



February 24, 2023

The Honorable Delegate Kumar P. Barve
Chair, House Environment & Transportation Committee
Maryland House of Delegates
6 Bladen St.,

Annapolis, MD 21401

**RE: House Bill 826 Statewide Rental Assistance Voucher Program - Establishment —
(SUPPORT)**

Dear Chair Barve:

On behalf of Prosperity Now, I am writing in **SUPPORT** of **House Bill 826 Statewide Rental Assistance Voucher Program - Establishment**, establishing a Statewide Rental Assistance Voucher Program in the Department of Housing and Community Development to provide vouchers and housing assistance payments for low-income families that are on a certain federal housing program waitlist. In recent years, many states have addressed the affordable housing crisis as well as economic recovery amid COVID-19 through housing voucher bills that would support low-income families with receiving reliable and stable housing.

Extensive research from policy experts has shown that housing vouchers provide a pipeline to reducing homelessness, housing instability, and recidivism. According to research presented by the Center for Budget and Policy Priorities, "Vouchers would reduce the large racial disparities in housing opportunity, which reflect longstanding discrimination in housing, employment, and other areas. Some 71 percent of those assisted by the vouchers would be people of color. Vouchers would also give families (including families of color, who often have faced discriminatory rental practices and zoning laws that limit their housing choices) a broader choice about where they live. Studies show that when vouchers enable families to move to high-opportunity areas, both children and adults can benefit over the long term." For far too long, the strain on housing retention has led to ongoing displacement for low-income and moderate-income families. Homeownership has been an intricate part of the foray into wealth building, and it serves as a

symbol to build a family, relinquish the stress of residential instability and lay a foundation for financial success.

At Prosperity Now, we are working to transform current systems, practices, and policies in service of an economy that works for everyone. We aim to build an economy that is just, fair, and free from structural racism that allows every person, family, and community to have the power to build sustainable wealth and prosperity. Prosperity Now supports policies that create wealth-building opportunities and provide greater economic opportunity for children born into low-income households. Through research, policy advocacy and the strength of our nationwide networks, our efforts support access to the financing, financial capability services and housing options that families need to successfully become homeowners.

The racial wealth gap stems from a long history of economic and political exploitation of Black, Latinx, Indigenous and other people of color. The racial wealth divide is perpetuated across generations, with the historical advantages accrued by White households transferred and compounded through financial support and seed capital passed onto the next generation. Young adults whose households have limited to no wealth—disproportionately Black, Latinx, and Indigenous—start their adult lives without significant intergenerational wealth transfers through homeownership, putting them behind their wealthier White peers in building wealth over their lifetimes. Providing assistance that aids in transitioning families into stability will create more financial security and can help to level the playing field.

Prosperity Now has been working to advance housing stability at the federal, state, and local levels for several years.

As a leading expert on housing, Prosperity Now has created several papers and resources, including a brief released on [Gaining Financial Security through Housing](#), where we interviewed housing organizations in Maryland as well as other states nationally that furthered the importance of housing assistance. Through this research conducted, it was found that approximately five million low-income households received federal rental assistance through Housing Choice Vouchers or public housing, meaning that only one in four income-eligible households receive housing assistance. However, these dollars and other housing assistance funds can have greater impact if paired with financial capability services delivered to residents of affordable housing through state level programs.

Currently, Maryland has already taken incremental steps in housing affordability through The Housing Choice Voucher Program, a federally funded, locally administered rental assistance program that subsidizes the rent of lower-income families, the elderly and disabled to afford decent, safe housing in the private market using federal funds. The proposed legislation of HB 826 would begin to level the playing field for disproportionately marginalized communities by recognizing the very different circumstances for individuals with disabilities, seniors, veterans, and families with children that are at risk for homelessness — which is currently different from the federal funding provided to distribute adequate housing.

Similar legislation has already passed in Washington and New Jersey, and Maryland has the opportunity to make a historic investment in the state's families and the state's economic future.

For these reasons, Prosperity Now is pleased to **SUPPORT** and urge an **AYE** vote on **HB 826**.

Sincerely,

Lauren Bealore
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Prosperity Now
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cc: House Environment & Transportation Committee
Members