



My name is David Mott. I live at [REDACTED] [REDACTED] Lane in [REDACTED] I am submitting this testimony on behalf of the Maryland Poor People's Campaign.

The Maryland Poor People's Campaign is dedicated to organizing working people across all lines of division in Maryland and Montgomery County, especially poor and low-income people, to confront the evils of systematic racism, exploitation and poverty, the war economy, ecological devastation. In so doing we work to raise the voices of those most impacted by injustice to demand an end to poverty in Maryland and Montgomery County.

We believe safe, decent and affordable housing is a human right.

That is why *we enthusiastically support passage* of "Home Act," County Council Bill 16-23 introduced by Council Members Will Jawando and Kristin Mink.

And, *we strongly oppose* the so-called "Anti-RentGouging," bill 15-23 introduced by Council Members Natalie Fani-Gonzales and Andrew Friedson.

The Home Act is a measured and responsible approach to holding down the cost of rental housing to affordable levels for working people in Montgomery County, where nearly half of all renter households are "cost burdened."

The constant grinding challenge faced by working people, especially those who rent, is that the cost of housing has outstripped workers' wage increases. The equation is simple as it is brutal and economically ruinous - Pay is too Low and Rents are too damn High.

The Home Act is a balanced approach to begin to solve that equation, at least the cost of housing side.

Allowing for 3 % rent increases per year, the Home Act provides for modest and manageable rent increases that provide both renters and landlords with predictability and stability. It allows landlords to address their costs, and -- along with exceptions for well documented need for capital improvements or major repairs -- flexibility.

Even capping rent increases to 3 % per year will cause hardship to many renters. Rents are now too high. At the County's minimum wage of \$15 working people are not able to find and afford quality housing for individuals, much less families.

The dedication of taxpayer money towards rent subsidies for poor and low income renters can be used more responsibly and effectively under the rent stabilization plan proposed by Council Members Jawando and Mink, Bill 16-23. Under this legislation, taxpayer money spent on rent subsidies can be better targeted to the truly needy, reach more people across the county and do the most good.

That is not the case with the so-called "Anti-Rent Gouging," bill. By proposing a scheme of allowing 8 % rent plus the rate of inflation as calculated by the CPI-U, the Home Act would allow today rent increases of 14-15 %. This is not a renter protection bill. This is not an anti-rent gouging bill. This is a bill that *permits rent gouging under cover of law!* Renters in Montgomery County are not able to pay annual rent increases of 8 %, much less the added CPI-U rate of inflation piled on top of that. This bill does nothing to help struggling workers and renters in Montgomery County.

To be clear: 15-23 is a prescription for eviction. It is a rent gouging scheme that allows landlords to maximize their profit at the expense of already "cost burdened" renters. If passed, this bill and its regime will serve to drive up market rents to extreme levels.

To add insult to injury, the proponents of 15-23 propose spending \$30 million on rent subsidies. This scheme is an irresponsible abuse of taxpayers' money. Under a regime that allows 14-15 % rent hikes each year, the number of renters unable to pay the exorbitant increases will skyrocket. As a result, they will either be evicted or seek help through rent subsidies. Taxpayer dollars will be used to make up the difference between what renters can pay and a rent gouging scheme written into law.

In short, Bill 15-23 seeks to codify in law rent increases no reasonable person would find necessary, reasonable or fair and that renters will be unable to pay -- and then have taxpayers insure that landlords get every penny of their legally-mandated windfall profits through publically funded "rent subsidies," which under this bill are in reality publically subsidized landlord profits.

Bill 16-23 is a responsible and serious approach to addressing the affordable housing crisis in Montgomery County. It seeks to strike a balance between the needs of renters and landlords. It provides both with predictability and stability. And, it allows for a responsible use of taxpayer's funds to address renters' needs in order to keep people in their homes to avoid individual, family and social disruption.

Bill 15-23 is no answer at all to the affordable housing crisis in Montgomery County. In fact, passage of this bill will put the crisis into overdrive. By allowing minimum 8% rent increases it is already putting rents out of reach of thousands of county residents. By tacking on the rate of inflation calculated by the CPI-U it permits crushing rent increases no reasonable person could think are justified and appropriate. To soften the assault of their bill, Councilmembers Friedson and Fani-Gonzales proposed spending \$30 million in taxpayer money for rent subsidies that in reality go to fund the difference between what renters can pay and the rent gouging they have legalized, thus insuring windfall profits to the county's landlords.

The Maryland Poor People's Campaign Supports Bill 16-23 and opposes Bill 15-23.

MARYLAND



Poor People's Campaign

A NATIONAL CALL for MORAL REVIVAL

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