



MARYLAND DEVELOPMENTAL DISABILITIES COALITION

Dedicated to the rights and quality of life for people with developmental disabilities in Maryland

Senate Judicial Proceedings Committee
February 4, 2020
SB 530: Housing Opportunities Made Equal Act
Position: SUPPORT

The Maryland Developmental Disabilities Coalition supports SB 530.

National and state data confirm that low-income people with disabilities are experiencing severe housing affordability problems. It is virtually impossible for people with disabilities receiving Supplemental Security Income (SSI) to obtain affordable and accessible housing in the community unless they receive rental housing assistance.

FROM THE PERSPECTIVE OF PEOPLE WITH DISABILITIES:

- People with disabilities are among our poorest citizens. Many people with significant disabilities rely on SSI to cover their living expenses. The 2020 SSI payment in Maryland for an individual is \$783/month (\$9,396/year)ⁱ, which is equal to 11.5% of the statewide area median income for a household of one.ⁱⁱ Income below 30% of area median income is considered “extremely low income by the U.S. Department of Housing and Urban Development.”ⁱⁱⁱ
- According to the federal standards, housing is considered affordable if it consumes no more than 30% of a household’s income. Using this standard, an individual whose sole source of income is SSI can afford \$235 in monthly rent. However, the statewide Fair Market Rent for a one-bedroom apartment in Maryland ranges from \$587 to \$1,500, depending on the area.^{iv}
- The U.S. Dept. Of Housing & Urban Development reported to Congress that, approximately one in seven (14%) renter households with “worst case housing needs” included a nonelderly person with disabilities. Worst case housing needs are defined as renters with acute needs for housing assistance, unassisted renters with incomes below half of their area's median income who pay more than half of their income for housing, or live in severely substandard housing.^v

WHY NOW?

In recognition of changing state requirements and federal laws, the Developmental Disabilities Administration (DDA) created an advisory group to make recommendations regarding policies and practices that support people with developmental disabilities in independent living situations where services are separate from services. As a result, the DDA created a rent subsidy program for people with developmental disabilities, and funded a new Maryland Inclusive Housing Corporation to serve as a catalyst for the development, and identification of affordable and accessible housing and housing resources for people with developmental disabilities. **It is our understanding that FY2020 funds will start and maintain the corporation, and the FY2021 budget includes:**

- **\$587,500 for the first year of the Rental Assistance program.**
- **The Rental Assistance Program will provide rental assistance to 50 new individuals with developmental disabilities with an annual average rate of \$10,950 per year.**

Even more people with developmental disabilities will have access to rental assistance, therefore fair access to housing is more critical than ever.

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- It is commonly believed that the answer to the housing affordability gap for people with disabilities is employment. National Housing Wage data makes it clear that when people with disabilities move from the SSI program to employment, many are still likely to experience housing affordability problems unless they make significantly more than minimum wage. The latest data shows that Maryland's "Housing Wage" was \$22.95 in 2019 for a one-bedroom apartment, which is the wage a person would need to earn (based on a 40 hour work week) in order to pay Fair Market Rent, spending no more than 30% of his/her income on housing costs.^{vi} Comparatively, the SSI payment in 2019 was equivalent to an hourly wage of \$4.45.^{vii}

The very intent of SSI is to assist with the cost of food, clothing, AND shelter. This bill would provide protections so that people with disabilities are not denied access to housing because this is their source of income.

According to a report by the Consortium for Citizens with Disabilities, a national coalition, "access to decent, safe and affordable housing has fostered greater inclusion in the community for people with disabilities and has increased their access to natural supports (family, friends, co-workers) as well as social and recreational opportunities routinely enjoyed by all Americans". This is certainly the case in Maryland.

This legislation would not establish an undue burden. In fact, at least 6 Maryland counties, 3 Maryland cities, over 16 states, and 91 localities in the country have already implemented laws prohibiting housing discrimination based on source of income, thereby demonstrating that this fair-minded protection can be implemented.

As a progressive state, the DD Coalition believes Maryland should pass this bill, join these other jurisdictions, and ensure equal access to housing.

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ⁱ Social Security Administration

ⁱⁱ American Community Survey. 2018 Data. Maryland statewide area median income for a household of one was \$81,868. Furthermore, based on Priced Out in 2016 (the latest report): On average, without rental assistance people in Maryland who receive SSI would have to spend 167% of their monthly SSI benefits on rent for a one-bedroom apartment, which is impossible. An SSI recipient in MD would have to pay 149% of their income for efficiency. Technical Assistance Collaborative, Inc. www.tacinc.org.

ⁱⁱⁱ U.S. Housing and Urban Development (HUD). 2020 Fair Market Rent.

^{iv} Ibid

^v *Worst Case Housing Needs : 2017 Reports to Congress*; U.S. Housing and Urban Development.

^{vi} *Out of Reach 2019*; National Low Income Housing Coalition. This research looks at the disparity between wages and rent.

^{vii} \$771/monthly SSI payment in 2019/2080 hours (40 hour work week) = \$4.45.