



California Association of Housing Authorities

March 5, 2026

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Office of the General Counsel
Rules Docket Clerk
U.S. Department of Housing and Urban Development
451 7th Street, SW, Room 10276
Washington, DC 20410-0500

RE: DOCKET NO. FR-6524-P-01; RIN 2501-AE16
Housing and Community Development Act of 1980: Verification of Eligible Status

To Whom It May Concern:

The California Association of Housing Authorities (CAHA), representing 91 public housing authorities in California that collectively administer more than 360,000 Housing Choice Vouchers and over 32,000 public housing units, submits these comments in strong opposition to HUD's proposed rule titled Housing and Community Development Act of 1980: Verification of Eligible Status, published February 20, 2026.

CAHA opposed a nearly identical proposal advanced in 2019, which was never finalized. The current proposal revives and expands that effort. While characterized as a technical alignment with statutory language, the rule represents a significant policy shift that would destabilize tens of thousands of lawfully assisted households, disproportionately harm U.S. citizen children and seniors, and divert public housing agencies from their core mission of providing housing stability.

HUD's own Regulatory Impact Analysis (RIA) acknowledges that the proposed rule would impact nearly 79,600 individuals in more than 20,000 mixed-status households nationwide if prorated assistance is eliminated. Of those individuals, approximately 52,600 are U.S. citizens, and nearly 37,000 are children — almost all of whom are U.S. citizens themselves. These are not theoretical impacts — these are children attending public schools, seniors living on fixed incomes, and extremely low-income working families who are lawfully participating in federal housing programs under regulations that have been in place for decades.

California would bear a disproportionate share of this impact. Current data indicate that approximately 7,190 mixed-status households in California receive HUD-assisted housing, representing roughly 36 percent of all such households nationwide. In a state already facing the highest homelessness levels in the country and among the most unaffordable housing markets in the nation, destabilizing thousands of households will not expand housing opportunity — it will intensify displacement pressure in an already strained system.

Current Law Already Works — and Works as Intended

Section 214 of the Housing and Community Development Act of 1980 is clear: federal housing assistance may not be provided on behalf of ineligible noncitizens. HUD’s long-standing regulations faithfully implement this statutory mandate through prorated assistance. In mixed-status households, subsidy is calculated solely on the basis of eligible family members. Ineligible individuals receive no federal housing assistance.

The proposed rule does not close a loophole. It eliminates a lawful safeguard Congress deliberately preserved to avoid unnecessary family separation and homelessness — particularly for children who are U.S. citizens and fully eligible for assistance.

The Proposed Rule Causes Harm Without Advancing Statutory Compliance

HUD acknowledges that the rule will adversely affect mixed-status families, yet proceeds on the theory that terminating assistance to mixed-status households is justified if it reallocates scarce resources elsewhere. That premise is flawed.

Mixed-status households constitute a very small fraction of total assisted households. Eliminating their assistance does not create new housing. It does not increase appropriations. It does not meaningfully reduce waitlists. What it does is force families into untenable choices: separation, eviction, or homelessness.

The suggestion that funds will be “redirected” assumes a frictionless housing system that does not exist. Housing assistance is not interchangeable inventory. Evicting a household does not instantly house another — particularly in tight rental markets like California, where vacancy rates are historically low, rents are among the highest in the nation and HUD subsidies have struggled to keep up with those rents. As of November 2025, the HUD HCV Dashboard shows that California (CA) housing authorities are utilizing 104.2% of their budget authority, yet this amount only “buys” vouchers to house 88.7% of the families that CA housing authorities are authorized to assist. Because mixed-status families receive a reduced housing subsidy, they cost less to house than the average for all voucher families. Thus, forcing mixed-status households from our programs will further widen this gap between the cost to house families at market rent and the number of families we can help given current federal funding. Three in four eligible households nationwide already go unassisted due to chronic underfunding. This rule does not address that underlying scarcity. It simply reshuffles limited resources while increasing instability and reducing the overall number of families we serve.

Disproportionate Impact on Children and Seniors

Nearly half of the individuals in mixed-status households are children. Research consistently demonstrates that housing instability during childhood leads to long-term negative consequences, including lower educational attainment, poorer health outcomes, and diminished economic mobility.

The rule also removes long-standing documentation flexibilities for seniors — many of whom were never required to produce citizenship documentation and may be unable to do so now due to lost records, cost barriers, or physical limitations. For seniors living on fixed incomes, the loss of housing assistance is not a temporary inconvenience; it is a direct pathway to housing insecurity,

homelessness and for those with no remaining family members, even death in some cases given their age and lack of viable housing support options.

In California's high-cost rental markets, the loss of rental assistance almost certainly results in displacement into homelessness. Affordable alternatives simply do not exist at sufficient scale.

PHAs Are Housing Providers — Not Immigration Enforcement Agencies

The proposed rule would require PHAs to collect, verify, and potentially transmit sensitive immigration-related information, fundamentally altering the relationship between housing providers and residents. This shift undermines trust, chills participation by eligible families, and entangles PHAs in enforcement functions that Congress did not assign to them.

At a time when federal housing programs are chronically underfunded, the rule also imposes significant new administrative burdens. HUD's own prior estimates have placed compliance costs at thousands of dollars per affected household, without any corresponding increase in administrative funding. Redirecting scarce agency resources toward enforcement restructuring detracts from the mission of housing stability.

Impact on Landlords and Program Reputation

In addition to destabilizing households, the proposed rule would also have a significant impact on landlords participating in the HCV program, many of whom are individuals and couples who own one or two rental units as their retirement fund, or small business owners who rely on consistent rental income to sustain their business while supporting the program's success by providing voucher holders with housing choice. Sudden termination or proration of assistance for mixed-status households would create financial uncertainty for these property owners, undermining their ability to maintain and operate affordable rental units. This disruption not only threatens landlords' livelihoods but also risks eroding confidence in the HCV program, potentially straining relationships with current and prospective property owners and diminishing the program's effectiveness as a reliable housing solution.

If HUD Proceeds, Changes Must Be Prospective Only

CAHA strongly urges HUD to withdraw the proposed rule in its entirety. However, should HUD elect to proceed, the Department should first extend the public comment period and conduct public hearings to ensure full consideration of the significant impacts identified in its own Regulatory Impact Analysis. The magnitude of potential displacement, administrative burden, and community-level consequences warrants additional opportunity for stakeholders, housing providers, local governments, and affected families to be heard.

Should HUD ultimately finalize a rule, any regulatory modifications must apply prospectively only, to future applicants, and not to current tenants and participants who relied in good faith on long-standing regulations. HUD's own RIA acknowledges regulatory alternatives, including prospective-only application, that would accomplish the Department's stated objectives while minimizing harm.

Retroactively destabilizing existing households is neither required by statute nor consistent with principles of fairness, reliance, and housing stability. Congress expressly preserved protections to prevent family division and displacement. HUD should not eliminate those protections by regulation.

Conclusion

The proposed rule does not advance HUD's mission to create strong, sustainable, inclusive communities. It does not meaningfully improve statutory compliance. It does not expand housing supply or increase appropriations. Instead, it risks sacrificing housing stability for eligible Americans, particularly children and seniors, during an ongoing affordable housing crisis.

California stands to be affected more than any other state. In housing markets already under extraordinary strain, this rule would compound instability rather than strengthen opportunity.

For these reasons, CAHA respectfully urges HUD to withdraw this proposed rule. Federal housing policy should focus on expanding housing supply, increasing assistance, and preserving stability for eligible households, not revising long-settled regulations in ways that inflict avoidable harm.

Sincerely,

CALIFORNIA ASSOCIATION OF HOUSING AUTHORITIES



JIM KRUSE
President

CommentLetter_CAHA_ProposedRule_VerificationOfEligibleStatus_March 5 2026

Final Audit Report

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