



August 24, 2021

Senator Adam Gomez, Chair
Joint Committee on Children,
Families and Persons with Disabilities
State House, Room 413-B

Representative Michael Finn, Chair
Joint Committee on Children, Families
Persons with Disabilities
State House, Room 146

Re: Testimony in support of Cliff Effect Legislation (S.119/H.208), An Act concerning public assistance for working families and the creation of a pilot program to address the impacts of the Cliff Effect

Dear Chair Gomez and Chair Finn and distinguished members of the Joint Committee on Children, Families, and Persons with Disabilities,

I am pleased to submit this testimony on behalf of the Western Massachusetts Network to End Homelessness in support of An Act concerning public assistance for working families and the creation of a pilot program to address the impacts of the Cliff Effect (S.119/H.208), filed by Senator Eric Lesser and Representatives Patricia Duffy and Carlos González.

The [Western Massachusetts Network to End Homelessness](#) (“Network”), which includes [hundreds of partners](#) from every sector across the region, supports collaborative solutions across Hampden, Hampshire, Franklin and Berkshire Counties to prevent and end homelessness through a Housing First approach that centers racial equity. We are grateful to both Chairs for their support of the Network and its mission.

Network partners have identified cliff effect consequences as one of the primary barriers to ending family homelessness, creating a significant drop in public benefits when earnings increase, leaving families worse off than they were prior to getting a job or a raise. The cliff effects are most pronounced between the wages 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.

This Cliff Effect legislation (S.119/H.208) will create a pilot program that will provide enrollees with 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.

The time for this bill is as urgent as ever as we continue to navigate the public health, economic and housing crises exacerbated by this pandemic. This pilot affords an innovative way to incentivize re-entry into the work place and career advancement. It will also provide us with more data about appropriate interventions to offset the Cliff Effect and will serve as a scalable template for all communities in the Commonwealth.

The data is already painfully clear that people of color across Western Massachusetts and the entire Commonwealth disproportionately experience homelessness. This Cliff Effect legislation provides an important vehicle for addressing the racial disparity in homelessness as it makes housing stability more possible.

For these reasons, we respectfully request that the Committee report this bill out favorably.

Thank you for your consideration.

Best,

A handwritten signature in black ink that reads "Paula Schwartz". The signature is written in a cursive, flowing style.

Pamela Schwartz, Director
Western Massachusetts Network to End Homelessness
pschwartz@westernmasshousingfirst.org
413-219-5658
<http://westernmasshousingfirst.org>