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**United States Senate**  
COMMITTEE ON BANKING, HOUSING, AND  
URBAN AFFAIRS  
WASHINGTON, DC 20510-6075

LAURA SWANSON, STAFF DIRECTOR  
BRAD GRANTZ, REPUBLICAN STAFF DIRECTOR

June 13, 2022

The Honorable Marcia Fudge  
Secretary  
U.S. Department of Housing and Urban Development  
451 7th Street SW  
Washington, D.C. 20410

Dear Secretary Fudge:

We write to express disappointment with the Department of Housing and Urban Development's (HUD) decision to abruptly end research within the Moving to Work (MTW) demonstration program on the feasibility of work requirements and incentives for families given public housing or vouchers.<sup>1</sup> HUD should reconsider this decision and resolicit applications from public housing authorities (PHAs) seeking to evaluate the benefits of work requirements and meaningfully improve their residents' lives.

There is personal dignity and value in work. It can create a pathway to a higher standard of living by developing and refining skills as well as promote traits like self-worth and personal responsibility. This seemingly political aversion to work requirements ignores the strong support, both from taxpayers and social services organizations, for policies promoting employment and encouraging economic self-sufficiency. HUD's opposition is misplaced since many persons receiving HUD assistance already work or participate in other federal subsidy programs that impose work requirements.<sup>2</sup> According to HUD, nine of the 39 PHAs participating in the original MTW demonstration had a work requirement policy at some point.<sup>3</sup> And, most of the respondents to a public notice seeking input on policies to test in the MTW expansion advocated for testing work requirements.<sup>4</sup> It is no surprise then that the MTW advisory committee composed of researchers and PHAs also suggested studying work requirements.

HUD's decision to end research is not only inappropriate, but also contrary to the spirit of the law. The MTW demonstration provides PHAs flexibility to test approaches for rental assistance that reduce federal costs, help families find employment and achieve self-sufficiency, and increase housing choices for low-income families.<sup>5</sup> In 2015, Congress authorized HUD to expand the MTW

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<sup>1</sup> See *Moving to Work (MTW) Expansion – Work Requirements Cohort (Rescinded)*, Dep't of Hous. and Urban Dev., [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/ph/mtw/expansion/cohort3](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/mtw/expansion/cohort3) (last visited June 13, 2022).

<sup>2</sup> Alicia Mazzara & Barbara Sard, *Chart Book: Employment and Earnings for Households Receiving Federal Rental Assistance*, Ctr. on Budget and Policy Priorities, 5 (Feb. 5, 2018), <https://www.cbpp.org/sites/default/files/atoms/files/2-5-18hous-chartbook.pdf>.

<sup>3</sup> Memorandum from Dep't of Hous. and Urban Dev. to the Moving to Work Research Advisory Committee 1 (Oct. 3, 2018), <https://www.huduser.gov/portal/sites/default/files/pdf/Work-Requirements-FACA-Memo.pdf>.

<sup>4</sup> *Id.*

<sup>5</sup> See Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 1996, Pub. L. No. 104-134, § 204(a), 110 Stat. 1321, 1321–281 (1996).

demonstration by an additional 100 PHAs, and required PHAs to be brought into the demonstration as groups or part of a cohort. Congress further directed HUD to establish an independent advisory committee tasked with developing specific policy proposals and, importantly, instructed HUD to coordinate research and evaluation of targeted policy changes “in consultation with the advisory committee.”<sup>6</sup> HUD was required to rigorously evaluate one policy change for each cohort. Despite the advisory committee convening no fewer than eight meetings to discuss policies to study in each cohort, HUD unilaterally chose to cancel planned research to study work requirements in the third cohort without even consulting the advisory committee.

The abrupt and unexpected cancellation of the work requirement cohort comes after stakeholders had given wide support to the project and expended significant resources on it. HUD’s assertion that it would rather study policies that improve rental assistance “in a way that is responsive to the *economic realities* and current needs of low-income families”<sup>7</sup> is groundless. With near-record lows in unemployment and labor force participation rates, there is no better time to test the benefits of work requirements for HUD’s rental assistance programs than now. Moreover, COVID-19 is no longer available as an excuse for delaying this study since HUD’s own notice soliciting applications indicated that it would take time to implement local work requirement policies—up to 18 months after selection.<sup>8</sup>

The MTW advisory committee held a meeting late last year to discuss new policy changes to study for future cohorts. A memo prepared for that meeting separately noted that HUD is pursuing a “small research effort” to retrospectively review the work requirements policies some agencies had.<sup>9</sup> Given Congress’s instruction that HUD evaluate PHAs testing policy changes through “rigorous research,”<sup>10</sup> this retrospective study is unsatisfactory. We ask that you immediately reverse your decision and let HUD study work requirements free from political interference.

Sincerely,



Pat Toomey  
U.S. Senator



Richard Shelby  
U.S. Senator

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<sup>6</sup> Department of Housing and Urban Development Appropriations Act of 2016, Pub. L. No. 114-113, § 239, 129 Stat. 2242, 2896–97 (2015).

<sup>7</sup> *Moving to Work (MTW) Expansion – Work Requirements Cohort (Rescinded)*, DEP’T OF HOUS. AND URBAN DEV., [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/ph/mtw/expansion/cohort3](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/mtw/expansion/cohort3) (last visited June 13, 2022) (emphasis added).

<sup>8</sup> Dep’t of Hous. and Urban Dev., Office of Pub. and Indian Hous., *PIH Notice 2021-02: Request for Applications under the Moving to Work Demonstration Program for Fiscal Year 2021: COHORT #3 – Work Requirements* 19 (May 5, 2021), <https://www.nahma.org/wp-content/uploads/2021/01/PIH-Notice-2021-02-MTW.pdf>.

<sup>9</sup> Dep’t of Hous. and Urban Dev., *Moving to Work (MTW) Demonstration Research Advisory Committee (RAC) Meeting October 14th Meeting Read Ahead 2* (Oct. 14, 2021), <https://www.hud.gov/sites/dfiles/PIH/documents/RACmeeting101421readahead.pdf>.

<sup>10</sup> Department of Housing and Urban Development Appropriations Act of 2016, Pub. L. No. 114-113, § 239, 129 Stat. 2242, 2897 (2015).



Mike Crapo  
U.S. Senator



Tim Scott  
U.S. Senator



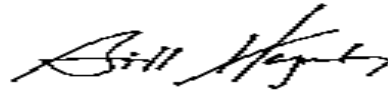
M. Michael Rounds  
U.S. Senator



Thom Tillis  
U.S. Senator



John Kennedy  
U.S. Senator



Bill Hagerty  
U.S. Senator



Cynthia Lummis  
U.S. Senator



Jerry Moran  
U.S. Senator



Kevin Cramer  
U.S. Senator



Steve Daines  
U.S. Senator

cc: The Honorable Sherrod Brown, Chairman, Senate Committee on Banking, Housing, and Urban Affairs