

The Answer

SHELTERFORCE

Q: Would more housing vouchers increase rents?

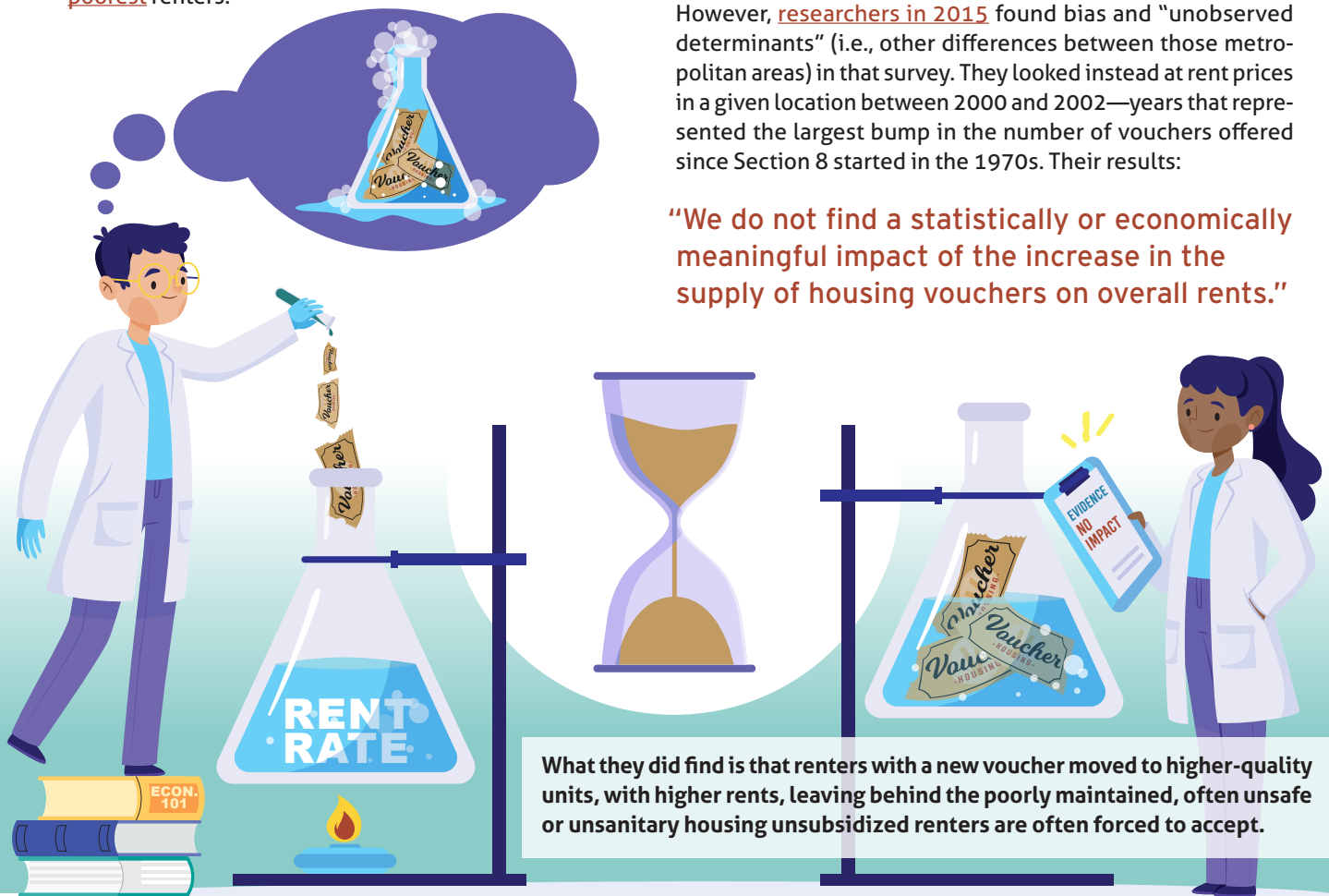
A: Probably not.

One argument against making housing vouchers much more widely available is a [claim](#) that landlords would respond to the increased purchasing power of low-income renters by increasing rents, hoovering up that newly available money for themselves and causing [harm to the poorest](#) renters.

The statistics often [cited](#) by folks making this argument come from a 2002 study claiming that rents for unsubsidized low-income households were 16 percent higher, on average, in the 90 biggest metropolitan areas with more vouchers compared to rents where vouchers were “less abundant.”

However, [researchers in 2015](#) found bias and “unobserved determinants” (i.e., other differences between those metropolitan areas) in that survey. They looked instead at rent prices in a given location between 2000 and 2002—years that represented the largest bump in the number of vouchers offered since Section 8 started in the 1970s. Their results:

“We do not find a statistically or economically meaningful impact of the increase in the supply of housing vouchers on overall rents.”



What they did find is that renters with a new voucher moved to higher-quality units, with higher rents, leaving behind the poorly maintained, often unsafe or unsanitary housing unsubsidized renters are often forced to accept.

Of course, to be successful, a large increase in vouchers must also come with a large increase in the supply of landlords who accept vouchers ([see here for some suggestions](#)). But so far, evidence doesn't show that an increase in vouchers by itself causes rents to rise.

Read more in our [three-part series](#) on the potential for universal housing vouchers.