

Testimony to the Senate Finance Committee
SB 420 – Human Services – Temporary Cash Assistance – Housing Allowance
Position: Favorable
Economic Action Maryland

February 24, 2023

The Honorable Melony Griffith, Chair
Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401
cc: Members, Finance Committee

Honorable Chair Griffith and Members of the Committee:

My name is Michael Donnelly from Economic Action Maryland. We are a nonprofit organization that works to advance economic justice and equity statewide through direct service, research, education, and advocacy.

We write today in support of Senate Bill 420.

Our Tenant Advocacy program provides assistance to renters and property owners in every Maryland county. We provide information on rights and responsibilities and make referrals to other organizations when necessary.

In the past few years, we've seen a dramatic rise in rents, with the average United States tenant "rent-burdened" for the first time ever, meaning they spend more than 30% of their income on renting costs.¹ At the same time, rental assistance programs are closing their doors. This leaves renters in a precarious position, at risk of losing their homes or paying far more than they can afford just to have a roof over their head.

Senate Bill 420 proposes common-sense measures to protect Marylanders bearing the brunt of this crisis. If enacted, it would help ease the burden on cash-strapped households by providing a housing allowance in addition to other financial assistance. It also streamlines eligibility screening to ease the burden on households already experiencing financial distress. It could serve as one way to improve stability and reduce precarity for Marylanders. In these pressing times, making financial assistance available for pressing needs and reducing barriers to accessing assistance is necessary.

For these reasons, we urge a favorable report on Senate Bill 420.

Respectfully,
Michael Donnelly Economic Action Maryland

¹ <https://cre.moodyanalytics.com/insights/market-insights/q4-2022-housing-affordability-update/>