

Rental Market Discrimination & the Housing Choice Voucher Program

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Preliminary results: do not cite.
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Background

Housing Choice Voucher Program (HCV)

- 2.4 million US households use HCV
- Partial subsidy for a private-market rental unit
- Targeted to very low income HHs
- Benefit contingent on leasing a unit

Motivation

Possible bases for HCV discrimination:

- Racial or ethnic background
- Family status
- Source of income (SOI)

SOI

- Not a federally protected class
- State & local SOI laws
 - Around 60 jurisdictions are covered
 - Most protect HCV

HCV discrimination:

- HCV HHs & administrators perceive rental search discrimination
- Handful of single-metro audits
- Extent of HCV discrimination is unknown

Design

- Email audit design
- 14 metro areas selected to vary in type of SOI law coverage
- 60 continuous days (6/15-8/13/16)
- Each day, randomly order listings from last 24 hours, find eligible craigslist listings
- 30 testers with racially stereotypical names
- Sent just over 6,000 emails

Outcome Summary

- HCV associated with bad outcomes
- Some small racial differences
- SOI laws seem to help, but not much

Research Questions

1. Do HCV households experience discrimination in rental market searches?
2. Do state and local laws making it illegal to discriminate on the basis of source of income reduce discrimination for HCV households?

craigslist Sites



Example Email

Paul:

I am inquiring about this apartment.
Is it still available?

Can you accept Section 8?

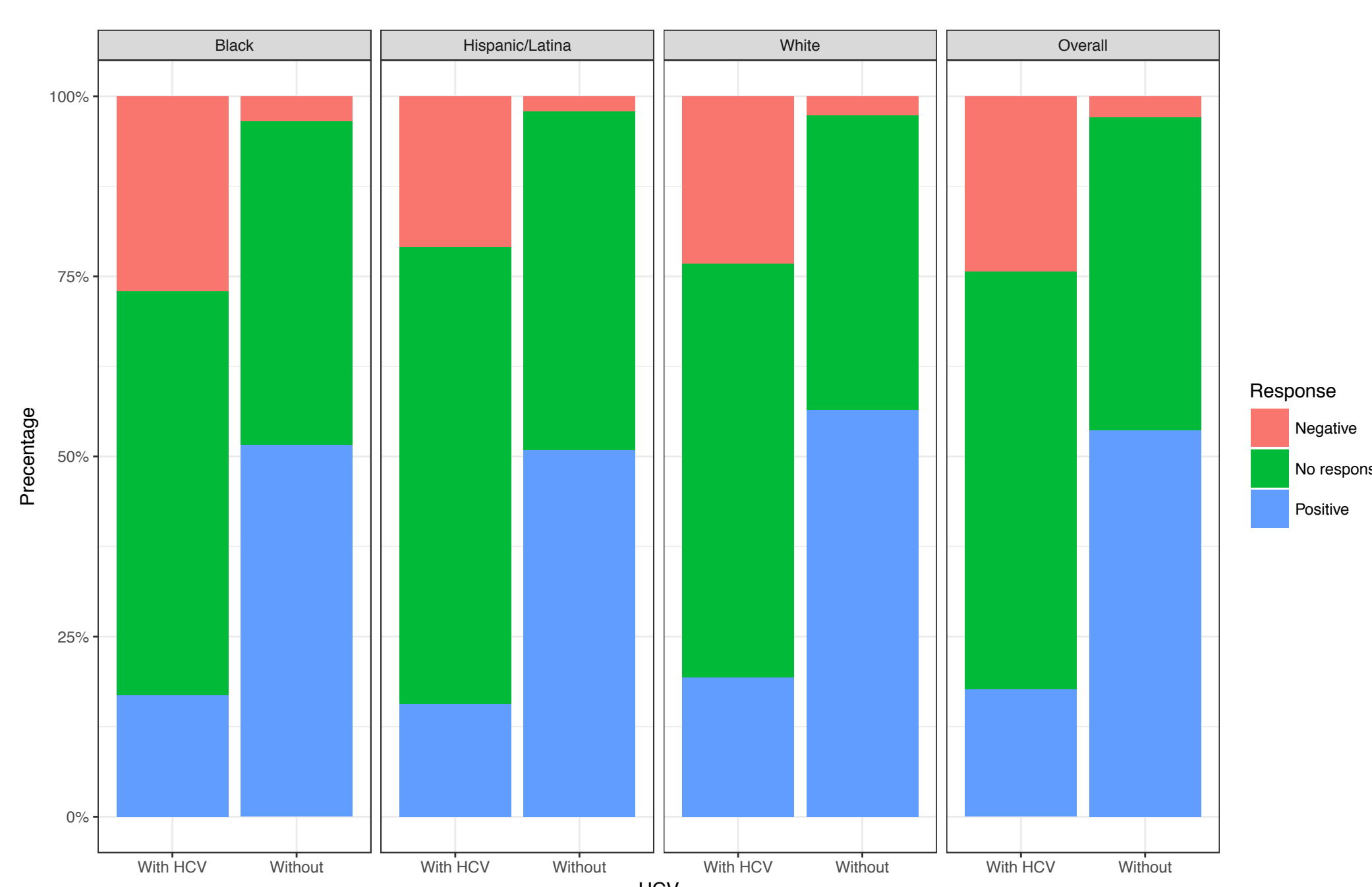
All the best!

[Tester's Full Name]

<http://madison.craigslist.org/apa/XXXXXXXX.html>

Outcome Description

Response classified as positive if the process continues based on content of response in the context of tester's attributes.



Implications

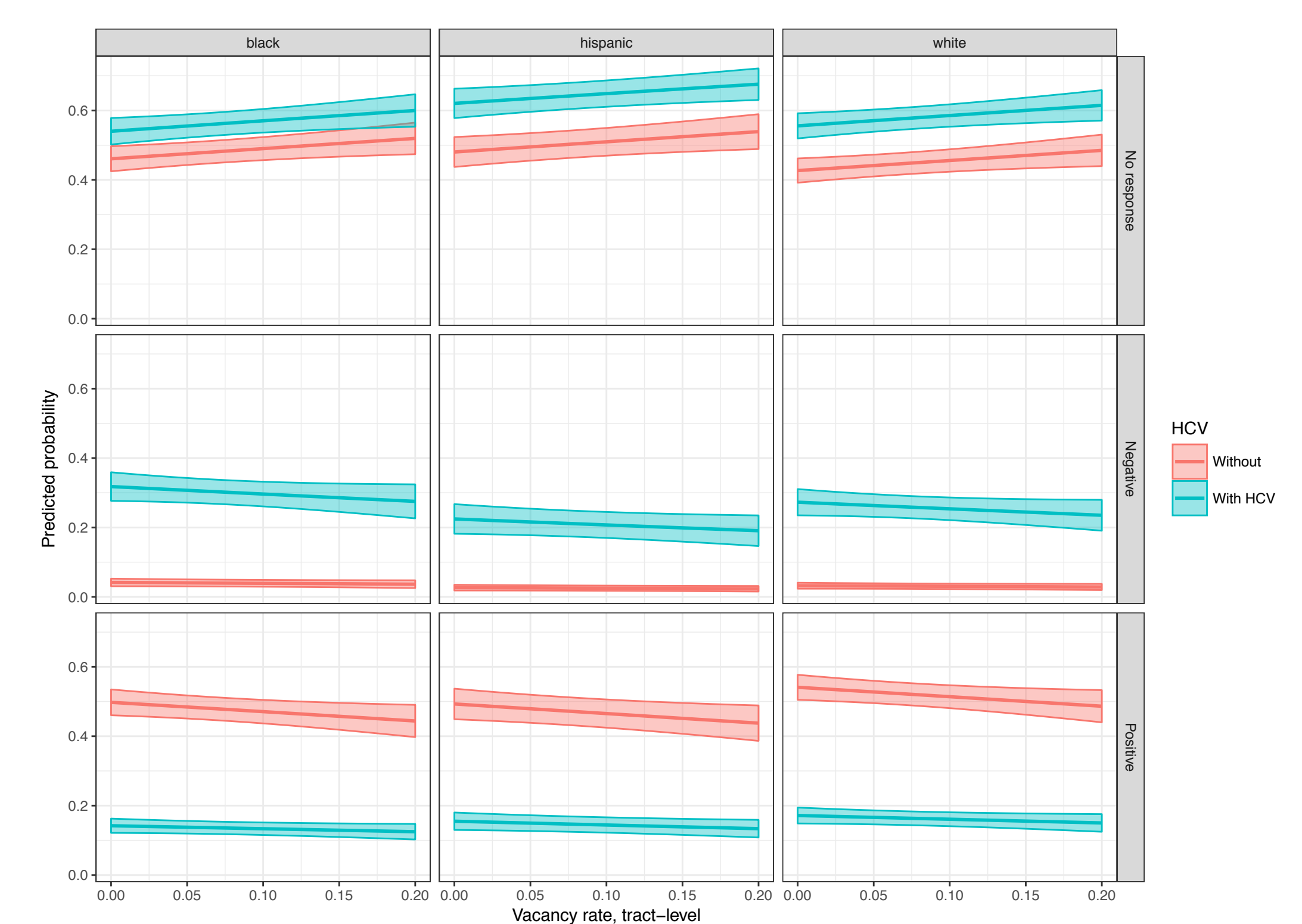
- Estimates likely an upper bound: as search continues, probably gets worse
- PHA unit approval processes need to be faster

Selected Listings

- Allow for email communication
- 70-130% of the area's FMRs
- 1-3 Bedrooms

Selected listings	6,054
Bedrooms	
1	30%
2	43%
3	27%
Price (Median FMR %)	1.05
Any SOI Coverage	39%
Census Tract Averages	
Poverty Rate	17%
Vacancy Rate	6%
% White-only Residents	71%
Received a Response	49%

Outcome Regression



Limitations

- Initial email interactions, not ultimate leasing outcomes
- Uncertainty about unit eligibility
- Not addressing seasonality
- Class of tester names unknown
- Unknown status of sent/received
- Other sources for rental listings

