



Fiscal Year 2023 Budget Priorities: Working to Prevent and End Homelessness by Increasing Funding for Housing and Homelessness Prevention Resources and Protecting Safety Net Programs

Top Budget Priorities

1. Increase funding for the Residential Assistance for Families in Transition Program (RAFT, Line Item 7004-9316) and the related Emergency Rental Assistance Program (ERAP) and expand access to upstream homelessness prevention resources.

- Increase funding to at least \$250 million in state funding for RAFT in FY23 to address the ongoing COVID-19 pandemic and recovery. We also are looking to combine RAFT with additional funds for ERAP so that a total of \$700 million in new funds are allocated for the emergency and upstream homelessness prevention for the remaining months of FY22 and for FY23. The Governor has recommended \$80 million for RAFT in FY23 and has requested \$60 million more for RAFT in the pending FY22 supplemental budget.
- Restore the \$10,000 cap on annual RAFT benefits from the current cap of \$7,000 per household
- Continue the existing budget provision that allows eligible households to combine funds from RAFT and the HomeBASE program (see below) if needed
- Continue to mandate detailed tracking and reporting on households applying, approved, denied, demographics, and funding uses

2. Adequately fund and protect emergency shelter and service programs for children and families experiencing homelessness and support key provisions in the Emergency Assistance program line item (EA, Line Item 7004-0101 and the related administrative account, Line Item 7004-0099).

- Provide at least \$230 million in FY23: \$213.2 million, as recommended by the Governor plus additional funding to increase the income eligibility limit from 115% of the Federal Poverty Guidelines (FPG) to 200% FPG for Emergency Assistance applicants, and to increase the income limit for families already in EA shelter from 200% FPG to 285% FPG (while also maintaining the over-income grace period)
- Continue to include language from the FY22 budget to provide shelter to otherwise eligible families who are at imminent risk of staying in a place not meant for human habitation, and provide further guidance and oversight to ensure that DHCD properly implements this language in FY23
- Maintain the requirement that the Administration give the Legislature 90-days advance notice before reducing benefits or imposing new limits on program eligibility
- Continue FY22 language to create an ombudsperson unit under the Executive Office of Housing and Economic Development (EOHED) with dedicated staff to address issues and concerns from families applying for and participating in the EA and HomeBASE programs
- Retain FY22 language in the related Department of Housing and Community Development (DHCD) administrative line item (7004-0099) to maintain access to in-person applications for families seeking shelter. Language in the FY22 budget requires DHCD to take applications in the ten cities and towns where DHCD had staff as of January 1, 2021, and to maintain adequate staffing levels, and prohibits DHCD from shifting to a remote-access only system, in which families would have to use a phone, computer, or other technology to apply or otherwise forego applying. This is especially important as DHCD has shut off or severely curtailed in-person access to the EA application process since the March 2020 COVID-19 state of emergency declaration.

3. Address the needs of unaccompanied youth and young adults who are experiencing homelessness by increasing funding to at least \$10 million for housing/wraparound support services under the Executive Office of Health and Human Services (EOHHS) youth and young adult homelessness program (Line Item 4000-0007).

- Increase funding to at least \$10 million for FY23, up from \$8 million in FY22. A \$10 million investment would provide needed ongoing funding for the unaccompanied youth homelessness law, M.G.L. Chapter 6A, Sections 16W and 16X, to better serve and partner with youth and young adults aged twenty-four and younger who are without homes. The Governor has recommended \$8.5 million in funding.
- Funds would be available for EOHHS to use flexibly for housing, wraparound services, and supports for young people experiencing homelessness without a parent or guardian; continuing the work to build up regional Youth Action Boards; and expanding access to underserved young people, especially young people who identify as Black, Latinx, Indigenous, and/or LGBTQ.

4. Increase funding for the Massachusetts Rental Voucher Program (MRVP, Line Item 7004-9024).

- Increase funding to \$200 million to maintain existing services and benefits to households currently served by the program and to significantly increase the number of low-income households (including families, elders, and persons with disabilities) struggling with housing instability served by the program. The Governor has recommended just under \$130 million in direct appropriations, which the Administration indicated they would combine with additional funds for a total of \$145.1 million.
- Decrease the required tenant share of rent to 30% of income from the current range of 30-40% of income
- Shift to a payment standard model to allow mobile subsidy holders greater autonomy and opportunity in choosing where to rent, instead of the current MRVP Maximum Mobile Rent system, which would bring MRVP more in line with the federal Section 8 Housing Choice Voucher Program

5. Increase funding and provide easy renewals for families participating in the HomeBASE Program (a.k.a. Massachusetts Short-Term Housing Transition Program, Line Item 7004-0108).

- Provide at least \$56.9 million to continue payments to households currently enrolled in HomeBASE that need an extension and to enroll new households in both the diversion and shelter exit components of HomeBASE. The Governor has recommended just under \$56.9 million for FY23.
- Allow eligible families to receive at least two years of HomeBASE benefits, with opportunities for families to further extend HomeBASE in twelve-month increments to avoid a return to homelessness. The Governor included language in his budget to make HomeBASE a two-year program.
- Increase HomeBASE payments from \$10,000/year to \$15,000/year, with additional flexibility for DHCD to address the needs of larger families and families in higher cost areas
- Include language to lift the income eligibility limits for families once enroll in HomeBASE to allow families to maximize their income
- Maintain FY22 language to require DHCD to provide the Legislature 90 days advance notice before reducing eligibility or benefits
- Allow households to maximize resources from RAFT, ERAP, and HomeBASE programs
- Include prior appropriation continued (PAC) language to carry over any unspent FY22 funds into FY23

Additional Key Budget Priorities

6. Adequately fund and protect key support programs for low-income families and individuals.

- **Emergency Aid to the Elderly, Disabled and Children Program (EAEDC, Line Item 4408-1000)**: Increase monthly payments by 20% in FY23, building on the FY21 and FY22 monthly grant increases; provide adequate funding to maintain the elimination of the asset limit, which previously has been set at the extremely low levels of \$250 for households of 1 person and \$500 for households of 2 or more people; maintain FY22 budget language to provide full grants to program participants while they are experiencing homelessness, instead of imposing the pre-FY21 homelessness penalty; and maintain the requirement that the Administration give the Legislature 75-days advance notice before reducing benefits or imposing new limits on program eligibility. The Governor has recommended \$122.2 million for FY23, to provide benefits to an increasing number of EAEDC participants. The Governor's projected FY23 spending level of \$122.2 million is up from the anticipated FY22 spending level of \$111.2 million and the actual FY20 spending level of \$85.3 million. We also are seeking an Outside Section that would increase grants by 20% each year until they reach half of the federal poverty level.
- **Transitional Aid to Families with Dependent Children (TAFDC, Line Item 4403-2000)**: Increase monthly payments by 20% in FY23, building on the FY21 and FY22 monthly grant increases; provide adequate funding to increase grants based on caseload projections; maintain the requirement that the Administration give the Legislature 75-days advance notice before reducing benefits or imposing new limits on program eligibility; maintain the \$350/child annual clothing allowance and increase the standard of need in the month(s) the clothing allowance is issued to benefit more low-income households; and maintain the elimination of the family cap rule and the removal of the homelessness penalty. The Governor has recommended \$295.9 million for FY23. We also are seeking an Outside Section that would increase grants by 20% each year until they reach half of the federal poverty level.

7. Increase funding for other important housing programs serving extremely low-income households.

- **Alternative Housing Voucher Program (AHVP, Line Item 7004-9030)**: Increase funding to \$19 million in FY23 to provide additional housing subsidies to individuals under the age of sixty who are living with disabilities. The Governor has recommended reducing overall funding to \$8.7 million for FY23. (The Administration did not indicate it was seeking to carry over any surplus funds from FY22 into FY23.)
- **Public Housing Operating Subsidies (Line Item 7004-9005)**: Fund state public housing operating subsidies at \$92 million to improve and preserve affordable housing opportunities for an estimated 45,600 households,

including extremely low-income families, elders, and persons with disabilities. The Governor has recommended level funding the program at \$85 million for FY23. The Coalition also supports maintaining the \$1 million annual investment for public housing reform (line item 7004-9007) to fund capital improvements, support the maintenance and improvement of the centralized waiting list, help housing authorities manage unit turnover, increase tenant participation, and promote cross-agency partnerships.

- **Shelter and Services for Unaccompanied Adults (Line Item 7004-0102):** Provide at least \$90 million for shelter, rehousing resources, and services for unaccompanied adults experiencing homelessness. The Governor has recommended \$83.3 million for FY23.
- **Home and Healthy for Good Program for Individuals (Line Item 7004-0104):** Increase funding to \$6.39 million and continue to provide dedicated support to LGBTQ young adults experiencing homelessness. The Governor has recommended level funding of \$3.89 million for FY23.

8. Increase funding for the transportation of children and youth experiencing homelessness to decrease the costs to cities and towns (ESE Line Item 7035-0008).

- Increase funding in line item 7035-0008 under the Department of Elementary and Secondary Education to reimburse cities and towns for the transportation of students experiencing homelessness to almost \$23 million for FY23. The Governor has recommended \$22.98 million for FY23.

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