

**Comments on HUD Proposed Rule
Establishing Flexibility for Work Requirements and Term Limits
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April 28, 2026**

A Proposed Rule by the [Housing and Urban Development
Department](#) on [03/02/2026](#)

<https://www.federalregister.gov/documents/2026/03/02/2026-04095/establishing-flexibility-for-implementation-of-work-requirements-and-term-limits>

Regulations Division, Office of General Counsel
U.S. Department of Housing and Urban-Development
451 7th Street SW, Room 10276
Washington, DC 20410-0500

April 28, 2026

Re: Proposed Rule: Establishing Flexibility for Implementation of Work Requirements and Term Limits

Dear General Counsel:

Thank you for the opportunity to comment on the proposed rule concerning Establishing Flexibility for Implementation of Work Requirements and Term Limits. As the Federal Register notice describes, “This rule is designed to provide Public Housing Agencies (PHAs) and certain Multifamily Housing Owners (Owners) with the option to implement work requirements for work-eligible adults and term limits for non-elderly, non-disabled families residing in public housing or receiving assistance through Housing Choice Vouchers (HCV), Project-Based Vouchers (PBV), or Project-Based Rental Assistance (PBRA).” We support the proposed changes to allow work requirements and term limits to apply to recipients of government housing assistance. We outline our arguments below.

Background

There is a long history of U.S. safety net policies aiming to encourage employment and increase work levels. This is because employment remains the best path out of poverty for families. By design, policies in the U.S. target the most vulnerable families with taxpayer support, prioritizing households with the lowest incomes and those including children or the elderly. Government assistance programs typically provide a maximum amount of support for families with no or low income and phase out assistance as income continues to grow. However, evidence shows that the

availability of government assistance and the phasing out of benefits can disincentivize employment (Moffitt, 2002 and Rachidi, Weidinger, et al, 2025).

Strategies to Address Work Disincentives

These disincentives in our safety net programs necessitate strategies to better promote employment. Among other reforms, U.S. policymakers have used work requirements and time limits in the past with success to address work disincentives. Research shows that changes enacted through the Temporary Assistance for Needy Families (TANF) program in 1996, including work requirements and time limits, led to increased employment among single (especially never married) mothers (Blank, 2002) and contributed to improved well-being for single-mother families after welfare reform (Meyer and Sullivan, 2008).

Work requirements have also been utilized in the Supplemental Nutrition Assistance Program (SNAP). Since 1996, able-bodied adults without dependents (ABAWDs) have faced a time limit linked to a work requirement. They can only receive SNAP benefits for three months in a three-year period unless they work or participate in a work-like activity for 20 hours per week on average. SNAP's work requirement has been more challenging to research given its limited reach, data limitations, and inconsistent application across time. However, reviews of the evidence suggest that the ABAWD work requirements reduce SNAP caseloads and may have modest effects on employment (Rachidi, 2025).

HUD's notice of proposed rulemaking summarized well the evidence related to work disincentives and the effectiveness of work requirements in the housing assistance context. Regrettably, the Moving to Work demonstration project involving work requirements and housing choice vouchers was never studied as part of a national evaluation at a large scale, suffering from data deficiencies and limited resources according to the Government Accountability Office (US GAO, 2012). However, local evaluations found largely positive results, as summarized in the proposed rule. Importantly, the flexibility offered in the proposed rule will allow housing authorities to implement and properly evaluate work requirements and time limits, essentially building an evidence base for the best strategies to improve self-sufficiency for housing assistance recipients. The body of evidence in TANF and SNAP offers important lessons and suggests that work requirements and time limits can successfully counteract work disincentives. Adding more information through HUD's demonstration projects will substantially move our knowledge base forward.

The need for work requirements and time limits has never been clearer. Our AEI colleague Howard Husock recently testified before the House Committee on Oversight and Government Reform about current extended dependence on government housing assistance even among households that include one or more able-bodied prime-age individuals:

The current HUD policy has been characterized by prolonged periods of assistance and dependence on HUD's rental assistance programs by residents. Recent congressional

testimony at the House Oversight Committee presented new research indicating that 81 percent of current public housing and voucher recipients, not counting the elderly and disabled, will spend more than five years in subsidized housing.^[12] According to the data, 65 percent of current public housing and voucher recipients will spend more than 10 years in subsidized housing, and 50 percent more than 15 years.^[13] These numbers are greater for the voucher program where over 87 percent of current voucher holders will likely spend more than 5 years on assistance, over 73 percent more than 10 years, and nearly 60 percent more than 15 years.^[14] The average length of tenure at the time of program exit has increased for non-elderly and non-disabled families residing in public housing or receiving voucher assistance. Between 2010 and 2024, the average length of stay for non-elderly, non-disabled families in non-MTW PHAs increased by 2.3 years in the HCV Program from 5.4 years to 7.7 years and 2 years in public housing from 6.6 years to 8.6 years.¹

Advocates will criticize allowing housing assistance to be subject to a time limit. How could proponents of such a plan countenance “kicking someone out” after five years? But what such criticisms omit is that current law, replete with waiting lists for those seeking assistance, prevents large numbers from receiving any assistance by allowing for limitless benefits for the lucky few who gain access. Which is the fairer system – the one that offers unlimited assistance to a fortunate few, or one that provides more individuals transitional assistance so they can stabilize their housing, get training or work, and move on with their lives? Time limits are a means of providing help to more individuals in need, not fewer.

These dynamics are not new. Larry Woods, the Chief Executive Officer for the City of Winston-Salem Housing Authority, testified before a subcommittee of the House Ways and Means Committee in 2013, noting

There is economic stagnation of the non-elderly, non-disabled families living in subsidized housing, resulting in unnecessary lengthy stays, generation of poverty, increased demands for governmental subsidies, and lengthening waiting lists.

Current policies, rules, and regulations provide unconditional, open-ended housing subsidies that discourage self-sufficiency, perpetuate dependency, and nurture a generation of poverty.²

Recommendations

¹ Husock, Howard. 2025. Encouraging Upward Mobility From Subsidized Housing. Written Testimony to the United States House Committee on Oversight and Government Reform Subcommittee on Health Care and Financial Services. May 7, 2025. Available at:

<https://oversight.house.gov/wp-content/uploads/2025/05/Husock-Written-Testimony.pdf>

² Woods, Larry. 2013. Written Testimony to United States House Committee on Ways and Means Subcommittee on Human Resources. July 31, 2013. Available at <https://waysandmeans.house.gov/2013/07/31/hearing-on-improving-the-safety-net-to-ensure-families-receive-real-help/>

To allow local officials the flexibility to develop better policies to counteract these problems, we support the proposed rule as written. Housing authorities should be given the opportunity to assess the effectiveness of work requirements and time limits in the housing choice voucher program. Prior successful welfare reforms confirm this approach as a proven strategy for improving family well-being, and more local administrators should have the opportunity to experiment with new approaches and to evaluate them rigorously. HUD’s proposed rule continues this tradition, and merits support.

Respectfully,

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- Rachidi, Angela. 2025. *SNAP and Employment: What Is the Evidence?* American Enterprise Institute, May 2025.
- Rachidi, Weidinger, et al, 2025. *Stranded by the Safety Net: How to Fix the Benefit Cliff Problem*. American Enterprise Institute, December 2025. U.S. Government Accountability Office. 2012. *Moving to Work Demonstration: Opportunities Exist to Improve Information and Monitoring*. GAO-12-490. Washington, DC: U.S. Government Accountability Office. April 19, 2012.

The views expressed in this comment reflect the views of the signers, and not of the American Enterprise Institute, which does not take institutional positions on policy issues.