



RAAP Campaign

*Prevent homelessness by funding the
Rent Arrearage Assistance Program*

INTRODUCTION

The RAAP Campaign is a coalition of organizations and agencies from across the Commonwealth, led by the Massachusetts Coalition for the Homeless (MCH), that seeks to restore a statewide rent arrearage assistance program. Together, we believe we can prevent homelessness by helping people remain stably housed when they are behind on rent, prior to experiencing an eviction. MCH has worked to prevent and end homelessness across the Commonwealth of Massachusetts since 1981, by advocating for the needs of children, youth, families, and individuals who are at-risk of or experiencing homelessness. MCH believes that all people should have a place to call home, and that access to a stable, affordable home is a requirement of human dignity.

In fact, without decent housing, economic opportunity and upward mobility become impossible. People that are unhoused or unstably housed often cannot build up savings, pursue education, maintain good health, or adequately feed themselves and their children. In addition, those facing housing instability frequently find themselves on the brink of falling behind on rent or mortgage payments, which can then lead to eviction, and force a household into homelessness. **These at-risk households are in urgent need of a new resource to provide the necessary, swift assistance to remain in their homes. We believe this will be best achieved by re-establishing a statewide rent arrearage program.** For many years, the Massachusetts Department of Transitional Assistance (DTA) operated a rent arrearage program, which proved to be both cost-efficient and effective at keeping people in their homes. That program, unfortunately, has not received funding since 2003, when legislators chose to end funding for the program. Legislators made that decision due largely to the context of a limited state budget, and not because of any serious policy critique of the program. Now is the time for legislators to reinvest in the rent arrearage program and restore this crucial resource for preventing homelessness by helping to keep vulnerable people stably housed.

We urge advocates to join the RAAP Campaign by endorsing the organization on behalf of their organizations. We urge State Legislators to utilize all available legislative means for re-investing in a statewide rent arrearage program.

BACKGROUND

The intersection of soaring housing costs, an inadequate supply of affordable homes, and stagnant wages for workers often leads to the experience of housing instability, which is felt most deeply in households with the fewest resources. Among individuals and families with the lowest incomes across the Commonwealth, housing costs routinely consume an outsize portion of household income. Many pay far more in monthly housing costs than the 30% of household income that is typically considered to be affordable, meaning that they experience a cost burden. In fact, according to *State of the Nation's Housing 2018*, published by Harvard University's Joint Center for Housing Studies, 11.2% of all homeowners and 25.5% of all renters in Massachusetts experience a severe cost burden, meaning that they pay more than 50% of their income on housing costs. More precisely, according to *The Gap: A Shortage of Affordable Homes 2018*, published by the National Low Income Housing Coalition (NLIHC), 60% of Extremely Low Income (ELI) Massachusetts renters, or those earning less than 30% of their Area Median Income (AMI), are severely cost burdened, compared with just 2% of middle income households earning between 81% and 100% of AMI.

Further, *The Gap* reports that the Commonwealth has only 46 rental homes affordable and available for every 100 of the state's ELI households, compared with 99 homes for each of the state's 100 middle income households. This leads to those individuals and families with the fewest resources being disproportionately likely to live in housing that they cannot truly afford, straining their already limited budgets.

For the state's low and moderate-wage earners, simply working full-time does not provide sufficient income to remain stably housed. According to NLIHC's *Out of Reach: the High Cost of Housing 2018*, a single-income Massachusetts household would need to earn an hourly wage of \$28.64 per hour in order to afford rent on a modest two-bedroom home. This is equivalent to working 95 hours per week at the state's recently increased \$12 per hour minimum wage, making Massachusetts one of the costliest states in the nation for housing.

PROBLEM

When households pay more than they can afford in housing costs, they may often find themselves in the impossible position of having to choose between paying the rent on time and putting food on the table, or scheduling a doctor's appointment to address an illness; between making the monthly mortgage payment and making repairs to the family car, or setting money aside to build savings. For households living in such precarious situations, a single emergency can drive the family into a downward spiral of housing instability, missed rent or mortgage payments, eviction, and homelessness. While a landlord may evict a household for reasons not directly tied to rent payments, such as damaging property, causing a disturbance, or breaking the law, most eviction cases begin when a renter cannot pay the rent. According to NLIHC's analysis of the U.S. Census Bureau's latest American Housing Survey data, households experiencing a severe housing cost burden were nearly three times as likely as those not experiencing a cost burden to have been unable to pay all or part of their rent in the previous three months. Further, those experiencing a severe housing cost burden were 50% more likely than those not experiencing a cost burden to have been threatened with eviction due to nonpayment of rent in the previous three months.

When households fall on hard times and have no way of avoiding an eviction due simply to being unable to pay their rent, the ensuing experiences can unleash a wave of consequences and trauma felt for years to come. A forced relocation after an eviction can lead to a family being removed from its home community and to children being removed from their schools. This act of removal can lead to both adults and children developing negative physical and mental health impacts long after the eviction takes place. For children, the inherent instability of such an experience can stunt their psychological development and performance in school. Eviction can lead to job loss, when removal from a home community complicates how a family travels to work, or when the lengthy nature of an eviction proceeding adds stress to a worker, and causes them to make mistakes on the job. Evictions have even been demonstrated to lead to increased rates of suicide.

Households with an eviction record have this piece of their background publicly searchable online for years following their eviction on the Massachusetts Trial Court Electronic Case Access database, allowing landlords to discriminate against them and screen them out from future housing opportunities. Being denied housing following the experience of an eviction can lead a household either to settle for unsafe housing, or to become homeless—living doubled-up in a home with another family, in the shelter system, or on the streets.

SOLUTION

The best solution to the problems that arise from an eviction is to prevent that eviction from ever taking place at all. For households at risk of eviction and homelessness due to nonpayment of rent, the clearest and most effective resource is an immediate infusion of cash assistance to help pay their rent arrearages and keep them in their home. The RAAP Campaign supports restoring a rent arrearage program that would reach all types of low income households—e.g. families, individuals, and unaccompanied youth—that are at risk of losing their homes, as indicated by documentation of rent arrears. The campaign supports a program that would be accessible to income-eligible households prior to receiving an eviction notice, and that would provide direct cash assistance in the amount of up to four times the household's monthly rent costs. This would distinguish a

rent arrearage program from other housing assistance programs such as the Residential Assistance for Families in Transition (RAFT) program, which predominantly serves families with children, and which provides assistance for households facing eviction or that are relocating to a new home following a housing crisis.

A 2003 DTA analysis of its previously administered rent arrearage program indicated that 96% of recipients maintained stable housing and did not require deeper assistance in the form of an emergency shelter stay during the following 12 months. Further, 75% of families attained self-sufficiency, and did not need additional arrearage payment assistance during the following calendar year.

By avoiding emergency shelter stay, households that benefitted from rent arrearage assistance helped the Commonwealth save funding that could be diverted toward other valuable programs. DTA reported in 2003 that the average household in the rent arrearage program received \$1,249 in assistance, whereas the average cost of an emergency shelter stay was \$14,670—a savings of more than \$13,000 per household, when receiving arrearage payment assistance as a means of avoiding an emergency shelter stay. By comparison, the average cost of an emergency shelter stay today is \$53,300 per household, according to the latest data available from the Massachusetts Department of Housing and Community Development (DHCD). Up to four months' back rent for the lowest income households across the Commonwealth is guaranteed to still be a fraction of the average cost per household of an emergency shelter stay. By avoiding eviction proceedings, individuals and families who may benefit from rent arrearage assistance also contribute toward freeing up the Mass Courts docket and free up some resources that may otherwise be consumed by assistance from legal services attorneys.

OPPORTUNITIES IN THE STATE HOUSE

In January 2017, Representative Marjorie Decker of Cambridge filed House Bill 84, “An Act to further provide a rental arrearage program,” in the 190th General Court, which would have re-established a statewide rent arrearage program. House Bill 84 was cosponsored by 16 Representatives and 6 Senators, and was reported out favorably by the Joint Committee on Children, Families, and Persons with Disabilities, but did not advance through the House Committee on Ways and Means.

In January 2019, Rep. Decker filed House Bill 1264 in the 191st General Court, also titled, “An Act to further provide a rental arrearage program.” Building on the momentum of the 2017-2018 legislative session, House Bill 1264 was cosponsored by 57 Representatives and 14 Senators, and has been referred to the Joint Committee on Housing, where the bill awaits a public hearing and further consideration by the Committee.

We urge State Legislators to advance House Bill 1264 through the legislative process, and prioritize its passage. We urge advocates to endorse the RAAP Campaign, and join us in calling on our elected officials to implement and fund a rent arrearage program. Massachusetts households with the lowest incomes are often one paycheck, accident, or emergency away from losing their housing and experiencing homelessness—these households with the fewest resources cannot wait any longer for this crucial support for staying in their homes.

For more information, contact James Saucedo at james@mahomeless.org / 781-595-7570 x 33 or Kelly Turley at kelly@mahomeless.org / 781-595-7570 x17. The RAAP Campaign is a campaign of the Massachusetts Coalition for the Homeless. Learn more at www.mahomeless.org/advocacy.

