Joint Committee on Housing Massachusetts State House 24 Beacon Street Boston, MA 02133

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Dear Chairman Haggerty, Chairman Cyr, and other esteemed members of the Committee,

Thank you for collecting written testimony for this hearing. I am an affiliated scholar with the Mercatus Center at George Mason University. The Mercatus Center's Urbanity Project researches how land-use policy reform promotes growth and opportunity in cities while addressing the systemic problem of housing affordability.

I am writing regarding An Act to Promote Yes in My Backyard (H.1572 / S.962).

Under current conditions, more than <u>10,000</u> families, net, must move away from Massachusetts every year because there is a lack of adequate housing. When there is a lack of housing, families naturally enter a bidding war for the houses that exist. Rents and prices rise uniformly as that process plays out, and, <u>inevitably</u>, that means that the families with the fewest resources systematically experience financial stress until more than 10,000 families feel so stressed that displacement becomes their only option.

As long as the supply of homes is a binding constraint on Massachusetts' population, this will be the case. Other programs meant to ease the stress of high costs might change *who* has to feel enough stress to leave Massachusetts, but until there are 10,000 more homes, 10,000 families will have to come to that decision.

Currently, only about 15,000 new homes are permitted annually in Massachusetts. There is a lot of work to do.

That is one of many reasons that it is imperative to push the boundary on every practical margin to make more types of homes in more locations legal and practical to construct. Until Massachusetts loosens its restrictions on housing construction enough to escape its current condition, every home that doesn't get built is some family's misery.

I encourage you to continue working on all margins that will reduce the number of those stories.

Sincerely,
Kevin Erdmann
Senior Affiliated Scholar
The Mercatus Center at George Mason University