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**Highlights**

Highlights of [GAO-08-324T](#), a testimony before the Subcommittee on Housing and Community Opportunity, Committee on Financial Services, House of Representatives

**Why GAO Did This Study**

Veterans returning from service in Iraq and Afghanistan could increase demand for affordable rental housing. Households with low incomes (80 percent or less of the area median income) generally are eligible to receive rental assistance from the Department of Housing and Urban Development's (HUD) housing choice voucher, public housing, and project-based programs. However, because rental assistance is not an entitlement, not all who are eligible receive assistance.

This testimony, based on a 2007 report, discusses (1) the income status and demographic and housing characteristics of veteran renter households, (2) how HUD's rental assistance programs treat veteran status (whether a person is a veteran or not) and whether they use a veteran's preference, and (3) the extent to which HUD's rental assistance programs served veterans in fiscal year 2005.

The 2007 report discussed in this testimony made no recommendations.

To view the full product, including the scope and methodology, click on [GAO-08-324T](#). For more information, contact David G. Wood at (202) 512-8678 or [woodd@gao.gov](mailto:woodd@gao.gov).

**RENTAL HOUSING**

**Information on Low-Income Veterans' Housing Conditions and Participation in HUD's Programs**

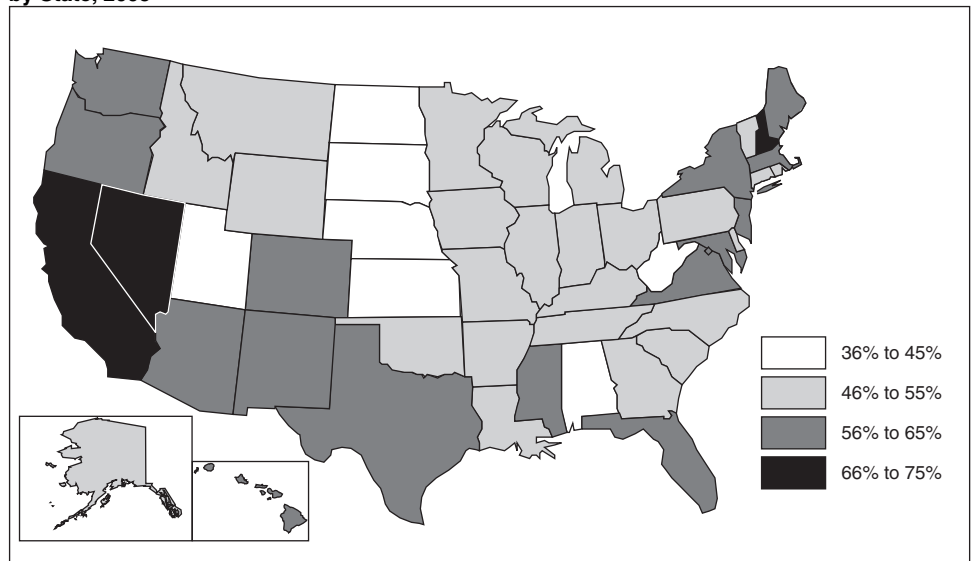
**What GAO Found**

In 2005, an estimated 2.3 million veteran renter households had low incomes. The proportion of veteran renter households that were low income varied by state but did not fall below 41 percent. Further, an estimated 1.3 million, or about 56 percent of these low-income veteran households nationwide, had housing affordability problems—that is, rental costs exceeding 30 percent of household income (see map for state percentages). Compared with other (nonveteran) renter households, however, veterans were somewhat less likely to be low income or have housing affordability problems.

HUD's major rental assistance programs are not required to take a household's veteran status into account when determining eligibility and calculating subsidy amounts, but eligible veterans can receive assistance. The majority of the 41 largest public housing agencies that administer the housing choice voucher or public housing programs had no veterans' preference for admission. The 13 largest performance-based contract administrators that oversaw most properties under project-based programs reported that owners generally did not adopt a veterans' preference.

In fiscal year 2005, an estimated 11 percent of all eligible low-income veteran households (at least 250,000) received assistance, compared with 19 percent of nonveteran households. Although the reasons for the difference are unclear, factors such as differing levels of need for affordable housing among veteran and other households could influence the percentages.

**Percentage of Low-Income Veteran Renter Households with Housing Affordability Problems, by State, 2005**



Sources: GAO analysis of sample survey data from 2005 American Community Survey; Art Explosion (map).