

# How can Maryland Prevent Homelessness, Keep Kids in School, and Save Money?

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## Cover 3 Topics Today:

1. What are Eviction Prevention Funds and Why do we need EPF?
2. Recent report findings from Stout, Risius & Ross in collaboration with the Maryland Eviction Prevention Funds Alliance (MEPFA)
3. MEPFA Campaign for Eviction Prevention Funds in 2024 General Assembly

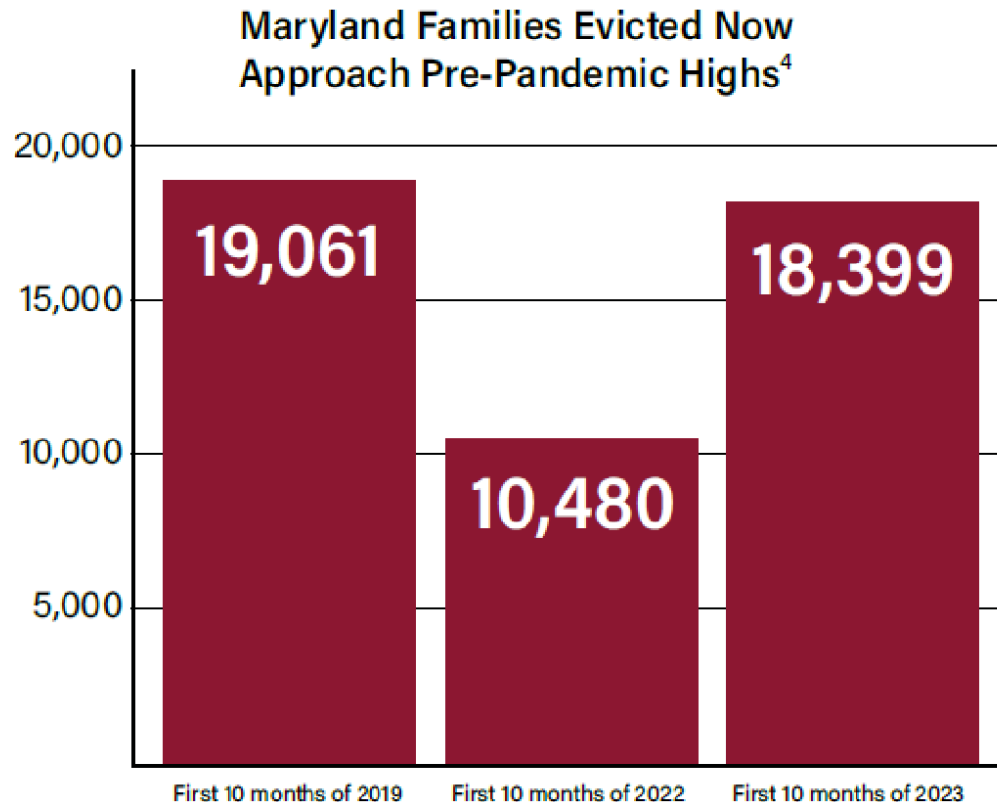
# 1. What Are Eviction Prevention Funds (EPF), and Why Do We Need EPF?

- Eviction prevention funds pay 1-3 months of past due rent for families facing a short-term crisis – ensuring a missed month’s rent doesn’t cause homelessness.
- Maryland has an estimated need for \$40 million in EPF to stop the eviction of 15,000 families at highest risk of homelessness in eviction.

# Rising Evictions & Homelessness

## Key Findings

- Stout found that about *15% to 25% of families who are evicted likely become homeless.*



## 2. Stout Study: Methodology of Stout Report – Data inputs and stakeholder engagement

Stout was contracted to do a study for understanding the magnitude of need for EPF statewide

- A primary focus was to estimate the statewide need for EPF for tenant households likely at highest risk of disruptive displacement (Scenario 1: Likely At Highest Risk of Disruptive Displacement)

Stakeholder engagement conducted by Stout, MDCEP, and the MEPFA coalition provided qualitative analysis of best practices on implementing ERAP/EPF

Stout Study and MEPFA Analysis:

<https://www.mdeconomy.org/eviction-prevention-funds/>

# Themes of Stakeholder Engagement

Best practices include but are not limited to:

- Creating low-barrier, efficient application processes
- Enabling transparency during the application process
- Distributing payments efficiently
- Engaging and collaborating with local stakeholders, including rental property owners and property managers
- Collecting and analyzing data to iteratively refine rent assistance programs
- Standardize application requirements

# Scenario 1: Estimating Need

- Scenario 1 quantifies the need for EPF for those who are likely at highest risk of disruptive displacement and who may require social safety net responses as a result. It considers:
  - the percentage of tenant households who would apply for EPF
  - the percentage of tenant households that would be approved for EPF
  - the percentage of approved applications that would be accepted by rental property owners. No income eligibility factored in study as
- Approximately 15% (approximately 22,200) of the estimated annualized warrants of restitution issued in 2023 would be executed, based on Stout analysis of public info from MD Judiciary
- Estimated range of 20,000 to 25,000 tenant households who would likely have warrants of restitution executed against them
- No income eligibility requirement

# Scenario 1

	<u>Low</u>	<u>High</u>
1 Estimated number of tenant households likely at the highest risk of disruptive displacement - applied, approved, rental property owner accepts EPF	12,000	18,000
2 Estimated monthly rent	\$ 1,025	\$ 1,300
3 Expected months of rent paid by EPF	2	2
4 Estimated annual total EPF needed in Maryland for tenant households likely at the highest risk of disruptive displacement	\$ 25,000,000	\$ 47,000,000
5 Estimated costs necessary to administer EPF (equivalent to 10% of total funding)	\$ 2,500,000	\$ 4,700,000
6 <b>Estimated annual total EPF needed and costs necessary to administer EPF in Maryland</b>	<b><u>\$ 28,000,000</u></b>	<b><u>\$ 52,000,000</u></b>



# Cost-Benefit Analysis

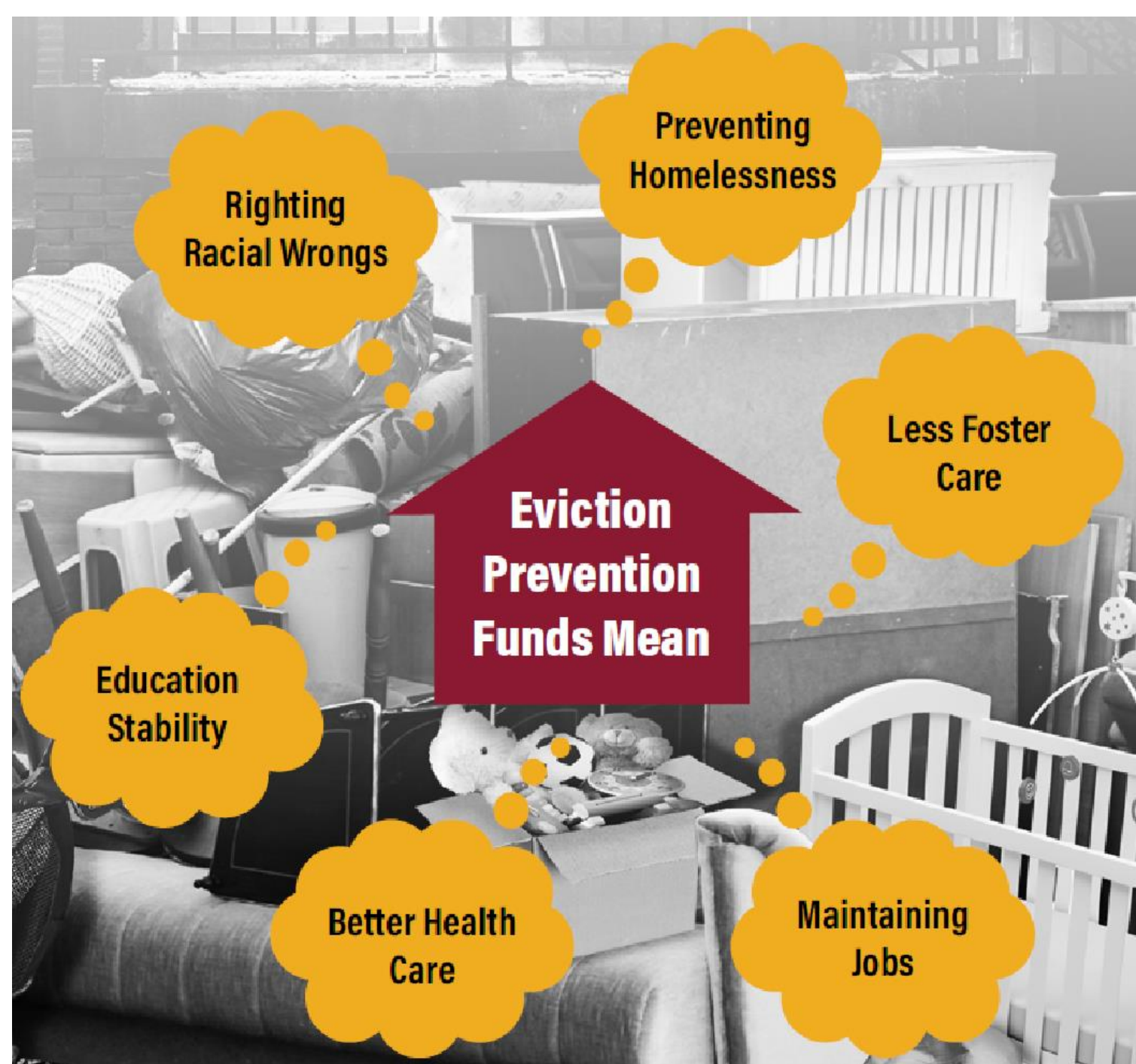
**Headline: Every dollar invested in EPF returns \$2.14 to \$2.64 to Maryland state government in cost savings and fiscal benefits.**

- Economic impacts associated with employment and income stability – potentially \$21 million to \$32 million
- Decrease in the need for housing social safety net responses such as emergency shelter and rapid re-housing - potentially \$19 million to \$28 million
- Economic impacts associated with increased educational attainment for children - potentially \$18 million to \$27 million
- Decrease in the need for Medicaid spending on health care - potentially \$4 million to \$7 million

# Cost-Benefit Analysis

- Economic value retained by minimizing out-migration - potentially \$4 million to \$6 million
- Decrease in the need for publicly funded unemployment benefits - potentially \$3 million to \$5 million
- Decrease in foster care costs for children experiencing homelessness - potentially \$2 million to \$3 million
- Decrease in incarceration costs associated with criminalizing people experiencing homelessness - potentially \$2 million to \$3 million
- Retained federal funding for Maryland public schools - potentially \$1 million to \$1.5 million.

### 3. MEPFA CAMPAIGN 2024



# STABLE HOUSING = STABLE KIDS & GREATER EDUCATIONAL ACHIEVEMENT

Preventing evictions stabilizes the family, the school, and the community. Families cannot thrive *without* safe, stable housing. Schools cannot thrive *with* a student body forced to live in unstable and deplorable conditions.

## Key Findings

- Maryland is investing \$3.8 billion a year to implement the Blueprint for Maryland's Future. Unfortunately, *the wrap-around services based in community schools do not include housing stability support.*



*"When we told the kids that the rent had been paid, they were so happy that they started shouting and yelling. Now they smile more and worry less."*

*—Magdalena Escobar, Prince George's County*



# EPF HELPS RIGHT PAST RACIAL WRONGS



*"If we can get help to get caught up on the rent, we can keep it going now that Abdul has a job. A lot of people like us are struggling."*

*—Sylvia Duvall & Abdul Muhammad, Baltimore City*

## Key Findings

- Maryland's pandemic eviction prevention program helped over 100,000 households. *73% of those households identified as Black; 71% identified as being female-led.*
- Because of structural housing racism, *one in four Black children in rental households face the threat of eviction in a typical year.*<sup>12</sup>

Map of Md Evictions By Race and Census Tract:  
<https://www.arcgis.com/apps/mapviewer/index.html?webmap=ed0d5739f16d44c18b0ed849ddd472a6&extent=-80.3228,37.5706,-73.8464,40.1242>

## Keep Families Healthy

As Dr. Craig Pollack, MD, professor at the Johns Hopkins Bloomberg School of Public Health,<sup>17</sup> explains: “When our patients face eviction or homelessness, they are often unable to take prescribed medicines, follow up on care and keep medical appointments. They spend extremely limited funds on housing instead of medicine. Rates of depression and anxiety are high. Their entire family suffers.”

## Keep Families Together

According to David Wanger, attorney with the Maryland Office of the Public Defender: “Housing instability through eviction, homelessness or severe conditions of disrepair is the root cause of many family separations. Maryland then pays tens of thousands of dollars on foster parents, attorneys for all parties, social workers, and health care costs – when the state could have paid significantly less just to keep people in stable housing. We have to do better.”

## WHAT'S THE ASK?

- 1. \$15 million in a budget allocation to the Homelessness Solutions Program for eviction prevention funds – assist 5,620 families in avoid eviction and homelessness**
- 2. Support SB 370/HB 428 (Sen. Hettleman/Del. Stewart) to establish eviction prevention funds program in community schools with mandatory budget allocation**

# SB 370/HB 428

## COMMUNITY SCHOOLS - RENTAL ASSISTANCE FOR COMMUNITY SCHOOL FAMILIES PROGRAM AND FUND

- Creates an eviction prevention funds program for families with children in Maryland's community schools.
- The Blueprint for Maryland's Future is investing to assist families whose children are attend community schools.
- Located throughout Maryland, [Community Schools](#) provide support for families by coordinating services like transportation, healthcare, counseling, and healthy food.





## SB 370/HB 428 (Cont)



- Without an investment in eviction prevention funds, students in community schools who are evicted will lose ready access to critical supports.
- Administered by Md. State Dept. of Education & State Dept. of Housing and Community Dev. (Sponsor working w/ advocates and agencies to refine)
- Mandatory allocation of \$10 million FY 26. Seeking to jumpstart in FY 25.

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