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Success Rates in the Housing Choice Voucher Program: 2018-2022

Prepared for the U.S. Department of Housing and Urban Development
Office of Policy Development and Research

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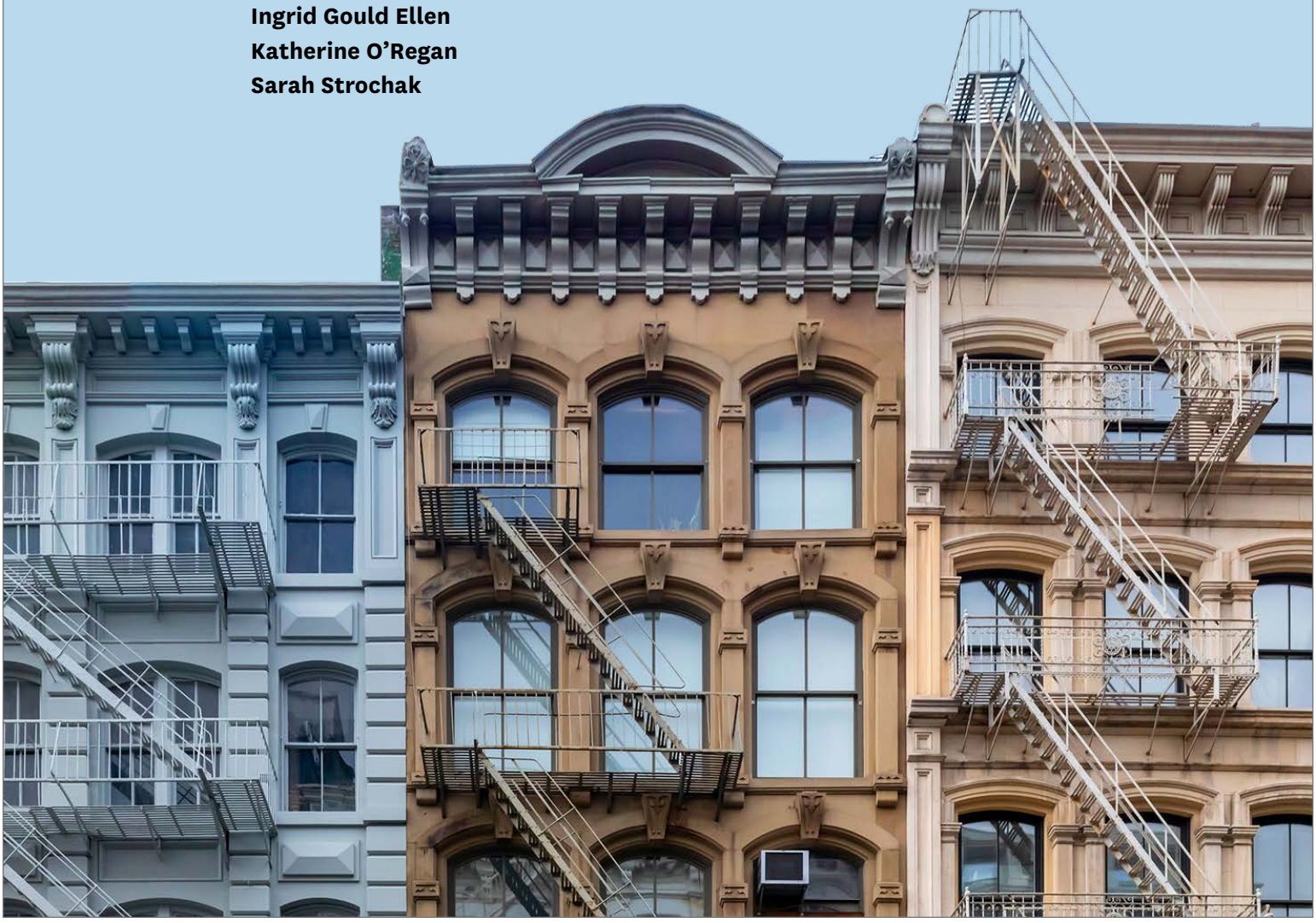

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Table of Contents

Acknowledgements . . . 2

List of Exhibits . . . 4

Executive Summary . . . 5

Background . . . 7

Sample . . . 8

Success Rates Results . . . 10

Methodology and Data . . . 17

Conclusion and Recommendations . . . 21

Appendix A: Regression Models on MTW Status . . . 22

Appendix B: Data Cleaning (additional issuance data classifications) . . . 23

Appendix C: Detailed Definitions of Outcomes . . . 27

Appendix D: Removing Issuances to Existing Participants . . . 29

References . . . 30

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List of Exhibits

Exhibit 1: Geographic distribution of PHAs that meet data quality standards . . . 8

Exhibit 2: Distribution of PHAs that meet data quality standards, by PHA size . . . 9

Exhibit 3: Success rates (1 year), 2018-2022 . . . 10

Exhibit 4: Median search time (days), 2018-2022 . . . 10

Exhibit 5: Success rate for different search windows, 2018 and 2022 . . . 11

Exhibit 6: Success rates by rural/urban status, 2018-2022 . . . 12

Exhibit 7: Success rates by census region, 2018-2022 . . . 12

Exhibit 8: Success rates by county median rent quartile, 2018-2022 . . . 13

Exhibit 9: Median search time in days by county rent quartile, 2018-2022 . . . 13

Exhibit 10: Success rates and search time by PHA size, 2022 . . . 14

Exhibit 11: Success rates for initial MTW and all other PHAs, 2018-2022 . . . 14

Exhibit 12: Differences in success rates for initial MTW and other PHAs, controlling for individual, PHA, and market characteristics, 2018-2022 . . . 15

Exhibit 13: Success rates by special purpose voucher status at PHAs with accurate reporting, 2018-2022 . . . 15

Exhibit 14: Action code glossary . . . 17

Exhibit 15: Successful search . . . 18

Exhibit 16: Failed search . . . 19

Exhibit A.1: Regression results for models of successful voucher use by MTW status . . . 22

Exhibit B.1: Incomplete expirations . . . 23

Exhibit B.2: Inaccurate expirations . . . 23

Exhibit B.3: True expiration . . . 24

Exhibit B.4: False expiration . . . 24

Exhibit B.5: Extensions of existing search events . . . 25

Exhibit B.6: Unsuccessful search events . . . 25

Exhibit B.7: Frequency of Additional Issuance Classifications . . . 26

Exhibit C.1: Examples of false positive search events . . . 27

Exhibit C.2: Frequency table for detailed outcomes . . . 28

Exhibit D.1: Share of search vouchers to current voucher participants, 2018-2022 . . . 29

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Executive Summary

The housing choice voucher program is the largest federal rental assistance program in the U.S., serving roughly 2.3 million households annually. While this program is funded federally, it is administered by local public housing agencies (PHAs). Unlike other federal housing programs, vouchers require participants to search for and lease a home on the private rental market, and not all participants succeed in doing so. Yet success rates, defined as the share of searches by new voucher recipients that result in a lease-up, have rarely been estimated on a national scale. The few prior analyses that do exist are from decades ago and have required collecting original data on the experiences and outcomes of voucher recipients.

The overarching goal of this study is to estimate PHA-level and national success rates for recipients of housing choice vouchers and to do so solely using administrative data already collected by the Department of Housing and Urban Development (HUD). Building from previous work,[1] this report specifically aims to:

- Validate and improve the methodology, including streamlining the underlying data steps and coding to facilitate replication;
- Expand coverage to include initial Moving to Work (MTW) PHAs;
- Provide updated success rate and search time calculations through 2022;
- Make recommendations to improve the quality of data used for calculating success rates.[2]

The approach draws on administrative data that include information on the issuance of search vouchers, expirations of search vouchers, and movements of voucher recipients into and out of the voucher program. At a high level, there are two core steps in the approach. The first step is to clean and organize these data into search events. The second step is to apply two metrics that assess the quality of each PHA's data for purposes of calculating success rates: the share of new admissions to the program that are preceded by a search voucher and the share of participants that enter the program very shortly after receiving a search voucher. These metrics are designed to identify PHAs that are recording all, or nearly all, search vouchers that are issued and doing so in a timely manner. After accounting for data quality standards, the analysis sample includes 1,232 PHAs across the country and covers around 75% of voucher holders nationally. (Readers can download an excel file with search metrics for individual PHAs for these years through this link.)

1. https://www.huduser.gov/portal/publications/Using-HUD-Administrative-Data-to-Estimate-Success-Rates.html
2. A separate data lessons memo has been provided to HUD for internal purposes.

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We highlight three key findings. First, success rates declined significantly, and search times increased between 2020 and 2022. In 2022, 57% of searches were successful, which is down markedly from 66% in 2020. The median time for a successful search was 78 days in 2022, up from 62 days in 2020. As noted in Congressional budget language, metrics showing dampened success rates may be instructive for "identifying broader issues such as a lack of available housing stock at current fair market rents or a lack of landlord participation" (U.S. Senate Committee on Appropriations, 2023).

Second, while the decline in success rates was widespread, success rates and search times vary widely across PHAs. Success rates are lower in rural counties, where searches tend to be much shorter. Success rates and search times also vary markedly with PHA size, with larger PHAs recording higher success rates and much longer search times. Both success rates and search times are also associated with median rent in the surrounding county, with higher rent counties seeing higher success rates and longer search times.

Third, the initial cohort of Moving-to-Work (MTW) PHAs largely avoided the decline in success rates. In 2022, the initial cohort of MTW PHAs achieved a success rate of 74.2%, which is nearly 20 percentage points higher than the 55.9% success rate for all other PHAs. PHAs in the initial MTW cohort may have been able to avoid the decline in success rates by using the greater flexibility afforded to them.

Finally, the report includes suggestions on how to improve the quality of HUD's administrative data so that success rates can be calculated on an annual basis across the vast majority of PHAs going forward.

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Background

The housing choice voucher program, the largest rental assistance program in the U.S., serves roughly 2.3 million low-income households annually. Unlike other housing assistance programs, voucher holders lease homes on the private market, and the voucher subsidizes their rent up to a locally defined ceiling. Research shows that the program provides significant benefits to the households who use vouchers (Jacob and Ludwig, 2012; Mills et al., 2006; Wood et al., 2008; Schwartz et al., 2020). But the program faces some challenges, among them is the difficulty many households face in finding homes that they can rent with the vouchers.

Low success rates are frequently cited as one of the biggest shortcomings of the voucher program (Ellen, 2017). Many recipients of vouchers do not succeed in finding and leasing a home that meets all the criteria for the program within the allowable search time (which varies across PHAs). Once potential participants are selected off the waitlist at their local PHA and issued a search voucher, they must find a home that falls within the payment standard for their jurisdiction.[3] The unit must pass HUD's quality inspection, and the landlord must accept the voucher. Note that success rates are different from utilization rates. A utilization rate measures what share of a housing authority's budget is currently leased up in vouchers, while the success rate measures the ability of individual recipients to use their vouchers. Both metrics are important for understanding how the program is operating.

Researchers have estimated success rates for recipients of vouchers on a large scale four times previously. In the first three cases, success rates were estimated for a sample of large metropolitan area PHAs. In 1985-87, the estimated success rate was 68% (Leger and Kennedy, 1990). A 1994 study estimated a higher success rate of 81% in 1993 (Kennedy and Finkel, 1994). In 2000, a study of 48 randomly selected, representative PHAs yielded an estimate of 69% (Finkel and Buron, 2001). All of these studies relied on new data that were collected in partnership with selected PHAs solely for the purpose of calculating success rates. National estimates were constructed by weighting PHAs by size and probability of selection for the study.

More recently, the authors (Ellen, O'Regan and Strochak, 2023) relied on administrative data already collected by HUD to estimate success rates for 1,379 non-MTW PHAs across the country, which met data quality standards (see Methodology section). That study estimated that 61% of searches initiated in 2019 succeeded within a 180-day window. When extending that timeline to 240 days, the estimated 2019 success rate rose to 63%. The median length of time for a successful search was 60 days in 2019.

3. Specifically, new voucher recipients can lease a home with rents above the payment standard as long as the gross rent does not exceed 40 percent of their adjusted income.

This report builds on this earlier work. It uses a very similar methodology to estimate success rates for the years 2018 through 2022, with some modifications informed by additional data work and engagement with several PHAs. The analysis continues to focus solely on new recipients of tenant-based vouchers, with additional insights into data challenges in identifying this population in both HUD's administrative data and for PHAs.[4]

In addition to methodological changes, this report updates the time period covered to 2018-2022 and expands the scope of PHAs included in the sample, and now incorporates 25 of the 39 initial Moving to Work (MTW) PHAs.[5] It also includes some separate analyses of special purpose vouchers, which have grown as a share of total vouchers. Finally, the underlying data cleaning and code for calculating success rates has been streamlined, which should ease replication.

Sample

After applying data quality filters, the final sample includes a balanced panel of 1,232 PHAs that meet standards across 2018-2022, which represents just over 56% of the 2,141 PHAs that had active tenant-based voucher holders in 2022. These 1,232 PHAs collectively served 75% of tenant-based voucher holders in 2022. The sample includes 25 of the 39 initial MTW PHAs and includes conventional tenant-based vouchers as well as all special purpose vouchers.

Geographic distribution of sample

Broadly, the PHAs that meet data quality standards are representative of the program as a whole, with some deviations. Exhibit 1 shows the geographic distribution of PHAs that meet standards, those that do not meet standards, and all PHAs. The regional distributions of the PHAs that meet standards and those that do not are very similar. However, PHAs that pass data quality standards are less likely to be located in a rural county, and so rural PHAs are underrepresented in the sample.

Exhibit 1: Geographic distribution of PHAs that meet data quality standards

	Passes quality standards	*Does not pass quality standards*	*All PHAs*
Number of PHAs	1,232	932	2,164
States and territories represented	55	50	55
Regional distribution			
West	13.0%	9.8%	11.6%
Midwest	26.9%	23.6%	25.5%
South	35.1%	34.0%	34.7%
Northeast	21.3%	28.5%	24.4%
Rural share	20.4%	34.6%	26.3%

Source: IMS/PIC
Note: The 55 states represented include all 50 states, the District of Columbia, Puerto Rico, Guam, the Mariana Islands, and the U.S. Virgin Islands.

4. A report summarizing data issues and lessons from validation was provided separately to HUD.

5. "Initial" MTW PHAs are the 39 that received MTW designation prior to the recent MTW Expansion that began in 2016. The 25 initial MTW PHAs that are included are those that pass data quality standards, detailed in the Methodology and Data section. PHAs that received MTW designation with the more recent MTW Expansion are included in the 'other PHAs' category throughout the report.

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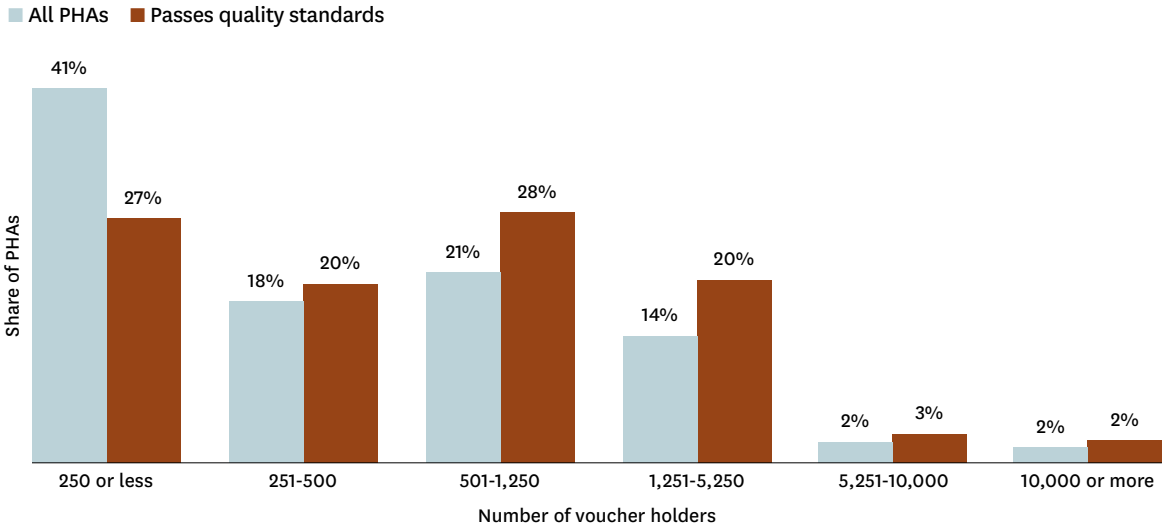
PHA size

There are also some size differences between PHAs that meet data quality standards and the full set of PHAs (Exhibit 2). PHAs that have less than 250 voucher holders, which make up around 40% of all PHAs, are under-represented among PHAs that meet data quality standards. In some cases, this may be because some of these PHAs issue very few vouchers over the 5-year time period and are therefore more likely to fail one or both data criteria (see Methodology section). Midsize and larger PHAs are over-represented in the sample.

Exhibit 2: Distribution of PHAs that meet data quality standards, by PHA size



Source: IMS/PIC

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Success Rates Results

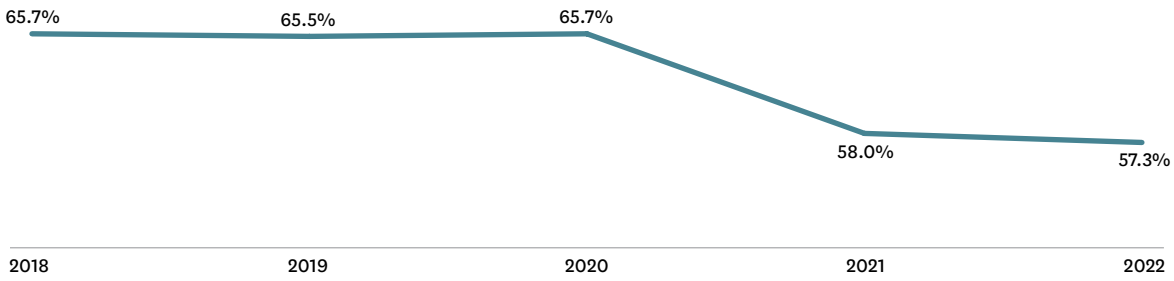
Success rates and search times

Exhibit 3 shows annual success rates from 2018-2022 using a one-year search window, meaning a search is considered successful if the household leases up within one year of their voucher being issued.[6] Up until 2021, success rates were relatively constant at just above 65%. In 2021, success rates declined sharply to 58% and then remained depressed in 2022, standing at 57.3%.

The drop in success rates during this time period was widespread. Over 70% of PHAs saw a decline in success rates between 2020 and 2022; this includes over 40% of PHAs that saw a substantial decline of at least 10 percentage points.

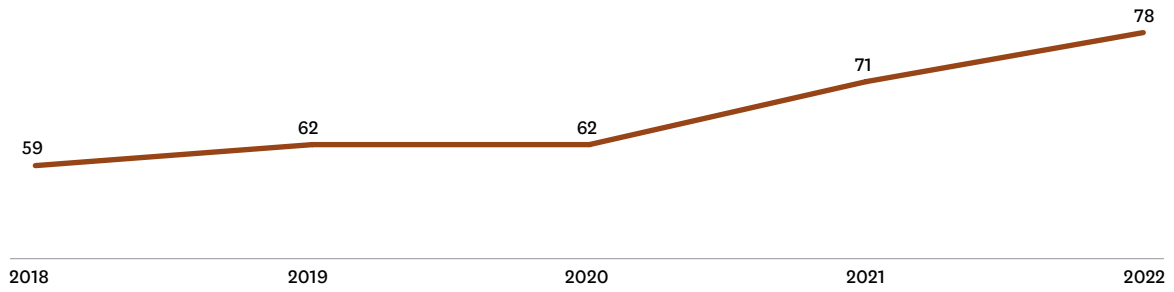
Exhibit 4 shows the median search time or the elapsed time between the issuance of the voucher and the household leasing up into the program for those who are successful in using their vouchers. Search times increased sharply in 2021 and then climbed higher again in 2022 to 78 days—an increase of 16 days from just two years earlier. The increase in search times likely reflect a tighter rental market, as well as PHAs extending the amount of time that households are given to search, partly in response to tighter markets.

Exhibit 3: Success rates (1 year), 2018-2022



Source: IMS/PIC

Exhibit 4: Median search time (days), 2018-2022



Source: IMS/PIC

6. The use of a standardized search window helps to ensure that success rate calculations are comparable across earlier and later years (rather than earlier years having longer windows than the more recent year). The one-year search window ensures capturing nearly all successful searches, since virtually all (98.6%) of searches that are ever successful succeed within one year.

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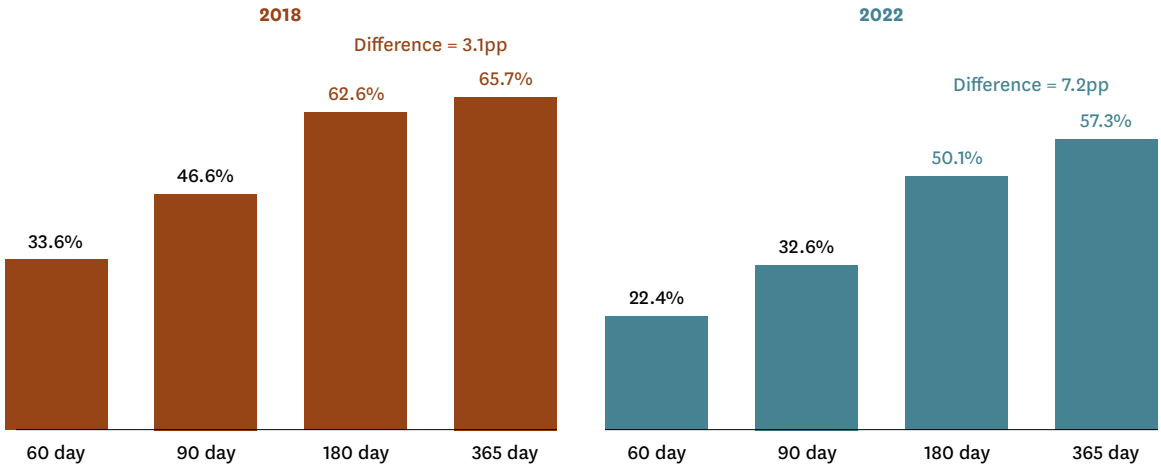
Exhibit 5: Success rate for different search windows, 2018 and 2022



Source: IMS/PIC

Exhibit 5 shows success rates for four different search windows. Each bar represents the share of voucher recipients who were able to use their voucher within a certain search window.

Between 2018 and 2022, success rates fell markedly for every time interval—60 days, 90 days, 180 days, and 365 days.

In 2018, 180-day success rates and one-year success rates were very similar, with around 62.6% of households successfully using their voucher within 180 days and 65.7% of households using their voucher within a year. This is because most successful searches concluded within 180 days, and relatively few voucher recipients succeeded beyond that point.

However, this pattern changed in 2022. The gap between 180-day and one-year success rates more than doubled from 3.1 percentage points in 2018 to 7.2 percentage points in 2022. This is a reflection of search times getting longer.[7] The difference between 180-day and one-year success rates can be even more pronounced in tighter rental markets that tend to have long search times. Going forward, all references to success rates indicate one-year success rates, which allows for consistent comparison across years, unless otherwise specified.

7. The one-year success rate now serves as the primary metric of success rates, as a non-trivial share of searches now succeed past the 180-day point. The use of a shorter search window results in truncating an increasing share of successful searches from the metric over time. The one-year success rate avoids this biased truncation, so it is a more representative measure of what share of households are able to use their vouchers, while still remaining comparable across years.

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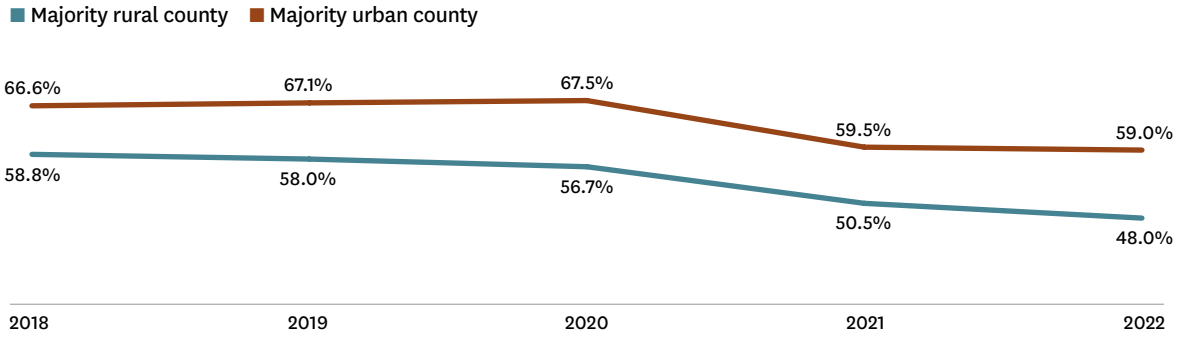
Success rates across markets

Success rates vary considerably across markets with different characteristics. (Readers can download a file with search metrics for individual PHAs for these years through this link.) Exhibit 6 shows that PHAs in rural counties tend to have lower success rates than those that are located in urban counties. This is a persistent trend that has grown over time; in 2022, success rates at rural PHAs were 11 percentage points lower than those at urban PHAs.

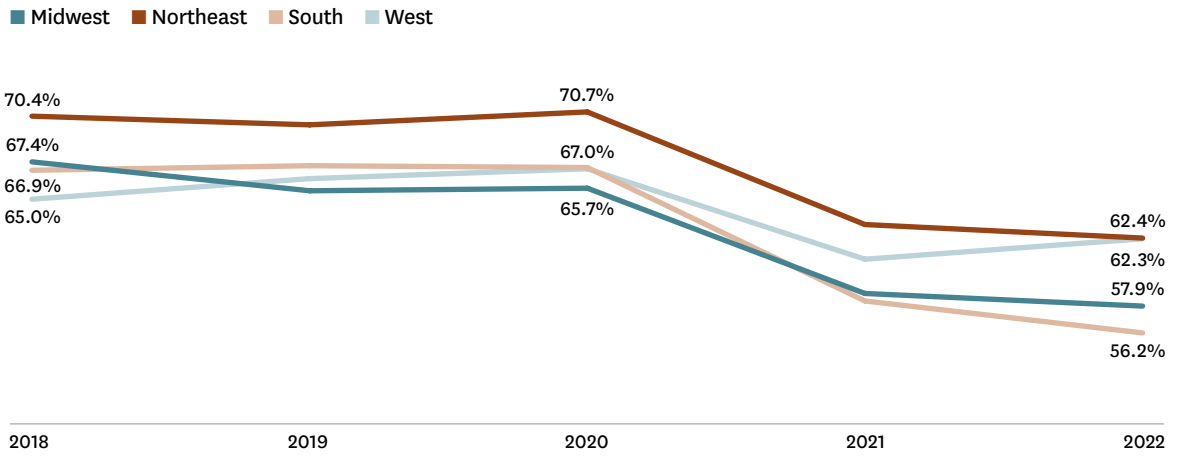
Exhibit 7 shows success rates by census region. Regional differences are relatively small and have shifted some over time. In 2022, success rates were lowest in the Midwest and South and highest in the Northeast and the West. This was a change from 2018, when the western region saw the lowest success rates.

Exhibit 6: Success rates by rural/urban status, 2018-2022



Source: IMS/PIC

Exhibit 7: Success rates by census region, 2018-2022



Source: IMS/PIC

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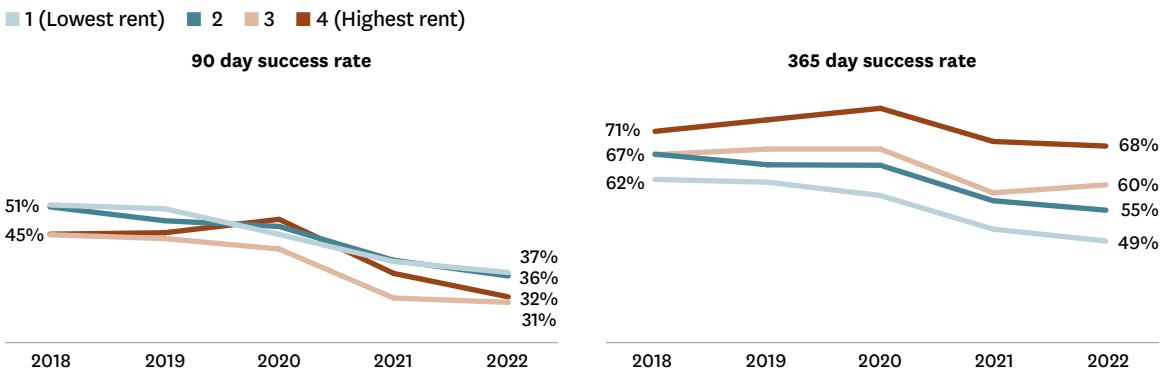
The last market characteristic that we examine is the rent level of the county where a PHA is predominantly located. We divide these counties into quartiles, where "1" represents the lowest rent counties, and "4" represents the highest rent counties. Exhibit 8 shows both 90-day success rates and one-year success rates. When looking at success rates in shorter search windows, such as the 90-day search window shown below, success rates are highest in the counties with the lowest rents, as one might expect, given the difficulty of finding available homes in tighter housing markets. However, this pattern is reversed when looking at success rates over a longer search window. PHAs in higher rent counties tend to have *higher* one-year success rates than PHAs in lower rent counties. This pattern has grown much more pronounced between 2018 and 2022. In 2022, success rates were nearly 20 points higher in the highest rent counties, compared to the lowest rent counties. Future research should explore this growing differential.

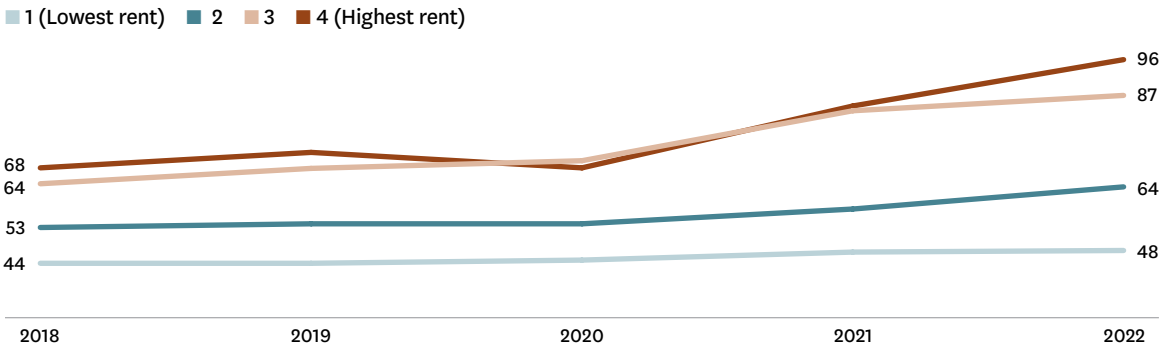
Exhibit 9 shows search times broken out by the same rent quartiles. We can see that search times are considerably longer for PHAs in counties with rents in the top two quartiles, and these times have increased the most since 2022. (Median search times were 48 days longer for the PHAs in the highest rent quartile than for those in the lowest rent quartile.) Given PHAs' flexibility in setting allowable search times, it is possible that one way PHAs in high rent markets have achieved higher success rates is through allowing longer searches.

Exhibit 8: Success rates by county median rent quartile, 2018-2022



Source: IMS/PIC

Exhibit 9: Median search time in days by county rent quartile, 2018-2022



Source: IMS/PIC

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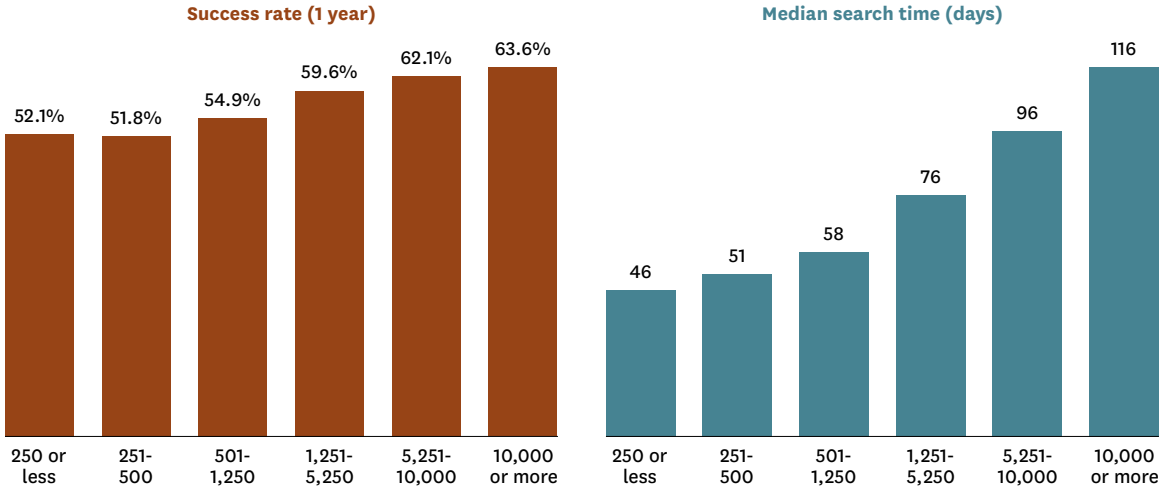
Success rates across PHAs

As for PHA characteristics, success rates and search times vary by PHA size, defined as the number of tenant-based voucher holders. Exhibit 10 shows success rates on the left panel and median search time for successful searches on the right panel, for the year 2022. Success rates are substantially higher in larger PHAs. However, there are even larger differences when it comes to search time. At the largest PHAs, the median successful voucher recipient takes over 110 days to use their voucher, compared to just 46 days at the smallest PHAs.

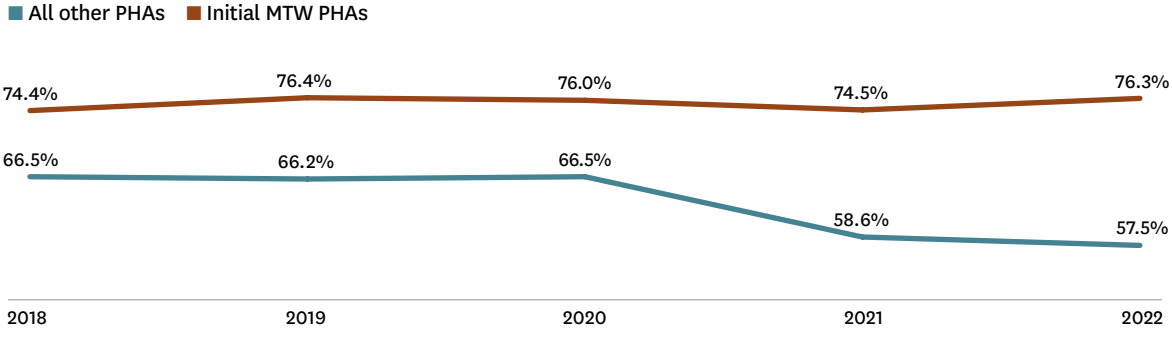
Lastly, Exhibit 11 breaks out success rates for the PHAs that were part of the initial MTW cohort (initial MTW PHAs). It shows that initial MTW PHAs have higher success rates in all time periods, but this gap has grown significantly over time. By 2022, MTW PHAs have success rates that are nearly 20 percentage points higher than other PHAs, which includes PHAs who never receive MTW status and PHAs who are in later MTW cohorts. Strikingly, initial MTW PHAs seem to have largely avoided the widespread decline in success rates that most PHAs experienced in 2021 and 2022.

Exhibit 10: Success rates and search time by PHA size, 2022



Source: IMS/PIC

Exhibit 11: Success rates for initial MTW and all other PHAs, 2018-2022



Source: IMS/PIC
Note: "All other PHAs" includes PHAs that do not receive MTW designation and PHAs in later MTW cohorts.

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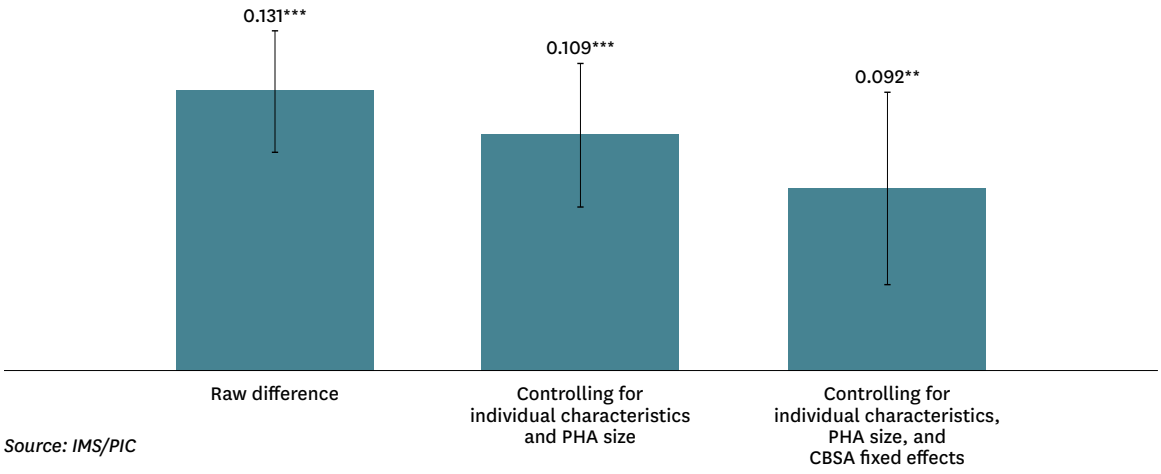
In order to disentangle the differences between PHAs in the initial MTW cohort and other PHAs from other related factors, such as PHA size or market conditions, we estimate a series of regressions that control for initial MTW status as well as other factors. The dependent variable in these models indicates whether a household successfully used their voucher within one year of issuance, and the main independent variable of interest identifies initial MTW PHAs. This analysis isolates the differences between MTW and other PHAs, controlling for other characteristics that may also differ between the two groups. Exhibit 12 plots the coefficients on an indicator variable for initial MTW status (see Appendix A for full results). It shows that even after controlling for individual voucher recipient characteristics, PHA size, and geographic areas, the difference in success rates between initial MTW PHAs and other PHAs remains large and robust. Again, future research should explore why and how these initial cohort MTW PHAs are able to achieve higher success rates, and whether there were any associated tradeoffs.

Exhibit 12: Differences in success rates for initial MTW and other PHAs, controlling for individual, PHA, and market characteristics, 2018-2022



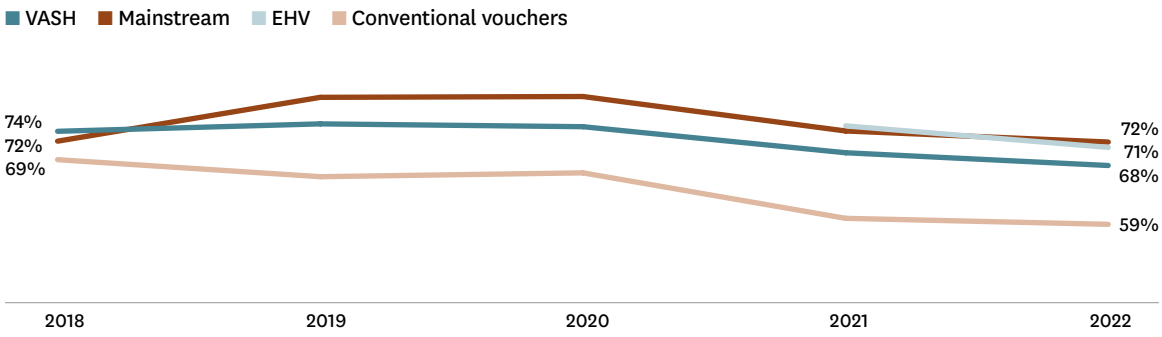
Source: IMS/PIC

Success rates by tenant voucher type

In recent years, there has been substantial growth in several different special purpose voucher programs. Unfortunately, it is not possible to report national success rates for different types of special purpose vouchers, as some PHAs do not indicate whether a voucher is an SPV in their issuance data, and even PHAs that do are not always consistent in their labelling. The issuance data for MTW PHAs does not identify special purpose vouchers at all. This means it is often not possible to identify the special purpose status of failed searches, prohibiting accurate measurement of success rates for special purpose vouchers.

There are, however, 157 non-MTW PHAs that have a high level of accuracy in recording special purpose voucher status in their issuance data, allowing calculation of success rates for several large SPV programs. These PHAs cover about 10% of all successful searches and 12% of all SPVs. Exhibit 12 show success rates at these 157 PHAs for the three largest programs: Veterans Affairs Supportive Housing (VASH), Emergency Housing Vouchers (EHVs), and Mainstream vouchers, as well as conventional vouchers. It shows that success rates are higher for special purpose vouchers. In 2022, success rates were similar for VASH, EHVs, and Mainstream vouchers, with all three of these programs seeing higher success rates than conventional vouchers at the same set of PHAs, despite these vouchers being targeted to more disadvantaged populations (Exhibit 13). It is possible that households receiving vouchers through these special programs received more assistance with their searches.

Exhibit 13: Success rates by special purpose voucher status at PHAs with accurate reporting, 2018-2022



Source: IMS/PIC

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Methodology and Data

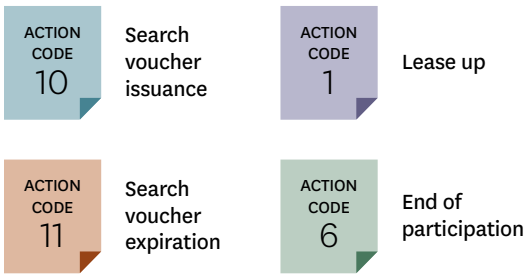
Voucher action code glossary

HUD data[8] on voucher holders are collected at the "action" level, with four primary actions relevant for calculating success rates. New recipients of vouchers are issued a search voucher (action code 10), which grants them permission to search for a home that meets program criteria and guarantees the subsidy once they find a unit that passes the housing quality inspection. If a voucher recipient is unable to find a home in the allotted time frame, the search voucher expires (action code 11).

If a recipient succeeds in leasing a home, they are admitted into the program (action code 1). Once in the program, participants will experience additional actions, including annual recertifications, updates to reflect changes in income or household size, moving, or porting and leasing a unit in a different PHA. When a participant leaves the program, they receive an end of participation code (action code 6).

The upcoming sections use the following icons to represent the four different actions to describe how they are combined into search events to determine outcomes:

Exhibit 14: Action code glossary



Source: Form HUD-50058, illustration by the authors

Data sources

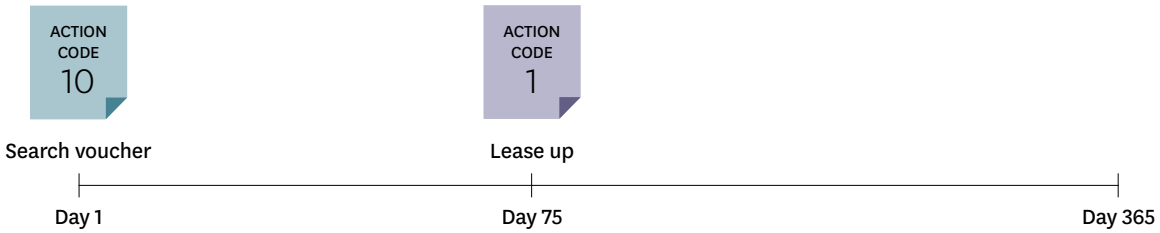
The Office of Public and Indian Housing (PIH) at HUD collects administrative data from PHAs through the PIH Information Center (PIC). This system requires PHAs to electronically submit information to HUD on the status of voucher recipients. While previous large-scale studies of success rates (Leger and Kennedy, 1990; Kennedy and Finkel, 1994; Finkel and Buron, 2000) collected data directly on voucher holder experiences at PHAs that were participating in the study, our methodology uses only PIC administrative data already collected by HUD.

This report draws on three main sources from the PIC data: issuance actions, new admissions actions, and an annual cross-sectional database. All three datasets are derived directly from HUD's voucher transactions database, which should contain every action for all households that are issued a search voucher and/or admitted to the program. The issuance data records the provision of search vouchers (action code 10) and expirations of those search vouchers (action code 11). The analysis uses issuance data starting in 2017 and going through the end of 2023. These records contain the action code, the effective date, and a HUD-generated household ID that is used to link across datasets. They also indicate if the search voucher is issued through a special program, such as Emergency Housing Vouchers (EHVs) or Veterans Affairs Supportive Housing (VASH) vouchers.

The new admissions data are also pulled from the transactions database and include all action codes that may represent new admissions from the

8. We are referring to the PIC data, described in detail in the next section.

Exhibit 15: Successful search



Source: Form HUD-50058, illustration by the authors

same time period.[9] These records include the key fields from the issuance data, as well as distinguish between tenant-based and project-based vouchers. Any of the actions in this database may represent a participant entering or leaving the program.

Lastly, these two sources are combined with the cross-sectional data, which is an annual cross section of voucher holders containing the most recent observation from the transactions database for every household in every year from 2003-2023. This database is used to distinguish between those looking to enter the program as opposed to those in the program looking to move.

Creating search events

The approach groups issuances and expirations into "search events" and determines success or failure at the search-event level. A search event starts with the issuance of a search voucher. Once a search event has started, any subsequent search vouchers that are issued within the next 365 days are considered part of the same search event, instead of counting each search voucher as a separate attempt. This helps address differences across PHAs in their choice to grant extensions (not observed in HUD data) versus issuing a new search voucher as a means of extending search time (observed). Conversations with PHA staff confirm that these sequential issuances are generally part of a singular search event, or effort, even if a second issuance is recorded in their data as part of extending search times.

In practice, most search events contain only one issuance. Of all successful events in our sample in 2022, 8% had multiple search vouchers grouped into one search event; for failed events, the share is 6.2%. Most households (96%) had only one search event between 2018 and 2022. Less than 1% of households had more than one search event in 2022.[10] For more detailed information on how we grouped actions into search events, see Appendix B.

Defining outcomes

A 'success' is defined as lease up and program admission within a set time period (e.g. one year) of search voucher receipt (Exhibit 15).

A search is considered a failure if the voucher recipient is not admitted into the program within a given search duration. Most typically, a search is classified as a failure if a search voucher is issued, but the recipient does not lease up, and then an expiration is issued. Expirations are observed at many different durations but most often occur either 60, 90, 120, or 150 days after a search voucher

9. 99.7% of new admissions are recorded as action code 1s (admission). A very small number of 4s (moves), 7s (port ins), or 14s (special adjustment) may be mis-coded but are established as a new admission to the program through our data-cleaning process.

10. Households can have more than one search event in a year if they receive an expiration for their initial issuance and receive another issuance more than 60 days later within the same year. This case is detailed in Appendix B.

Exhibit 16: Failed search

Source: Form HUD-50058, illustration by the authors

was issued. Notably, PHAs are not consistent in whether and how they record expirations in the HUD data. If a search event does not have an expiration recorded, but the household is not admitted into the voucher program during the specified time period, a failure is imputed in place of an expiration. Around 25% of failures were imputed in the sample in 2022.

A small portion of search events have outcomes that involve other actions. These cases are detailed in Appendix B—they represent 8% of successful searches and 6% of failed searches.

Data quality

For each PHA, the analysis uses two metrics to assess the accuracy and completeness of the issuance data, which are foundational to estimating success rates. The first is the share of entrances to the program that are preceded by a search voucher—known as the "issuance share."

A complete search should include an issuance of a search voucher, followed by either admission to the program or expiration of that search voucher. However, there are admissions to the program that are not preceded by a search voucher issuance. This is problematic since it is an indication that the search voucher issuance data are not complete and that they may not include all of the searches that are unsuccessful.

The analysis addresses the lack of complete issuance data in two ways. First, it excludes new admissions that are not preceded by a search voucher issuance, since their inclusion would most likely inflate success rates.[11] Second, this report only calculates success rates for PHAs with nearly complete issuance data. Specifically, for a given time period, at least 80% of a PHA's admissions must be preceded by an issuance and the issuance share must not drop below 60% in any given year.

The second data quality criterion concerns timelines for successful searches. Some PHAs admit a large share of participants to the program within just a few days of their search voucher issuance. This could be an indication that the PHA is not entering issuance actions into HUD data until an admission is about to happen and that the issuance data entry is incomplete, particularly for failed searches. Conversations with PHA staff on such 'instantaneous lease-ups' suggest several other potential explanations. One source of

11. With this decision, we are implicitly assuming that search voucher issuances are missing at the same rate for failed and successful searches. If more search vouchers are missing from failed searches than from successful searches, our estimates will be inflated.

short search times could be that PHAs are recording issuances of project-based vouchers (PBVs), which likely occurs after the specific PBV unit is identified for the household. Unfortunately, PBVs are not distinguished from TBVs in issuance data. A second source of short search timelines could arise when a household receives a voucher from one PHA but leases a home with another PHA, known as "ports". Specifically, some receiving PHAs may issue search vouchers for porting households after they have found a home in their jurisdiction.

To address these potential issues, PHAs must admit no more than 15% of entrances to the program within 7 days over the full sample period and must not exceed 30% in any given year in order to be included in the sample for this report. (As a benchmark, among PHAs with consistent and complete search voucher issuance and expiration data, fewer than 4% of successful searches had a duration of seven days or less.).

Identifying issuances to new recipients

The analysis focuses on *new* recipients of vouchers. It excludes issuances to households who are currently leased up with either a tenant-based or a project-based voucher and are looking to move. These households make up roughly 40% of issued vouchers on average.[12] While understanding the ease through which existing recipients can move to new homes is an interesting question, it is not our focus. Appendix D provides more details on voucher issuances to existing households.

Identifying the issuance of vouchers to new recipients, defined as households who have not been in the voucher program for at least one calendar year, is not always easy. Conversations with PHA staff about their efforts to calculate success rates for new recipients have revealed several challenges in identifying new recipients in their PHA data. One such challenge is voucher holders who port-in to a jurisdiction, as the receiving PHA does not have information on prior program status of the porting household. Thus, it is important to have access to national data, even when calculating success rates for a subset of PHAs. A second challenge can be in the structure of the PHA's management information system software which requires matching across internal datasets or manual adjustments to remove existing voucher households. There are two related challenges to identifying and classifying searches for new voucher recipients. First, a question arises on how best to handle ports, or new recipients who receive a voucher from one PHA but lease a home with a different PHA. To accurately capture the start of a search and because PHAs vary in whether and how often they issue a search voucher to a household porting into their jurisdictions, ports are included in the success-rate calculation of the originating PHA.

Second, PHAs also vary in whether they categorize households residing in units subsidized with a project-based voucher at the time the household receives a tenant-based voucher as new to the Section 8 voucher program. To be consistent across PHAs, we do not include such households when calculating success rates.

12. We exclude households residing in units with project-based vouchers as they can automatically receive the next available voucher if they have the ability to request a tenant-based voucher after one year of having a project-based voucher; thus, they can plan ahead, and their search patterns should be more similar to current TBV households than new recipients. Likely related to this, many PHA do not record these households as new to the program when they lease with their tenant-based voucher.

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Conclusion and recommendations

This report documents significant and widespread declines in success rates and increases in search times between 2020 and 2022. In late 2022, HUD adopted a new methodology for calculating Fair Market Rents that allows it to capture more recent changes in rents. This change should lead to improvements in success rates, particularly in places where rents have increased rapidly. Further, the variation across PHAs and the higher success rates of PHAs in the initial MTW cohort both suggest that local practices can potentially boost success rates, even in tight markets. PHAs with lower success rates may want to consider new strategies to help voucher recipients find eligible homes. Continued timely calculation of success rates using HUD administrative data is an important tool to enable research on which practices are most effective in boosting success rates.

While there is room for data improvements, this work has demonstrated the feasibility and value of using HUD's administrative data to calculate voucher success rates for the vast majority of PHAs and voucher recipients in the country. This report outlines a replicable methodology that could be used on an ongoing basis to calculate timely, annual success rates. Discussions with individual PHAs and analyses of their internal data both support the validity of the outlined approach. Specifically, they show that sequential issuances to the same household over a short-time should be considered a single search. Discussions with PHAs also validate the data-quality metrics used to screen PHAs with administrative data of high enough quality to calculate reliable success rates.

An overarching finding from the work with individual PHAs is that there are considerable benefits of using HUD's national administrative data, which covers the full set of PHAs, even when calculating success rates for a single housing agency. The national data are critical for distinguishing new recipients from existing voucher holders and for flagging households porting into and out of PHAs.

Going forward, we recommend that HUD adopt this methodology and release timely estimates of voucher success rates on an annual basis. This would provide PHAs, HUD, Congress, and researchers with up-to-date information on perhaps the most important outcome for the housing choice voucher program. To do so, however, HUD needs additional resources to support the considerable data work needed for the metrics to be reliable. These success rates would complement the success-rate dashboard that HUD has proposed, which would rely on real-time estimates reported by PHAs that do not generally involve the same extensive data cleaning and checking conducted here. Estimating accurate and timely success rates requires extensive data work and careful attention to anomalies and trends in the data that can (and should) inform methodological decisions.

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Appendix A: Regression Models on MTW Status

The table below presents the regression results that are presented in Exhibit 11. Across all models, the dependent variable is an indicator for a household successfully using their voucher within one year of issuance. The key independent variable is an indicator for the voucher originating at an initial MTW PHA. The first column shows results from a model with only year fixed effects. The second column adds controls for PHA size, as well as a set of individual characteristics, including race/ethnicity, household composition, disability status, and citizenship status. The third column shows a model that includes the same controls for PHA size and individual characteristics but uses CBSA by Year fixed effects to control for market conditions. All three models show large and significant differences in success rates between initial MTW PHAs and all other PHAs (which includes both non-MTW PHAs and later cohorts of MTW PHAs).

Exhibit A.1: Regression results for models of successful voucher use by MTW status

	(1)	*(2)*	*(3)*
Initial MTW	0.129***	0.109***	0.084***
	(0.014)	(0.017)	(0.023)
Observations	1,028,124	1,026,090	1,022,049
Adjusted R2	0.011	0.016	0.064
Individual controls		X	X
PHA size controls		X	X
Individual controls		X	X
Year fixed effects	X	X	
CBSA x Year fixed effects			X

*+ p < 0.1, * p < 0.05, ** p < 0.01, *** p < 0.001*

Source: IMS/PIC
Note: The dependent variable in an indicator for the household successfully using their voucher within one year of issuance. Standard errors are clustered by PHA.

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Appendix B: Data Cleaning (additional issuance data classifications)

Additional issuance data classifications

In order to calculate success rates, we cleaned and grouped issuance and new admissions actions into search events. In this process, we identified several common problems and engineered a set of rules to address them and to determine which issuance actions were part of each search event. Below, we detail and diagram some of the most prevalent and consequential data issues. Table A1 indicates how prevalent each classification is in 2022.

Incomplete expirations

Some search events do not have recorded expirations, even if the participant was never admitted to the program and there were no further actions after the initial search voucher. This is relatively common, with 24% of failed searches in 2022 lacking an expiration.

In these search events, we impute a failure when the participant is not observed in the new admissions or cross-sectional data within a given time frame from the beginning of the search event. While we can be reasonably sure that the participant did not succeed in leasing up into a unit, we cannot determine a timeline for how long the search lasted or if the PHA issued an expiration.

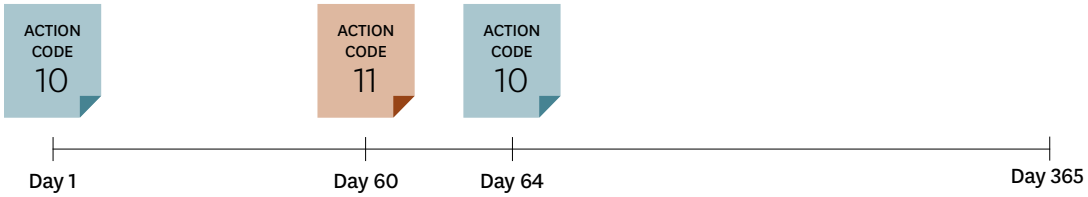
Inaccurate expirations

A related problem is inaccurate expirations. Expirations can sometimes be followed by another search voucher in a short period of time or followed by admission to the program. An example of this is depicted below, where an expiration is issued after 60 days of an initial search voucher, but a new search voucher is issued in a short time frame (in this example, 4 days later).

Exhibit B.1: Incomplete expirations

Source: Form HUD-50058, illustration by the authors

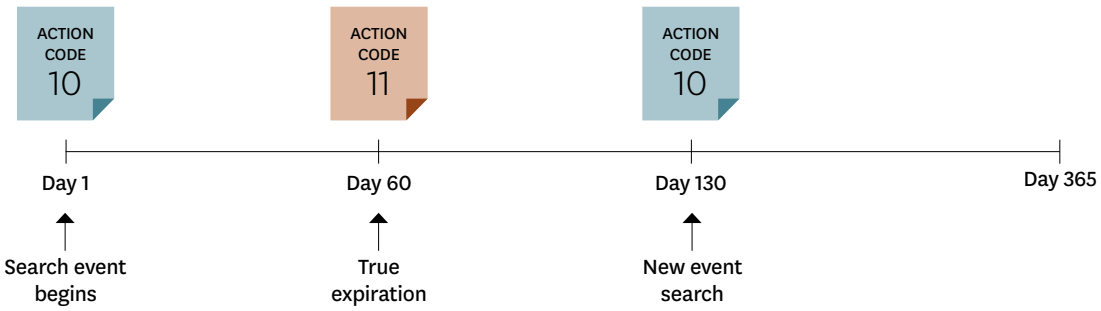
Exhibit B.2: Inaccurate Expirations



Source: Form HUD-50058, illustration by the authors

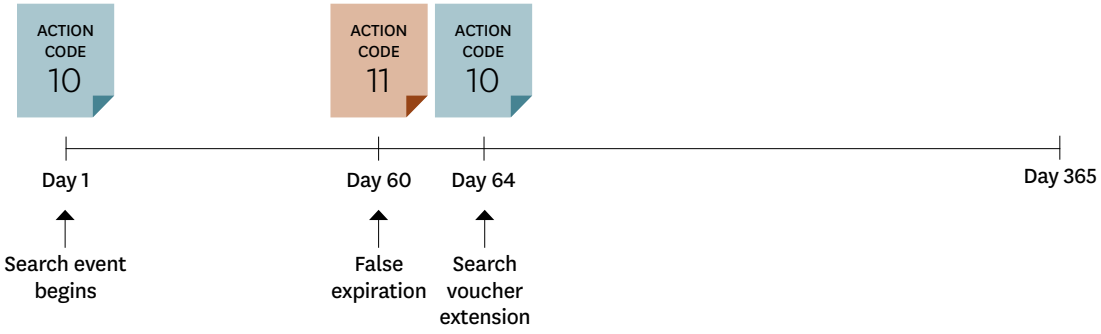
We solve for this by distinguishing between a true expiration and a false expiration. If a new search voucher is issued within 60 days of the expiration of an existing voucher, it is treated as an extension. If a new search voucher is issued more than 60 days after an expiration, we consider this a new search voucher and the beginning of a new search event for this household. Both of these potential combinations and relevant solutions are depicted below.

Exhibit B.3: True expiration



Source: Form HUD-50058, illustration by the authors

Exhibit B.4: False expiration



Source: Form HUD-50058, illustration by the authors

Extensions

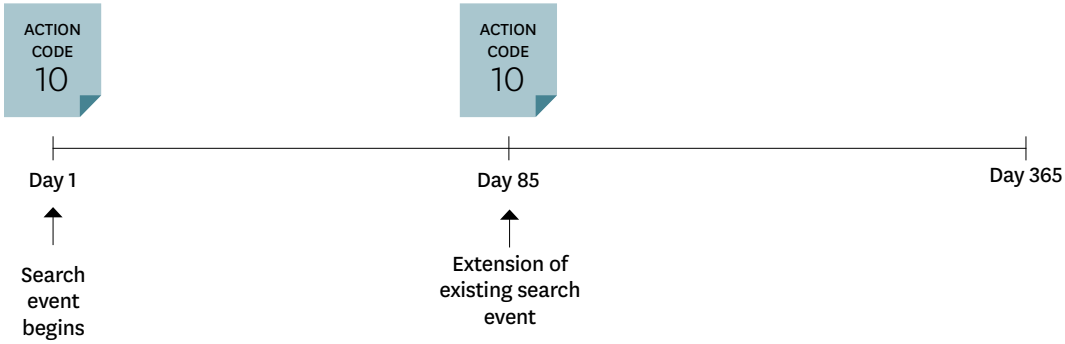
Extensions of search vouchers are not recorded in the PIC data. We cannot distinguish between a new search or an extension, but we can see that some households will receive multiple issuances in a short time period. Whether or not we group multiple search vouchers together into one search event will affect success rates.

Our solution is to consider a new search voucher issuance within one year of the original search voucher as an extension. However, if a new search voucher is issued more than one year after the first search voucher, with no other actions in between, this is considered a new search event, and the original search event is unsuccessful. Both of these potential outcomes are depicted in the figures below.

Extraneous expirations

We do not consider any search vouchers that are issued to participants while they are in the program in order to distinguish between those looking to enter the program and those looking to move. There are cases where the participant may be issued a search voucher while they are actively in the program, and then the search voucher expires after the participant has been issued an end of participation code. These expirations are considered extraneous expirations and are not included in a search event. This is rare; less than 1% of expirations in 2022 are extraneous.

Exhibit B.5: Extensions of existing search events



Source: Form HUD-50058, illustration by the authors

Exhibit B.6: Unsuccessful search event

Source: Form HUD-50058, illustration by the authors

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Issuances for project-based vouchers

In the case of project-based vouchers (PBV), some PHAs will issue search vouchers, even though PBVs generally do not require the same search process as tenant-based vouchers. While we cannot identify PBVs in the issuance data, we can identify them once the household has been admitted. We solve this by removing search voucher issuances associated with a PBV. To the extent that any issuances associated with a PBV 'fail,' this will bias our success rates downward. This approach assumes that there are no search vouchers issued for unsuccessful project-based voucher searches.

Exhibit B.7: Frequency of Additional Issuance Classifications

	Count	*Share of all issuance actions*	*Share of search voucher issuances*	*Share of expirations*
Issuance actions				
Original issuance	234,391	63.6%	83.8%	
Additional issuance	28,030	7.6%	10.0%	
Issuance extension	17,320	4.7%	6.2%	
Expiration actions				
True expiration	63,240	17.1%		71.0%
False expiration	24,002	6.5%		27.0%
Extraneous expiration	1,324	0.4%		1.5%
Late expiration	53	0.0%		0.1%
Lead off expiration	421	0.1%		0.5%

Source: IMS/PIC
Note: Table includes 2022 actions from PHAS that meet data quality standards.

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Appendix C: Detailed Definitions of Outcomes

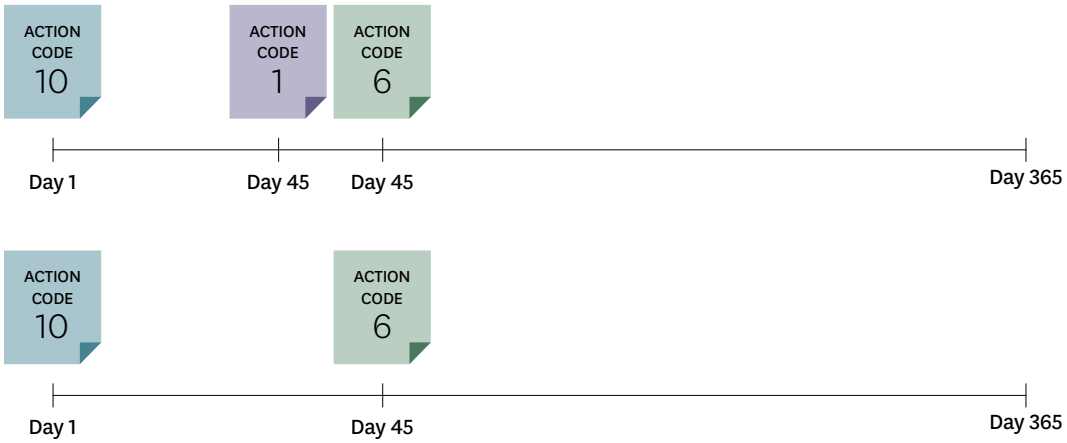
For both failures and successes, we distinguish between an observed success and an imputed success.

An observed success is defined as an event where a participant receives a search voucher and then is admitted to the program within 180 days. A success with a false expiration is when an event contains a search voucher and an expiration of that search voucher but is followed by admission to the program. Successes with false expirations make up just 3% of all successes among our sample in 2022.

There are multiple patterns that are classified as failures. An observed failure is when an event contains a search voucher and an expiration for that search voucher. Observed failures constitute the majority (75%) of failed searches among our sample in 2022. However, events can still be classified as failures in the absence of an expiration, if the household is never admitted to the program and found in the new admissions or longitudinal database. This is one of the three patterns that constitutes an imputed failure, accounting for 24% of failed searches in 2022.

Additionally, the imputed failure category contains two additional patterns that fall under the category of a false positive. In these situations, the household receives a search voucher, then receives an action indicating that they were admitted to the program but receives an end of participation code within 30 days of admission. Similarly, some households will receive a search voucher and then receive an end of participation code in lieu of an expiration. Both of these patterns are classified as false positives, which make up less than 1% of failed searches in 2022. Examples of false positives are given below.

Exhibit C.1: Examples of false positive search events



Source: Form HUD-50058, illustration by the authors

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Exhibit C.2: Frequency table for detailed outcomes

Outcomes	*Number of events*	*Share of successes*	*Share of failures*
Successes			
Standard success	142,836	97.0%	
Success with false expiration	4,460	3.0%	
Failures			
Standard failure	74,301		75.6%
Imputed failure	23,360		23.8%
False positive	19		0.0%
End of participation	580		0.6%

Source: IMS/PIC
Note: Includes only 2022 actions from PHAS that meet data quality standards.

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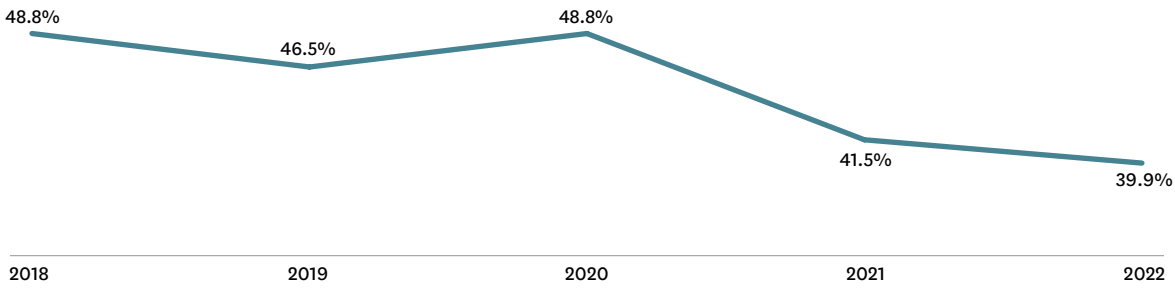
Appendix D: Removing Issuances to Existing Participants

A key part of the success rates process is limiting the analysis to voucher issuances that are to new recipients, rather than existing voucher holders who receive a search voucher in order to move within their PHA's jurisdiction, port to another PHA, or transition from a project-based voucher to a tenant-based voucher.

In order to remove issuances to existing participants, we construct full histories of program participation for each household and identify any time periods where the household was leased up with a voucher or had been within the last year. Search vouchers to these (already participating) households are removed. This is an essential part of the process, because a large share of search vouchers are issued to current participants. Exhibit C.1 shows that between 39-48% of vouchers each year are issued to current voucher participants.

In recent years, about 5% of these issuances go to households in project-based vouchers; 16% go to households who are leased up at a different PHA from the PHA that issued the search voucher (these are likely households who are attempting to or will successfully port to another PHA); and about 79% go to households who are currently leased up at the same PHA where the voucher is issued (these are likely households who are attempting to or do successfully move homes within the same PHA).

Exhibit D.1: Share of search vouchers to current voucher participants, 2018-2022



Source: IMS/PIC

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