

March 21, 2023

Representative Tina Liebling
Chair, House Health Finance Committee

Senator Melissa Wiklund
Chair, Senate Health & Human Services Committee

Re: Reforming Housing Support Income Definitions (Governor's Budget, HF2900/SF2966)

Chair Liebling and Chair Wiklund:

As organizations with shared interest in ending homelessness and promoting housing stability, we write to express our strong support for reforms to Housing Support income definitions as proposed in the Governor's budget (HF2900/SF2966, Article 5, Sections 4 and 9-10) and carried in HF732/SF992.

Housing Support is an established, statewide program with a proven track record of moving thousands of Minnesotans out of homelessness each year. It is one of the state's best tools to respond to the homelessness crisis, but reforms are needed to ensure we're supporting positive and equitable outcomes for those in need.

Housing Support recipients with income are required to make monthly payments towards the cost of their apartment. Under current policy, individuals with "unearned income" can be forced to pay all but \$121 of their benefits toward their housing costs each month. "Unearned income" includes Supplemental Security Income (SSI), Retirement Survivors & Disability Insurance (RSDI), veterans benefits, Tribal per capita payments, and even unemployment insurance income and child support.

This financial burden can equate to as much as 90% of one's income every month and holds individuals in extreme poverty, forcing them to choose between paying their monthly Housing Support payment or paying for other necessities like a phone, transportation, clothing and emergency expenses. For some Housing Support-eligible individuals, it's enough to cause them to decline the assistance entirely and choose to stay in shelter or on the streets instead. Others face a perpetual threat of eviction and a return to homelessness.

The provisions carried in HF2900/SF2966 (Article 5, Sections 4 and 9-10) and HF732/SF992, are based on the premise that stable, affordable housing means not paying more than 30% of one's income on rent. These changes will help more individuals exit homelessness, help those with housing keep it, and support those working towards program independence by allowing them to build the skills and savings needed to successfully transition off it.

This legislative session brings an opportunity to improve housing and homelessness outcomes while putting money back in the pockets of the lowest-income Minnesotans. We ask for your support.

Sincerely,

218 Housing
2nd Chance Mentoring
Agate Housing and Services
Align Minneapolis
Amherst H. Wilder Foundation
Avenues for Youth

Catholic Charities of Southern Minnesota
Catholic Charities Twin Cities
Chum
Clare Housing
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(List of supporters continues on second page)

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National Latin@ Network)
Greater Twin Cities United Way
Haven Housing
Hearth Connection
Hennepin County
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Institute for Community Alliances
Integrated Community Solutions, Inc.
Launch Ministry
Legal Services Advocacy Project
Metropolitan Interfaith Council on Affordable
Housing (MICAH)
Minnesota Assistance Council for Veterans
Minnesota Coalition for the Homeless
Minnesota Indian Women's Resource Center
Minnesota Leadership Council on Aging
Minnesota Social Service Association
NAMI Minnesota
Olmsted County
Open Your Heart to the Hungry and Homeless
Our Saviour's Community Services
Our Spring Lake Store
Partners for Housing - Mankato, MN
Project for Pride in Living
Radias Health
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