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**Testimony Re: House Bill 7123 – FY 2023 Budget Article 1, Section 16
Regarding ARPA Proposals on Housing
Senate Finance Committee
April 7, 2022
Stephanie Geller, Deputy Director**

Mr. Chairman and members of the Committee, thank you for the opportunity to provide this testimony. **Rhode Island KIDS COUNT strongly supports using our state’s American Rescue Plan Act (ARPA) funds to make significant investments in housing.** Budget Article 1, Section 16 proposes \$250 million in housing investments. We want to thank Governor McKee for including this substantial investment in housing in his proposed budget for FY 2023. However, we think we need to do even more.

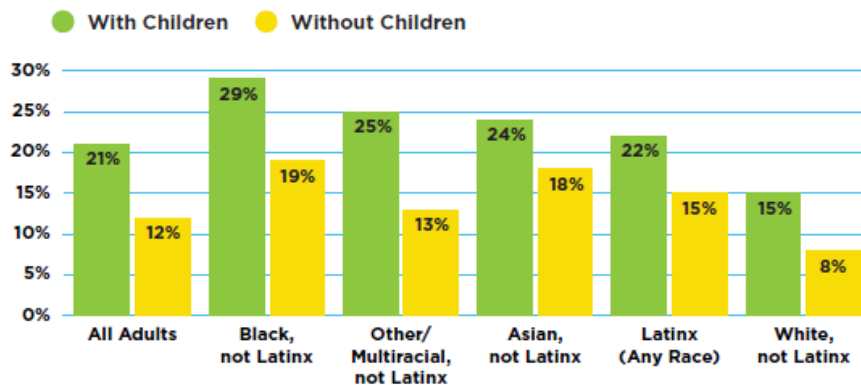
Rhode Island KIDS COUNT is an active member of HomesRI, a broad-based coalition working to increase the supply of safe, healthy, and affordable homes, and decrease the housing cost burdens that too many Rhode Islanders face. We support the HomesRI request of \$500 million to build and preserve more affordable homes and increase housing stability for the lowest income Rhode Islanders.

Rhode Island KIDS COUNT has been reporting on the cost of housing and the impact of these costs on families’ housing stability and on homelessness among Rhode Island children, youth, and families for many years in the *Rhode Island Kids Count Factbook*. This past November, we also released a special *Policy Brief* on this important topic, called *Housing Instability and Homelessness Among Rhode Island Children*. This *Policy Brief*, which I have attached to this testimony, contains important data on the housing and homelessness crisis in Rhode Island and key recommendations to support children and families currently experiencing housing instability and homelessness, as well as recommendations for prevention efforts

We Have a Shortage of Housing That is Affordable to Low-Income Families

Rhode Island is currently experiencing a severe shortage of housing that is affordable. **This situation became even more dire due to the COVID-19 pandemic and the resulting economic hardships faced by families.** At the peak of the COVID-19 pandemic, one in five renters in the U.S. reported that they could not keep up with their rent. While rental hardship has fallen from the peak of the COVID-19 pandemic, many households are still struggling. Black renters and families with children continue to face the greatest housing insecurity.

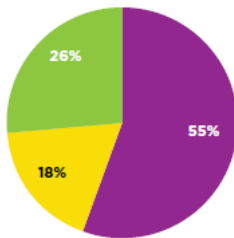
ADULT RENTERS SAYING THEIR HOUSEHOLD IS NOT CAUGHT UP ON RENT, U.S. HOUSEHOLDS



Families Who Cannot Afford Housing Face Homelessness

For many families living in deep poverty, episodes of homelessness are part of a cycle of housing instability that often includes living in housing that is unaffordable and/or unsafe, doubling up with families or friends, and being evicted. For these families, the shortage of housing that is affordable to them is the main reason they become homeless. Shelter is not guaranteed and is often not available due to capacity limits, and Rhode Island is not a right to shelter state. As of November 16, 2021, 1,013 Rhode Islanders were seeking shelter. Almost half (45%) were in families with children, and 267 (26%) were children under age 18.

**RHODE ISLANDERS IN
SHELTER QUEUE,
NOVEMBER 16, 2021**



55% ● Adults without Children
18% ● Adults in Households with Children
26% ● Children Under Age 18
N=1,013

Housing Instability and Homelessness Harms Children

Poor quality, unaffordable, or crowded housing has a negative impact on children's physical health, development, and emotional well-being and on a family's ability to meet their child's basic needs. When housing costs more than a family can afford, children often live in low-quality and overcrowded housing and move frequently, all of which have been linked to lower educational achievement and increased risk of homelessness. Children who experience homelessness have lower achievement scores and are less likely to graduate from high school. When children live in high-quality housing that is safe, affordable, and located in well-resourced neighborhoods, they do better in school and their parents report better mental health.

For all these reasons, we urge you support a \$500 million investment of *ARPA* funds to ensure that we have safe, healthy, affordable homes for our most vulnerable residents, including low-income children and families, seniors, people with disabilities, and working people. The need for safe and affordable housing has become more apparent during the COVID-19 pandemic, and it is urgent that we address these needs now.

Thank you for your commitment to addressing the state's housing crisis and for the opportunity to provide this testimony.