PARTNERSHIP FOR STRONG COMMUNITIES

Partnership for Strong Communities promotes equitable change in Connecticut housing policy by coordinating advocacy, advancing research, and uniting diverse partners

TESTIMONY BEFORE THE APPROPRIATIONS
CONSERVATION AND DEVELOPMENT SUBCOMMITTEE
CHELSEA ROSS, EXECUTIVE DIRECTOR
PARTNERSHIP FOR STRONG COMMUNITIES
THURSDAY, APRIL 10, 2025

H.B. 6863 – AN ACT MAKING DIFICIENCY APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2025

Senator Osten, Representative Walter, Senator Hartley, Senator Kushner, Representative Exum, Representative Paris, Senator Somers, Representative Nuccio, and distinguished members of the Appropriations Committee, thank you for the opportunity to submit testimony on H.B. 6863 – An Act Making Deficiency Appropriations for the Fiscal Year Ending June 30, 2025. I am Chelsea Ross, Executive Director with the Partnership for Strong Communities. We are a statewide nonprofit research, policy and advocacy organization dedicated to ensuring everyone in Connecticut has a safe, stable home that is affordable to them in an equitable community of their choice.

We respectfully request that the committee support the Governor's deficiency appropriations of $5.5 million for the Department of Housing in SB 1247.

Our state is at a turning point in addressing housing affordability. More than 150,000 households that rent their home are severely cost-burdened, spending over half of their income on rent. **Between 2019 and 2023 the median rent in Connecticut increased by 20%.**[1] Connecticut's severe affordability gap is driven by a fundamental mismatch between wages and rent**. A full-time worker in our state must earn at least $25.90 per hour—over $53,000 per year—just to afford a modest one-bedroom apartment**.

These rapid rental increases have impacted the state's ability to operate one of its cornerstone housing initiatives, the Rental Assistance Program (RAP), which currently serves approximately 6,500 households and is one of Connecticut's most immediate and effective tools for addressing housing instability. RAP is a sister program to the federal Housing Choice Voucher Program, helping low-income households afford safe, stable housing by covering a portion of their rent. **Connecticut is one of only five states who fund and operate their own housing voucher program** – allowing our state to rapidly deploy resources to support a housing social safety net in the event of federal budgetary cuts or program reductions.

[1] CT Data Collaborative: Median Rent, from American Community Survey estimates.

As rental costs have increased statewide, the Department of Housing has needed to spend an increasing percentage of its budget to cover these same rental increases. As DOH Commissioner Mosquera-Bruno stated unequivocally in her public testimony, "As rents continue to rise rapidly, the funding available for rental assistance program (RAP) certificates is no longer sufficient to cover rents." **This $5.5M investment in the current deficiency bill, alongside investments in the coming biennial budget, will allow the state to continue to maintain housing support for the same number of Connecticut families in the face of widespread and untenable housing cost increases**. In a time when housing are at their highest level in years, funding constraints could push this program in the opposite direction – serving fewer, not more, Connecticut residents.

RAP has a proven track record of **reducing homelessness, increasing family stability, and improving long-term outcomes**. Research demonstrates that housing vouchers improve health and educational outcomes while reducing homelessness, poverty, and racial disparities:

- **Vouchers have a positive impact across multiple policy areas**. Housing vouchers are associated with a reduction in psychological distress, domestic violence, substance use, and food insecurity. [2]
- **Vouchers are good for children.** The same study found that vouchers reduce familial separation, frequent school changes, school or childcare absences, and behavioral concerns in children.
- **Vouchers allow households to afford basic necessities**. Research has found that as the percentage of income spent on rent goes down, families reallocate these savings towards food and healthcare.[3]
- **Vouchers are an effective tool in addressing racial disparities**. Research indicates that if rental assistance were expanded to all eligible households, poverty rates would drop by 33% for Latino residents, 25% for Black residents, and 20% for Asian, Pacific Islander, Indigenous, and Alaska Native residents.[4]
- **Vouchers are one of the most effective policy tools.** One study comparing long-term voucher subsidies with other forms of housing intervention found vouchers lead to the best outcomes for reducing family homelessness and increasing housing stability.[5]

[2] Mazzara, Alicia, Expanding Housing Vouchers Would Cut Poverty and Reduce Racial Disparities, Center on Budget Policy Priorities, May 11, 2021, https://www.cbpp.org/blog/expanding-housing-vouchers-would-cut-poverty-and-reduce-racial-disparities.
[3] Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families, U.S. Department of Housing and Urban Development, October 2016, https://www.huduser.gov/portal/sites/default/files/pdf/FamilyOptionsStudySummaryReport.pdf.
[4] Rental Assistance Lifts 3 Million People Above the Poverty Line, Center of Budget and Policy Priorities, https://www.cbpp.org/rental-assistance-lifts-3-million-people-above-the-poverty-line.
[5] Fischer, Will et. al., Research Shows Rental Assistance Reduces Hardship and Provides Platform to Expand Opportunity for Low-Income Families, December 5, 2019, https://www.cbpp.org/research/housing/research-shows-rental-assistance-reduces-hardship-and-provides-platform-to-expand.

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As the Appropriations Committee considers this $5.5M appropriation in the Governor's Deficiency Bill, we respectfully request that the Committee support a paired investment in the coming biennial budget of at least **a $20 million increase annually to the Rental Assistance Program (RAP)** within the Housing/ Homeless Services Line in the Department of Housing's budget. **$11.5 million** per year is needed **to maintain the current program** as rental costs have surged by nearly 29% since 2021. The remaining **$8.5 million** would **expand the program to help at least 650 additional low-income families** afford a home.

An investment in RAP is necessary to protect the program from funding shortfalls that would force a reduction in the number of families served. RAP will not be able to keep pace with rising rents, and hundreds of households will lose access to stable housing. **Delaying investment in rental assistance does not save money, it shifts the costs elsewhere, resulting in greater long-term expenses for Connecticut taxpayers.** Connecticut can either allow more families to fall into homelessness—overburdening emergency services and worsening racial and economic disparities—or we can take immediate action to prevent it. We ask you to **invest in stability, dignity, and opportunity for your residents by investing in RAP** this budget cycle. Thank you for your time and your commitment to addressing our state's housing needs and thank you for the opportunity to submit this testimony.

Chelsea Ross
Executive Director
Partnership for Strong Communities