Testimony to the New York City Rent Guidelines Board: May 2025
The Center on Poverty & Social Policy at Columbia University

Authors: Schuyler Ross, Ryan Vinh, Anastasia Koutavas, Sally Ma, Sophie Collyer

Thank you to the Rent Guidelines Board for the opportunity to submit testimony regarding recent poverty findings for New York City in 2023. The Center on Poverty & Social Policy at the Columbia University School of Social Work (CPSP) produces research to advance the understanding of poverty and the role of social policy in reducing poverty and promoting economic security and wellbeing. For more than a decade, CPSP has partnered with the Robin Hood foundation to administer the Poverty Tracker, a longitudinal study of the dynamics of poverty and disadvantage in New York City.

The most recent Poverty Tracker report, [The State of Poverty and Disadvantage in New York City, Vol 7](), reveals the widespread reach of economic hardship in the city.[1] **Findings show that rising costs have thrown record numbers of New Yorkers into poverty and created an affordability crisis that extends well above the poverty line.** Building on this analysis, the following testimony hones in on the experiences of families living in rent-stabilized units, examining the impacts of poverty, material hardship, health problems, and inflation on this population.

In 2023, poverty in New York City surged to its highest rate since at least 2015, fueled by the rising costs of basic necessities like food and housing and the expiration of pandemic-era safety net policies.[2] More specifically:

- Between 2022 and 2023, the poverty rate in New York City rose from 23% to 25%, with the number of New Yorkers living in poverty rising by more than 100,000.
- More than 1 in 4 children in New York City lived in poverty in 2023, as child poverty rates hit 26% after already rising past pre-pandemic levels in 2022.
- In addition, nearly half (49%) of adult New Yorkers either lived in poverty, experienced severe hardship, or had severe health problems in 2023, with more than 260,000 adult New Yorkers experiencing all three forms of disadvantage.
- Racial inequities in the data persisted: Black, Latino, and Asian New Yorkers were about twice as likely to experience poverty compared to White New Yorkers.

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[1] Poverty Tracker Research Group at Columbia University (2025). The State of Poverty and Disadvantage in New York City, Volume 7. Robin Hood.

[2] While the Poverty Tracker study began collecting data in 2012, the sample was not robust enough to produce single-year poverty rates until calendar year 2015.

Poverty Tracker data show that rates of disadvantage were equally pronounced among New Yorkers living in rent-stabilized housing units.[3] Key findings presented in this testimony include:

- 62% of families in rent-stabilized units lived below 200% of the poverty line, and among them, 40% also experienced material hardship and 35% had at least one family member who experienced a health problem.
- Looking across three years from 2021-2023, more than half (51%) of all families in rent-stabilized units lived below the poverty line in at least one year.
- 81% of rent-stabilized tenants had to change their spending habits in response to inflation, with more than half reporting reductions in food purchases and/or money in savings.
- Rent burden – defined as spending more than 30% of household income on rent – was widespread, afflicting 41% of all rent-stabilized tenants and 74% of those living in poverty.

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[3] For information on how the Poverty Tracker identifies residents of rent-stabilized housing, see the note in the Technical Appendix.

Figure 1 shows that a greater share of rent-stabilized tenants are living in poverty and below 200% of the poverty line, compared to the citywide population.[4] In a pooled sample of responses from 2019, 2022, and 2023, **more than one in four families (27%) living in rent-stabilized housing were in poverty and nearly two-thirds (62%) were low-income (i.e., below 200% of the poverty line).**[5] Both rent-stabilized rates exceed the citywide rates over the same years.[6]

Figure 1: Poverty Rates and Low-Income Status, Citywide and Among Families Living in Rent-Stabilized Housing
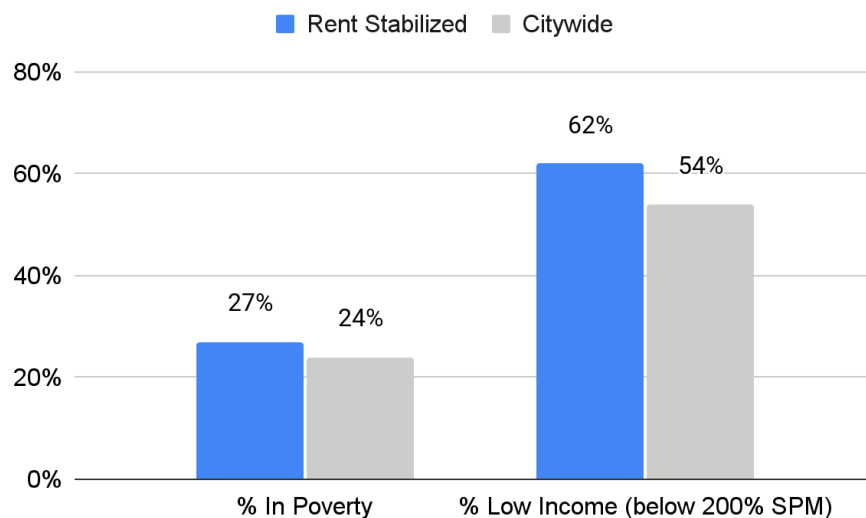
Source: Poverty Tracker annual survey data, 2019, 2022 and 2023.

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[4] The poverty statistics presented here are calculated using the Supplemental Poverty Measure (SPM). Note that housing subsidy receipt, including rent stabilization, is accounted for in assigning poverty status. For more information about how the Poverty Tracker determines calculates poverty and evaluates subsidies, see the note in the Technical Appendix.

[5] Three-year pooling is used to produce a more robust sample size when computing subgroup estimates, such as the rent-stabilized tenant numbers presented here. Peak-pandemic years 2020 and 2021 are excluded; they are less reflective of experiences today, and many of the policy expansions that New Yorkers benefited from in those years are no longer in effect.

[6] In the same 2019, 2022, 2023 pooled sample, the rates for all New York City renters (including market rate and rent-stabilized tenants, excluding public housing residents) were 28% in poverty and 59% low-income.

Given the large share of low-income rent-stabilized tenants, it is important to examine how this group is faring in terms of other dimensions of disadvantage. The Poverty Tracker also measures respondents' experience of material hardship, defined as the inability to meet basic needs due to financial constraints. Material hardship is tracked across the five domains of food, housing, bills, general finances, and medical care.[7]

Figure 2 illustrates that many rent-stabilized tenants living below 200% of the poverty line are also facing material hardship. **In the same pooled sample, 40% experienced at least one form of material hardship.** And notably, nearly one-third (30%) of higher-income families also experienced hardship, suggesting that financial strain affects a broader segment of rent-stabilized tenants than income-based measures alone might indicate.

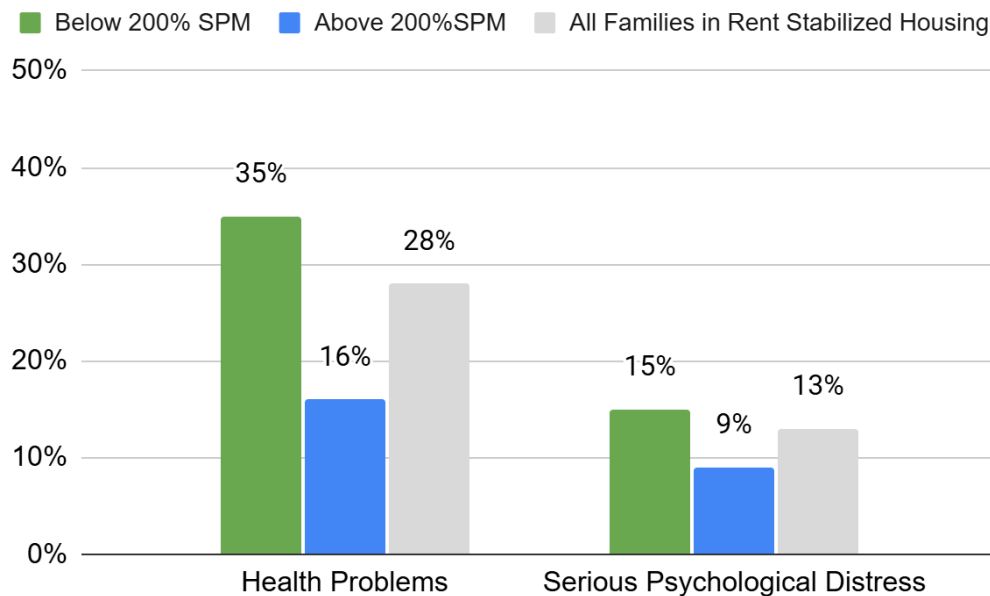Figure 2: Hardship Rates Among Families Living in Rent-Stabilized Housing
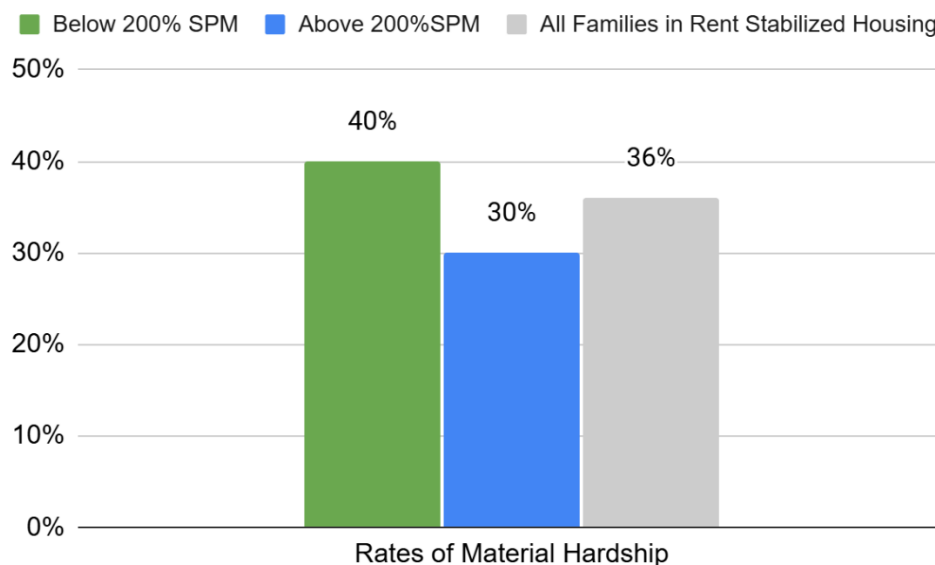
Source: Poverty Tracker annual survey data, 2019, 2022 and 2023.

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[7] The Poverty Tracker defines **severe food hardship** as running out of food or often worrying that food would run out without enough money to buy more; **severe housing hardship** as having to stay in a shelter or other place not meant for regular housing, or having to move in with others due to cost; **severe bills hardship** as having utilities cut off due to lack of money; **severe financial hardship** as often running out of money between paychecks or pay cycles; and **medical hardship** as not being able to see a medical professional due to cost. Material hardship is an aggregate measure defined as facing any of these five forms of hardship.

The final domain of disadvantage measured by the Poverty Tracker is health-related challenges, including both physical health problems and serious psychological distress.[8] Figure 3 shows that, similar to economic hardship, health challenges affect a large portion of rent-stabilized tenants who are living below 200% of the poverty line. **More than one in three (35%) low-income families in rent-stabilized housing reported having at least one family member with a health problem, and nearly one in six (15%) had a family member who experienced serious psychological distress.** Health challenges also exist among higher-income rent-stabilized tenants, but the rates are demonstrably lower.

Figure 3: Health Problems and Serious Psychological Distress Among Families Living in Rent-Stabilized Housing
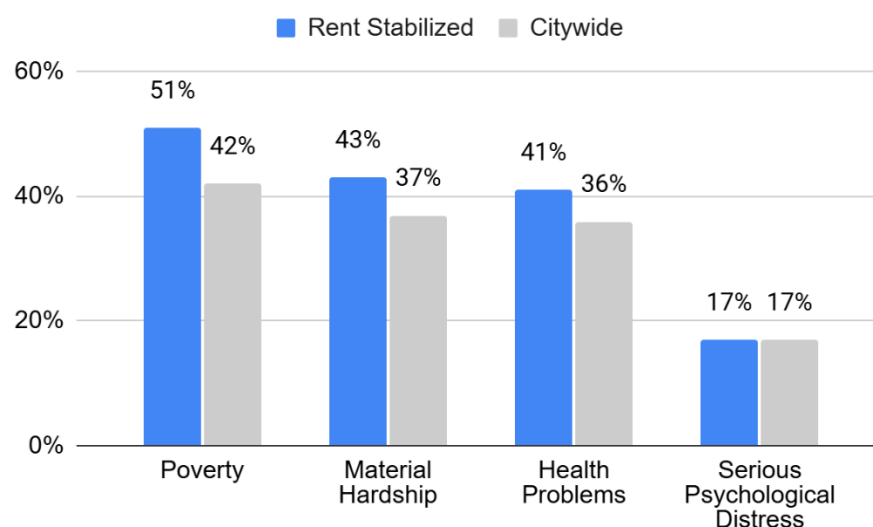

Source: Poverty Tracker annual survey data, 2019, 2022 and 2023.

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[8] The Poverty Tracker considers both physical and mental health challenges to better understand how health-related hardships intersect with economic insecurity. Health problems are defined as either having a work-limiting health condition or self-rating one's overall health as "poor." To assess mental health, the Tracker uses the Kessler-6 scale, a standardized screening tool also used by the U.S. National Health Interview Survey. It identifies symptoms of serious psychological distress, including depression, anxiety, and other mental health concerns.

New Yorkers living in rent-stabilized housing are clearly afflicted by a trifecta of poverty, material hardship, and health challenges, with low-income renters being the most impacted. Yet the question remains of how these renters are faring over longer periods of time. The Poverty Tracker is uniquely well-suited to answering such longer-term questions, as it follows and surveys the same respondents over multiple years.

When looking over the three-year period from 2021 to 2023, rates of various forms of disadvantage among rent-stabilized tenants are much higher than in a single year. More than half (51%) of families in rent-stabilized units lived below the poverty line in at least one of the three years. An equally jarring 43% experienced material hardship at least once, while 41% of respondents reported a health problem and 17% reported severe psychological distress. Figure 4 summarizes these statistics and compares them to equivalent three-year citywide averages.[9] **Overall, 76% of families in rent-stabilized units experienced some form of disadvantage over these three years, indicating that a rent hike would likely pose a challenge to a vast swath of the city's rent-stabilized tenants.**

Figure 4: Rates of Disadvantage over a Three-Year Period, Citywide and Among Families Living in Rent-Stabilized Housing
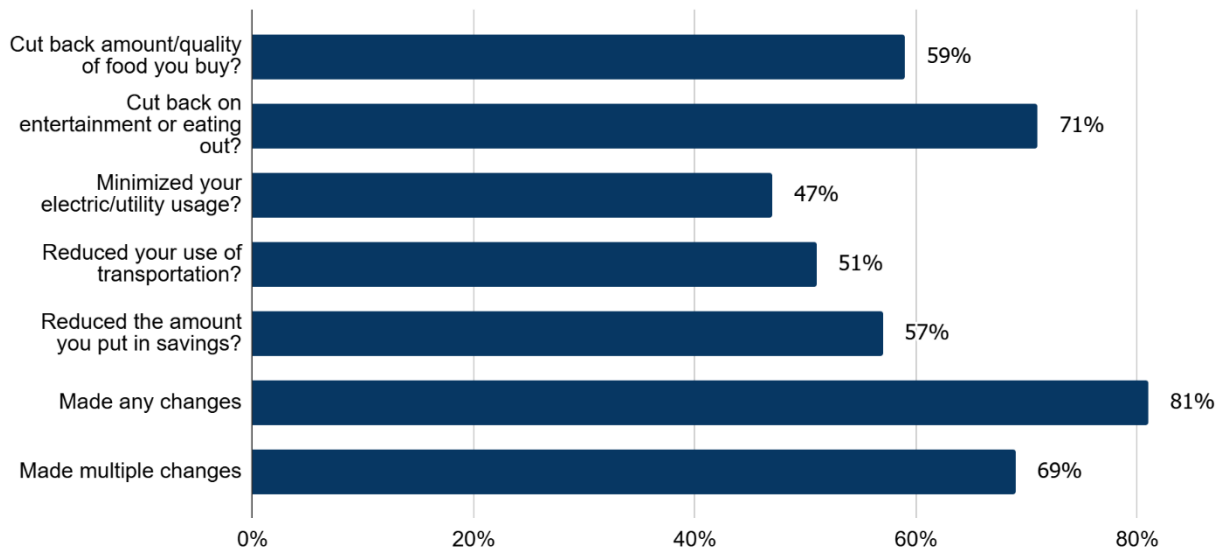

Source: Poverty Tracker longitudinal survey data, 2021-2023.

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[9] Across the same three-year period from 2021-2023, the rates for all New York City renters (including market rate and rent-stabilized tenants, excluding public housing residents) were 48% in poverty, 46% experiencing material hardship, 29% with health problems, and 25% with severe psychological distress (all measures for at least one year).

A related topic at the forefront of today's policy debates is affordability – the extent to which New Yorkers can afford to live in an increasingly expensive city and cope with the record inflation of the past few years. Data in Figure 5 suggest that the vast majority of families in rent-stabilized units are being forced to make lifestyle changes to adjust to the rising cost of living.[10] In 2024, 81% of rent-stabilized tenants reported making at least one change to their spending and saving patterns, with over two-thirds (69%) reporting multiple adjustments. **Perhaps most striking is the fact that roughly half of respondents reported reductions in spending across every essential domain, including food purchases (59%), electricity/utilities usage (47%), transportation usage (51%), and money in savings (57%).** Since rent operates as a fixed cost in families' budgets, any further increase could lead even more families to seek cuts in these important areas.

Figure 5: Behavioral Changes due to Rising Prices Among
Families Living in Rent Stabilized Housing

Source: Poverty Tracker annual survey data, 2024.

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[10] Because weights for data collected on experiences in 2024 are not yet available, these estimates were produced using weights tailored to the 2023 Poverty Tracker data (created using the 2023 American Community Survey data). The composition of the New York City population is fairly static from year to year; therefore, we expect weights tailored to the 2024 population would yield highly similar results.

Indeed, current rental rates already have many families' budgets stretched thin. The 2024 New York City Housing and Vacancy Survey defines rent burden as spending more than 30% of household income on rent and finds that 43% of renters citywide are burdened.[11] Poverty Tracker data confirm this troubling trend among families in rent-stabilized units. As Table 1 shows, 41% of all rent-stabilized tenants were rent burdened across 2019, 2022, and 2023.[12] The experience of rent burden is even more common toward the bottom of the income distribution: **a whopping three-quarters (74%) of families living below the poverty line spent more than 30% of their income on rent.** The experience of low-income renters was not much better, with almost half (47%) of families between 100-200% of the poverty line experiencing rent burden as well.

Table 1: Rent Burden Rates by Income Level Among Families Living in Rent-Stabilized Housing

Percentage of SPM threshold	Rent Burden Rate
Under 100% (in poverty)	74%
100 - 200%	47%
200 - 300%	15%
300%+	12%
Total	41%

Source: Poverty Tracker annual survey data, 2019, 2022 and 2023.

Taken together, the findings presented here demonstrate that families in rent-stabilized units experience high levels of disadvantage and consistently struggle to afford basic needs. The city's large number of low-income and impoverished rent-stabilized tenants are facing the steepest challenges, with various economic and health-related hardships piling up on top of fiscal scarcity. Looking across time – and regardless of low-income status – a majority of rent-stabilized tenants found themselves facing poverty, material hardship, or health hardship in at least one year from 2021-2023. And as rent continues to consume a burdensome chunk of families' income resources, many have found themselves making cuts to other basic needs. **All things considered, the data suggest that even a modest rent increase would place undue strains on renters' ability to make ends meet.**

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[11] Gaumer, E. The 2023 New York City Housing and Vacancy Survey: Selected Initial Findings. New York, NY: New York City Department of Housing Preservation and Development; 2024.

[12] Rent burden is calculated by dividing each family's reported annual rent by its financial resources (respondent earnings, spouse/partner earnings, retirement, disability, welfare, unemployment, worker's compensation, regular financial support from someone outside the household, income from other family members, and "other" income/benefits). The value of various subsidies, housing vouchers, and rent stabilization are thus accounted for in the calculations – families receiving these benefits report lower out-of-pocket rents. In other words, the rent burden rates presented here are post-application of subsidies.

Technical Appendix

Identifying Residents in Rent-Stabilized Units. Prior to 2022, the Poverty Tracker identified rent-stabilized tenants using a series of three survey questions. The rent-stabilized population consisted of respondents who (1) indicated that they pay rent or live with a family member who pays rent in response to the question "What is your current housing situation?"; (2) answered "Yes" to the question "Is the place where you live under rent control or rent stabilization?"; and (3) answered "No" to the question "In the past 12 months, did you or your spouse/partner receive public housing or government rental assistance such as Section 8?" Then in 2022, the research team added more detailed follow-up questions about housing type and subsidy receipt. This changed criterion (3) to: respondents who indicate that they do not live in NYCHA housing, do not live in Mitchell Lama housing, and do not receive a senior citizen or disability rent increase exemption (SCRIE/DRIE).

These two approaches are largely similar. The second may be a bit more accurate, as it does not lump together all public housing residents and rental assistance recipients. But tests of both approaches in the same years' data have yielded almost identical results. One shared shortcoming is that neither definition is able to distinguish renters living in rent-stabilized units from those in rent-controlled units. However, this is not a major issue, as data from the 2023 NYC Housing and Vacancy Survey suggest that individuals living in rent-controlled units account for less than 2% of the aggregate group.[13] The original definition is used in Figures 1, 2, and 3 and Table 1 in this testimony. The updated version is used in Figures 4 and 5.

The Poverty Tracker team believes that these survey-based mechanisms for identifying residents of rent-stabilized units, while imperfect, are quite accurate. Using a pooled sample of data from 2019, 2022, and 2023, weighted estimates show that 38% of families who rent reside in rent-stabilized or rent-controlled units. The Housing and Vacancy Survey estimates that in 2023, 43% of all rental units (including vacancies) were rent-stabilized or rent-controlled.[14]

Poverty Calculation & Housing Subsidies. The Poverty Tracker assesses poverty in New York City using the Supplemental Poverty Measure (SPM). The SPM poverty threshold is based on contemporary spending on food as well as on other necessities like clothing, shelter, and utilities. It is geographically adjusted, meaning that thresholds in places like New York City are higher given higher-than-average housing costs, and it is different for renters and homeowners. In 2023, the SPM threshold for a two-adult, two-child family of renters in New York City was $47,190. In the SPM, tax credits and noncash benefits are also counted as income, and for families who incur

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[13] Gaumer, E. The 2023 New York City Housing and Vacancy Survey: Selected Initial Findings. New York, NY: New York City Department of Housing Preservation and Development; 2024.
[14] See above.

them, medical, work, and child care costs are subtracted from income. The Poverty Tracker collects all the requisite data necessary to directly calculate the SPM in its sample of New Yorkers, and this data forms the basis of the income poverty statistics presented here.

One of the "noncash benefits" included in SPM resource calculation is housing subsidy values. All respondents who indicate that they live in rent-controlled or rent-stabilized units, who indicate that they live in a rental unit but report $0 in monthly rent, or who answer "Yes" to the question "In the past 12 months, did you or your spouse/partner receive public housing or government rental assistance such as Section 8?", are marked as eligible housing subsidy recipients. The following four-step protocol is then used to assign subsidy values to each "poverty unit" or family:

1. Determine the fair market rent value for the housing unit. This is based on number of bedrooms (a variable collected on Poverty Tracker surveys) and the county-level fair-market rent data provided by HUD at https://www.huduser.gov/portal/datasets/fmr.html.
2. Determine the NYC-adjusted shelter/utilities cost for the poverty unit (calculated by applying an equivalence scale to two-adult, two-child shelter/utilities share data provided by BLS at https://www.bls.gov/pir/spmhome.htm#threshold).
3. Calculate a theoretical maximum annual rent value (or "cap") for the poverty unit. The cap is set to either the fair market rent value or the shelter/utilities cost, whichever is lower.
4. Calculate the subsidy value by subtracting imputed annual rent from the maximum rent cap.

Rent stabilization and rent control are treated as subsidies because they effectively lower the amount of out-of-pocket rent that families pay each year. In less technical terms, the value of a family's rent-stabilization "subsidy" is the difference between what the family would be paying without rent stabilization (capped as described in step 3 above) and what they are paying with it. This value is added to the family's total financial resources, which are then compared to the SPM threshold to determine poverty status.

Sampling Methodology & Response Rates. Since its launch in 2012, the Poverty Tracker has recruited six distinct samples of New Yorkers, referred to as study Cohorts 1 through 6. For Cohorts 1-5, the study recruited a majority of the sample through a Random Digit Dial (RDD) methodology, and in cohort 6 introduced a split-methodology design using both RDD and Address-Based Sampling (ABS). To ensure that the data is representative of the diverse experiences of all New Yorkers, the Poverty Tracker periodically includes supplementary samples of subgroups of New Yorkers in addition to the main RDD/ABS sample. These subsamples of New Yorkers include those using social service agencies (Cohorts 1 and 2) and New Yorkers of Chinese origin (Cohorts 4, 5, and 6). Table A1 below contains more detailed information about each Cohort. For a more in-depth overview of the Poverty Tracker's sampling procedures over time, please consult the Poverty Tracker Data User Guide available on CPSP's website.

Table A1: Overview of Poverty Tracker Cohorts

Cohort	Initial recruitment year	Sample size at baseline	Subsamples	Notes
1	2012	2,228	2,002 RDD 226 social service user oversample	2-year design. Oversample of high-poverty zip codes.
2	2015	3,908	3,403 RDD (from Community Health Survey) 505 social service user oversample	6-year design introduced and carried forward for subsequent cohorts. Surveyed quarterly during the first 4 years and annually in the final 2 years.
3	2017	853	853 RDD	First rotating "refresher" cohort under rotating cohort design. Surveyed quarterly during the first 4 years and annually in the final 2 years.
4	2020	1,912	1,491 RDD 421 Chinese-origin oversample	Chinese-origin subsample introduced. Redesign changes made **after** 1st year of study participation: ~ Survey schedules of active cohorts are harmonized (cohorts 4 and 5). ~ Respondents participate in three surveys per year instead of four.
5	2022	1,548	1,287 RDD 261 Chinese-origin oversample	Survey schedules of active cohorts are harmonized (Cohorts 4 and 5). Respondents participate in three surveys per year instead of four.
6	2024	2,003*	703 RDD* 1,128 ABS* 172 Chinese-origin oversample*	Split recruitment design introduced, utilizing both RDD and ABS. Chinese oversample recruited entirely using ABS.

*Data cleaning for the Cohort 6 Baseline survey is still in progress. Numbers are preliminary and may increase slightly.

Imputation & Weighting. Before the Poverty Tracker data can be analyzed as a representative sample, missing data for core annual measures must be imputed and the survey responses must be weighted. In any survey, some data will be missing due to subject non-response, unintentionally omitted due to subject or surveyor error (e.g., leaving a required question blank), or discarded due to error or implausibility in the response (e.g., saying that one's birth year was 1856). Imputation refers to retroactively filling in ("imputing") the missing data using a model that relates non-respondents to respondents. For the Poverty Tracker datasets, the study only imputes a subset of essential variables: those concerning income (of any form), hardship, health, assets, debts, and key demographics. Following imputation, survey weights are created to account for the sampling, coverage, and non-response, and to calculate appropriate estimates of population parameters. Weighting is essential to ensure that statistical inferences drawn from the sample data apply to the general population. Poverty Tracker data is weighted to the American Community Survey (ACS) data to create a sample representative of all New Yorkers ages 18 and over[15]. Please consult the Poverty Tracker Technical Notes, available on CPSP's website, for additional information on the study's imputation and weighting methods.

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[15] The ACS is an annual survey conducted nationwide by the Census Bureau. The ACS samples between 26,000 and 27,000 households in New York City alone, comprised of approximately 60,000 individuals. Each calendar year of cross-sectional Poverty Tracker data is weighted to the corresponding calendar year ACS data.