

Massachusetts Rental Voucher Program

FY2023 FUNDING REQUEST: \$200 MILLION

MRVP provides housing stability and security to over **9,181** low income households, including elders, persons with disabilities, and families with children.

Support funding of \$200M for MRVP (line item 7004-9024) in FY2022.

RECENT SUCCESSES WITH MRVP:

- A significant increase in MRVP funding from \$125M in FY'21 to \$150M in FY'22
- A reduction in the state's reliance on motels to house families experiencing homelessness to near-zero numbers
- With the increased funding in FY'21 and FY'22, DHCD created over **1,000** new vouchers

WHY NOW?

- MRVP was funded at **\$125 million** in 1990 with **20,000** vouchers in use. If that level of funding had kept pace with inflation, MRVP would be funded at **\$270 million** today
- HUD's 2015 Family Options Study demonstrated that families experiencing homelessness who secured a housing voucher were less likely to reenter homelessness; had fewer school interruptions for their children; and had decreased their levels of toxic stress
- Nearly 70% of the Commonwealth's renter households earning less than 30% of the Area Median Income (AMI) are severely cost burdened, needing to spend more than half of their income on housing costs; the same is true for 22% of MA renter households earning 31%-50% AMI.*
- Vulnerable residents of MA need reinvigorated state government supports for their stability amidst ongoing uncertainties from the ongoing COVID-19 pandemic.

WHAT WILL \$200M FOR MRVP FOR FY2023 ACCOMPLISH?

- Move us closer to restoring MRVP to its peak from the 1990's
- Create over **4,000** new vouchers (assuming vouchers currently cost \$1,100/month)
- Create more new homes for extremely low income households, as MRVP is the tool most used to build ELI housing
- Reduce reliance on emergency rental assistance and shelter by building long-term solutions
- Move the program to a payment standard model in which the tenant rent share is decreased to 30% from 40%

*Source: NLIHC tabulations of 2019 GAP Report.