



House Bill 716

Housing and Community Development - Statewide Rental Assistance Voucher Program Eligibility - Alterations

Hearing in the House Environment and Transportation Committee
On February 18, 2025

Position: FAVORABLE

Maryland Legal Aid submits its written and oral testimony on HB0716 at the request of Delegate Jen Terrasa.

Maryland Legal Aid (MLA) is a non-profit law firm that provides free legal services to the State's low-income and vulnerable residents. Our offices serve residents in each of Maryland's 24 jurisdictions and handle a range of civil legal matters, the most prominent of which is housing. MLA Tenant Right to Counsel Project represented renters in over 4,600 eviction cases in 2024. Because we know that our clients are among the most economically vulnerable households in the state and could benefit greatly from access to housing made possible by the Statewide Rental Assistance Voucher Program, Maryland Legal Aid urges this Committee to report **favorably** on House Bill 716.

HB 716 alters some of the mechanics of the Statewide Rental Assistance Voucher Program to match those of the federal Housing Choice Voucher Program. Significantly, this bill raises the cap on a voucher-holder's income-based share of rent from 30 percent to 40 percent.

MLA expects that, with this change, the state Department of Housing and Community Development will *not* institute across-the-board rent increases for voucher-holders. This bill purports to bring the state program in line with the federal analog, and under federal regulations, a rent calculation at 40% of the tenant's household income is permitted specifically when "the gross rent of the unit exceeds the applicable payment standard for the family."¹ The payment standard is set by the local housing authority within a range of 90% to 110% of HUD's fair market rent guideline.

¹ 24 CFR § 982.508. "Maximum family share at initial occupancy. The specific language states: At the time the [housing authority] approves a tenancy for initial occupancy of a dwelling unit by a family with tenant-based assistance under the program, and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share must not exceed 40 percent of the family's adjusted monthly income.")

The language in HB 716 does not provide this specificity. However, MLA understands the Department's intent and has asked the Department to add in regulations/rulemaking the appropriate specificity regarding 40-percent calculations.

For all these reasons, Maryland Legal Aid urges the Committee to report **FAVORABLE** on House Bill 716.

If you have any questions, please contact:

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