



January 18, 2024

The Honorable Lydia Edwards  
Senate Chair, Joint Committee on Housing  
State House, Room 413-C  
Boston, MA 02133

The Honorable James Arciero  
House Chair, Joint Committee on Housing  
State House, Room 146  
Boston, MA, 02133

**RE: Written Testimony Regarding H.4138, The Affordable Homes Act**

Dear Chair Edwards, Chair Arciero, and Honorable Members of the Committee:

I am writing to you in support of **H.4138, The Affordable Homes Act**, filed by Governor Maura Healey. We applaud the historic level of investment and policy initiatives proposed by the Healey Administration to support housing affordability, equity, production, and preservation across the Commonwealth.

Based in Boston, Compass Working Capital (Compass) has been working to end asset poverty for families with low incomes and narrow the racial and gender wealth divides for nearly 20 years. Compass provides savings and financial coaching programs that support families with low incomes to build assets, achieve their financial goals, and become financially secure. We focus on serving families led by Black and/or Hispanic/Latina women. Our approach is centered on partnering with families to reach their financial goals and make progress across several measures of financial security, such as increases in savings, credit score, and earnings, and reductions in unmanageable debt. The Family Self-Sufficiency (FSS) program is a United States Department of Housing and Urban Development (HUD)-managed program created by Congress in 1990 as an employment and savings program for families living in HUD-subsidized housing. Since 2010, Compass has worked to expand the scope and impact of FSS by partnering with public housing agencies and other affordable housing providers to deliver a new, asset-building model for the FSS program —the first nonprofit organization in the country to do so. We are thankful to the Governor and Legislature for their ongoing support of our work by allocating funding in the state budget to support the expansion of the FSS program to eligible households in Greater Boston.

In addition to FSS, there are several other ways in which government can continue to act to better support Black and/or Hispanic/Latina women with low incomes to build wealth. While Compass is focused on expanding the scope and impact of the FSS program, we are very supportive of these other efforts and believe that our work prepares potential homeowners that stand to benefit from authorizations and policies included in The Affordable Homes Act proposal.

Homeownership remains one of the most significant ways that families build and pass on wealth. However, for many Black and Hispanic or Latina families in Massachusetts, this prospect remains out of reach due to current economic headwinds – such as the affordable housing crisis, inflation, and rising

interest rates – and the enduring impacts of historical, cross-generational discriminatory housing policies across the system. Therefore, it is critical now, more than ever, to prioritize programs and resources that support narrowing the racial homeownership gap, and by extension, the racial and gender wealth divides.

Compass would like to specifically voice support for the Governor’s proposed \$50 million to support first-time homebuyers through the MassDREAMS program included in the Affordable Housing Trust Fund authorization. The FSS program enables families to build savings that they can use toward their financial goals. Average savings among Compass FSS program graduates are \$9,000. While these savings are significant, they are often not enough on their own in today’s housing market for families to make their homeownership goals a reality. Additional support from programs like MassDREAMS can enable FSS families to make their hard-earned savings go further. Whether the assistance allows them to enhance their downpayment or shift their financial resources towards a savings cushion for the inevitable needs associated with owning a home, this targeted investment can open the door to homeownership for countless families that otherwise may have only dreamed of being able to take this wealth-building step.

Compass is also supportive in particular of tenant protections and fair housing measures included in the Governor’s proposal. This includes the creation of an Office of Fair Housing within the Executive Office of Housing and Livable Communities, alongside a Fair Housing Trust Fund aimed at explicitly focusing on fair housing issues in the Commonwealth.

The Governor’s housing bond bill is a bold, comprehensive first-step toward improving access to more equitable housing and removing barriers to housing stability. We respectfully ask the Committee for a favorable report of H.4138.

Thank you for your consideration and please do not hesitate to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Markita ML". The signature is fluid and cursive, with the first name "Markita" written in a larger, more prominent script than the initials "ML".

Markita Morris-Louis  
Chief Executive Officer  
Compass Working Capital