January 10, 2018

Regulations Division
Office of General Counsel
451 7th Street SW, Room 10276
Department of Housing and Urban Development
Washington, DC 20410-0500
Submitted electronically through www.regulations.gov


To Whom It May Concern:

I submit these comments in response to the above captioned notice requesting comments from interested parties regarding HUD’s August 10, 2017 action that purported to suspend for two years certain Public Housing Agencies’ (PHAs’) obligations under the Small Area Fair Market Rent (SAFMR) Rule, 81 Fed. Reg. 80,567 (Nov. 16, 2017). I am a professor of sociology at the University of Southern California, and my research examines socioeconomic and racial/ethnic inequality among neighborhoods and schools.

There is a large body of research across social science disciplines, using various methods, and over time demonstrating the detrimental effects of living in high-poverty, racially-segregated neighborhoods, particularly for children’s well-being. Over the past three decades, multiple review articles have summarized the scholarly research across disciplines on neighborhood effects on children and adolescents in the U.S.¹ The bulk of the evidence indicates that growing up in a socioeconomically disadvantaged neighborhood reduces children’s well-being.

A substantial body of social science literature, dating from the early 1980s, draws on survey data to document neighborhood effects on residents’ outcomes. These studies, which use statistical controls to account for individual and family characteristics, show that growing up in a

socioeconomically disadvantaged neighborhood reduces educational success and increases the odds of teenage childbearing. Recent advances in statistical methodology provide causal evidence that is even more convincing that living in a socioeconomically disadvantaged neighborhood reduces children’s educational attainment, cognitive skills, and increases the odds of teen parenthood, particularly for non-white and low-income children. For example, a nationally representative study shows that if black children live in the most disadvantaged neighborhoods throughout childhood, about 76% graduate from high school. If comparable black children live in the least disadvantaged neighborhoods, the graduation rate rises to about 96%. Further evidence comes from analyses of tax record data from over five million families with children across the U.S. that show that growing up in a higher-opportunity area increases a child’s income in young adulthood by 10%, increases the likelihood of children attending college and getting married, and reduces the likelihood of teen pregnancy.

Social scientists have also demonstrated that moving to higher-opportunity neighborhoods, those with lower poverty rates and more racial diversity, is beneficial for children’s outcomes. Findings from Moving to Opportunity, which randomly assigned families living in public housing to receive a housing voucher to be used in a neighborhood with a poverty rate below 10%, demonstrate that children who moved to low-poverty neighborhoods before age 13 have better outcomes later in

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4 Wodtke, Harding, and Elwert 2011

life than children who remained living in high-poverty neighborhoods. Specifically, young children whose families moved to low-poverty neighborhoods had earnings in young adulthood about 30% higher, were about 30% more likely to go to college, went to higher-quality colleges, and were about 25% less likely to become single mothers (for females) compared to young children in the control group. Analyses of the Gautreaux Housing Demonstration, which provided families with subsidized housing in lower-poverty, more racially-integrated neighborhoods in either Chicago or the surrounding suburbs, show that children of suburban movers went to higher-quality schools, received higher grades, and were more likely to attend college than city movers (54% of suburban movers compared to 21% of city movers attended college). Changing children’s neighborhood contexts can also have intergenerational effects: children who moved via MTO and Gautreaux live in lower-poverty neighborhoods as young adults.

Overall, the weight of the evidence from this large multidisciplinary research literature shows that growing up in socioeconomically disadvantaged, racially segregated neighborhoods is disadvantageous for children’s well-being and future life chances. Providing opportunities for children to move to higher-opportunity neighborhoods is critically important for promoting social mobility and reducing future levels of socioeconomic and racial/ethnic inequality. Therefore, I urge HUD to implement the mandatory Small Area FMR rule forthwith.

Sincerely,

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