

February 28, 2023

<u>Testimony on House Bill 562</u> <u>Human Services – Temporary Cash Assistance – Housing Allowance</u> House Appropriations Committee

Position: Favorable

Maryland Nonprofits is a statewide association of more than 1500 nonprofit organizations and institutions. We urge you to support House Bill 562 to provide additional housing support to Temporary Cash Assistance (TCA) recipients.

House Bill 562 provides a housing allowance to households that are receiving temporary cash assistance or transitional support services and are not receiving a certain housing subsidy where the tenant's portion of rent is based on a percentage of the tenant's income; and requiring the continuation of a housing allowance for 6 months following the termination of temporary cash assistance if the household is receiving or is eligible to receive Supplemental Nutrition Assistance Program benefits.

Renters are struggling to regain economic self-sufficiency in a pandemic economy:

- 1. Ripple effects from the pandemic are still causing financial disruptions. People are still missing hours at work due to COVID or COVID related closures.
- 2. Rent inflation skyrocketed during the pandemic, increasing 19% over two years in the Baltimore area alone.
- 3. Asset depletion and increasing rent debt is widespread among low-income renters.

With savings and credit tapped out, TCA households in particular have no buffer to keep them from homelessness when small financial setbacks inevitably happen.

We urge you to move favorable on House Bill 562.

