

Bill Title: Senate Bill 848, Statewide Rental Assistance Voucher Program -

Establishment

Committee: Education, Energy and Environment

Date: February 28, 2023

Position: Favorable

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose membership consists of owners and managers of more than 207,246 rental housing homes in more than 937 apartment communities. Our members house over 667,000 residents of the State of Maryland throughout the entire State of Maryland. MMHA membership also includes more than 216 associate members that supply goods and services to the multi-housing industry. More information is available at https://www.mmhaonline.org/

This bill establishes a Statewide Rental Assistance Voucher Program administered by the Department of Housing and Community Development and Public Housing Authorities (PHAs) to provide vouchers and housing assistance payments for low-income families that are on a waiting list under the federal Housing Choice Voucher Program. The Department and each Public Housing Agency must prioritize vouchers and housing assistance payments for families that include a child who is under the age of 16 years, a military veteran, an individual experiencing homelessness, a disabled individual or an elderly individual.

Housing Choice Voucher Program

The federal government's housing choice voucher program helps very low-income families, the elderly, and the disabled afford quality housing in the private market. The voucher is provided to the family or individual, which empowers the participant to find the type of housing that fits their needs, including single-family homes, townhouses, or apartments.

Federal vouchers are administered locally by public housing agencies (PHAs), which receive federal funds from the U.S. Department of Housing and Urban Development (HUD). In practice, the PHA pays a housing subsidy directly to the landlord on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. When authorized under certain circumstances by the PHA, a family may use its voucher to purchase a home.



Status of Housing Choice Voucher Program

According to the Center on Budget and Policy Priorities, federal funding limitations mean that only 10% of eligible households receive a federal voucher. Of those eligible households, 84% waited more than a year to receive assistance. Many Maryland families are required to wait multiple years before receiving assistance.

In Maryland, the Housing Choice Voucher Program is also over capacity. Those who qualify are fortunate if they can get on a waitlist and access the housing support within years. Each PHA has its individual challenges. Out of the 22 PHAs in Maryland, MMHA understands that only six waitlists are currently open. Of these, the Department of Housing and Community Development Eastern shore waitlist will close at the end of February. While the Baltimore County waitlist is partially open, as of February 2023, and the Montgomery Housing Opportunity Commission is currently processing applications from 2016. In Howard County, "applications for vouchers are not being accepted at this time". The Commission's waiting list for vouchers has been closed since June 2012. For those who are on the waiting list, the current projected waiting period for a Voucher is approximately 8-10 years. Unfortunately, it does not appear that the waiting list will be opening for applications in the near future, based on recent funding decisions by the federal government".

While not a panacea, Senate Bill 848 is an important effort in supporting the housing insecure.

For these reasons, we respectfully request a <u>favorable report</u> on Senate Bill 848.

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