

HUD's Proposed Rule to Cut Housing Benefits

On March 2, 2026, the Department of Housing and Urban Development (HUD), published a proposed rule which will allow for the implementation of harsh time limits and work requirements in most types of HUD-funded rental housing: [“Establishing Flexibility for Implementation of Work Requirements and Term Limits” \(FR-6520-P-01\)](#). These rules could result in millions of renters losing their housing assistance. **The public can submit comments on the proposed rules by Friday, May 1, 2026.** After public comments are submitted, HUD will review the comments, then decide whether to adopt the proposed rule, adopt a modified version of the proposed rule, or withdraw the proposed rule.

Which federal housing subsidies does the proposed rule apply to?

- [Public Housing](#) – Housing owned and operated by a Public Housing Authority (PHA).
- [Housing Choice Voucher Program](#) (HCVP) – Section 8 vouchers administered by PHAs (certain Special Purpose Vouchers are exempt from the proposed rule).
- [Project-Based Vouchers](#) (PBV) – Vouchers administered by PHAs for specific properties.
- [Project-Based Rental Assistance](#) (PBRA) – Rental assistance for specific privately-owned properties.

What is allowed under the proposed time limit rule?

PHAs and PBRA Owners could implement a policy limiting the amount of time a family is eligible to receive housing assistance. Time limits could be as short as two years. PHAs and PBRA owners would be required to create and implement their policies through the required planning processes. The time limit policy could allow for termination of assistance and eviction after a family reaches the time limit. The time limit policy could not be applied to elderly families or disabled families.

What is allowed under the proposed work requirements rule?

PHAs and PBRA Owners could implement policies to require all “work-eligible adults” in a family to spend up to forty hours per week either working or looking for work and reporting to their landlord. The work requirement policy could allow for termination of assistance and eviction if a work-eligible adult does not follow the policy. The policy applies to everyone in the family who is aged 18-61, but could not be applied to non-elderly adults in the family who are: disabled, pregnant, the primary caretaker for a child under six, the primary caretaker for a disabled family member, or enrolled in secondary education.

What additional requirements are in the proposed rule?

PHAs and PBRA Owners who implement a time limit or work requirement policy must also create a hardship policy. PHAs and Owners who choose to adopt work requirement or time limit policies must provide some type of “supportive services” to families, although HUD will not provide any funding for these services. Many of the qualifying supportive services, such as a referral to a local job center, are not meaningful services. HUD will not be doing any new monitoring of PHAs or PBRA Owners to see whether they are complying with the supportive services or other requirements. PHAs and PBRA Owners are explicitly allowed to implement different time limit policies and different work requirement policies for different properties they own. HUD will not be monitoring the fair housing implications of these different policies, and instead places all responsibility for fair housing compliance on PHAs and PBRA owners.

How do I learn more about the proposed rule?

- [NHLP's Legal Analysis of the proposed rule](#)
- [NHLP/SPLC/NLIHC/JIA/CLASP Fact Sheet on the proposed rule](#)
- [NLIHC/NHLP/CLASP State Fact Sheets with the potential impacts of the proposed rule for every state](#)

How can I comment on the proposed rule?

NHLP and CLASP's comment template with more information and instructions on how to submit comments on the proposed rule [is at this link](#). All written comments are submitted [at this link](#), and **the deadline to submit comments is Friday, May 1, 2026, at 11:59pm Eastern.** If you have questions about the proposed rule, your comments, or the commenting process, please contact Korey Lundin at klundin@nhlp.org.

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