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Testimony of Shakti Robbins-Cubas, New York Housing Conference

Senate Standing Committee on Social Services Senate Standing Committee on Housing, Construction & Community Development Senate Standing Committee on Aging

Joint Public Hearing: To assess rental assistance programs and examine the need for expanded residential rental assistance to prevent evictions

February 18, 2025

Good afternoon. My name is Shakti Robbins-Cubas. I am the Senior Policy Analyst at the New York Housing Conference (NYHC). I would like to thank the Committee for the opportunity to testify.

NYHC is a nonprofit affordable housing policy and advocacy organization. As a broad-based coalition, our mission is to advance City, State and Federal policies and funding to support the development and preservation of decent and affordable housing for all New Yorkers.

NYHC supports expanding rental assistance programs at all levels of government – city, state and federal. Rental assistance is a crucial tool to create a housing safety net and achieve the goal of ensuring everyone has access to affordable housing. New York renters are being crushed by rents with half of all renters paying more than 30 percent of their income on rent. In 2022, <u>2.9 million</u> New York households paid 30% or more of their income for housing. This is 3rd highest rate of housing cost burden among states. Approximately 20 percent of New York households were severely cost-burdened, paying more than 50 percent of their income for housing. Cost burden is the main driver of housing insecurity. Both the city and federal governments have rental assistance programs to aid low-income New Yorkers and prevent homelessness. According to the NY State Comptroller the state's homelessness rate is double the national average.City FHEPS provides rental assistance to households in New York City, while federal Section 8 assists households across the country.

However, New York State is not doing its share. We support the proposed Housing Access Voucher Program, which would create a state rental assistance program to prevent and end homelessness, which is desperately needed across the state in the midst of the current housing crisis.

In addition, NYHC supports the Shelter Arrears Eviction Forestallment Act, which would create a state-funded one-shot grant program. In New York City, one-shot grants are a critical tool to keep people stably housed and avoid eviction and homelessness, helping thousands of households per year. One-shots help households pay back-rent, and save the city money, since paying owed rent is less costly than paying to house a family in shelter. Evictions are traumatic episodes for children and adults, and one-shots are a cost-effective way to help people stay in their homes.

New York State has an ongoing and growing housing crisis. There were an estimated 170,000 residential eviction filings last year across the state. Additionally, 158,000 people experienced homelessness on a single night last year, while 50

percent of renters were cost burdened in 2023, paying 30 percent or more of their income on rent, statewide. And since the pandemic, affordable housing providers attest that rental arrears remain high as households continue to struggle to afford rent, even in subsidized housing. According to recent research, New York State will need to build <u>800,000 new</u> <u>housing units</u> over the next 10 years to meet current needs and population growth.

Given potential cuts to federal funding programs, it is even more critical that the State support housing assistance. According to the Center on Budget and Policy Priorities, funding levels in the Republican House Appropriations bill passed out of committee in July would lead to a loss of 330,000 households with vouchers nationwide, including 34,700 fewer in New York state. The Senate bill would be slightly less harmful: 60,000 fewer households would receive vouchers, including 6,300 fewer in New York. Deeper cuts would mean deeper reductions in federal vouchers.

Rental assistance helps households stay stably housed. An added benefit, which NYHC found in our 2021 economic impact report, is that rental assistance also helps the wider economy. According to our report, universal rental assistance would double a household's residual income - the amount of money left over to spend on other necessities, including food, childcare, transportation and medical expenses. Widely available rental assistance would generate \$14.7 billion in increased annual economic activity, including 96,000 jobs. Helping people stay housed helps grow the economy.

Given all of this data, it is clear that rental assistance and one-shot grants are desperately needed and will benefit individual households and the New York State economy. They will decrease homelessness -- including for families and children -- increase household spending and spur economic growth. New York State should join the federal government and New York City and support rental assistance statewide, while also following the City's lead to create one-shot grants to prevent eviction.