The Federal Housing Choice Voucher Program

Case Study of a Revenue-Neutral Approach to Using Evidence

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JUNE 2018

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Acknowledgments

The Forum for Youth Investment deeply appreciates the support of the William T. Grant Foundation and the Annie E. Casey Foundation. We would like to acknowledge that the findings and conclusions presented in this report are those of the authors alone and do not necessarily reflect the opinions of these foundations.

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June 2018

This issue brief is part of a new series of publications from the Forum for Youth Investment (Forum) that focus on how policymakers can better use evidence to improve the lives of children, youth, and their families. This brief follows the Forum's recent report *Managing for Success: Strengthening the Federal Infrastructure for Evidence-Based Policymaking*, which provided a landscape scan of the federal infrastructure for evidence as of January 2017 and recommended ways in which policymakers could better coordinate and strengthen the use of evidence across the federal government. The report organized the recommendations into three categories: elevating evaluation, integrating multiple types of evidence into decision-making processes, and using a revenue-neutral approach to scale the use of evidence. This brief serves as a case study for the third category of recommendations and will look at how the Department of Housing and Urban Development (HUD) used evidence to improve its Housing Choice Vouchers (HCV) program in a revenue-neutral way.

Revenue-Neutral Approaches to Evidence-Based Policymaking

Evidence is often used to justify increasing or decreasing funding for a particular government-funded program. While this is a worthy way to use evidence, such use will also always be limited. It is unrealistic to think that government will ever increase funding for every program that is backed by reliable evidence. It is similarly unrealistic to think that funding will be eliminated for every program that lacks reliable evidence. Both such uses quickly take on a partisan nature, which limits their reach and can sometimes trigger a backlash against the creation and use of evidence itself.

Thus, a third option is also needed: a revenue-neutral approach to evidence-based policymaking. Such an approach could achieve the high levels of bipartisan support necessary to scale the use of evidence so that it becomes a pervasive feature of how government operates.

There are several revenue-neutral approaches to using evidence:

- The same amount of funding could be spent on the same population and desired outcome, but the funding would be paid based on results achieved rather than services delivered. This is often referred to as a "pay for success" model, which was significantly expanded in the bipartisan 2018 budget agreement
- Funding could be cut for an ineffective program and used to fund another, more effective program for the same population and desired outcome.
- Evidence could be used to improve a program so that better outcomes are accomplished using the same amount of funding.

This brief will fall into the third category of revenue-neutral approaches to using evidence. *

KEY TERMS

FMR: Fair Market Rents

HCV: Housing Choice Voucher program

HUD: U.S. Department of Housing and Urban Development

OPDR: HUD's Office of Policy Development and Research

PHA: Public Housing Agency

SAFMR: Small Area Fair Market Rent

The Federal Housing Choice Voucher Program

HUD has used evidence in sophisticated ways over multiple years to try to improve the effectiveness of the HCV program. The HCV program, run by HUD's Office of Public and Indian Housing, is the primary program for supporting low-income families in need of housing assistance in the United States.

Unlike in other housing programs, HCV participants

*While HUD did receive additional funding for vouchers through the Bipartisan Budget Act of 2018, the primary way that HUD used the body of research discussed in this paper was to improve the program rather than to call for budget increases.

are free to select the location of their housing, provided that it meets certain rent and safety requirements. It is the responsibility of public housing agencies (PHAs), which administer the program in each locality, to assist participants as they seek housing. The PHA pays the voucher directly to the landlord once the participant and his or her family has located and selected an eligible housing arrangement. The participant will provide the remaining difference between the voucher and the overall rent directly to the landlord as well.[1]

This brief explains what the program is trying to achieve, what theory and evidence were used to identify ways to improve the program, and what policy levers are being used to implement these changes.

Using Evidence to Shape and Test a Theory of Change

The HCV program supports multiple outcomes that are of interest to federal policymakers, such as alleviating homelessness, improving housing stability, supporting family connections, and increasing access to the surrounding economy. While all of these outcomes are important, this issue brief will largely focus on a fifth goal of the HCV program: facilitating the movement of families from high- to low-poverty neighborhoods.

One of the theories of change behind the HCV program is based on the following three assumptions stated below:

- Living in a low-poverty neighborhood leads to improved outcomes
- Moving from a high-poverty neighborhood to a low-poverty neighborhood improves outcomes
- Vouchers can help people move from high- to low-poverty neighborhoods

The first two of these assumptions were well supported by evidence, whereas the evaluations of HUD and others showed that the third was not (as the voucher program was historically configured).

Evidence shows that living in a low-poverty neighborhood leads to improved outcomes.

This assumption is well supported by evidence. Research has shown that living in specific neighborhoods can affect various life outcomes for children and their families. Multiple studies have also shown that the socioeconomic qualities of a neighborhood can affect education outcomes such as high school graduation.[2,3] A study involving more than five million families who moved between counties found that each year a child was exposed to a better county (as defined by the number of adults with higher levels of income) led to a corresponding increase in adulthood income.[4] Thus, neighborhoods matter for children and families.

If a neighborhood has an effect on child outcomes, then it should be a policy priority to either improve neighborhoods (as various place-based initiatives attempt to do) or help families move to neighborhoods that have lower concentrations of poverty (as vouchers attempt to do).

Evaluations of HUD's demonstration project showed that moving from a high-poverty neighborhood to a low-poverty neighborhood improves mental health, physical health, family safety, and subjective well-being but has no significant impacts on earnings and employment rates.

HUD created the Moving to Opportunity (MTO) demonstration project, which Congress authorized in 1992, to examine whether moving from a high-poverty neighborhood to a low-poverty neighborhood would affect various life outcomes.[5] A 2001 study found that MTO successfully moved poor families into low-poverty neighborhoods and that these families experienced improved safety, health, and behavior outcomes.[6] A 2007 study showed that after four to seven years, families in the MTO program lived in safer neighborhoods with lower poverty rates. These families also experienced a variety of positive health, education, and behavioral outcomes.[7] A 2013 study found that adult participants improved on several mental and physical health outcomes, while girl participants also improved in terms of youth risk behaviors.[8] These studies did not find that the MTO demonstration led to changes in economic self-sufficiency through such measures as employment rates, earnings, or welfare usage.

A sophisticated reanalysis of the MTO demonstration project found that future earning rates are significantly improved for children who move to lower-poverty neighborhoods before they turn 13 years old.

While the studies referenced above found that, on average, the earnings of voucher participants did not increase, a more sophisticated analysis of the data was used to determine whether future earnings did increase for some populations.

In 2015, Raj Chetty and his colleagues published "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment,"[9] which used tax return data to examine long-term outcomes from the MTO program on children. The study concluded that "moving to a lower-poverty neighborhood significantly improves college attendance rates and earnings for children who were young (below age 13) when their families moved."

These findings were consistent with a 2008 study[10] that used alternative methods from previous studies to better estimate how exposure to potential neighborhood or environmental effects influences influences individual outcomes. The study found that more time in advantageous neighborhoods was associated with adult self-sufficiency as measured by employment, wages, and the receipt of transfers such as TANF (Temporary Assistance for Needy Families) or food stamps.

Typically, research is designed to determine whether a program "works" by calculating the average of the effects on all study participants in all program locations. However, such research designs often fail to provide guidance for policymakers on ways in which a program can be improved. More sophisticated research designs are able to better probe what works, for whom, and under what conditions. Such research, like Chetty's new evidence from the MTO experiment, can better help policymakers find ways to improve programs—for example, by better targeting programs to specific participants who are most likely to benefit from them.

Evaluations showed that the previous design of the voucher program was not very effective at helping participants move from high- to low-poverty neighborhoods.

Several evaluations over multiple years showed that the HCV program's previous design was not very effective in helping families move to neighborhoods with low concentrations of poverty. A 2013 study found that voucher users in the 50 largest cities were not living in higher opportunity neighborhoods, despite available affordable rental housing.[11] A 2010 review found that voucher users in the 50 largest cities were overrepresented in neighborhoods with poverty rates over 30 percent.[12] A separate 2010 study[13] showed that voucher recipients were more likely to live in distressed neighborhoods, and a 2008 study showed that voucher programs were no better than project-based programs at moving recipients to better areas.[14]

HUD's Office of Policy Development and Research (OPDR) has also released a number of publications examining the effectiveness of Fair Market Rents (FMRs) at directing families to low-poverty neighborhoods. In one report, OPDR found that "for families who move to a new location upon entering the [HCV] program, ... there is not much benefit in terms of avoiding poverty concentrations." The researchers also found more evidence "supporting the assumption that living in a neighborhood with concentrated poverty is associated with slower family progress to better toward self-sufficiency."[15] A second report found that voucher recipients will use the vouchers to lower their housing costs but will not use them to move to higher opportunity neighborhood.[16] HUD's internal research mirrors many of the studies from outside researchers and the MTO demonstration project: neighborhoods matter, moving to these higher opportunity neighborhoods leads to better outcomes for families, and the HCV program does not do all it can to support families that want to make this descion to move.

Using Evidence to Improve the Housing Choice Voucher Program Instead of Eliminating It

Given these evaluation results as they relate to the goal of mobility to low-poverty neighborhoods, a common approach to evidence-based policymaking would be to declare the program a failure and call for its funding to be eliminated (perhaps to target funding toward new strategies to achieve some of the other goals of the HCV program, in particular, and of HUD, in general). However, doing so would not necessarily help any of the HCV recipients and would almost certainly hurt the majority of them. Doing so would also likely lead to a backlash against the use of evidence, making it less likely that federal agencies would continue to prioritize funding for evaluations or for publicizing their results to the same extent that HUD's OPDR did in this case.

Instead, HUD and Congress used the research to improve the HCV program. This approach allowed them to embrace, rather than resist, research and to literally and figuratively underscore the need for change: "In 2010, only 1 in 5 families with children used HCVs in a low-poverty neighborhood (< 10% poverty). *Given the importance of neighborhood quality for a child's life outcomes, HUD needs a more effective strategy*" (emphasis in the orginal).[17]

First Attempt at Improvement: Increasing the Voucher Size for the Entire Metropolitan Area

Participants in the HCV program pay their landlords a fraction of their household income, and the government pays landlords for the remaining balance, with the goverment's payment amount up to a rent ceiling set by HUD.

A prevailing theory was that the primary reason the voucher program was not very effective at helping participants move to neighborhoods with lower concentrations of poverty was that the rent ceiling was too small.[18] HUD hypothesized that increasing the rent ceiling could lead to more participants using the vouchers to move to lower poverty neighborhoods, which, in turn, would lead to improved participant outcomes.

HUD calculated the size of the rent ceiling based on FMRs in each metropolitan area using data[19] from the Decennial Census, the Census Bureau's American Community Survey, and phone surveys:

> They [FMRs] include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible.[20]

In the past, HUD set the rent ceiling at the 40th percentile of rents of all units in that metropolitan area occupied by renter households that moved to the unit in the past 15 months.[21] Based on the research above, HUD changed the calculation to the 50th percentile in certain areas to better allow participants to move to neighborhoods with lower concentrations of poverty.

Evaluations Found That Increasing the Voucher Size for the Entire Metropolitan Area Had Poor Results

Once again, since the focus of the research was to improve a program rather than threaten its elimination, HUD invested in a new round of evaluations to assess the effectiveness of this policy change and was forthright once again about the disappointing results:

> HUD's current policy to address voucher concentration (the 50th percentile policy) is ineffective. Under a 2000 interim rule, HUD increases FMRs in highly concentrated metropolitan areas to the 50th percentile. This raises voucher payment standards in all neighborhoods, including

those already highly concentrated. Research finds that [Metropolitan Statistical Area]-wide increases in FMRs (like the 50th percentile) have minimal effect on housing/neighborhood quality, but result in rents increasing (up to 89% of the increased subsidy benefitting landlords). The 50th percentile policy is not effective; it does not de-concentrate voucher tenants and contains evaluation criteria that add administrative complexity.[22]

Second Attempt at Improvement: Providing Different Size Vouchers for Housing in Different Neighborhoods

Having found that "a policy that makes vouchers more generous across a metro area benefits landlords through increased rents, with minimal impact on neighborhood and unit quality,"[23] HUD next theorized that having one universal rent ceiling for an entire metropolitan area was limiting the HCV program's effectiveness. Next, HUD attempted to improve the program by setting different voucher rent ceiling levels for housing in different neighborhoods. In technical terms, instead of establishing a single FMR for the entire metropolitan area (calculated based on the average cost of rent across the entire metropolitan area), HUD proposed to establish multiple voucher rent ceiling levels—one for each zip code (calculated based on the average cost of rent in that specific zip code), referred to as a Small Area Fair Market Rent (SAFMR).

The theory is that changing from FMRs to SAFMRs will incentivize more participants to move to more expensive neighborhoods with lower concentrations of poverty, while also helping the government avoid paying more than is necessary for rental units in low-income neighborhoods.

Evaluations Found That Providing Different Size Vouchers for Housing in Different Neighborhoods Has Strong Positive Results

In 2012, HUD launched a demonstration project to test whether using SAFMRs to calculate the size of the HCV rent ceiling would increase the percentage of participants who move to neighborhoods with lower concentrations of poverty, as well as to analyze administrative impacts of the change for PHAs.[24] The demonstration project sites were the Chattanooga (TN) Housing Authority, the Housing Authority of the City of Laredo (TX), the Housing Authority of the City of Long Beach (CA), the Housing Authority of the County of Cook (IL), and the Town of Mamaroneck (NY) Public Housing Agency.[25] Two additional PHAs in Dallas have been using SAFMRs since 2011 due to a court settlement, making a total of seven sites participating in the demonstration project.

HUD's OPDR released an interim report of its SAFMR Demonstration Evaluation in August 2017. The evaluation, which was conducted by ABT Associates, was designed to address whether the small area change ultimately led to better opportunities for families using the HCV program. The evaluation examined changes between 2010 (before the changes) and 2015 (after the changes) for the seven demonstration PHAs, as well as a control group of PHAs that did not implement SAFMR changes. A final report is expected later in 2018.

> The policy change succeeded at increasing the number of rental units available to voucher holders in neighborhoods with lower concentrations of poverty.

The evaluation studied "the extent to which SAFMRs change the number of units with rents at levels affordable to HCV holders and the number and share of such units in higher-opportunity areas."

The Demonstration Evaluation's interim report found that for PHAs that used SAFMRs, there was a more even distribution across high- and low-rent neighborhoods when compared to other PHAs using standard FMRs, meaning there were more rental units available in high -rent neighborhoods and fewer rental units available in low-rent neighborhoods. SAFMRs increased the available amount of rental units in high-rent (and, thus, higher opportunity) zip codes when compared with FMRs and decreased the available amount of rental units in low-rent (and, thus, lower opportunity) zip codes.

However, this does not necessarily mean that the overall number of rental units (in both low- and high-poverty neighborhoods across the entire metropolitan area) for which a participant could use a voucher increased. ABT Associates found that in SAFMR PHAs, "the gain in units … in high-rent ZIP Codes does not offset the decrease in the number of units in the low-rent and moderate-rent ZIP Codes, resulting in a net loss of units potentially available to HCV holders overall."[26] This net loss in units varied across the seven PHAs, with four PHAs seeing a net loss of units, one PHA experiencing no net change, and two PHAs experiencing a net gain of units. The interim report found that "the size of the net change in units below the applicable FMR in a given geography depends on how rental units are distributed across low-, moderate-, and high-rent ZIP Codes."[27]

In a more recent study from the New York University Furman Center, researchers estimated how the use of SAFMRs would affect the net change in units for 24 designated metropolitan areas. HUD chose these areas after the demonstration project as these areas were thought to have better market conditions that would support the SAFMR change. The researchers found that 20 of the 24 designated areas "would see an increase in the number of affordable units while four would see a small decline."[28]

> The policy change succeeded at increasing the number of voucher holders moving to and living in neighborhoods with lower concentrations of poverty.

The demonstration evaluation's interim report described actual access to opportunity as "the extent to which HCV holders in SAFMR PHAs are more likely to locate in or move to higher-opportunity areas after implementation of SAFMRs than before."[29] It is one thing for PHAs to provide greater access to areas of higher opportunity; it is another thing for HCV users to make use of this greater access and choose to move to neighborhoods with lower concentrations of poverty. The study looked at where new voucher holders decided to live, where current voucher holders decided to move, and where the full population of voucher holders live.

The interim report also found that the "share of new HCV holders across all the SAFMR sites who moved into high-rent ZIP Codes increased from 14 percent in 2010 to 17 percent in 2015." The control group of PHAs showed no change between the two periods on this measure.

Among HCV holders that moved to new zip codes in SAFMR demonstration sites, the share moving to high-rent zip codes was 18 percent in 2010; in 2015, this increased to 28 percent. This trend did not occur in the control group. All of the demonstration PHAs reported that the SAFMR changes led to declining payment standards in lower-opportunity areas and "encouraged HCV households to move from lower-opportunity areas to higher-opportunity areas."[30]

Not all HCV holders choose to move rental units each year; many stay in the unit they already hold. Even so, in SAFMR demonstration sites, HCV holders were more likely to reside in high-rent areas than before the demonstration (20 percent and 17 percent, respectively). The SAFMR demonstration sites also saw more HCV users living in higher-opportunity areas after implementation (from 11 to 13 percent). The control group of PHAs experienced no similar changes.

Finally, the report found that the high-rent neighborhoods offered "higher opportunity to residents on all measures used, which include lower poverty, higher school proficiency, higher job proximity, higher environmental quality, and lower rates of both poverty and violent crime."[31]

A 2017 Harvard University study that used the policy change to compare the old and new systems for calculating rents confirmed this result. The study found that the previous FMR policy, which made vouchers across a metropolitan area more generous, primarily benefited landlords and had only a small effect on neighborhood quality. In contrast, the study found that the SAFMR policy, which uses neighborhood rents as opposed to metropolitan averages, leads voucher users to choose higher-quality neighborhoods.[32]

Scaling the Improvement to Additional Public Housing Authorities

Buoyed by the positive results of the demonstration project, HUD has begun a process to bring the program improvement to scale by changing how it calculates the voucher rent ceilings for additional PHAs.

In the summer of 2015, HUD released its "Advanced Notice of Proposed Rulemaking" on the concept of SAFMR. This notice announced HUD's intention to change FMR rules in the HCV program to SAFMRs in designated areas.[33] After public comments, HUD made a number of changes, such as exempting areas with low vacancy rates where it would be difficult for low-income residents to find housing in competitive markets (such as New York), phasing in the reduction of voucher amounts in certain areas so any reductions were not too abrupt, and allowing PHAs to exempt voucher holders from changes to their subsidy if they remained in the unit they currently rent.[34] HUD released a "Notice of Proposed Rulemaking" in June 2016, which proposed changing the FMR rule to a SAFMR rule, as was done in the demonstration project sites.

In November 2016, HUD announced its final rule, which repealed the old FMR calculation and replaced it with the SAFMR calculation for 24 separate metropolitan areas. (One such area was Dallas, which was already using SAFMRs due to a previous court order.) HUD also used the notice to respond to comments from the proposed rulemaking period.[35] The final rule was intended to become effective on January 17, 2017, which meant that starting October 1, 2017 (when annual FMRs are released), certain areas would be able to use SAFMRs.

Before this change occured, however, Ben Carson, the HUD secretary, used a provision within the rule to delay the timeline for the change for 23 of the 24 metropolitan areas (all areas except Dallas, due to its separate local court order still being in effect) until October 2019. The secretary's determination was based on the following:

> HUD's review of the Small Area FMR demonstration's interim findings and concerns regarding the potential negative impact on HCV families; HUD's review of the public comments received in response to the Reducing Regulatory Burden Federal Register Notice; and HUD's determination that the HUD guidance and technical assistance for public housing agencies (PHAs) must be fully informed by the final findings and lessons learned from the Small Area FMR Demonstration Evaluation to be effective, which is expected to be completed in July 2018.[36]

The determination included a number of rationales for this delay, such as the following:

> Several findings [from the interim report] … are worrisome and … further research is needed to address a number of critical questions with respect to the potential harm to HCV families … in areas transitioning to Small Area FMRs. The findings … that are of most concern to HUD relate to the availability of units and the impact of Small Area FMRs on voucher success rates and utilization, and to rent burdens among assisted households.[37]

The secretary's declaration did not repeal or suspend the rule; rather, it affected the component of the rule that required certain PHAs to implement the rule for two years. As noted by OPDR, "If a PHA is ready to use Small Area FMRs, it may do so today."[38] The secretary's decision simply changed the original deadline, arguing that "PHAs needed more time to integrate this big change into their voucher programs."[39] PHAs, however, could still go forward with the change if they felt ready to implement it.[40] The rule would instead take effect in FY2020 as opposed to FY2018 in the final 2016 notice. OPDR further noted its intention to "make sure [PHA] programs are informed by the lessons learned by [demonstration sites]" as PHAs transition to the new SAFMR on the then-delayed time frame.[41]

In December 2017, the U.S. District Court of the District of Columbia ruled that HUD had to move forward and implement the full SAFMR final rule in the 23 designated metropolitan areas affected by Secretary Carson's decision. Advocates—the Open Communities Alliance and two individual plaintiffs[42] —supported a quicker implementation of the final rule and argued that HUD had failed to follow the standard rulemaking process when Secretary Carson suspended portions of the rule as mentioned above. They also argued that the suspension was arbitrary and that the concerns cited by the secretary were not supported by the interim report or by reforms made between the interim report and the final rule (such as differences between the localities in the interim report and the final rule, as well as new tenant protections incorporated in the final rule).

The court found that the secretary lacked the authority to suspend the rule in all 23 designations and only had the authority to suspend the rule in individual designations based on local conditions to that designation. The court held that HUD's reliance on some of the interim report's mixed findings to justify its choice did not constitute "local conditions." The court also found that the suspension of the SAFMR designations was arbitrary.[43] HUD chose not to appeal the decision and accepted this ruling; the case is now completed. Accordingly, the rule took effect on January 1, 2018. Since the ruling, HUD has created a number of resources to support PHAs that are implementing this reform, including guidance on the updated rule, case studies from localities that have already implemented the rule, trainings on best practices for implementation, a guidebook on administrative and programmatic impacts of the rule change, and sample implementation documents.[44]

What Can Policymakers Learn from This Case Study?

HUD successfully used evidence to improve the effectiveness of the HCV program by using evidence to identify a need for improvement, developing an evidence-informed theory for how to improve it, piloting and testing the theory, and finally scaling the improvement to a significant number of metropolitan areas across the country. Lessons learned include the following:

1 *Use evidence primarily to improve a program, rather than to simply advocate for increased or decreased funding.* HUD funded, released, and used a number of studies that showed poor results for the HCV program. There are plenty of examples of such studies being seized upon to advocate for eliminating a program, along with program directors subsequently discouraging the production of additional evaluations. It is likely that HUD's clear intent to improve the program helped pave the way for subsequent studies.

2 *Use a theory of change to ground your work and test that theory.* HUD had a clear theory of change for its voucher program, which allowed it to zero in on the piece that evidence showed was weakly correlated with the desired outcomes—that is, the voucher program was leading to participants moving to neighborhoods with lower concentrations of poverty.

3 *Fund nuanced evaluation methodologies that let you learn not only whether a program "works" but also, more specifically, what works for whom and under what conditions.* As Raj Chetty found, although for most people, future earning rates do not increase after moving to a lower-poverty neighborhood, they do increase for children who move before they turn 13. This type of nuanced analysis is essential for helping policymakers identify ways to improve programs. Likewise, HUD's ongoing evaluation of SAFMR includes methodologies to help understand under which conditions the SAFMR change works best. (For example, the effect on the overall number of units eligible when implementing SAFMR varied across sites. In some PHAs, they increased; in others, they decreased; and in some, they stayed the same).

4 *Pilot and test policy changes until you find one that works.* HUD not only came up with a potential way to improve the program (by increasing the voucher rent ceiling for the entire metropolitan area), but it also took the time to pilot it and invested in evaluating the pilots. Doing so allowed HUD to learn that the proposed policy change would not have the desired results, which then allowed them to learn from the pilot and come up with a better approach, which ultimately proved effective.

5 *Exercise patience.* It took concerted efforts over more than 25 years (dating back at least to 1992, when HUD created the MTO demonstration project) to identify ways to examine whether moving from a high-poverty neighborhood to a low-poverty neighborhood would affect various life outcomes. That doesn't mean that using evidence to improve programs will always take this long; there are great examples of where the government has used rapid-cycle testing and change. However, it is important to have government agencies committed to this work over the long haul.

6 *The path to bringing effective policy changes to scale can be rocky but is worth the effort.* Evidence is always just one factor in making a policy decision, which is why some refer to "evidence-informed" policymaking rather than "evidence-based" policymaking. The HUD example demonstrated this, with a range of policy actions, from an "Advanced Notice of Proposed Rulemaking" to a "Notice of Proposed Rulemaking" to a final rule to the secretary's declaration to a series of court rulings—all of which came into play before the change was scaled to 24 metropolitan areas across the country. While not always easy, the results justified the work it took to bring the policy change to scale.

Conclusion

As the federal budget grows tighter, it is increasingly important for policymakers to look at the evidence related to their programs and to make every dollar count. Revenue-neutral approaches to using evidence are most likely to receive the broad bipartisan support necessary to bring them to scale. Using evidence to improve existing programs is one such revenue-neutral approach.

Through the HCV program, HUD demonstrated how the diligent, long-term, sophisticated use of evidence can improve a program without significantly changing its appropriation level. As such, it provides a great example that could help other federal programs explore ways that they can do the same.

Endnotes

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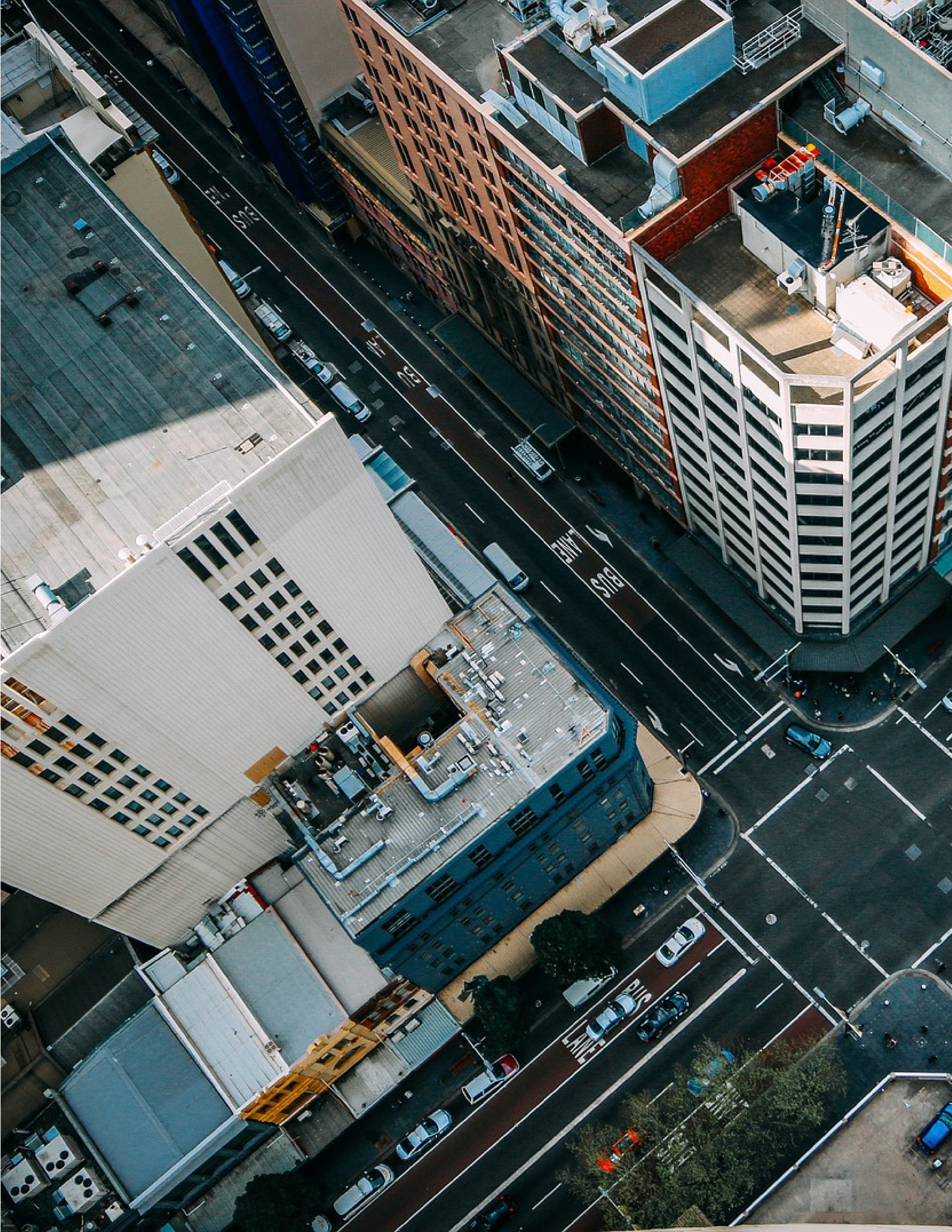
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