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Legal Services Advocacy Project

February 5, 2023

The Honorable Michael Howard The Honorable Brian Johnson

Chair, Housing Finance and Policy Committee GOP Lead, Housing Finance and Policy Committee

Minnesota House of Representatives Minnesota House of Representatives

473 State Office Building `243 State Office Building

St. Paul, MN 55155 St. Paul, MN 55155

Re: HF 11 – Establishment of State Rent Assistance Program

Dear Chair Howard, Lead Johnson, and Members of the Committee:

Legal Aid writes in strong support of HF 11, a bill that would establish a state rent assistance program. Housing is a major area of our work, and our attorneys are often tasked with representing and advising clients facing eviction and housing instability. Passage of HF 11 would help prevent evictions and increase housing stability.

So many of our society’s ills stem from the lack of housing stability and the resulting risk or actual occurrence of homelessness. Housing instability is a leading cause of stress, depression, other poor health outcomes and even premature death. It impacts school-aged children, who, as a result of housing instability, suffer poorer educational outcomes. Housing instability is also linked to greater adolescent interactions with child welfare and criminal justice systems. And, housing insecurity disproportionately impact individuals of color, which contribute to the racial inequities that have for so long plagued our nation.

Rents have risen all across the country to levels that result in almost 275,000 Minnesota families paying more than 30% of their income for rent, a benchmark of affordability. Regardless of how the percentage increase in Minnesota compares to the rest of the country, far too many people are housing insecure. A variety of forces, including a supply/demand curve and the increased cost of insurance and other fixed costs, as well as the costs of goods and services landlords need to maintain their properties, have led to where we are today.

While in an ideal world, a market equilibrium would prevail, and the price of housing would equal the ability of most to afford it. But that is simply not the case, and when markets, even if for reasons beyond landlords' control, lead to disequilibrium, then it is appropriate for government to step in.

In this case, a robust rent assistance program helps tenants achieve housing stability and avoid eviction and the burden on their futures that having an eviction on their record brings. It avoids other social costs, such as the cost to serve the homeless and provide other public assistance that results from eviction and homelessness. It also benefits landlords, who, if receiving rental payments through such a program as HF 11 envisions, can avoid having to continually turn over units and bear the cost that non-stable tenancies bring.

Thank you for the opportunity to offer our strong support for HF 11.

Sincerely,



Ron Elwood

Supervising Attorney