

RHODE ISLAND KIDS COUNT

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Testimony Re: Budget Article 12 Regarding Housing

Senate Finance Committee

July 7, 2020

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 Budget Article 12** which recommends the establishment of a permanent funding stream for affordable housing through an increase in the real estate conveyance tax on property valued over \$500,000. This new funding stream will be used to support new and rehabilitated homes for Rhode Island residents, including families, seniors, people with disabilities, and working people, and to expand housing-related resources for cities and towns.

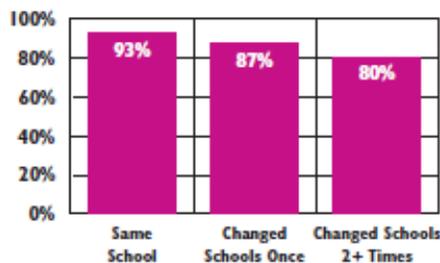
Rhode Island has an urgent housing shortage. The supply of housing is not keeping up with demand, and the cost of housing is outpacing wages. Rhode Island significantly underinvests in housing production compared to our neighbor states. In fact, we are the only state in the Northeast (including New York, New Jersey, and Pennsylvania as well as all the New England states) that does not have a dedicated revenue source for this purpose. Permanent, stable funding will help us narrow this investment gap and build the homes our state needs to support families and our economy.

Poor quality, unaffordable, and crowded housing has a negative effect on children's physical health, development, and emotional well-being and on a family's ability to meet their children's basic needs. Children who live in families with housing cost burdens often live in low-quality and overcrowded housing and move frequently, all of which have been linked to increased absenteeism, lower educational achievement, and increased risk of homelessness.

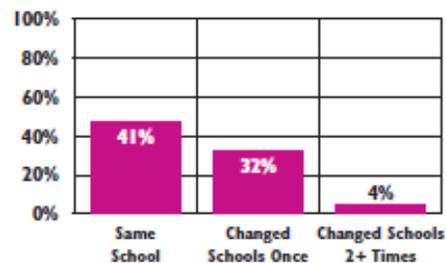


School Mobility and Education Outcomes in Rhode Island

Attendance Rates by Mobility
(2018-2019 School Year)



Third Graders Meeting Expectations
in English Language Arts by Mobility
(2018-2019 School Year)



Source: Rhode Island Department of Education, 2018-2019 school year.

We urge you to support this Budget Article and to **help create the first dedicated funding stream for housing in Rhode Island**. We also urge you to include an affordable housing bond in the FY 2021 budget. These funds are needed 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 public health crisis, and it is urgent that we address these needs now and plan for the ongoing investments in housing that will be needed in the future.

Thank you for the opportunity to provide this testimony.