



Welfare Advocates

Founded 1979

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Senate Bill 420 Human Services – Temporary Cash Assistance – Housing Allowance

Senate Finance Committee
February 23, 2023

Support

Welfare Advocates is a statewide coalition of social service organizations, advocacy groups, faith communities, and community members, whose mission it is to educate and advocate for an adequate safety net and public policies that support families moving towards economic stability.

Welfare Advocates strongly supports SB 420, which requires the Department of Human Services to create a housing allowance subsidy for families on Temporary Cash Assistance (TCA) or Transitional Support Services (TSS) who do not receive another type of housing assistance.

Affordable housing remains one of the most critical – and difficult to secure – needs for low-income Marylanders. One of the first steps to economic security is obtaining stable housing, and there is a dire need for housing assistance in Maryland. Maryland is the 9th most unaffordable state for rental housing in the country, and the challenges of residing in a state with high living costs are borne disproportionately by low-income families, like those receiving TCA.¹ Lack of permanent and safe housing places individuals at risk for homelessness, chronic unemployment, struggling in school, and forgoing the treatment of medical needs.

TCA families are living far below the poverty line and struggle to obtain affordable, safe housing. The TCA program serves families with children who live in deep poverty, and families use their benefits to purchase food, transportation, utilities, and meet other basic needs. While TCA is a critical safety net, the benefit amount is only statutorily required to meet 61.25% of the Maryland Minimum Living Level when combined with the Supplemental Nutrition Assistance Program (SNAP), leaving families who receive the full benefit still struggling to make ends meet on an amount that is – by definition – not enough to live on in Maryland. Consequently, over 1,000 families on TCA experienced homelessness in 2022.² Unfortunately, despite the overwhelming need and importance of rental assistance, the programs are severely underfunded and only one in every four eligible families are able to access federal rental assistance.³ Especially with historic inflation, now is a critical time to create and invest in a TCA housing allowance, which will give low-income families greater access to the rental market & increase the likelihood they can secure stable housing.

Creating a TCA housing allowance is an investment in the health of families and will generate cost savings for the state. Increasing a family's budget by creating a housing allowance means they can build the economic security necessary to transition off of TCA permanently. Without access to housing assistance, more TCA families will continue to spiral into homelessness and housing instability, which are public health crises that are extraordinarily expensive to address. We know that families thrive in economically secure households with stable housing, and thriving families means a thriving state. Ultimately, passing SB 420 will increase the budgets of low-income families, and improve our state's economy overall.

WA appreciates your consideration, and respectfully urges a favorable report on SB 420.

Submitted by Lisa Klingenmaier, *Chair of Welfare Advocates*

¹ National Low Income Housing Coalition 2022. *Out of Reach – Maryland*. <https://nlihc.org/oor/state/md>

² Data from the Department of Human Services.

³ Center on Budget and Policy Priorities. 2021. *More Housing Vouchers: Most Important Step to Help More People Afford Stable Homes*. <https://www.cbpp.org/research/housing/more-housing-vouchers-most-important-step-to-help-more-people-afford-stable-homes>
