

HENNEPIN COUNTY

MINNESOTA

House Human Services Finance & Policy Committee Members:

Hennepin County writes in support of HF3568/SF3417, the Housing Support bill. Recognized with a proven-effective rating from Minnesota's Results First initiative, Housing Support is perhaps one of the state's best tools to help people exit homelessness. In Fiscal Year 2020, Housing Support supported over 10,300 seniors and adults with disabilities in Hennepin County.

Housing Support, as it is currently structured, is:

- **Not an effective solution as it can be for many in shelters and encampments.** Too many people with disabilities who are eligible for Housing Support and experiencing housing insecurity and homelessness are turning down housing opportunities. This is due to burdensome paperwork and application processes, the loss or reduction of existing benefits, and the requirement to turn over more than 30% of their income to providers.
- **Places income burden on people with SSI and Veterans within income limits.** SSI recipients and Veterans within income limits may pay as much as 85% of their federal benefit towards housing-related expenses in the Housing Support program. The extreme cost burden is defined as 50% of income and above.
- **Leads to the under-utilization of vital housing.** With administrative burden, potential loss of benefits, and personal income, people are not utilizing this housing resource.

Affordable housing is generally recognized as not paying more than 30% of one's income toward housing. This standard does not currently apply to Housing Support recipients with SSI or veteran's benefits income. HF3568 – Her / SF3417 – Utke seeks to reform Housing Support income calculations to allow those with SSI and veterans benefits to retain more personal income.

This proposal supports more people moving out of shelter and homelessness, fosters greater financial stability for those enrolled in Housing Support, and helps individuals build the skills and savings needed to transition off it.