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## **Access to Housing Resources: Federal Barriers in the Undocumented Community**

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### **Executive Summary**

The United States Department of Housing and Urban Development (HUD) administers federal housing programs that benefit millions of low-income families in the United States. Through HUD's Public Housing and Section 8 programs, millions of low-income people can afford housing at a time when the nation is facing a significant housing shortage. However, a large portion of the taxpaying population in the undocumented community are ineligible for these programs by virtue of their immigration status and are often forced to live in overcrowded conditions. This brief illustrates the challenges that undocumented communities face in accessing federal housing programs and the reasons why they do not qualify for federal HUD benefits. Furthermore, the brief will attempt to illustrate contemporary efforts by some states to help mitigate the lack of access to housing in the undocumented community. The examples I highlight come from California, New York and New Mexico, all of which have large Latino populations in their respective states. Finally, the brief will explore the potential consequences or drawbacks of federal housing benefits to the undocumented community, while providing a policy recommendation in favor of expanding resources to undocumented people in the country.

### **Background**

The United States is an extremely diverse country that is home to millions of people. Approximately 11 million people in the U.S., or around 3.3%, are undocumented, meaning that they do not have any immigration status in this country.<sup>1</sup> These figures exclude lawful permanent residents, U.S. citizens, and those who are on nonimmigrant visas, all of which are categories of immigration status in the U.S. Moreover, the Trump administration has recently increased its anti-immigrant sentiment, making it harder to qualify for programs.<sup>2</sup> This is why it is imperative to analyze the reasons undocumented immigrants are ineligible to receive housing benefits.

This brief analyzes the problem at the national level. The brief uses examples of housing programs and initiatives in states with large Latine populations, such as California and New York. The brief also explores federal programs outside of the United States that provide federal health benefits regardless of immigration status.

The focal population in this brief is on undocumented immigrants. This excludes people that are U.S. citizens, lawful permanent residents, or those that are inside the United States on nonimmigrant visas (student visas, travel visas, H-1B visas, etc.). It also excludes people who have any other formal immigration status in the United States. Lastly, this issue brief focuses on policies implemented in the past 40 to 50 years, beginning after the passage of the Housing and Community Development Act of 1980 (HCDA), and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA).

## Problem Analysis

Undocumented immigrants are largely ineligible for federal housing benefits because of two separate pieces of legislation. Section 214 of the HCDA was enacted to limit access to certain federal rental assistance programs, including the Section 8 Voucher and Public Housing Programs.<sup>3</sup> The law “makes eligible for assistance certain categories of noncitizens, including most categories of immigrants, while excluding unauthorized immigrants and those in temporary status (e.g., tourists and students).<sup>4</sup> In addition, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) generally made all noncitizens, except those deemed qualified aliens, “ineligible for federal public benefits, defined to include housing assistance.”<sup>5</sup> Expanding federal housing benefits to undocumented immigrants would involve amending these statutes.

The debate surrounding access to federal housing benefits for undocumented immigrants stems from personal stake in the country. There is a common misconception that undocumented immigrants do not pay federal, state or even local income taxes. Some even believe that they require a Social Security number to file taxes.<sup>6</sup> Studies show the exact opposite. Undocumented immigrants contribute billions of dollars to the federal government and are unable to take advantage of most federal programs.<sup>7</sup> The Institute on Taxation and Economic Policy concluded that approximately 8.9 billion dollars in revenue are generated for every 1 million undocumented immigrants residing in the country.<sup>8</sup> Many immigrants use Individual Taxpayer Identification Numbers (ITINs) as Internal Revenue Service (IRS) identifiers to file their federal taxes. In 2022, New York and California alone generated upward of \$11.6 billion in revenue from undocumented immigrants living within their borders.<sup>9</sup> An article by the Alabama Reflector concluded that approximately \$100 billion were generated by undocumented immigrants nationwide in 2022.<sup>10</sup> These are funds that are contributed directly to Social Security, Medicare, and an abundance of federal social services, all of which undocumented immigrants do not qualify for.

Despite the overwhelming economic contributions that undocumented immigrants provide through their taxpayer dollars, they remain largely ineligible for many social welfare programs. Many undocumented immigrants do not qualify for federally subsidized public housing programs, HUD Section 8 voucher programs, HUD public housing, or other federal public benefits.<sup>11</sup> These are programs that provide opportunities for people struggling with housing insecurity in the United States. Undocumented immigrants, except in some limited circumstances, are not considered “qualified” immigrants under the law, meaning that they are not able to take advantage of HUD Section 8 or Public Housing programs.<sup>12</sup> The narrow exceptions apply to those from mixed-status families and other qualifying immigrants. These exceptions generally do not extend to newly arrived immigrants or long-term residents without status. Lastly, there is often a fear in immigrant communities that they might fall under the public charge rule, a test that analyzes whether an immigrant is likely to receive public benefits and nationwide in 2022.<sup>13</sup> These are funds that are contributed directly to Social Security, Medicare, and an abundance of federal social services, all of which undocumented immigrants do not qualify for.

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Some states have attempted to address housing needs among the undocumented community. According to a study published by the Latino Data Hub, more than 11.2 million Latinos live in an overcrowded home in the year 2023.<sup>16</sup>

Of those living in overcrowded homes, approximately 4.2 million of them live in California, accounting for 28% of the spread.<sup>17</sup> Of the 28% of Latinos that live in overcrowded homes, the Latino Data Hub estimates that a little under 1.2 million of them are noncitizens.<sup>18</sup> The California State Senate and State Assembly introduced a bill that would make undocumented immigrants eligible for up to \$150,000 in state-supported home loans, helping increase affordable housing.<sup>19</sup> Although the bill was struck down by Governor Newsom, initiatives like these could potentially provide an answer to the lack of housing in the undocumented community. The California Department of Social Services also provides emergency support services for immigrants experiencing financial hardship or homelessness; however it applies only to refugees.<sup>20</sup> Programs like these could potentially be expanded to include undocumented immigrants on a larger scale.

Other states had notably high percentages of Latinos who live in overcrowded homes as well. For example, the District of Columbia came in at second place at 22%, and New York at 20%. New York provides some level of resources to the undocumented community. For example, New Destiny Housing in the City of New York allows certain U-Visa and VAWA petitioners to qualify for Public Housing and Section 8 services.<sup>21</sup> The City of New York also created the Migrant Relocation Assistance Program (MRAP) for eligible families seeking asylum to relocate permanently to Albany, Erie, Monroe, Suffolk, and Westchester counties.<sup>22</sup> Lastly, in 2025, the New York State Legislature introduced a bill called the Housing Access Voucher Program.<sup>23</sup> If passed, it would make undocumented people eligible for a housing voucher if they do not have a home, or are about to lose their housing.<sup>24</sup> Although these programs are largely afforded to those who have pending asylum or VAWA status, the need to help vulnerable communities that are newly arrived to the country is imperative, regardless of immigration status, because x, y, and z.

Providing access to basic public benefits for immigrants is not a concept that is entirely out of reach. Thailand, for example, provides universal, equitable healthcare coverage “for migrants and refugees, regardless of their legal status.”<sup>25</sup> A record number of migrants and refugees crossed into Europe, yet Thailand found a way to provide a basic right to people in their country. It has been cited as one of the only countries in the world where migrants have the same right to health care as Thai nationals.<sup>26</sup> Moreover, some U.S. states have also implemented policies that expand access to other forms of care, like childcare, for all people. New Mexico recently announced that it is now offering free childcare for all families, regardless of immigration status or income.<sup>27</sup> While public housing as a separate issue does have its own unique set of challenges, the possibility of implementing a similar policy to extend housing opportunities to marginalized groups in the U.S. to help promote housing stability and security. Regardless of their economic output, people deserve to live in safe, spacious, and affordable housing in this country.

Policies like those in Thailand and New Mexico mentioned above could potentially run into implementation issues. According to an article by the American Enterprise Institute (AEI), the Section 8 and Public Housing programs can be prone to longer wait times.<sup>28</sup> The article used the City of New York as an example, stating that there are more than 227,000 people on the waitlist for public housing apartments and 200,000 waiting for vacancies in Section 8 apartments.<sup>29</sup> The article argues that undocumented immigrants are to blame, since the exception to Section 8 and Public Housing programs carves out mixed-status families as eligible recipients of such funds. Despite this argument, it fails to consider the economic contributions of immigrants. As mentioned previously, undocumented immigrants pay taxes to the government and are unable to receive Social Security, Medicare and more. However, proponents of providing housing access to undocumented people argue that their stake in the country through their economic contributions supports the need to allow access to these programs.

Other arguments against providing housing to undocumented people stem from the principle that Americans shouldn't pay for services for undocumented people simply because they aren't American. Recent HUD newsletters featuring Homeland Secretary Kristi Noem state that “American tax dollars should be used for the benefit of American citizens, especially when it comes to an issue as pressing as our nation's housing crisis.”<sup>30</sup> However, as mentioned above, undocumented immigrant tax dollars are already used to fund American social service programs. Undocumented immigrants are already contributing to benefits that are exclusively available

to American citizens. Restricting access solely on the idea of citizenship would be hypocritical to a population that has actively contributed to the government.

There are strong economic benefits in expanding housing to the undocumented community in the U.S. According to the American Immigration Council, immigrant workers already strengthen the housing market through their purchasing power (40 million immigrants in the U.S.).<sup>31</sup> Immigrants bolster the value of homes in communities across the country, collectively adding approximately 3.7 trillion dollars to the U.S. housing wealth.<sup>32</sup> In addition, immigrants indirectly generate demand by drawing U.S.-born individuals to opportunities in growing areas, with data showing that for every 1,000 immigrants settling in a county, 250 U.S. born individuals follow.<sup>33</sup> From a purely economic perspective, the purchasing power of the immigrant workforce contributes to the American economy through increased demand and power of the purse.

## Policy Recommendations

This brief recommends amending Section 214 of the Housing and Community Development Act (HCDA) and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). Section 214 of the HCDA and PRWORA should be amended to allow undocumented immigrants full access to Section 8 and Public Housing programs regardless of immigration status, revising current mixed-status provisions to extend eligibility regardless of immigration status. Providing expanded housing resources to the undocumented community is important to better support and serve the most vulnerable communities.

## Conclusion

The undocumented community is largely ineligible for assistance from federal programs. More than 11 million undocumented people live in the United States, many of whom struggle to access quality, affordable homes. Despite this population paying staggering amounts of taxes to support the social safety net, they are excluded from critical housing programs like HUD Section 8 and Public Housing. While exceptions for these programs cover those from mixed-status families, they do not provide a permanent, stable solution for all undocumented people who are struggling to get ahead in this country. The United States should reevaluate how it distributes resources to those who meaningfully contribute to the country. Amending both the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and the Housing and Community Development Act of 1980 would take us a step in the right direction, eliminating barriers to equitable housing for all people regardless of immigration status.

## Endnotes

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<sup>27</sup> Cecilia Nowell, *New Mexico now offers free childcare for all. Here's how parents and teachers made it happen*, The Guardian, November 21, 2025, <https://www.theguardian.com/us-news/2025/nov/21/new-mexico-universal-free-childcare-campaign&sa=D&source=docs&ust=1769487520062421&usg=AOvVaw1Sg87b8tLd607QCtAsxp->

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<sup>33</sup> *Id.*