



ON SOLID GROUND COALITION

BUILDING OPPORTUNITY, PREVENTING HOMELESSNESS

August 22, 2017

Representative Kevin Honan
Chair, Joint Committee on Housing
State House, Room 38

Senator Joseph Boncore
Chair, Joint Committee on Housing
State House, Room 112

RE: Testimony Supporting H.2245 / S.725, *An Act Relative to Interagency Efforts to Reduce and Prevent Homelessness*; H.3020 / S.724, *An Act Relative to Economic Mobility and Stability Program*; and S.719 *An Act Relative to the Massachusetts Rental Voucher Program*

Dear Chairman Honan, Chairman Boncore, and Distinguished Members of the Joint Committee on Housing,

Thank you for the opportunity to submit testimony in support of H.2245 / S.725, *An Act Relative to Interagency Efforts to Reduce and Prevent Homelessness*; H.3020 / S.724, *An Act Relative to Economic Mobility and Stability Program*; and S.719, *An Act Relative to the Massachusetts Rental Voucher Program*.

The On Solid Ground Coalition is a cross-sector group of 40+ partners committed to a research-based, family-centered approach to ensuring access to housing stability and economic mobility for families living in Massachusetts. Our vision is that Massachusetts families have safe, stable homes in communities of their choice and opportunities for economic mobility and wellness.

Homelessness and Economic Insecurity in Massachusetts

Economic growth in Massachusetts has not reached all residents, worsening the affordability struggle of low-wage workers and their families. With the housing shortage in Massachusetts, a minimum-wage worker is required to work 100 hours per week, or have 2.5 full-time jobs, in order to afford a modest 2-bedroom apartment.¹ Nearly all the severely rent-burdened households are low-income, putting them at greater risk of becoming homeless.² On a single night in 2016, 19,608 people in Massachusetts were homeless or living in shelters, including 13,174 people in families with children.³ Family homelessness is a complex problem that arises from stagnating or decreasing wages, a

¹ National Low Income Housing Coalition, *Out of Reach* (2017), <http://nlihc.org/oor>.

² Center for Budget and Policy Priorities, (2016). *MA Fact Sheet: Federal Rental Assistance*.

³ The U.S. Department of Housing and Urban Development, (2016). *The 2016 Annual Homeless Assessment Report (AHAR) to Congress*.

severe shortage of affordable housing, and lack of tools to help families obtain and maintain housing and economic stability.⁴

Barriers for Families Accessing Support Services

When recipients of support programs begin to work, they often experience an economic penalty because of the steep decline in their benefits which leaves them worse off than prior to getting a job or a raise. These setbacks, referred to as “cliff effects”, are a barrier for families trying to achieve economic independence and financial stability. The cliff effects are pronounced between the wage of \$14/hour - \$22/hour, where families are worse off with loss of supports even though their incomes are increasing.⁵ Many state and federal assistance programs use varying definitions of homelessness and assistance is often tied to complicated eligibility criteria. The complex service delivery system makes it difficult for families to access support across state agencies and makes progress tracking difficult for the Commonwealth.

Need for Systems Coordination and Efficiency

State agencies that administer the assistance programs play a vital role in helping people to achieve housing stability and economic mobility. There is an urgent need for establishing cross-agency systems and making programs work better together to support families in achieving housing stability and economic mobility. There is a need to bring together stakeholders to create a coordinated service delivery system across government departments. The coordinated system will support homelessness prevention, minimize cliff effects, and provide case management through service providers who are focused on an integrated approach to housing and economic stability. Throughout this work, it is critical to bring in the voices of families who have experienced housing instability, organizations that administer state programs, and other stakeholders to understand the solutions that will work in people’s lives.

The package of bills supported by the On Solid Ground Coalition addresses the coordination challenges by getting all the stakeholders to come together to better serve the vulnerable populations in Massachusetts.

H.2245 / S.725, An Act Relative to Interagency Efforts to Reduce and Prevent Homelessness

On Solid Ground respectfully requests that the Committee report out favorably H.2245/ S.725, *An Act Relative to Interagency Efforts to Reduce and Prevent Homelessness*, sponsored by Representative Byron Rushing and Senator Linda Dorcena Forry.

⁴ The Boston Foundation Report. (2017). *The Growing Challenge of Family Homelessness*. Homeless Assistance for Families in Massachusetts: Trends in Use FY2008-FY2016.

⁵ Albelda R. and Carr M. Combining Earnings with Public Supports: Cliff Effects in Massachusetts. Communities & Banking. The Federal Reserve Bank of Boston, Winter 2017.

This legislation creates a Memorandum of Understanding among the Secretaries of Housing and Economic Development, Health and Human Services, Labor and Workforce Development, Education, and Administration and Finance to direct these agencies to work together in coordinating policies, services and resources for households that are facing economic instability and homelessness. The bill will direct state agencies to focus on homelessness prevention efforts through assessment, data sharing, and resource delivery systems. The bill helps to formally realign the state's resources to provide more seamless access to resources for families with low incomes.

H.3020 / S.724, *An Act Relative to Economic Mobility and Stability Program*

On Solid Ground respectfully requests that the Committee report out favorably H.3020 / S.724, *An Act Relative to Economic Mobility and Stability Program*, sponsored by Representative Aaron Vega & Senator Linda Dorcena Forry.

Many self-sufficiency programs have been created at the local, state, and federal level to help households increase their incomes and build assets. Along with the Federal Self-Sufficiency Program, there are state and local programs including those at EMPATH, Secure Jobs, and the Worcester Housing Authority. The Department of Housing and Community Development and the Department of Transitional Assistance also have self-sufficiency programs, including, MassLEAP and a separate internship program that encourages economic mobility for families on assistance. This legislation will help determine which programs have the most favorable outcomes for families so that programs and best practices can be scaled to provide opportunities for families across the state. This bill creates a commission to study these many self-sufficiency programs, examine the impact of cliff effects, provide recommendations, and help shape programs that will better assist families reach economic independence.

S.719, *An Act Relative to the Massachusetts Rental Voucher Program*

On Solid Ground respectfully requests that the Committee report out favorably S.719, *An Act Relative to the Massachusetts Rental Voucher Program*, sponsored by Senator Jamie Eldridge.

The bill codifies the Massachusetts Rental Voucher Program (MRVP) into Ch. 121B of the General Laws to help this affordable housing resource remain a reliable resource for households with low incomes. MRVP provides housing stability and security to more than 8,000 households with low and extremely low incomes, including elders, persons with disabilities, and families with children. Thanks to increased investments by the Legislature, MRVP has grown significantly in recent years. With more people being served by the program, this bill will help ensure that the program is run efficiently and effectively.

Given the current need for economic mobility and housing affordability, it is critical that the Commonwealth's agencies and programs are aligned to support families struggling to achieve financial stability. Again, we encourage the Committee to report these bills out favorably.

As always, thank you for your leadership and for helping to make sure all families in the Commonwealth have safe, stable homes in communities of their choice and opportunities for economic mobility and wellness.

Please do not hesitate to contact me with any questions.

Sincerely,

Abhidnya Kurve
Policy Coordinator