



Rhode Island Coalition to End Homelessness

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Testimony in Support of House Bill 7304
House Judiciary Committee - March 27, 2024

Chair Craven and the members of the House Judiciary Committee:

The RI Coalition to End Homelessness strongly supports Representative Stewart's bill (H7304). In 2023, 39% of the people who entered the homeless system came from permanent housing situations because of the rapidly rising rents, the low supply of affordable housing, and low-wage jobs. Many of these families could have avoided the trauma of becoming homeless if more notice had been given when their rents were raised. When rent increases happen, many people do not have savings or room in their budget to meet the rising rent costs, especially when only 30 days' notice is given. We highly recommend increasing the notice to 90 days.

Coincidentally, The Providence Journal had an article today titled "RI only has enough apartments for half of its lowest-income residents, report warns". It referenced the National Low Income Housing Coalition's GAP Report, which was just released. The report states that RI only has half of the affordable housing needed for the 49,468 low-income households in Rhode Island, leaving half of them without viable housing options. As a result of this shortage, the majority of extremely low-income renters are forced to rent homes they cannot afford.

To make matters worse, rents have been going up significantly – at the highest rate in the country. Last year, rents rose an average of 7.5% in Providence — faster than any other city in the nation according to Zillow — and over double the national average of 3.2%. Across Rhode Island, the average apartment cost is \$1,996 per month. Rhode Island's average 2-bedroom apartment costs far more than the HUD's average Rhode Island Fair Market Rent (FMR) of \$1,731, meaning people who have housing subsidies can't even afford the rent.

Almost half of Rhode Island renters — 47% statewide — are considered cost-burdened by housing, meaning they spend more than 30% of their income on it, according to HousingWorksRI. Even people with modest incomes find it difficult to adjust to rising rents (some increases are in the \$ 100s of dollars) with only 30 days' notice. Meanwhile, the tight rental market and rent increases that are outpacing income in the state are leaving many renters in difficult situations when their rent goes up.

This legislation would mandate 3 months' notice be given to tenants so they have time to adjust their budgets, find additional income, or have time to find alternative housing, which, even at 90 days still does not seem like enough time. This bill would do what is fair- it would give people enough notice to try to find solutions in this unchecked rental market. We hope you support its passage.

In Service,

Margaux Morisseau