



SB 420 - Human Services – Temporary Cash Assistance – Housing Allowance
Senate Finance Committee
February 23rd, 2023
SUPPORT

Chairwoman Griffith, Vice-Chair, and members of the committee thank you for the opportunity to submit testimony in support of Senate Bill 420. This bill will help low-income families be able to afford housing.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

The state of Maryland is the 9th most unaffordable place to live in the nation. The U.S. Department of Housing and Urban Development (HUD) has determined that Fair Market Rent for a 2 bedroom is as follows:

- Baltimore City, Baltimore County, Anne Arundel County- \$1,548/ month
- Prince Georges County, Montgomery County- \$1,838/ month

While the maximum amount for Temporary Cash Assistance (TCA) for a household of 3 is \$727. Fair Market Rent is unaffordable to families that receive TCA. In 2022 alone, 1,113 Maryland families that received TCA experienced homelessness. This disturbing statistic can be addressed with SB 420.

SB 420 would help low-income families be able to afford housing, while reducing the risk of homelessness. Eligibility would be for low-income families who receive TCA or TSS and do not receive a federal, state, or local housing subsidy. Eligible households will receive \$350 for a household of 1, plus \$100 per additional household member, in addition to the TCA benefit they already receive. With a housing allowance, families experiencing poverty will have greater access to the rental market and be able to cover the rising cost of rent and utilities. Not only will the allowance give families the opportunity to access stable housing, but it will allow them to maintain stability.

Financial stability is not a luxury. Stable housing is necessary for families to get back on their feet, strongly connect with the workforce, and build long-term success.

Thus, we encourage you to return a favorable report for SB 420.

Creating Assets, Savings and Hope