

NATIONAL LAW CENTER ON HOMELESSNESS & POVERTY

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FY09 Appropriations Provide Modest Increases for Homeless Programs

Yesterday, the House introduced its proposed Fiscal Year 2009 omnibus appropriations bill. This bill would provide funding through the rest of FY09 (which began on October 1, 2008) for federal programs administered by the Departments of Housing and Urban Development, Health and Human Services, Labor, Education, Veterans Affairs, and most other federal agencies. The bill is necessary because Congress failed to provide regular appropriations for those agencies last fall and has been funding them through a Continuing Resolution that will expire in early March 2009.

Overall, there were very small gains for homeless and housing programs. HUD McKinney program funding was increased from \$1.586 billion for FY08 to \$1.667 billion for FY09. The McKinney funding is in addition to the \$1.5 billion the recently enacted stimulus legislation provided for homeless prevention activities under the McKinney-Vento Emergency Shelter Grant program.

Funding for tenant-based rental assistance was increased from \$16.391 billion in FY08 to \$16.817 billion in FY09. This appears to fall slightly short of the amount that the Center on Budget and Policy Priorities has estimated is needed to renew all the expiring contracts.

Within the tenant-based rental assistance appropriation, \$75 million was set-aside for HUD-VASH (the same as last year). Public housing authorities will receive slight increases from FY08 levels for capital improvements and operating subsidies, and HOPWA funding will increase from \$300 million to \$310 million.

Funding levels for other homeless programs include the following:

The Education for Homeless Children and Youth program would receive just over \$65 million, up from \$64 million for FY08. This is in addition to the \$70 million provided for the program under the stimulus legislation enacted this month.

Health Care for the Homeless would receive \$189.2 million, up from \$176.1 million for FY08.

The VAWA authorized Transitional Housing program would receive \$18 million, up from \$17.4 million in FY08.

The Projects to Assist in the Transition from Homelessness (PATH) program would receive \$60 million, up from \$54 million in FY08.

Lastly, the bill proposes to make a change to the McKinney-Vento Title V program that would make it more difficult for non-profits who are not part of the local Continuum of Care or recipients of other McKinney funding to obtain property under Title V. NLCHP opposes this provision. As the economy continues to falter and homeless needs rise, now is not the time to make it more difficult for non-profits to obtain property. The provision may also disproportionately affect groups that do local advocacy and therefore do not participate in the Continuum, as well as rural groups and certain family homeless assistance providers who are not

eligible for most HUD McKinney funding because they serve doubled-up families and others who do not meet HUD's definition of homelessness.

In summary, the bill provides very small increases, far below the need. The stimulus funding will help provide some relief, but the National Law Center on Homelessness & Poverty will be looking to the FY10 budget to try to secure the gains in permanent housing and mainstream programs that we need in order to address homelessness.

For more information, please contact Laurel Weir at lweir@nlchp.org.