

The Jerome N. Frank Legal Services Organization

YALE LAW SCHOOL

Testimony Opposing

S.B. 852, Raising the cost of housing for low-income residents.
Testimony of Ady Barkan¹ to the Committee on Human Services
February 24, 2009

Distinguished members of the Human Services Committee,

I am submitting this testimony in opposition to S.B. 852 on behalf of the Jerome Frank Legal Services Organization at Yale Law School. I am a student in the organization's Landlord Tenant Clinic, and as part of my education I represent tenants who are being evicted from their homes.

The clinic has been representing our clients in the New Haven Housing Court for over 25 years. Many of our clients receive some kind of housing subsidy – subsidy that makes an enormous difference in their lives. Connecticut's rental assistance programs are an essential component of our state's social safety net and they provide crucial help to families who could not otherwise afford safe or sanitary housing.

The mission of the DSS-run Rental Assistance Program is “assisting very-low-income families to afford decent, safe, and sanitary housing in the private market.” In order to be eligible for the program, these families may earn no more than 50% of the median income for the county or metro area in which they live. As of the 2007 Census estimates, the median family income in New Haven was \$73,000². RAP-eligible families thus earn less than \$36,500.

Senate Bill 852 would result in many RAP families paying up to 50% of their income towards rent. Until 1995, the RAP program set family contributions at 30% of income. Today, family contribution is 40% of income. Allowing family contributions to rise to 50% would create an enormous burden on many families: they would not be left with enough money to pay for food, clothes, transportation, school costs, utilities, and state and local taxes.

Connecticut's unemployment rate was 6.6% in December, and all indications suggest that it is significantly higher today. Shifting higher housing costs onto the poorest of Connecticut's residents will create enormous human suffering – especially for those families whose members temporarily lose their jobs during this recession.

1 This testimony was prepared through the Yale Law School Landlord Tenant Advocacy Clinic under the supervision of J.L. Pottenger, Jr.

2 New Haven County, Selected Economic Statistics, AMERICAN COMMUNITY SURVEY. Available at: http://factfinder.census.gov/servlet/ADPTable?_bm=y&-context=adp&-qr_name=ACS_2007_3YR_G00_DP3YR3&-ds_name=ACS_2007_3YR_G00_&-tree_id=3307&-redoLog=true&-_caller=geoselect&-geo_id=05000US09009&-format=&-_lang=en.

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Furthermore, the best economic evidence shows that during a recession, the state should put money in the hands of people who will spend it quickly.³ RAP-eligible families typically spend all of their money, and forcing them to spend more on rent means they'll be spending less on food, goods, and services. This is precisely the wrong way to fight this recession. The policy is bad for RAP families and bad for Connecticut's economy.

The Department of Social Services should not shift more of its costs onto Connecticut's most vulnerable. The Rental Assistance Program was designed to help the poorest members of our community; we urge you not to burden those families with higher housing costs during this already difficult winter.

3 Peter Orszag and Joseph Stiglitz, CTR. ON BUDGET & POLICY PRIORITIES, *Budget Cuts vs. Tax Increases at the State Level: Is One More Counter-Productive than the Other During a Recession?* (2001), <http://www.cbpp.org/10-30-01sfp.pdf>.