

MRVP CODIFICATION LEGISLATION

Bills: [H.1428](#), *An Act codifying the Massachusetts Rental Voucher Program*

[S.898](#), *An Act relative to the Massachusetts Rental Voucher Program*

Sponsor: Representative Adrian Madaro & Senator Joan Lovely

Prior History: 02/19/2021: Legislation Filed
03/29/2021: Referred to Joint Committee on Housing
10/12/2021: Hearing before Joint Committee on Housing

Summary: This legislation codifies the Massachusetts Rental Voucher Program (MRVP) into the General Laws and makes program improvements, including: moving the program to use payment standards; lowering the tenant rent share; requiring inspections; and raising the administrative fee.

Codifying MRVP

The legislation codifies MRVP into the General Laws. This would remove the program's authorizing language from the annual budget process, which is subject to language changes each year. This will make the program more stable and reliable for current and future program participants.

Directing DHCD to Spend Entire Appropriation

The legislation directs the Department of Housing and Community Development (DHCD) to issue the number of vouchers anticipated to completely use the annual appropriation for the program. This will help ensure that the maximum number of vouchers are available to help residents with low-income find affordable homes. It will also help reduce any annual surplus of unspent funds for MRVP.

Targets Vouchers to ELI Households

The legislation sets eligibility requirements for MRVP. The bills sets income eligibility at 80% of the Area Median Income (AMI) but directs 75% of vouchers to be targeted to households with extremely low incomes (ELI)—those households earning less than 30% AMI.

Directs MRVP to Use Payment Standard to Increase Program Flexibility

The legislation directs MRVP to use a payment standard, instead of a maximum rent, to increase program flexibility and allow vouchers to be used on homes with higher rents. Currently, MRVP uses a maximum rent to determine the voucher value—a voucher cannot be used to rent any apartment above the current Fair Market Rent (FMR). By switching to a payment standard, vouchers would have more flexibility and participants would be able to rent apartments even if the rent was slightly above the current FMR. Switching to a payment standard would also align MRVP with federal Section 8 Housing Choice Vouchers which would improve administrative efficiency.

Lowers Tenant Rent Share by 10%

The legislation lowers the amount an MRVP voucher holder pays in rent from 40% of the household's income to 30% of the household's income. This immediately lowers the cost burden on participants and allows them to have more income available for other necessities such as food, child care, or health care. This would also align MRVP with the federal Section 8 Housing Choice Vouchers.

Inspection Requirements

The bill requires homes being rented with an MRVP voucher to be inspected to ensure that the home meets the State Sanitary Code and is safe for the program participant. Currently, there are no inspection requirements for homes being rented by MRVP. This would also align MRVP with the federal Section 8 program which requires inspections.

Increasing MRVP Administrative Fee

The legislation increases the MRVP administrative fee—the fee administering agencies receive for helping voucher holders find and lease affordable homes. The bills would double the administrative fee to at least \$80 per voucher, per month. This would better align the fee with the federal Section 8 program. This will help administering agencies like Regional Housing Agencies and Local Housing Authorities to better serve program participants by helping with housing search and process and will allow for the inspection of apartments to make sure residents are renting safe and healthy homes.

Data Collection & Voucher Management System

The legislation directs DHCD to implement a voucher management system to help manage vouchers and collect data on the program, including the value and location of each voucher and demographic information on program participants. This will help improve program administration to allow MRVP to better serve current and future program participants.

Allowing Unspent MRVP Funds to Carry Over Annually to the Next Fiscal Year

The legislation would allow any unspent MRVP funds appropriated in the annual state budget to carry over into the budget for the program in the next fiscal year. This will allow MRVP retain any funds appropriated for the program to ensure the strongest possible funding for MRVP.