

July 16, 2019

Senator Sonia Chang-Diaz
Senate Chair
Joint Committee on Children,
Families, and Persons with Disabilities
State House, Room 111

Representative Kay Khan
House Chair
Joint Committee on Children,
Families and Persons with Disabilities
State House, Room 146

RE: Testimony in support of:

S.31 – An Act Providing for Coordinated Data and Assistance to Address Family Homelessness

S. 57 and H. 174 – An Act Concerning Public Assistance for Working Families and the Creation of Public Program to Address the Impacts of the Cliff Effect

Dear Chair Chang-Diaz and Chair Khan:

I am pleased to submit this testimony on behalf of the Western MA Network to End Homelessness in support of S.31 and S.57/H.174 to address the impact of the “cliff effects” on preventing homelessness and to promote housing stability.

The Western MA Network to End Homelessness (“Network”) supports collaborative solutions across Hampden, Hampshire, Franklin and Berkshire Counties to prevent and end homelessness through a Housing First approach. It includes hundreds of partners from virtually every community sector – housing, child care, health care, education, workforce development – who are committed to building coordinated systems to make housing stability a reality for all in Western Massachusetts.

Network partners have identified cliff effect consequences as one of the primary barriers to ending family homelessness. Cliff effects refer to the significant drop in public benefits when earnings increase, resulting in an economic penalty that leaves families worse off than they were prior to getting a job or a raise. The cliff effects are most pronounced between the wage of \$14/hour - \$22/hour when families earn enough to lose public support (e.g., housing and child care vouchers, SNAP benefits, TAFDC) but not enough to stay stably housed. The state systems as currently implemented pose a tremendous obstacle to financial and housing stability.

S.31(Senator Jo Comerford) – An Act Providing for Coordinated Data and Assistance to Address Family Homelessness

This bill is a critical step forward in addressing cliff effects. It will provide the data we need to understand how different programs, including HomeBASE, SNAP, TAFDC, and child care, are interconnected and serving the same families through different state agencies. This in turn

will provide us the capacity to close gaps and make the system work as intended to better support family stability. It will require annual reporting on homelessness measures and streamline data systems between the Executive Office of health and Human Services, Housing and Economic Development, Labor and Workforce Development and Education. We will gain an understanding on the utilization and success of homelessness related programs, which is critical to improving them.

This bill will also create a coordinated state agency telephone hotline for families to call to access immediate information on available resources and requires a “benefits calculator” to be made available as well, a crucial tool for families to quickly understand if and how the cliff effect will impact them.

We urge you to issue favorable report on S. 31 to promote the best possible state system for families working towards their housing stability.

S. 57 (Senator Eric Lessor) and H. 174 (Representative Aaron Vega) – An Act Concerning Public Assistance for Working Families and the Creation of Public Program to Address the Impacts of the Cliff Effect

S.57/H.174 seeks to create a pilot program whereby enrollees will receive a MA Earned Income Tax Credit (EITC) adjustment that will reward work and close the cliff gap during each year of the 3-year program. The MA EITC will ensure that a full-time worker does not end up in a worse economic position as income rises.

This bill will afford real-time relief to participating families from the cliff effect through an innovative model that will include employer investment, skills training and mentor coaching. In the process of providing that relief, it will supply us with more data about appropriate interventions to off-set the cliff effect and best support families in their pathway out of poverty.

Together, these two initiatives – S.31 and S.57/H.174 - signal the Commonwealth’s commitment to fix what is broken in our state system so that the system itself is encouraging families to work and in their pursuit of economic stability. Of course our shared goal is always precisely that. Now, with these bills, we have an opportunity to move our goal an important step closer to reality for every family in the Commonwealth.

We urge you to issue a favorable report for S.57/H.174, in conjunction with S. 31.

Thank you very much for your consideration.

Best,
Pamela

Pamela Schwartz, Director
Western Massachusetts Network to End Homelessness
pschwartz@westernmasshousingfirst.org
413-219-5658