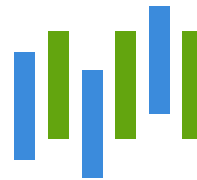


A RIGHT TO RENTAL ASSISTANCE IN MASSACHUSETTS

December 2022



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College of Civic Life



THE CENTER FOR
**STATE POLICY
ANALYSIS**

ABOUT CSPA

Founded in 2020, the Center for State Policy Analysis does detailed analysis of live legislative issues to:

- Give lawmakers the information they need to improve their legislation
- Help citizens understand — and productively debate — the stakes of new laws and ballot initiatives
- Allow advocates to identify the most effective interventions

UNDERSTANDING RENTAL ASSISTANCE

BACKGROUND ON MRVP

Massachusetts created the first rental voucher system in the US, and MRVP is still the largest state-funded program:

- Think of it as a partnership to pay
- MRVP once provided around 20,000 vouchers; now closer to 9,000
- Federal “Section 8” program provides nearly 150,000

KNOWN BENEFITS

Rental assistance has a legion of well-researched benefits:

- Poverty alleviation
- Homelessness reduction
- Better health outcomes
- Stability in the affordable housing market
- Increased mobility

LIMITATIONS OF CURRENT SYSTEM

The current MRVP system faces a number of challenges:

- Scarcity: the majority of people eligible for MRVP don't get vouchers
- Landlord discrimination
- Organizational inefficiency
- Incomplete data collection

UNIVERSAL RENTAL ASSISTANCE

BENEFITS OF UNIVERSAL MRVP

Making MRVP available to all who qualify could transform the landscape of affordable housing. It would:

- Spread the benefits of MRVP to many more seniors, families, and individuals with very low incomes
- Eliminate the unfairness of the lottery and wait list
- Reduce landlord discrimination
- Create new incentives to construct housing for voucher-holders

WHO WOULD BENEFIT

Approximately 585,000 households in Massachusetts meet the current eligibility criteria for MRVP rental assistance.

Offering vouchers to all eligible families would advance core priorities like:

- Racial justice
- Economic justice
- Regional fairness
- Caring for seniors

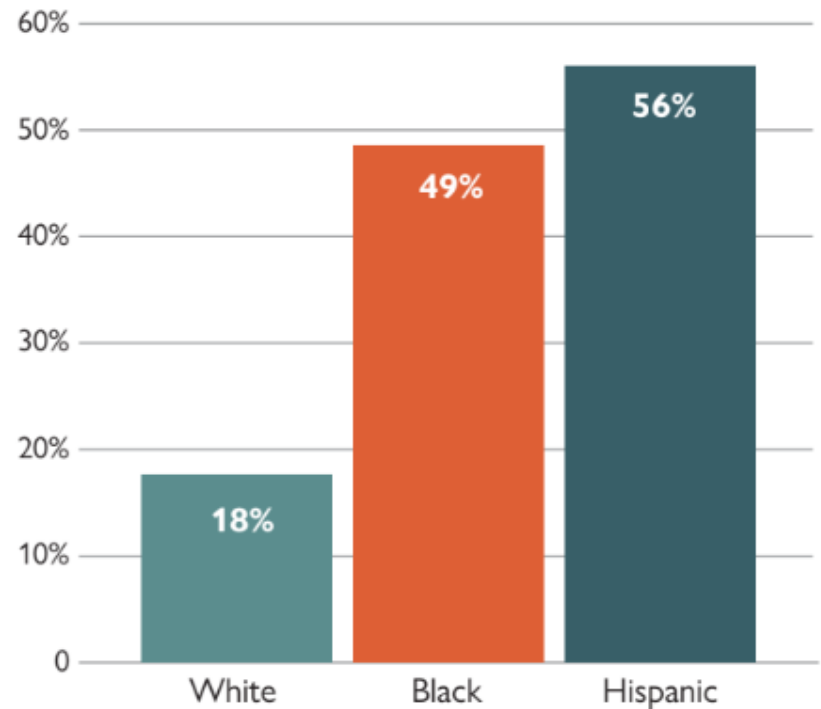
RACIAL JUSTICE IMPLICATIONS

Nearly half of Black families and 56 percent of Hispanic families in Massachusetts are eligible for rental assistance.

Guaranteeing vouchers for all would dramatically ease the cost burden for renters of color, creating new opportunities to invest in other priorities like businesses or family needs.

CHART 1
UNIVERSAL RENTAL ASSISTANCE WOULD HELP MANY BLACK AND HISPANIC FAMILIES

Share of households eligible for universal MRVP



COSTS OF UNIVERSAL MRVP 1/2

For a cost estimate, we took the following approach:

1. Identify all households eligible (585k)
2. Adjust to account for households already served by the current array of rental programs (335k)
3. Further adjust for incomplete participation and churn (240k)

COSTS OF UNIVERSAL MRVP 2/2

4. Calculate the average cost for each new vouchers (~\$1000/month)
5. Add administrative costs, calculated from Section 8 reimbursement rates and accounting for likely economies of scale (~\$100/month)

Bringing this all together, we conclude that a universal rental assistance program could help 240,000 new households at an annual cost of \$3.2 billion.

RISKS AND CHALLENGES

A policy leap of this scale would require vigilant attention to certain risks:

- Keeping rents in check
- Ensuring access to jobs and opportunities
- Minimizing competition with federal programs

GETTING FROM HERE TO UNIVERSAL

A change of this scale will require thoughtful preparation, a gradual phase-in, and an iterative process:

- Moving in phases
- Re-organization and codification
- New construction

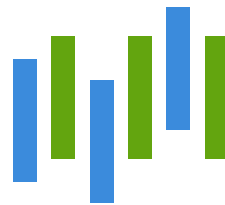
Comments and Questions Welcome

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