

Absorption Disruptions and Serial Billing: Managing Portability Practices in the Housing Choice Voucher Program

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Abstract

The U.S. Department of Housing and Urban Development (HUD) grants discretionary authority to public housing authorities (PHAs) to set program rules for the Housing Choice Voucher (HCV) program. In this paper, we ask how housing authorities use their authority to navigate portability decisions. Drawing on interviews with officials at 51 housing authorities, we show that discretionary choices around portability often center on agency utilization rates. As housing authorities seek to quickly increase their budget utilization, they often switch from billing sending agencies for portability vouchers to absorbing them into their portfolio. That decision eases the administrative burdens associated with portability, but it limits the ability of housing authorities to serve households on their waitlists. In addition, the decision to absorb portability vouchers when agencies need to quickly increase their utilization has broad ripple effects throughout the ecosystem of housing authorities. We propose reforms to incentivize regional collaboration and simplify billing practices in ways that would both improve organizational efficiency and ease administrative burdens in the HCV program.

Introduction

The U.S. Department of Housing and Urban Development (HUD) grants discretionary authority to public housing authorities (PHAs) to set program rules for administering the Housing Choice Voucher (HCV) program (Buron et al., 2010; Devine et al., 2000; Dunton et al., 2014; Finkel et al., 2003; Moore, 2016). Housing authorities are responsible for maintaining waitlists, selecting

tenants, and organizing briefing sessions for selected households. They set payment standards within a restricted range and design their own outreach programs to landlords. Those decisions shape many aspects of the HCV experience, including who receives priority for the program, how long applicants wait for a voucher, and the types of neighborhoods (and units) that voucher households are able to access. In this paper, we extend research on those discretionary choices to understand how housing authorities navigate portability. Specifically, we investigate the way housing authorities approach portability as a tool to increase utilization and identify competing agency priorities involved in their decisions. Although this terrain may be familiar to agency officials tasked with the everyday responsibility of managing the program, our analysis offers policy researchers, program advocates, and other agency officials a window into the inherent tradeoffs associated with portability.

To understand how housing authorities navigate portability decisions and the way those decisions are directly tied to utilization goals, we draw on interviews with officials at local housing authorities. After an introduction to discretionary decisionmaking in public housing authorities, we focus our attention on the federal regulations guiding local practices around portability. Although our research centers on the voices of officials at local housing authorities, we augment those qualitative data with administrative records from the Voucher Management System (VMS). Our analysis shows how agencies intentionally pursue portability decisions—notably, the decision to absorb portability vouchers—when they need to quickly increase utilization. Although the decision to absorb portability vouchers eases the administrative burden on housing authorities, especially those with limited staff resources, it also limits their ability to select applicants from their waitlists. Absorption decisions ripple through the ecosystem of housing authorities and create challenges for other agencies seeking to achieve their own utilization goals. To improve policy, we consider how housing authorities collaborate with nearby agencies to ease the administrative burdens of portability and enhance neighborhood choice for voucher households. We conclude with several proposals for reforming the portability procedures of the HCV program to increase efficiencies, ease administrative burdens, and better assist low-income households.

Discretionary Authority in the Housing Choice Voucher Program

The HCV program is the largest rental assistance program in the United States. It assists more than 2.3 million low-income households to afford rent in private-market housing units (HUD, 2018b). For households at or below 50 percent of area median income (AMI), HCV provides a partial subsidy that covers the difference between 30 percent of household income and the rent. The program is funded and overseen by HUD, but it is implemented by 2,200 local PHAs.¹ HUD rules dictate many aspects of the program, including eligibility by citizenship status and broad income-targeting criteria. Local PHAs retain discretionary authority over many other aspects of the program, however, including prioritization of assistance, search duration, and occupancy standards. The local discretion yields extensive variation across PHAs as they implement this federal program. Previous research on those discretionary choices considers portability practices (Climaco et al., 2008; Greenlee, 2011), cost utilization strategies (Finkel et al., 2003),

¹ In the 2018 *Picture of Subsidized Housing*, HUD identifies 3,803 unique housing agencies that administer HUD programs. Of those, 2,197 report participation in the HCV program.

administrative costs (Turnham et al., 2015), interagency collaboration (Basolo, 2003; Katz and Turner, 2001), and waitlist practices (Moore, 2016).

Understanding those discretionary decisions is critical because those choices shape who gets what, when they get it, what type of wait they have to endure, and the activities they must do to keep their benefit. Although discretionary choices matter for all safety net programs, they are particularly salient in the HCV program because it is not an entitlement (Moore, 2016). Because housing vouchers are rationed, many of the decisions PHAs make focus on the distribution of resources. For example, PHA choices around the opening and closing of the waitlist affect the ability of households to sign up for assistance. If a household gets on the waitlist, discretionary choices around the local preference structure affect how quickly the household will reach the top of the list. Those decisions affect the burdens encountered by agency officials and clients alike (Herd and Moynihan, 2019) and highlight key tradeoffs made by program administrators in their daily routines of work.

A substantial body of research explores the discretionary choices made by local housing agencies and their effect on program management. For example, Buron et al. (2010) report on housing authority practices related to rent flexibility, including decisions around setting minimum rents and payment standards for the HCV program. Dawkins and Jeon (2017) consider trends in the share of cost-burdened households and the association with PHA decisions on payment standards and rent caps. Turnham et al. (2015) examine administrative costs in high-performing HCV programs. Dunton et al. (2014) describe how PHAs target and work with households experiencing homelessness. A growing area of work describes how Moving to Work (MTW) agencies use their enhanced discretion to operate PHA programs (Abravanel et al., 2004; GAO, 2018; Khadduri et al., 2014; Levy, Edmonds, and Simington, 2018; Miller et al., 2007; Oppenheimer, Haberle, and Tegeler, 2013; Webb, Frescoln, and Rohe, 2016). Greenlee, Lee, and McNamara (2019) examine small PHAs' perceptions of HUD performance measurement and changes to the Moving to Work program. Increasingly, advocacy organizations concerned about equity and fairness in the program have examined trends in waitlist policies and practices (NLIHC, 2012, 2004; PAHRC 2016). By centering research on discretionary choices around portability, our analysis contributes to this important effort to understand administrative decisions in the program.

Portability in the Housing Choice Voucher Program

Portability in the HCV program permits voucher households to move from one jurisdiction to another without losing their subsidy (Climaco et al., 2008; Greenlee, 2011; Konkoly, 2008). In other words, portability enables mobility not only *within* jurisdictions but *across* jurisdictions, as well. This unique feature of the program is designed to expand housing choice for voucher households and overcome the legacy of structural disadvantage that resulted from households being stuck in public housing developments. In an analysis of data from 1998 to 2005, Climaco et al. (2008) report that 8.9 percent of households with a voucher made a portability move from one jurisdiction to another. Portability moves overwhelmingly occur after admission into the program, rather than immediately upon admission, and those movers were overwhelmingly very low-income

families. Households with children were more likely to take advantage of portability than were other assisted households (Climaco et al., 2008).

For public housing authorities, portability decisions are closely linked to other administrative goals, including maximizing program utilization. Broadly, housing agencies approach utilization in two ways. On one hand, *unit utilization* refers to the number of units leased as a share of the total number of units under the Annual Contributions Contract (Finkel et al., 2003). Alternatively, *budget utilization* considers the annual program cost at a housing authority divided by the annual budget authority. Efforts to maximize the utilization rate are often the focus of advocacy organizations (CBPP, 2013), play a role in performance measures (HUD, 2015), and affect future funding levels (Hoffman, 2018). We use *utilization* to refer to both of those measures, although in practice, most housing authorities focus on maximizing their budget authority rather than reaching their unit utilization. Discretionary choices made by housing authorities influence both the share of Annual Contributions Contract units under lease and the budget utilization. External factors—including the tightness of the market and the quality of affordable units—and internal factors—including the methods used to issue vouchers and the frequency with which waitlists are purged and updated—both affect the voucher utilization rate across housing authorities (Finkel et al., 2003). As we show below, when public housing authorities seek to quickly increase their utilization rates, they often exercise their discretionary authority around portability.

The portability process begins when a household notifies its PHA (the “sending PHA”) of its intent to move with its voucher to a location within another PHA’s jurisdiction (the “receiving PHA”). Under most conditions, voucher households are permitted to move across jurisdictions without losing their voucher. Under certain conditions, however, the sending PHA can deny the portability move (HUD-PIH, 2016). For example, if the household was a nonresident applicant and has yet to lease for a year within the PHA’s jurisdiction;² if the sending PHA cannot afford the move because the payment standards in the receiving jurisdiction are too high;³ or if a PHA has discretionary authority, approved through the MTW demonstration, to restrict portability (Khadduri et al., 2014).

Once the sending PHA approves the move, the receiving PHA has two options. It can either absorb the voucher directly into its portfolio or bill the sending agency for the monthly cost of the voucher. If the receiving PHA absorbs the voucher, it takes over the voucher as one of its own. An important consideration is that the receiving PHA then counts the voucher towards its utilization, and the sending PHA is no longer involved in the cost or administration of the voucher. If the receiving PHA elects to bill the sending PHA, then it takes over the local administration of the voucher, but the monthly housing assistance payment (HAP) is billed to the sending PHA. The receiving PHA receives a portion of the administrative fees paid by HUD to the sending PHA (HUD, 2018a). Whether to absorb households that port into its jurisdiction or to bill the sending housing authority is entirely within the discretionary authority of the receiving PHA. Although those decisions may reflect a principled stance of housing authorities, they also reflect practical and pragmatic choices about program utilization, as we describe below.

² See 24 CFR 982.353(c)(3).

³ See 24 CFR 982.353(e)(1).

Despite the frequency of portability moves among voucher households, only a handful of studies evaluate that process in the HCV program (Climaco et al., 2008). Greenlee (2011) reports on administrative practices and interagency collaborations among Illinois housing authorities as they deal with portability concerns. Specifically, Greenlee considers the administrative practices designed to regulate portability and how they influence the experiences of households porting across jurisdictions. In their report on discretionary authority in the HCV program, Devine et al. (2000) report substantial variation in PHA practices around portability by housing authority size and geographic location. Nearly two-thirds of PHAs report that they always absorb families that port into their jurisdiction from another housing authority (Devine et al., 2000). This research has grown increasingly important as HUD seeks to streamline portability policies and ease the regulatory burdens of interjurisdictional mobility. To that end, HUD finalized a set of rules in 2015 around portability. The agency received more than 50 comments on the proposed rule changes, many of which ease the burdens for clients and agencies alike.⁴

The regulatory challenges of portability for public housing authorities are particularly acute, given the regional fragmentation in the HCV program. Typically, dozens—if not scores—of housing authorities operate within a single metropolitan area, and they often do so with very little formal interaction or coordination. In fact, according to testimony prepared by the Center for Budget and Policy Priorities, in 35 of the 100 largest metropolitan regions in the country, at least 10 agencies are currently responsible for administering vouchers through the program (CBPP, 2018). Often, although not always, those agencies have nonoverlapping jurisdictions. Although PHAs have the opportunity to form consortia to consolidate some operations to generate administrative efficiencies and broaden the search area for voucher households,⁵ very few PHAs have opted into consortia agreements. A 2012 report from the Government Accountability Office (GAO) acknowledged that agency consolidation could improve both oversight and efficiency for the program, ultimately yielding cost savings for HUD (GAO, 2012).

Data and Methods

To understand the way housing authorities exercise their discretionary authority, we draw on semi-structured interviews with officials at 51 housing authorities across the United States. Our interviewees occupied a range of roles at the housing authorities, including the executive director, HCV program coordinator, housing manager, and intake coordinator, but all interviewees shared the distinction of being directly involved in program administration. Although those actors directly oversee the implementation of portability provisions in the HCV program, their voices are rarely recorded in the research process. The majority of interviews occurred at PHA offices, but interviews with smaller housing authorities were occasionally conducted over the phone. Interviews ranged from 21 minutes to 2 hours, and they averaged 65 minutes. All interviews followed a protocol, although interviewees were encouraged to guide the discussion. Although the focus of the analysis in this paper centers on portability and its relationship to program utilization,

⁴ This 2015 rule removed a proposed mandatory absorption requirement; codified the requirement that PHAs notify local HUD offices when denying a portability voucher on the grounds of insufficient funding; mandated briefings on the mechanisms of portability; and empowered families to select their receiving PHA when moving to a jurisdiction with multiple PHAs administering vouchers.

⁵ See 24 CFR 943.115-130.

our interviews covered a broader range of discretionary choices, including waitlist practices, local preferences, landlord collaboration, and other administrative challenges. Interviews were recorded and transcribed, and themes were coded in NVivo.

We sampled housing authorities for range to ensure that our sample includes agencies that vary in size, geography, and housing markets (Small, 2009).⁶ When possible, we sampled multiple housing authorities in a single metropolitan area to gather information from different types of agencies working under similar market conditions. Our sampling approach enables us to qualitatively identify organizational and market characteristics that influence discretionary choices around portability (e.g., program size, MTW status, etc.) and ensure that the sample captures agencies with a range of those characteristics.

Exhibit 1 compares the descriptive characteristics of housing authorities in our sample to the characteristics of all agencies administering a voucher program. Nearly two-thirds of in-sample agencies administer at least 1,250 vouchers through the program, whereas only 18 percent of agencies administer 500 vouchers or fewer. Although housing authorities with at least 1,250 vouchers constitute only 17 percent of agencies in the HCV program, those housing authorities administer the lion’s share of vouchers. In fact, those large or very large agencies are responsible for administering nearly 75 percent of vouchers in the program—an important acknowledgment given their overrepresentation in our sample.⁷ Twenty-seven percent of housing authorities in our sample are from the South, and 18 percent are from the North. Midwestern agencies are underrepresented in our sample, whereas those from the West are overrepresented. Our sample includes eight housing authorities that currently participate in the MTW demonstration.

Exhibit 1

Sample Characteristics of Public Housing Authorities		
	Sample PHAs (%)	All PHAs with HCV Programs (%)
Size: Small or Very Small (<250 vouchers)	13.73	46.63
Size: Low–Medium (250–500 vouchers)	3.92	17.06
Size: High–Medium (500–1,250 vouchers)	17.65	19.07
Size: Large (1,250–10,000 vouchers)	49.02	15.64
Size: Very Large (> 10,000 vouchers)	15.69	1.60
Location: Midwest	13.73	26.30
Location: Northeast	17.65	25.68
Location: South	27.45	35.79
Location: West	41.18	12.23

HCV = housing choice voucher. PHA = public housing agency.

⁶ Given the terms of our institutional review board (IRB) approval (Georgetown University #2018-0050), we anonymize the names of participating housing authorities and the officials interviewed throughout the paper. Where the characteristics of the agencies are important for explaining their discretionary decisions, we identify the agency size, geographic region, or associated housing costs.

⁷ Those public housing authority characteristics are drawn from the 2018 Picture of Subsidized Households (HUD 2018b).

To provide more nuanced comparisons, we stratify the sample by agency size and compare in-sample agencies to similarly sized agencies. Those comparisons are reported in exhibit 2. Generally, the agencies in our sample administered more vouchers than similarly-sized agencies. Among large agencies, which comprised the largest share of our sample, the mean number of vouchers administered by our sample agencies was one-third larger than the mean number administered by all large public housing authorities. Likewise, on average, large and very large agencies in our sample billed nearly twice as many portability vouchers than similarly-sized agencies. For agencies of all sizes, the average household contribution toward rent is slightly higher for in-sample agencies compared to the full set of PHAs.

Exhibit 2

Sample Characteristics by Size of the Voucher Program

	Mean Number of Billed Portability Vouchers		Mean Number of Total Vouchers Administered		Mean Household Contribution Toward Rent	
	Sample PHAs	All PHAs with HCV Programs	Sample PHAs	All PHAs with HCV Programs	Sample PHAs	All PHAs with HCV Programs
Very Small/Small (< 250 vouchers)	0.43	2.79	133.29	109.53	316.57	316.11
Low-Medium (250–500 vouchers)	4.00	7.21	387.00	354.26	415.00	348.04
High-Medium (500–1,250 vouchers)	27.22	17.40	836.33	760.92	449.78	357.90
Large (1,250–10,000 vouchers)	120.76	65.92	3,964.32	2,874.57	422.28	368.64
Very Large (> 10,000 vouchers)	825.25	449.66	22,075.50	19,606.03	428.63	407.91

HCV = housing choice voucher. PHA = public housing agency.

Despite the differences between in-sample agencies and the complete universe of PHAs, our sampling methodology enables us to capture a range of approaches to portability associated with agency and market characteristics. Notably, as a qualitative study drawing primarily on interviews with agency officials, our goal is not to make generalizable claims based on a representative sample of housing authorities. Instead, we aim to understand how agencies exercise their discretionary authority to manage portability practices and maximize program utilization, and how agency characteristics (e.g., size, program administration) affect those practices.

We augment those qualitative data with administrative records from the VMS. Housing authorities report key measures of their voucher program each month through the VMS. Those data enable us to identify the average HAPs for both within-jurisdiction vouchers and portability vouchers.⁸ We use those data to identify the average HAPs and compare them across housing markets. Notably, we cannot identify the total number of portability vouchers with data from the VMS because agencies report only the number of billed portable vouchers (not the number of vouchers absorbed). On average, agencies administered nearly 50,000 billed portability vouchers each month between 2008

⁸ Data from the VMS used in this analysis are publicly available from HUD (www.huduser.gov).

and 2018.⁹ Although those data offer a window into the process, they represent an incomplete estimate of the scale of portability in the HCV program.

Findings

We begin this section by briefly acknowledging the importance of program utilization to the discretionary choices made by housing authorities. Every housing authority in our sample shared the goal of maximizing program utilization. Utilization metrics factor into Section Eight Management Assessment Program (SEMAP) scores, but they are also important in determining annual renewal funding for public housing authorities. In principle, each agency could maximize utilization by spending their full budget allocation or leasing the total number of units in the Annual Contributions Contract. In practice, nearly all housing authorities sought to fulfill their utilization goals through their budget authority.

Many discretionary decisions made to fulfill other agency priorities affected utilization rates. For example, decisions about payment standards determine how much a housing voucher is worth and, therefore, the choice set of neighborhoods available to voucher holders. In most cases, HUD allows housing authorities to set their payment standards between 90 and 110 percent of the fair market rent (FMR). When housing authorities set the payment standard near the top end of this distribution—in other words, closer to 110 percent of the FMR—the value of the voucher increases and clients can access a broader set of units available in the jurisdiction. Although that creates residential choice, as households can select units in a wider array of neighborhoods, housing authorities are typically able to issue fewer vouchers when the per-unit cost is higher.

Like other discretionary choices, agency decisions about whether (and when) to absorb portability vouchers were based on multiple aims and priorities. Agency officials regularly decried the challenges of managing portability in the HCV program because it was universally viewed as an administratively cumbersome feature of the program that consumed disproportionate resources of local agencies. Incompatible rules on payment and occupancy standards (e.g., bedroom allocations) across jurisdictions increased the burdens of navigating portability. Agency officials considered competing goals and priorities in those decisions, including their efforts to lessen administrative burdens, generate equitable waitlist selection procedures, and acknowledge other agencies' needs in their absorption decisions. Even so, when agencies exercised their discretionary authority to absorb portability vouchers, they often did so as a way to maximize program utilization. Absorbing portability vouchers enabled agencies to quickly increase utilization. When programs were underutilized, they absorbed portability vouchers that they had previously been billing. This strategy of tailoring portability policies to achieve utilization goals was common practice, but it hinged on the availability of funding. For example, the director of a large housing authority noted that her agency regularly assessed utilization rates to decide whether or not to absorb their ports.

⁹ Although approximately 50,000 billed portability vouchers are reported monthly through the VMS, we identify substantial variation over time. That fluctuation may reflect decisions made by both assisted households and agency administrators. During periods when families elect to move less frequently, those household-level choices lead to less portability overall. When agencies decide to absorb portability vouchers rather than bill the sending agencies, the number of billed portability vouchers declines.

When we're not at 100 percent lease-up, we absorb. Once we hit our 100 percent, of course, we cannot absorb, so we do the billables. Again, it's evaluated every 3 months. Where are we? Where are we? Where are we? All housing authorities do the same thing.

When funding was available, most agencies reported that they would prefer to absorb their portability vouchers rather than engage in billing relationships with other agencies. Absorbing portability vouchers enabled them to use their full budget authority and save on administrative costs. As the director of a medium-sized suburban agency told us:

You know, [the decision to absorb] changes by the month because it has to do with federal funding. . . . When funds are really, really tight, or you get a reduction in funds and you're overspending, you really can't afford to absorb them, so you're going to bill back and forth. This past year, we got a little bump in funding, which was unexpected, and it was pleasant so we could absorb some [vouchers]. The rule of thumb is that you want to absorb them if you can because the whole billing back and forth takes time, takes energy, takes money.

Officials at most agencies, including a medium-sized housing authority in a west coast county, tied those discretionary decisions directly to their funding situation.

In the past, when we've been like, "Hey, we got money to spend," we just absorb people right when they get here. And we're like, "Hey, come on in. Yep. Okay, we're done. You're ours."

Another agency director similarly emphasized budget utilization as she explained the agency's approach to portability. When the agency was nearing 100-percent utilization, it billed sending agencies for portability vouchers; however, when it needed to quickly lease up to utilize their entire budget authority, the agency switched to absorbing them.

We treat our ports depending on our funding in the market. Right now, we're billing, and that's because we knew that our funding was getting low and we didn't want to absorb anybody else's tenants. We wanted to continue to lease ours as much as possible, so we started billing. However, when we were at a point where I wanted to lease up as fast as possible so that we could hang onto as much money as possible, we were absorbing, definitely absorbing.

Although agencies can always pull from their waitlists to increase their utilization rates, most observed that the process of doing so—and with it, verifying eligibility, scheduling briefings, and issuing vouchers—was cumbersome and slow. Issuing new vouchers required the dedication of staff resources, and only a fraction of households that were issued vouchers successfully leased up. Instead, they often elected to absorb portability vouchers that were already leased-up in the jurisdiction—a practice that consumed substantially fewer agency resources than issuing the same number of vouchers to new households. The director of one large county agency noted:

If we're underutilized, and we need to issue vouchers, and we say, all right, we need to issue 200 vouchers right now, as soon as possible, well, we'll look—first thing we'll look at—we'll say, do we have any families to absorb? We have 10 families to absorb? Oh my God. Do you know how [much time that saves us]? How much work it will take to pull the family off the waiting list, issue their voucher, and then the success rate? We're just going to absorb those families.

Similarly, reflecting on the slow pace of issuance and lease-up, the director of another agency pointed to the benefits of absorbing portability vouchers as a utilization strategy:

The difficulty is that the voucher program is not a race car, it's a cruise ship. It takes a really long time for us to pull people off the list, screen them, get them leased up. . . . One way that we can immediately increase our spending is, if we have a hundred vouchers that we've been billing other agencies for, if we absorb those into our own account. Hey, woo-hoo! We've just increased our account by a hundred. In the past, when we needed to get our numbers up really quickly, that's what we've done. . . . That's our little bank if we need to spend money, that's how we're going to do it.

Although agency officials emphasized the financial benefits of absorbing vouchers, they also acknowledged that the strategy was often administratively easier. Absorption eased the burden of constantly sending bills back and forth and trying to collect payments from other agencies. As the director of one agency noted:

[Absorbing ports is] easier to do because you don't have to worry about people looking, taking forever to lease, they're already leased up and we'll just absorb them and let the other PHA know . . . they're now going to be a part of a budget. And it is easier to do that way because it can be tricky sending [a] bill every month or every year, you know, keeping up with it.

For many agencies, the process of billing other agencies consumed substantial staff resources that could be spent on other parts of the HCV program. Agency officials often noted that they had many billing relationships with housing authorities across the country, and that those relationships often involved only a single voucher being billed. As the director of a medium-sized agency noted:

We have a staff person who spends hours and hours on this—all, like, the back and forth because we have Decatur, Georgia; Winston-Salem, North Carolina; all these places, Small Town, Kentucky; we're billing them, they are billing us.

The tangled web of billing relationships was particularly elaborate for large agencies. For them, the decision to bill often meant sending bills to scores of agencies every month. In fact, the director of one large housing authority reported maintaining billing relationships with almost 200 separate housing authorities because the agency does not have the budget capacity to absorb portability vouchers into its own portfolio. In another large midwestern housing authority, the director noted the challenges of two large bureaucracies working together on the portability process:

Now you have these two bureaucracies trading paperwork back and forth. Let me tell you how that is going to go—it's awful. It's just a recipe for disaster.

Even smaller agencies, such as a small housing authority on the east coast, noted that absorbing vouchers minimized administrative hassles:

You've got to keep track of the billing and then you've got to keep track to make sure that the bill . . . is paid. If everybody just absorbed, you probably wouldn't get to your waiting list. That's a problem, but it would be a whole lot less complicated.

Although absorbing portability vouchers is often administratively easier, substantial tradeoffs are associated with the decision to do so. Specifically, the decision to absorb vouchers, rather than pull from the waitlist, means that agencies would have fewer resources to serve households currently waiting. Often, applicants spend years on agency waitlists before being selected for the program (PAHRC, 2016). When a housing authority uses its budget authority to absorb a portability voucher, rather than pull a client from the waitlist, it limits its ability to provide assistance to existing residents within its jurisdiction.

This limitation was the primary rationale provided by agencies that chose never to absorb portability vouchers into their portfolio. Although they were a minority of our sample, several agencies reported always billing the sending housing authority. We refer to those agencies as serial billers. Serial billers offered two common explanations for that practice. First, as noted previously, housing authorities that serially billed expressed concern that absorbing portability vouchers would limit their ability to serve clients on their own waitlists—it was often described as a matter of fairness. Although the HCV program is federally funded, many agencies expressed a preference to serve clients in their own communities, often through local preferences in their waitlist selection practices. If they absorbed portability vouchers, housing authorities would be left with fewer resources to devote to households on the waitlist.

Typical of that view was the idea of a portability voucher jumping ahead of a household who had been waiting for years. One agency official identified the injustice of prioritizing portability vouchers through absorption decisions:

Yeah, the portability families, they're cutting in line. They are absolutely cutting in line. ... They're taking the spots of our applicants who are waiting on our waiting list, and they've got—if there's an absolute preference, they've got the absolute, absolute preference, because at any time, that local housing authority can just simply absorb their voucher, and they cut in front of everybody.

Similarly, an official at a serial billing agency described the process of absorption as paying for a voucher that wasn't theirs:

When you absorb, that basically takes someone off of our list that we can help. You're taking someone else, like you're taking their voucher in, and we're absorbing the cost. So we don't want to absorb the cost of a voucher that's not ours. We want to administer from our waitlist.

A voucher specialist at a large east coast agency was similarly direct:

We don't absorb. We don't do it because our executive director feels very strongly that those 20,000 names on the waitlist should be given an opportunity prior to someone else who just wants to come here from California. Right, they've been on the list waiting for however long. His goal is to serve the residents of this county.

The second reason offered by serial billers concerned the administrative fees they earned. Receiving housing authorities earn a portion of the administrative fees paid by HUD to the sending agency when they administer vouchers through portability. In an environment of funding scarcity, one agency official simply noted the financial benefits of earning those extra administrative fees:

We [bill our port-ins] because, I guess, we kind of need the administrative fee. Billing creates extra work for us, but we need the [administrative] fee. And also, without absorbing them, we have extra vouchers available to help people on the waitlist.

Another agency official culled all of those pieces together to explain their billing decisions:

We bill because, well, not only was it a process that we already had in place, but it makes sense ... for the [administrative] fees. Then, we wanted to use our vouchers for our residents instead of having someone come from out of state and using up the voucher that we had. So, back to that whole residency thing, allow the current residents in [our city] to be able to utilize the voucher. ... Right now, we're billing about 120 residents, and it would significantly increase our utilization [to absorb them], but it also would keep us from being able to [select people from our city].

Since most agencies absorbed portability vouchers, conditional on their funding situation, many officials in our sample expressed skepticism about serial billers. Specifically, they expressed concern that the portion of their administrative fees remitted to the receiving housing authority was not commensurate with the amount of work required to assist a client that had already been issued a voucher.¹⁰ Much of the administrative work for the program—for example, managing a waitlist, pulling a client from the list, and verifying eligibility and income—was done by the sending housing authority. Vouchers are substantially easier to administer after a client is already in the program. Referring to a specific agency in her metropolitan area known for their serial billing practices, one housing authority director lamented the disproportionate share of the administrative fee the billing agency was receiving:

They get that little bit of [administrative] fee. If you pool [administrative] fees, it's not even half. Like, a normal [administrative] fee is \$80 per voucher, per month, all year long. So \$80 for each one if they stay in my county. If I port them to [that county], I only pay them \$40 because I get a little bit of my [administrative] fee because I still have to do administration on my end. I have to pay the bill every month, but they get that \$40. There's \$40 they weren't counting on. ... I have 60 [portability vouchers] that I have not absorbed. They have thousands. So \$40 times 1,000 times twelve months - that's [administrative] fees that they can use to pay their staff because we're all underfunded. I get it. It's a good strategy. I just don't like it.

The Ecosystem Disruption of Managing Portability Decisions

Expressed concerns about serial billers, and the effect of their discretionary decisions on other agencies, reflects a broader acknowledgment of the interconnectedness of housing authorities. Exercising discretionary authority to absorb portability vouchers has significant consequences for other agencies in the housing authority ecosystem. Because the decision to absorb a voucher results in the transfer of the voucher from the portfolio of one agency to another, it may negatively affect the utilization rate at the sending agency. We call this process an *absorption disruption*. As

¹⁰ In 2015, HUD issued a final rule changing the way administrative fees for billed ports are assessed. Receiving PHAs receive the lower amount of either (a) 80 percent of the sending PHA's fee or (b) 100 percent of the receiving PHA's administrative fee. The sending PHA keeps the remainder of their administrative fee: either 20 percent of their fee or the difference between their fee and the receiving PHA's fee.

the absorption decisions of a single housing authority ripple through housing authority networks, other agencies are called upon to reevaluate their own discretionary choices.

Occasionally, we spoke with housing authority officials who were eager for receiving agencies to absorb their vouchers. When agency officials were worried about being overutilized, or using more than their full funding allocation, they reported trying to persuade receiving housing authorities to absorb their portability vouchers and, in doing so, remove them from the portfolio of the sending agency. As one director noted, by encouraging other agencies to absorb their vouchers, they were able to lower their utilization without removing clients from the program:

Right now, we're trying to encourage absorption [at other agencies] because we're overutilized. So, if you want our voucher, except for a VASH [Veterans Affairs Supportive Housing] or FUP [Family Unification Program], take it. You want to absorb it? Okay, we're fine without it. Typically, we're fine either way. We're a pretty flexible housing authority. ... But right now, if you want to absorb, that's fine with us.

Although those absorption decisions helped overutilized agencies manage their programs, a more common sentiment concerned the negative effect of absorption decisions on the utilization rates of sending agencies. An official at one housing authority likened those absorption disruptions to a game of dominoes. Especially for sending agencies with a large number of portability vouchers, the decision by receiving agencies to absorb portability vouchers could destabilize the program and trigger a new round of discretionary decisions. Describing her recent experience, an official at one large county housing authority pointed to the complicated challenges of navigating this game of dominoes:

We were doing billables [and] ... one housing authority from another county here...noticed us right away. "We're going to absorb, start absorbing—we're absorbing 100 of your people."... I'm already down [on my utilization], and by the time I pull names from my waitlist or get the homeless referrals—knowing that it takes so long to find somewhere—I'm going to drop. For every 200 vouchers you lose, you drop 1 percent lease-up. ... I didn't have any choice but to then notice somebody else. ... He goes, "What are you doing? Why did you do this to me?" I said, "Call so and so who started it." That's exactly what happens. ... It forced us to notice somebody else and then, in turn, they are noticing somebody else, and there's the domino effect.

Critically, the result of this game of dominoes was experienced unequally by housing authorities through a process of unequal exchange. Often, large housing authorities, or those with higher payment standards, had more flexibility to react to the absorption decisions of agencies in their network. Larger housing authorities typically had a greater capacity to lose vouchers without experiencing a significant fluctuation in their utilization rates. They often had more resources to respond to those changes, as well. In addition, housing authorities with higher payment standards were less likely to be squeezed by their billing relationships with other housing authorities. Broadly speaking, this game of portability dominoes had a differential impact depending on the size of a housing authority and its payment standards.

In one city with a high payment standard, the housing authority director noted that other housing authorities in nearby counties (and other parts of the state) regularly asked her agency to absorb vouchers rather than sending bills. Rents in her high-cost jurisdiction were significantly higher than rents elsewhere in the state, especially in the more rural counties. Despite their limited budgets, those sending agencies were forced to foot the bill for large HAP payments in high-cost cities. Describing her relationships with other agencies throughout the state, she noted:

People are always bugging us to absorb because we are higher cost. . . . So, we will often get like, "Can you just absorb?" And we are like, "No, we can't. We don't have the vouchers right now." But it is significantly more expensive. . . . What is really bad is the more rural housing authorities where there is a significant difference. They're like, "Really, can't you please, please, please, can't you absorb?" And we are like, "How do we make an exception that we absorb for you, but we don't absorb for everybody?"

The director of another agency in a high-cost county noted that smaller agencies regularly ask that agency to absorb their portability vouchers. Although the agency occasionally makes exceptions, it has generally been unable to do so because of the high volume of portability vouchers in its jurisdiction. Queried about whether sending agencies asked them to absorb portability vouchers, the director noted:

This happens all the time because our cost of housing is so high. Somebody comes from a small jurisdiction; they may be eating up three subsidies from their families in the small jurisdiction. They can serve three people with what they're paying you for this one person. [We say,] "Too bad, so sad, so sorry. We can't afford to do it." Occasionally, if somebody's in a financial shortfall, we may try to work it out. Otherwise, they just have to make the adjustments.

Similarly, the director of another medium-sized county agency described a recent conversation with his counterpart at a small, rural housing authority:

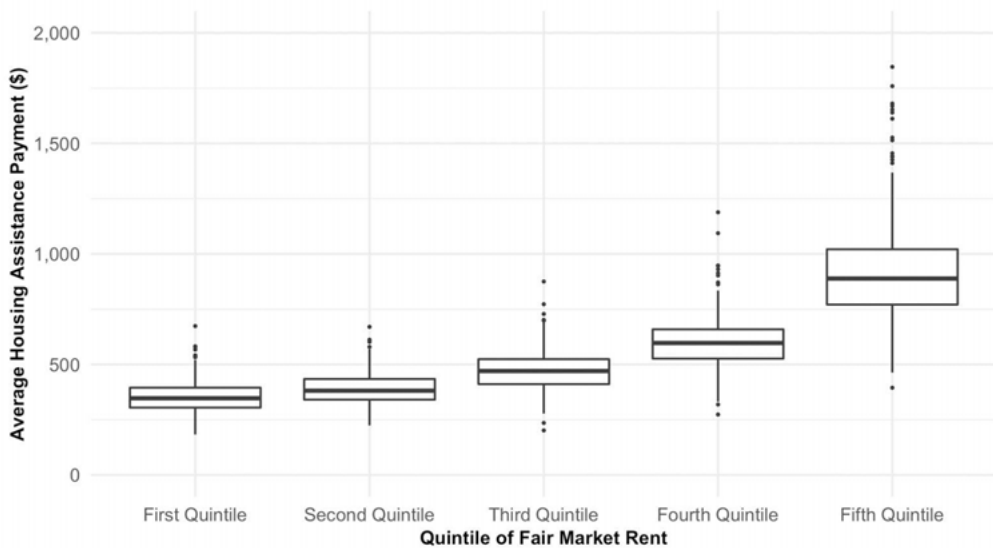
I was on the phone, [with] like this tiny housing authority. . . that had like 85 [vouchers]. It was tiny, right, and she's like, "Is there anything [you can do to help us]?" We had been billing them for a couple of years. The person moved a couple of years before and we were billing them and they ran into—might have been around sequestration or something. They had a significant financial issue, and she said, "Is there anything you could do? Is there any possible way you could absorb this person? It would save us like six months of HAP," or some crazy number because their FMRs were so low there. We actually went to the board and they approved it. We absorbed them. She was so happy. "Now, if I could just get Denver to do the same, and if I could just get Kansas City to do the same." She was going, like, literally jurisdiction by jurisdiction to where these people. . . had moved to over the years. It was more like six people, but it still is a huge number of their [vouchers]. It was 6 percent or 10 percent of their portfolio. It was brutal.

This concern about differential HAP payments across jurisdictions—and the consequences for agencies in low-cost jurisdictions—is borne out by data from the VMS. In exhibit 3, we report the

average HAP paid by public housing authorities.¹¹ We divide agencies according to the quintile of FMRs to distinguish PHAs operating in low-cost jurisdictions from those operating in high-cost markets. On average, agencies located in jurisdictions with the lowest quintile of FMRs report an average HAP payment of \$362 per voucher. Agencies in the second quintile report an average HAP payment only slightly higher, at \$379. By contrast, agencies in high-cost jurisdictions report significantly higher HAP payments. Agencies in the top quintile of FMRs report an average HAP payment of \$905. In exhibit 3, we plot those differences in a boxplot to highlight the differential costs of the voucher program across jurisdictions.

Exhibit 3

Average Housing Assistance Payments for Public Housing Authorities by Fair Market Rent Quintile



Source: Data on Housing Assistance Payments are reported from the June 2018 Voucher Management System (VMS) data

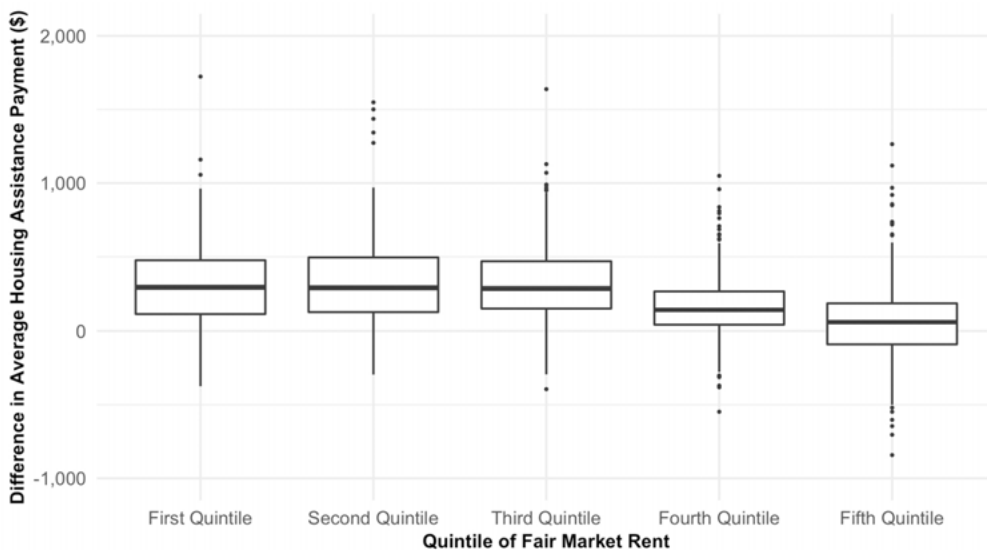
Because the cost of a voucher to a housing authority is lower for agencies in areas with low FMRs, those agencies experience a disproportionate burden when their clients port to high-cost jurisdictions. To highlight that burden, we next compare the average HAP for vouchers administered within an agency's jurisdiction (exhibit 3) to the average HAP for its billed portability vouchers. If HAP for portability vouchers is the same as HAP for within-jurisdiction vouchers, that difference is zero. When portability vouchers are more costly to an agency (because clients port to higher-cost locations), the difference is positive; when portability vouchers are less costly to an agency, the difference is negative. By way of example, if an agency reported that its average within-jurisdiction HAP is \$550, but its average HAP for portability vouchers is \$775, then the additional average monthly cost incurred from portability is \$225 per voucher.

¹¹ All calculations reported in exhibits 3 and 4 rely on data reported by housing authorities in the June 2018 VMS data. We used 2018 FMRs for two-bedroom units to create the quartiles.

In exhibit 4, we plot the difference in average HAP for portability vouchers compared with other vouchers. Again, we plot those differences by FMR quintiles. Housing authorities in the top FMR quintile report that the average HAP for portability vouchers is only \$71 more than the average HAP for vouchers administered within their jurisdiction. The boxplot reveals that, for many agencies in the top FMR quintile, HAP for portability vouchers is actually less expensive than HAP within their jurisdiction (because the average difference is negative). For those jurisdictions, voucher clients are using portability to relocate to lower-cost cities or counties. By contrast, housing authorities in areas with low FMRs report significantly higher HAP for portability vouchers relative to those within their jurisdiction. For agencies in the bottom quintile of FMR, exhibit 4 shows that, on average, HAP for portability vouchers is \$308 more than HAP within a jurisdiction. That confirms the qualitative evidence suggesting that agencies located in low-cost housing markets are especially vulnerable to the financial consequences of portability. When the average HAP for portability vouchers exceeds the average HAP for vouchers administered within the jurisdiction, portability is financially burdensome for sending agencies (when their vouchers are not absorbed). Financially burdened by the higher costs of portability, those agencies are restricted to serving fewer clients within their own jurisdiction.

Exhibit 4

Difference in Average Housing Assistance Payments for Billed Portability Vouchers and In-Jurisdiction Vouchers by Fair Market Rent Quintile



Source: Data on Housing Assistance Payments are reported from the June 2018 Voucher Management System (VMS) data

This asymmetry in HAP payments between sending and receiving agencies often resulted in concerns that housing authorities quietly discourage portability. Simply put, when receiving agencies are unable to absorb portability vouchers because they are overutilized, or when they are simply unwilling to do so because they are trying to achieve other policy goals (e.g., serving households on the waitlist), the sending agencies may be more likely to discourage their clients

from moving across jurisdictions. Especially in low-cost places, portability to high-cost cities can squeeze the budget of a housing authority. In a high-cost suburban jurisdiction with a medium-sized voucher program, agency officials painted a typical interaction scenario with a sending housing authority:

Mrs. Jones wants to move from [a small, rural town] to live near her granddaughter or whatever in [this county]. [The town] calls us, “Well, what are your rents?” After they’ve gotten themselves off the floor and picked the phone back up because our rents are literally three times theirs, they say, “Sorry, Mrs. Jones, you can’t move to [our county],” because we can’t absorb them. . . . They should not be denying her—it’s in the regulations—but it happens every day. Selfishly, they would literally have to take three people of their 250 people off their voucher program to allow one person to move to [this county].

Managing the Challenges of Portability

Reacting to the challenges of portability, including the administrative hassles of billing other housing authorities, we observed several interagency collaboration patterns. Those collaborations were designed to ease the administrative burden of portability, both for clients and for housing authorities. Often, those collaborations took the form of informal arrangements between housing authorities that regularly interacted with one another—for example, cities and their surrounding suburbs—but we also encountered formal interagency collaboration between housing authorities that regularly experience cross-jurisdiction moves. Even housing authorities that did not report formal arrangements with nearby agencies often noted that they were regularly in contact with their colleagues at those agencies, and those personal relationships generated opportunities for regular conversations about best practices.

Strong interpersonal relationships between agency staff helped to smooth the portability process between agencies. In fact, when agency staff had good working relationships, as well as similar payment standards and occupancy standards, the portability process happened fairly smoothly. As one official noted:

[T]he ports are more or less a wash between the jurisdictions, like the same number go to [a neighboring county] and come from [that county] here and [other nearby counties]. It’s kind of a wash. We all get along well, and it’s all good.

When this interagency contact yielded something more regular, it often led to a simple agreement for cross-absorptions. Cross-absorption involved absorbing ports on a reciprocal, one-for-one basis. This practice limited the uncertainty from the absorption disruption, lessened the administrative burden, and created stability across programs that regularly traded clients.

We don’t have anything, no formal agreements. We just work a lot with [one city] because most of their ports are with us. We do a lot of cross-absorbs. So basically that saves us administrative barriers. So when we process a port file that’s from, say, [that city], we have to send out paperwork to them for billing and every time something happens in interim, any annuals. All the paperwork has to be sent to that housing authority for billing purposes and changes. And it’s a lot of administrative work. So a lot of times, we cross-absorb, so they absorb the ones that are

in their jurisdiction from us and we absorb the ones that are in their jurisdiction. Therefore, we have no more billing issues with those clients. ... Cross-absorbs is just one-for-one, so we're not losing anything.

Although those pairwise agreements worked for housing authorities that regularly traded clients, they only took the form of bilateral agreements between agencies. Those agreements did little to assist clients looking for housing in the broader metropolitan region, and they could not accommodate multiple agencies involved in the regional movement of voucher households. Several housing authorities entered into mobility agreements with nearby agencies to resolve those issues. Under the terms of those agreements, clients could search for housing throughout the jurisdictions covered by the mobility agreement. The housing authority would agree to abide by payment standards set by the jurisdiction in which the households ended up renting. In one large county, four housing authorities entered into a mobility agreement that enabled regional mobility across jurisdictions without portability complications. Each housing authority does the inspections and sets payment standards for voucher households in its jurisdiction, regardless of the housing authority from which clients were issued their vouchers. An official at a participating housing authority in the mobility agreement noted:

We have an agreement that our client can move into any of [the cities] without going through the portability process. So all we do is ask that [the cities] do the inspection, but we still pay the rent directly to the landlords, so there's no billing. And we have quite a few clients on mobility. We use the host's payment standard. All we do is pay them a fee to inspect, and they use their payment standard to process utility, too.

Those types of agreements improve efficiency and expand residential choice for voucher households. In fact, there is a growing effort to incentivize those types of regional mobility agreements as a way to increase residential opportunity in the program. Our research suggests that those types of agreements would also lessen the administrative burdens imposed on staff at housing authorities and, in doing so, free up resources for them to devote to other aspects of program administration.¹² Those types of agreements continue to raise questions about the appropriate geographic scale at which housing authorities should operate (Katz and Turner, 2001).

Discussion

Our research on the administrative practices used by housing authorities to exercise their discretionary authority highlights key decision points, constraints, and tradeoffs faced by administering agencies. Central to our conversations were the tradeoffs made by housing authorities as they set payment standards and selected tenants for the program. Those decisions affect their budget and unit count allocations, which in turn influence their reported performance measures and future funding allocations. By and large, housing authorities were cognizant of those tradeoffs, and they carefully balanced multiple program goals, both at the local and national levels.

¹² An alternative model, currently used in Massachusetts, grants every agency in the state jurisdiction for the entire state. Agencies can tailor their programs to cover jurisdictions larger than their city, county, or municipality, although they are not required to provide jurisdiction across the entire state. This type of arrangement is achievable without any additional regulatory reform.

Similar tradeoffs shaped the way housing authorities approached portability. Although agency officials were overwhelmingly supportive of the goal of residential mobility achieved through portability, their practices were constrained by budgetary concerns and a preference to serve local households. Especially for smaller housing authorities with low payment standards, the prospect of households porting to a more expensive jurisdiction—and the receiving housing authority billing the sending housing authority—presented an enormous organizational constraint.

As policy officials consider reforms to the HCV program, we offer several innovative practices that both adhere to federal policies and facilitate mobility across jurisdictions while lessening the burden imposed on local housing authorities. Turnham et al. (2015) propose increasing the administrative fees given to both sending and receiving PHAs to cover the costs incurred by both agencies in portability billing. Another option is for HUD to offer supplementary funding on an ad hoc basis when sending housing authorities experience expensive ports. That funding would act as a deterrent to informal practices used by housing authorities to limit ports to places with high payment standards, which may coincide with strong economic opportunities. Finally, continued efforts to identify best practices to encourage regional collaborations would enable the federal government to better incentivize those types of partnerships to benefit both agencies and clients in the program (Basolo, 2003; Basolo and Hastings, 2003). In our sample, we encounter a single example of a partnership within a metropolitan region that allows voucher households to search for housing within an entire county, rather than limiting their search to the city in which the voucher was issued. In that type of partnership, payment standards continue to be set by individual housing authorities, and each agency conducts inspections within its jurisdiction and charges a small fee to the issuing authority. Regional arrangements are the least disruptive to the current constellation of housing authorities because they leave intact the current ecosystem of agencies. When mobility occurs within a metropolitan region, as much movement does, those types of arrangements lessen the administrative burden of billing and create flexibility for voucher households. The burden can be further eased by incentivizing shared payment standards and occupancy standards that would facilitate the seamless flow of households across jurisdictional boundaries. Such regional partnerships reinforce a metropolitan scale for the voucher program—a scale already used by HUD, which uses metropolitan FMRs to set payment standards. Promoting regional arrangements would cement this view of the program as operating regionally within metropolitan areas rather than operating solely within cities and counties.

An alternative to regional agreements would be a regular reconciliation of ports—either annually or every couple of years. This reconciliation would adjust the unit counts and budget authority of each housing authority to match its current voucher program. This type of reconciliation would ease the burden of housing authorities engaged in regular billing practices. Program ledgers would be adjusted to reflect the actual count of vouchers within a jurisdiction. By way of example, under this arrangement, if a household moves from Jefferson City to Missoula and lives in Missoula for a couple of years, the voucher would eventually come to belong to Missoula rather than Jefferson City—without affecting the ability of Missoula to pull from its waitlist. That, however, may result in a reduction in the size of the voucher program for small agencies that manage programs with a disproportionate share of ports out from their program. In the long term, it may create an equilibrium to better allocate housing assistance based on the demands and preferences of clients in the program.

Finally, we suggest considering the creation of a national housing authority designed exclusively to handle unabsorbed ports. Doing so would eliminate much of the administrative burden described throughout this paper while adding only modest costs to the program. This national housing authority would serve as a central billing agency for public housing authorities. Under the current system, agencies bill each other for unabsorbed ports—a process that has grown increasingly complicated, especially as the web of ports expands for larger housing authorities. By contrast, under this proposed system, all billing relationships would be centralized through a single, national housing authority.

Under this proposal, the receiving PHA would still have the option to absorb a portability voucher if it wishes to do so. The incentive to do so as a tool to increase program utilization would remain. Like now, the receiving PHA would take over all aspects of the administration of the porting voucher, and the sending PHA would be free to issue a new voucher to a family on its waitlist. When a voucher is absorbed, the process between the sending and receiving PHAs would not change from present practice.

If the receiving PHA does not initially absorb the portability voucher, however, the process would change from current practice. Although the receiving PHA would still take over the local administration of the voucher, billing would always go to the national housing authority rather than the sending PHA. The sending PHA would no longer be involved in the billing or administration of that porting voucher. From its perspective, the porting voucher has exited the local program, and they would pull from their waitlist in response to the exit of the porting voucher.

This new system would award the receiving PHA a set administrative fee for each unabsorbed portability voucher that would be set independent of the sending PHA. This fee structure departs from present practice, by which the administrative fee for a portability voucher depends on the relative value of the sending PHA's administrative fee. Under the proposed system, policymakers would need to determine whether the fee is equal to the full value of the receiving PHA's present administrative fee amount, or whether it is pegged to a portion of their current fee. Our intent is to standardize the administrative fee paid to receiving PHAs for each billed portability voucher commensurate with the work required to administer that voucher. The national housing agency will simplify those billing practices. Importantly, the national housing authority would expand and contract as needed to respond to the naturally occurring portability activity. Utilization rates would not be a metric of concern for this national agency because its utilization would always be 100 percent. It would merely be a service agency that interacts exclusively with billing PHAs.

Under this proposal, receiving PHAs could still absorb portability vouchers currently being billed to the national housing authority. Our interviews show that PHAs often decide not to immediately absorb a portability voucher, but the ability to do so in the future is an important strategy for managing their utilization rate. Unlike present practice, mass absorptions would no longer be disruptive to any associated sending PHAs. In fact, mass absorptions would only reduce the number of vouchers billed to the national housing authority.

We acknowledge that, as currently proposed, this plan for a national housing authority would slightly increase the number of overall vouchers in the HCV program. When a receiving PHA

declines to absorb, it introduces another unit of voucher subsidy (and the related administrative fees) into the program that would not exist under current practices. Because sending PHAs are allowed to issue a voucher from their waitlist after the port has left their jurisdiction, regardless of whether receiving PHAs decide to absorb, those subsidies would emerge as “extra” vouchers in the system. With our proposal, the unabsorbed portability voucher would become part of the national housing authority’s utilization (under current practice, an unabsorbed port is still part of the sending PHAs utilization). Based on past billed porting activity, we estimate that the national housing authority would manage approximately 50,000 port vouchers monthly—an increase of approximately 2 percent more than the present number of voucher units. Considering the administrative efficiencies generated and the reduction in uncertainty for local PHAs, we believe that this slight increase in overall units and the related spending would be worth the cost.

By restricting the turnover of unabsorbed portability vouchers, our proposal can keep the growth in overall units in the HCV program contained. Unlike regular vouchers, those now administered through a national agency would not turn over. If a tenant left the HCV program while on a voucher funded through the national housing authority, neither the administering housing authority nor the sending PHA would be authorized to reissue another voucher. If a voucher is eventually absorbed from the national housing authority, this “extra” subsidy that occurred with the sending port would be reconciled because the national housing authority would stop paying for the voucher, and the receiving PHA would then cover the cost of the voucher through its budget.

Conclusion

In this paper, we bring attention to the discretionary authority used by housing authorities to navigate portability in the HCV program. By highlighting the way agencies engage in portability decisions, we identify the inherent tradeoffs in the management of this program. Although our research emphasizes the importance of portability for achieving utilization goals, it also points to program features that are administratively cumbersome and time consuming for agency officials. We explain how absorption decisions made by individual housing authorities ripple through the larger ecosystem of housing agencies. Our analysis offers an opportunity to reconsider current policies to ease the burden on public housing authorities and improve access for assisted households.

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