

January 19, 2022

State Senator John Keenan, Chair
Joint Committee on Housing
Massachusetts State House
24 Beacon Street, room 413-F
Boston, MA 02133

State Representative James Arciero, Chair
Joint Committee on Housing
Massachusetts State House
24 Beacon Street, room 38
Boston, MA 02133

Re:H1377/S868 – An Act empowering cities and towns to impose a fee on certain real estate transactions to support affordable housing

Dear Chair Keenan and Chair Arciero:

I am honored to submit testimony on behalf of Mass General Brigham in support of “An Act empowering cities and towns to impose a fee on certain real estate transactions to support affordable housing” (House Bill 1377 and Senate Bill 868), filed by Representative Mike Connolly and Senator Joanne Comerford.

Mass General Brigham is the state’s largest integrated academic healthcare system treating more than 1.5 million patients annually and employing more than 80,000 health care professionals. We are a non-profit organization that is committed to patient care, research, teaching, and service to our community. In addition, Mass General Brigham is one of the nation’s leading biomedical research organizations and a principal teaching affiliate of Harvard Medical School.

From Greater Boston to the Cape and Islands to the Pioneer Valley, cities and towns are grappling with the adverse effects of rapidly escalating home prices on their communities’ economy, workforce, quality of life, and social identity. Longtime residents are being displaced by higher income buyers or speculators, and housing demand far outstrips supply in many communities across Massachusetts. As a result, forced overcrowding is causing severe public health consequences, exacerbated by the pandemic.

In a recent report from the National Low Income Housing Coalition, Massachusetts was ranked the 3rd least affordable state in the nation. An estimated 20,000 people are experiencing homelessness on any given day in Massachusetts – individuals and families, young adults and seniors, people with a variety of backgrounds and life experiences.

The lack of affordable housing, and other social determinants of health, plague many neighborhoods disproportionately—particularly communities of color—leading to alarming health disparities. Failure to address these root causes during COVID-19 could further exacerbate these inequities.

Health and housing are inextricably linked, and research has demonstrated the connection between housing stability and health outcomes. For example, a report by The Boston Foundation in June 2021 found the health of children and caregivers improved when they had access to stable housing - the average number of emergency department visits dropped from 2.3 visits to 1.3 over a twelve-month period. In addition, people who face housing instability are more likely to experience poor health

outcomes. A recent review of the literature on health and housing published in the journal *Health Affairs* found that low-income families that have difficulty paying rent, mortgage, or utility bills are less likely to have a usual source of medical care and more likely to postpone needed treatment.

In addition, in 2019, Mass General Brigham helped establish the first city-wide community health needs assessment. This collaborative aimed to identify the most pressing issues that affect the health of Boston residents, with a focus on the economic, social, and environmental factors that impact health. The assessment found that a top community health concern of respondents was housing quality/affordability (51%).

Martha's Vineyard Hospital's community health needs report also found that housing insecurity poses significant challenges. About half of year-round Martha's Vineyard Island households meet the HUD definition of cost-burdened, spending more than 30 per cent of their income on housing. That is much higher than the statewide average of about a third of households, the report found. About a quarter of Island households spend more than half their income on housing compared with 16 per cent statewide. And Nantucket's lack of affordable housing and resources have been an issue for the community for many years. Nantucket Cottage Hospital's community health needs assessments also continuously highlight the lack of housing affordability, with a Workforce Housing Needs assessment from 2015 finding that half of the island's year-round population struggles to pay their rent.

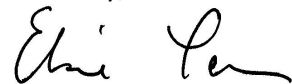
Not only is affordable housing a concern with respect to the social determinants of health of our patients, but it's also a significant contributing factor to staffing challenges that our hospitals are facing. The lack of workforce housing is particularly problematic for employees in our Nantucket Cottage and Martha's Vineyard Hospitals.

This legislation will empower communities that choose to do so to place a small fee of 0.5% to 2% on higher-end real estate transactions to fund affordable housing. This legislation is intentionally adaptable so that different municipalities can enact the type of transfer fee that works best for their community. Even with more accommodating zoning regulations and the American Rescue Plan Act funds that have recently been allocated for housing, additional and reliable funding sources, such as revenue from transfer fees, are desperately needed to construct truly affordable housing.

We urge the committee to favorably consider this important piece of legislation as we work to ensure that members of our communities can have their housing and health care needs met.

Thank you.

Sincerely,



Elsie Taveras, MD, MPH
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Executive Director, Kraft Center for Community Health at MGH
Conrad Taff Professor, Harvard Medical School