able adults were defined as individuals who are between the ages of 18 and 61 years and are neither elderly nor have a disability. Adults categorized as elderly or who have a disability were exempt from this

⁹⁹ For more information about HACSB, see <https://hacsb.com/>.

¹⁰⁰ MTW, launched in 1996, is a HUD demonstration program that provides PHAs with the flexibility to design and test innovative local strategies. For more information about MTW, see <https://www.hud.gov/mtw>.

¹⁰¹ Portability is a process in the HCV program that allows assisted households to transfer their housing assistance to locations outside the jurisdiction of the PHA that first gave them the subsidy (for more information, see https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/portability). Work-able assisted households who transferred their housing assistance from other PHA jurisdictions to HACSB, referred to as inbound portability participants, were subject to the work requirement policy.

¹⁰² Maplewood Homes Public Housing Community, in the City of San Bernardino, was HACSB's largest public housing site. HACSB implemented the work requirement policy at that site as a pilot program.

¹⁰³ For more information about the RAD program, see <https://www.hud.gov/RAD>.

policy. The policy also exempted one adult in assisted households with children younger than 6 years old. Details about the policy are in Section 3, Description of the Work Requirement Policy.

HACSB served approximately 13,000 households in fiscal year (FY) 2019 and had about 51,000 households on the waiting lists (HACSB, 2019). Staff stated that about 179 work-able adults were subject to the work requirement policy when HACSB instituted it in 2013 for the Maplewood Homes Public Housing Community.¹⁰⁴

This case study details HACSB's work requirement policy until FY 2019,¹⁰⁵ including development and implementation of the policy, challenges, successes, and lessons learned. The study team summarized the information collected through interviews with HACSB staff and a review of PHA documents, such as annual reports, MTW plans, and other related documents and websites.

¹⁰⁴ HACSB tracks the number of assisted households subject to the work requirement policy at the individual level. Data from 2014 to 2021 were not available. Data on the split between the Maplewood Homes Public Housing Community and inbound HCV portability households were also not available.

¹⁰⁵ HACSB sunsetted the work requirement policy for work-able inbound HCV portability households in 2019. However, the study team had limited information about the implementation of the policy for this population. Therefore, most information in this case study focuses on HACSB's pilot work requirement program that was implemented at the Maplewood Homes Public Housing Community from 2013 to 2016.

2. DEVELOPMENT OF THE WORK REQUIREMENT POLICY

Motivation for Instituting the Policy. HACSB instituted its work requirement policy for inbound HCV portability households in 2010 and for the Maplewood Homes Public Housing Community in 2013 to help assisted households achieve economic independence.

Desired Policy Outcomes. The goal of HACSB’s work requirement policy was to help assisted households achieve economic self-sufficiency. Specifically, the policy aimed to—

- Increase the income of assisted households.
- Increase the number of households that were employed.
- Reduce assisted households’ reliance on the Temporary Assistance for Needy Families program.

Concerns or Needs Considered During Policy Development. Before developing its work requirement policy for the Maplewood Homes Public Housing Community, HACSB worked with a university partner to conduct a third-party needs assessment of its assisted households. The assessment identified the following concerns or needs of assisted households that HACSB considered during the development of the work requirement policy (HACSB, 2012):

- ***Chronic Unemployment***—Many assisted households reported being unemployed for long periods due to issues such as substance abuse; mental health issues; and lack of job skills, basic computer skills, or transportation. Staff noted that acknowledgment of those challenges led to the development of the three-phased approach of work-related activities.
- ***Childcare***—Many assisted households reported challenges accessing childcare services, so the PHA chose to design the policy to exclude one adult in households with children younger than 6 years old.

Details about the supportive services and resources that HACSB provided to assisted households to address those barriers and challenges are in the Implementation of the Work Requirement Policy section.

Entities Involved in the Development of the Policy. HACSB staff developed the work requirement policy in collaboration with the San Bernardino County Workforce Development Department (WDD) and the San Bernardino County Transitional Assistance Department (TAD). Staff reported that WDD provided input on workforce development activities and resources. Similarly, TAD, which runs the county’s Welfare-to-Work program, provided input on self-sufficiency activities and resources. HACSB developed a data-sharing agreement with TAD because many assisted households also participated in the Welfare-to-Work program. That agreement helped the two agencies better target their resources to meet the needs of assisted households. In addition, HACSB contracted with a university to conduct a third-party needs assessment of assisted households that would be subject to the policy. The findings of the assessment helped inform HACSB’s three-phased approach in implementing the work requirement policy. The university partner also assisted in identification of community partners and supportive resources.

3. DESCRIPTION OF THE WORK REQUIREMENT POLICY

HACSB’s work requirement policy required all work-able adults, defined as individuals who were between the ages of 18 and 61 years and did not have a disability, to participate in work-related activities for at least 15 hours per week. The policy applied to all work-able adults at the Maplewood Homes Public Housing Community and in inbound HCV portability households.

For assisted households at the Maplewood Homes Public Housing Community, HACSB implemented the policy using a three-phased approach to work-related activities. In phase I, HACSB allowed assisted households to engage in activities that removed barriers to gainful employment—such as volunteer work, skills training, GED classes, substance abuse treatment, and mental health services—for up to 2 years. After 2 years, HACSB required assisted households to transition to either phase II or phase III. In phase II of the program, HACSB allowed assisted households to engage in activities that led to gainful employment—such as vocational training, apprenticeship, and enrollment in an educational program—for up to 2 years. Similar to the requirement in phase I, HACSB required assisted households to transition to phase III after 2 years in phase II. In phase III, HACSB required assisted households to work at least 15 hours per week, earning no less than California’s minimum wage, for the remainder of their time in the program. HACSB also required work-able adults in inbound HCV portability households to work at least 15 hours per week in the county of San Bernadino or within reasonable driving distance of the county. HACSB did not allow those households to participate in phase I or phase II work-related activities.

Policy Changes. HACSB did not implement any policy changes from the time the work requirement policy went into effect in 2010 until HACSB sunsetted the policy in 2019. HACSB sunsetted the policy for the Maplewood Homes Public Housing Community in 2016 due to the conversion of the site from a public housing site to a project-based voucher site under the RAD program. Staff stated that the work requirement was not allowed under the RAD program. HACSB also sunsetted the policy for inbound HCV portability households in 2019, citing challenges in administering the policy.

Suspensions of the Policy and Associated Reasons for Suspension. HACSB did not suspend its work requirement policy from the time the policy went into effect in 2010 until it sunsetted the policy in FY 2019.

Target Population (Inclusion/Exclusion Criteria)
<ul style="list-style-type: none"> ▪ All work-able adults at the Maplewood Homes Public Housing Community and all work-able adults in inbound HCV portability households were subject to HACSB’s work requirement policy. ▪ Elderly and disabled households were excluded. ▪ One adult in assisted households with children younger than 6 years old was also excluded.

Activities That Counted Toward the Work Requirement
<p>Phase I: Activities that removed barriers to gainful employment—</p> <ul style="list-style-type: none"> ○ Volunteer work, skills training, GED classes, substance abuse treatment, and mental health services. ○ Allowed for up to 2 years. <p>Phase II: Activities that led to gainful employment—</p> <ul style="list-style-type: none"> ○ Vocational training, apprenticeship, and enrollment in an educational program. ○ Allowed for up to 2 years. <p>Phase III: Paid employment—</p> <ul style="list-style-type: none"> ○ 15+ hours/week.

4. IMPLEMENTATION OF THE WORK REQUIREMENT POLICY

Support Services

Working with the local partners listed in exhibit B.17, HACSB provided a range of supportive services and resources to help assisted households achieve economic self-sufficiency. Those partnerships helped HACSB leverage community resources to better meet the needs of assisted households. Support services included the following:

Support Services Provided by HACSB and Its Community Partners

- Workforce development services.
- Self-sufficiency services.
- Social services referrals.
- Case management.

- **Workforce Development Services.** HACSB contracted with WDD for onsite workforce development services. WDD staff visited the Maplewood Homes Public Housing Community once a week to provide services such as job search and placement, resume writing, career assessment and counseling, interviewing techniques, and training referrals.
- **Self-Sufficiency Services.** HACSB hired an onsite staff member to provide self-sufficiency coaching and referral services. The staff member was located at the Maplewood Homes Public Housing Community and provided services such as one-on-one coaching, needs assessment, and referral and coordination of social services. TAD staff also visited the Maplewood Homes Public Housing Community once a week to help connect assisted households with TAD resources, such as job training, transportation assistance, childcare assistance, and education assistance.
- **Social Services Referrals.** Knowledge and Education for Your Success, a nonprofit organization founded by HACSB, helped assisted families access various social services, including mental health, substance abuse, childcare, financial literacy, and healthcare services.
- **Case Management.** Loma Linda University interns provided case management services to assisted households who were referred by HACSB staff. Households also received support in establishing goals and developing plans to achieve them.

Exhibit B.17. Selected HACSB Implementation Partners

Name of Partner	Type of Organization	Supportive Services Provided
1. San Bernardino County Workforce Development Department	Government agency	Job readiness, job training, job search and placement, and career counseling.
2. San Bernardino County Transitional Assistance Department	Government agency	Job placement, adult literacy, and vocational counseling.
3. Knowledge and Education for Your Success	Social services provider	Case management and social services referrals.
4. Loma Linda University	Educational institution	Case management.

Compliance Monitoring

Process for Monitoring Compliance. HACSB required assisted households to recertify compliance on an annual basis. For assisted households at the Maplewood Homes Public Housing Community, an onsite HACSB coach conducted recertification. For inbound HCV portability households, an HACSB housing services specialist conducted recertification. For assisted households who HACSB determined to be noncompliant with the work requirement policy, HACSB gave them 90 days to become compliant. If a household failed to come into compliance after the initial 90 days, HACSB gave them an additional 90 days, after which it imposed sanctions.

Work Requirement Policy Compliance Rate. Information regarding HACSB's compliance rate was limited—data were only available for September 2013. In that month, staff reported that about 69 percent of assisted households at the Maplewood Homes Public Housing Community were compliant with the work requirement.¹⁰⁶

Sanctions for Noncompliance. For assisted households at the Maplewood Homes Public Housing Community who were noncompliant, HACSB increased the rent for their housing unit to the market rate. For inbound HCV portability households who were noncompliant, HACSB imputed their previous employment income when determining their rent subsidy until they obtained new employment.

Sanction Waivers. Information regarding HACSB's sanction waivers was not available.

¹⁰⁶ HACSB measured compliance rates on the basis of the number of work-able adults participating in work-related activities; in September 2013, staff reported that 123 work-able adults at the Maplewood Homes Public Housing Community (of 179 work-able adults subject to the work requirement) were participating in work-related activities.

5. CHALLENGES, SUCCESSES, AND LESSONS LEARNED

Challenges Implementing the Work Requirement Policy. Staff reported that monitoring compliance was administratively burdensome and time consuming. The onsite self-sufficiency coach spent a lot of time on administrative tasks such as verifying and following up on compliance paperwork, leaving limited time for providing support services. HACSB did not have funding to hire additional staff to support administrative tasks. However, it leveraged partnerships with agencies such as WDD and TAD to ensure that assisted households received the support services they needed.

Successes of the Work Requirement Policy. Staff noted that the program was successful in helping assisted households achieve positive outcomes. They reported that in FY 2016, the average income for assisted households had increased by more than 14 percent compared with the level before implementation of the work requirement policy. Similarly, in the same year, the number of heads of household employed increased by more than 19 percent compared with the level before implementation of the work requirement.

Key Success of HACSB's Work Requirement Policy

- Average income for assisted households increased by more than 14 percent in FY 2016 compared with the level before policy implementation.
- The number of heads of household employed increased by more than 19 percent in FY 2016 compared with the level before policy implementation.

Assessment of the Policy. HACSB did not conduct a study of its work requirement. However, HACSB contracted Loma Linda University to conduct a needs assessment study of the Maplewood Homes Public Housing Community that compared the needs of residents at the site between 2010 and 2016. Loma Linda University also conducted a longitudinal study of HACSB's 5-Year Lease Assistance Program.¹⁰⁷ The study followed assisted households over time and tracked various outcomes, including household income, employment status, education, health, program exit, and self-sufficiency.

Lessons Learned During Implementation and Monitoring of the Work Requirement Policy.

HACSB staff asserted that when developing a work requirement policy, ensuring that PHA staff are well informed about the design, requirements, and goals of the policy is important. In return, PHA staff will be able to effectively communicate and educate assisted households on the work requirement, which will aid PHAs in obtaining buy-in from staff and assisted households. HACSB staff also stated that PHAs must do their due diligence to ensure that they have a clear understanding of the administrative burden and the cost of implementing a work requirement.

The messaging and how you go about that, how you plan to help families be successful on whatever initiative that you design, that needs to be the end goal that you have in mind. It's not intended to be punitive or penalize them, but how are we going to make sure that families can be as successful as they possibly can be on this activity. It is an activity that should be designed to make a positive difference.

—HACSB Staff Member

Overall, HACSB staff believed that their work requirement policy helped assisted households achieve positive outcomes despite the administrative challenges and funding limitations.

¹⁰⁷ For more information about HACSB's 5-Year Lease Assistance program, see <https://hacsb.com/types-of-affordable-housing/>.

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