

MRVP Reforms (HD.3872 & SD.864)

And Act relative to the Massachusetts Rental Voucher Program Sponsored by Rep. Adrian Madaro & Sen. Jamie Eldridge

The Massachusetts Rental Voucher Program (MRVP) assists 10,000 low and moderate income households maintain safe and affordable housing throughout the Commonwealth. MRVP is not in statute and is instead subject to uncertainty through the annual budget process, where the line-item can be amended or removed without a legislative hearing. This bill would take a very important step by codifying the provisions of the rental voucher program in the Massachusetts General Laws, allowing for deliberate and thoughtful reform and improvement.

In laying down a statutory foundation for the program, this bill would also make important programmatic changes to increase the efficiency of its administration and better delivery of service to low-income households throughout the Commonwealth and mirror other federal voucher programs in operation in the state, such as the Housing Choice Voucher Section 8 program.

Households receiving a rental voucher pay no more than 30% of their income, the remainder of the rent is then covered by the voucher up to a certain amount called a "payment standard." Under the budget line-item, DHCD is given flexibility to set these rent levels. But those levels have been frozen at 2005 rents, increasing the rent burden on many households and making vouchers difficult to use in high-cost markets such as Boston.

This bill would increase those payment standards to match present-day fair market rent levels. The bill also provides a safe harbor to protect voucher assisted households from losing their voucher through a cliff effect in instances where their income increases and they are forced to pay more than 30% of their income.

DHCD contracts with agencies to administer MRVP on its behalf. These agencies are either Local Housing Authorities or Regional Administering Agencies, which are non-profit agencies located throughout the state. In 2013, DHCD increased administrative fees that these agencies can collect from \$32.50 to \$40.00 per voucher, per month. These fees are critical to agency operations and the delivery of services to voucher holders and applicants. This bill would increase the administrative fee from \$40.00 to \$80.00, better aligning fees with the similar federal Section 8 program.

The MRVP line-item does not require units to be inspected to ensure compliance with minimum standards of fitness for human habitation. This bill would codify inspection requirements from DHCD's MRVP administrative plan by requiring units to meet the minimum standards of fitness for human habitation of the State Sanitary Code, and would require administering agencies to conduct the inspection.

Lastly, in keeping with best practices in measuring data and outcomes, the bill requires DHCD to administer and maintain a voucher management system to better inform future reforms to the program.



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