



RHODE ISLAND KIDS COUNT

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Testimony Re: H-7108 Regarding Education – Low and Moderate Income Housing
House Finance Committee
April 28, 2016
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Mr. Chairman and members of the Committee, thank you for the opportunity to provide testimony. Every year in the *Rhode Island Kids Count Factbook*, we report data on the cost of housing and the number of children who experience homelessness.

In 2015, the average rent for a two-bedroom apartment in Rhode Island (including utilities) was \$1,238 per month. A worker would have to earn \$23.81 an hour and work 40 hours a week year-round to be able to afford this rent without a cost burden. In 2015, this hourly wage was more than two and a half times the state's minimum wage of \$9.00 per hour.

Last year, in 2015, 988 children from across the state stayed at emergency homeless shelters, domestic violence shelters, and transitional housing programs. These homeless children made up about one-quarter of the people who used homeless shelters in 2015.

With jobs that pay family-sustaining wages and affordable housing both in short supply in Rhode Island, many low-income families must choose between paying their rent and meeting their families' other basic needs, so they skimp on food, compromising their children's health and development, and in the worst cases, families are forced into homelessness. Affordable housing and rental vouchers can help low-income families afford the high cost of housing; however, there are not enough affordable housing units or vouchers to meet the need.

The *Low and Moderate Income Housing Act* was designed to address this need by requiring that at least 10% of housing in every community is affordable. However, few communities – only Central Falls, Newport, Pawtucket, Providence, and Woonsocket – are currently meeting this requirement. And this law has no teeth, that is, no penalty for not meeting or incentive for meeting the affordable housing requirement.

House Bill 7108 would provide an incentive to communities that meet the affordable housing requirement by providing these communities with additional education aid. While we are not sure that the education funding formula is the most appropriate mechanism for incentivizing communities, we do agree that an incentive is needed given the low number of communities currently meeting the 10% affordable housing standard. We understand that House Bill 7989, which is being voted on today in the House Municipal Government Committee, would create a special legislative commission to study the *Low and Moderate Income Housing Act*. We hope that this Commission, if it is established, looks at strategies for incentivizing communities to meet the affordable housing standard.

All children need a safe, affordable, stable home in which to eat, sleep, play and grow and increasing the availability of affordable housing across the state will help meet this need.

Thank you for the opportunity to testify