



Testimony Re: House Bill 7803 Re: State-Funded Rental Subsidy

House Finance Committee

April 29, 2026

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Mr. Chairman and members of the Committee, thank you for the opportunity to provide testimony. Rhode Island KIDS COUNT supports House Bill 7803, which would establish the state-funded rental subsidy program to help Rhode Islanders with the lowest incomes exit homelessness and stay stably housed. This bill would authorize a \$25 million appropriation from the state general fund beginning July 1, 2026 to fund this program. We would like to thank Representative Slater for sponsoring this important bill and Representative Bennett for cosponsoring.

Addresses the Root Cause of Homelessness

This bill addresses the root cause of homelessness. Homelessness in Rhode Island is driven by a lack of housing that is affordable to the lowest-income residents. While the state has made important investments in housing production, extremely low-income households still cannot afford available apartments without an additional subsidy. **In 2024, 479 families with 951 children stayed at an emergency shelter, domestic violence shelter, transitional housing program, or hotel paid for by DCYF in Rhode Island. And as of January 21, 2025, 95 families with 100 children reported that they had slept outside for at least one night in the previous month.**

Gaps Between High Rents in the State and What Families Earn

Rental subsidies are necessary to bridge the gap between what these individuals can pay and the actual cost of housing. **In 2024, the average rent for a two-bedroom apartment in Rhode Island (including utilities) was \$2,316 per month. A worker would have to earn \$44.54 an hour and work 40 hours a week year-round to be able to afford this rent without a cost burden. In 2024, this hourly wage was more than three times the state's 2024 minimum wage of \$14.00 per hour.**

Reduces reliance on unstable federal subsidies

Rhode Island cannot rely on federal rental assistance alone. Federal resources are increasingly uncertain, and currently only about one in four households who qualify for rental assistance receives it. A state-funded program ensures more reliable, consistent support for our most vulnerable Rhode Islanders – those at risk of homelessness or currently experiencing homelessness.

Cost-effective and fiscally responsible

Providing stable housing is significantly less expensive than emergency shelters, hospitals, foster care, and crisis services. By stably housing those at risk of homelessness and those experiencing homelessness, we reduce long-term public costs.

With jobs that pay family-sustaining wages and affordable housing both in short supply in Rhode Island, many low-income families must choose between paying their rent and meeting their families' other basic needs, so they skimp on food, compromising their children's health and development, and in the worst cases, families are forced into homelessness.

All children need a safe, affordable, stable home in which to eat, sleep, play and grow, and this program will help meet this need.

Thank you for the leadership the General Assembly has shown in addressing the housing crisis in our state and for the opportunity to provide this testimony.