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January 17, 2024

To: Senator Lydia Edwards, Chair

Representative James Arciero, Chair

Joint Committee on Housing

From: Bill Yelenak, President/CEO

Re: Testimony in support of House 4138, *The Affordable Homes Act*

Chairwoman Edwards, Chairman Arciero and members of the Joint Committee on Housing, thank you for the opportunity to provide testimony today in support of House Bill 4138 – *The Affordable Homes Act* – a comprehensive bill to create more affordable housing in Massachusetts and invest in our local communities.

The Providers' Council is the state's largest human services membership association with more than 220 members across Massachusetts. These community-based organizations provide critical care and support services to hundreds of thousands of Massachusetts residents.

The human services workforce fills more than 160,000 jobs in Massachusetts and is responsible for caring for many of the most vulnerable populations in the Commonwealth, such as people with intellectual and developmental disabilities, survivors of domestic violence, people struggling with mental health, our elderly, individuals and families experience homelessness, our veterans, newly arriving migrants and many others.

Yet despite the essential care and services that workers in the human services sector provide, they are considerably underpaid and in desperate need of affordable housing. A report released last May by the University of Massachusetts Donahue Institute – *Essential or Not? The Critical Need for Human Services Workers* – found that the median income of human services workers is just \$34,273, more than \$15,000 less than the median income for the state overall, and that more than 1 in 6 human services workers are classified as low-income, defined as earning less than 200% of the federal poverty level.

The low pay of workers in the human services sector makes it incredibly difficult to find affordable housing. The same report from UMass noted that nearly one-third of households with one or more human services workers are housing-burdened, meaning they spend more than 30 percent of their income on housing. Many of the jobs in the human services sector are client-facing positions that cannot be done remotely nor

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outsourced – we must ensure workers providing these critical services can find affordable housing near where they provide essential services to state residents.

And while more affordable housing is desperately needed in Massachusetts, housing costs continue to increase, and the supply of housing has not kept up with demand. The state reports that only 1.6% of housing units are available for sale or rent and the state's high housing costs are disproportionately burdening low-income households.

Moreover, the lack of affordable housing in Massachusetts reinforces racial disparities and inequities. According to *Essential or Not?*, nearly 36% of human services workers are people of color, compared to 25% in all other industries, and the state reports that the issue of housing affordability falls particularly hard on communities of color in Massachusetts, as the Black and Latinx homeownership rate is half of the homeownership rate of whites in Massachusetts.

For these reasons, the Providers' Council urges a favorable report from this committee on this important legislation. As noted by the Healey administration, this comprehensive bill represents the largest housing investment in Massachusetts history, the initiatives of which will fund or enable the creation of more than 40,000 homes that otherwise would not be built, including 22,000 new homes for low-income households.

Furthermore, more than 80% of the bond authorizations in the bill will benefit low-income households – with up to 50% of proposed authorizations benefiting extremely low-income households or residents with disabilities – and \$1.6 billion will be allocated to repair, rehabilitate and modernize over 43,000 public housing units across the state. Another \$800 million will be spent on an Affordable Housing Trust Fund, which will provide resources to create or preserve affordable housing for households whose incomes are not more than 110% of the area median income, a designation that applies to many human services workers.

In addition to easing the burdens of human services workers, this bill will help the sector combat historic problems with the recruitment and retention of employees while providing continuity of care for all residents in need and, particularly, our most vulnerable residents. It is essential that we provide the workers who fill 160,000 jobs in this sector affordable housing options near where they work; this will allow the hundreds of thousands of residents who depend on this sector to receive essential care.

The high cost of housing in Massachusetts not only hurts those working in human services, but it also hinders our sector's ability to hire and retain skilled workers, resulting in vulnerable populations being put on extended waitlists or missing out entirely on services for critical care, putting their lives at risk. Please report out *The Affordable Homes Act* favorably to help our state's residents have more affordable housing options across the Commonwealth.