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A Voice for Housing and Justice

## COMMITTEE ON HUMAN SERVICES PUBLIC HEARING ON

Bill 24-0120, The "Emergency Rental Assistance Reform Amendment Act of 2021" Bill 24-0713, The "Flexible Rent Subsidy Pilot Program Extension Amendment Act of 2022"

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My name is Amber Harding and I am e Director of Policy and Advocacy at the Washington
Legal Clinic for the Homeless. The Legal Clinic envisions – and since 1987 has worked
towards – a just and inclusive community for all residents of the District of Columbia, where
housing is a human right and where every individual and family has equal access to the
resources they need to thrive.

## The "Emergency Rental Assistance Reform Amendment Act of 2021"

In the fall of 2020, the Council unanimously passed emergency legislation that removed many barriers to applying for emergency rental assistance (ERAP). We fully supported this bill and are pleased to see the permanent legislation move forward. Here are some highlights:

- Clarifies that income eligibility is up to 40% of Area Median Income;
- Changes the caps on assistance (rent and security deposit) to match Fair Market Rent;
- Allows for even higher cap during the public health emergency;
- Ensures that eligibility is clear and limited to statutory provisions, i.e. cannot be narrowed;
- Removes mandatory case management; and
- Allows for applicants to verify eligibility with a statement given under penalty of perjury.

These are all long-needed improvements to ERAP that reflect the reality of what people need to avoid eviction, including lower barriers that interfere with the speedy provision of assistance, like documentation requirements. The legislation has been in effect for almost a year and half. We have many reports of easier access and more effective assistance. There are no reports of widescale fraud or any other data that indicates that these changes are anything but necessary and just.

We understand that the agency opposes two sections of the bill: 1) removal of mandatory case management and 2) allowing applicants to self-certify eligibility. First, nothing in the bill stops the agency from *offering* case management to recipients—they just cannot condition eviction relief on participation in case management. That is consistent with the housing first approach that the agency maintains DC has for its housing and homeless services. (Housing first is a voluntary services model.) In addition, case management does

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not close gaps between income and rent. We need only look at the rapid re-housing program to see that expensive ongoing case management does not lead to housing stability for 90% of participants. Mandatory case management for an eviction prevention program is paternalistic and a waste of resources at a time when every dollar is needed to prevent evictions.

Director Zeilinger has repeatedly stated that she opposes self-certification of eligibility for ERAP because of fear of "fraud by bad actors." Yet she supports self-certification for DC Housing Authority rental subsidy programs. This is not a rational distinction. There is no evidence that ERAP has a particularly high incentive for fraud. Payments do not even go the applicant—they go to the landlord. It is troubling to hear the director continuously raise the specter of fraud in a public benefits program with zero evidence to support her claim. Fraud in public benefits is a widely disproven racist trope. The pernicious myth has led to wasted government resources in investigating and pursuing alleged fraud, increased barriers to life-saving programs, and disinvestment in the very public benefit programs that Director Zeilinger is responsible for. It is irresponsible for Director Zeilinger to continue raising this fear of fraud by DC residents facing eviction. She should be challenged every single time she says it to back it up with evidence or to stop saying it.

## The "Flexible Rent Subsidy Pilot Program Extension Amendment Act of 2022"

We support the Flexible Rent Subsidy Pilot Program Extension Amendment Act in part, but believe it needs some additional work. Right now, many of our clients are being offered this program, known as DC Flex, and they have very little or contradictory information about how the program works. We ask the Committee to clarify a few elements in the legislation and to treat the program as an actual pilot—i.e. not expand it further until it can be assessed further.

First, we believe that DC Flex as it is now configured is a promising program for a small percentage of homeless families, but it is not a program that should be expanded unless it is significantly altered. The eligibility is relatively narrow (must be over 21 and recently employed) and DHS has not provided any data on how many families meet this basic eligibility. Within that group, there are even fewer families who will achieve housing stability with DC Flex because the gap between their income and rent is too high. The program provides a flat amount of \$8400 per year, regardless of the family's income at entry or at any point in the program. For families, rent is often at least \$2000/month. If a family only makes a few hundred dollars per month, the subsidy will only last a few months before the family faces eviction. Yet, there is no assessment of the amount of employment income the family has prior to admission to determine if the program is a good fit, i.e. if the family is likely to be able to sustain housing with this support.

Without strong legislative language, oversight, and data collection, we fear that DC Flex will become the new rapid re-housing—a program that is intended to serve a narrow section of the population but expanded beyond that population so as to become a driver of eviction. DHS continues to advocate for disproportionate investments in short-term or shallow subsidies instead of dealing with the reality of the persistent gaps between income and rent. It is particularly ironic that DHS is using DC Flex, a program with no services, to place families exiting from rapid re-housing who have not seen their income increase significantly despite expensive case management services over years.

## We recommend the following:

• DHS needs to track the rent burden, rental arrear, and eviction cases of families in and after DC Flex.

- DHS has narrowed the definition of family to require minor children and exclude families who have dependent, but not minor children. This excludes families with children in college or adult children with disabilities. It runs counter to the language of the statute. We have a client who has been denied on this basis, despite having a dependent child.
- The language in the statute needs to be clear that applicants and participants will receive written notice and opportunity to appeal for adverse actions.
- The statute needs to clarify whether DC Flex participation means that participants are no longer homeless or no longer eligible for other housing programs. Families are trying to weigh the risks of accepting DC Flex, which they cannot do without full understanding of the consequences.
- The amount of subsidy, length of the program, and expectations of participants need to be more clearly delineated in statute. Clients have been given widely divergent information on the program.

I appreciate the opportunity to provide testimony on these two bills and look forward to continuing to work with the Committee on these important programs.