

**Funding Recommendations for Targeted Homeless Programs
Within the U.S. Department of Labor
U.S. Department of Health and Human Services
U.S. Department of Education
Social Security Administration**

As national organizations that share the goal of ending homelessness, we urge the Administration and Congress to expand resources for housing and supports for people in homeless situations. Specifically, we urge Congress to appropriate FY 2006 funds for the targeted homeless programs of the U.S. Department of Labor, U.S. Department of Health and Human Services, U.S. Department of Education, and Social Security Administration at the following levels:

Table: Selected FY 2006 Labor-Education-HHS Appropriations Request (in millions)

Program	FY 2004	FY 2005	Administration's FY2006 Request	FY 2006 –Our Request for Down Payment on Ending Homelessness
Homeless Veterans Reintegration Program (HVRP)	\$19	\$20.8	\$22	\$50
Education for Homeless Children and Youth (ECHY)	\$59.6	\$62.5	\$62.5	\$70
Runaway and Homeless Youth Act (RHYA)	\$105	\$104	\$140	\$140
Health Care for the Homeless (HCH)	\$140	\$149	\$175	\$175
Projects for Assistance in Transition from Homelessness (PATH)	\$49.8	\$54.8	\$55	\$65
SSI Outreach	\$8	\$8	\$0	\$16
Grants for the Benefit of Homeless Individuals	\$37.2	\$40.1	\$0	\$52
Services for Ending Long Term Homelessness	\$10	\$10	\$0	\$55

*Endorsing Organizations:

Catholic Charities USA
Corporation for Supportive Housing
National Alliance to End Homelessness

National Association for the Education of Homeless Children and Youth
National Coalition for the Homeless
National Coalition for Homeless Veterans
National Health Care for the Homeless Council
National Network for Youth
National Law Center on Homelessness & Poverty
National Policy and Advocacy Council on Homelessness
National Student Campaign Against Hunger and Homelessness
Volunteers of America
United Way

Homeless Veterans Reintegration Program

The Homeless Veterans Reintegration Program (HVRP), within the Department of Labor's Veterans Employment and Training Service (VETS), provides competitive grants to community-based, faith-based, and public organizations to offer outreach, job placement and supportive services to homeless veterans. HVRP is the primary employment services program accessible by homeless veterans and the only targeted employment program for any homeless subpopulation. Homeless veterans have more barriers to employment than non-homeless veterans due to their lack of housing. HVRP grantees remove those barriers through specialized supports unavailable through other employment services programs. Grantees are able to place HVRP participants into employment for \$2,100 per placement, a tiny investment for moving a veteran out of homelessness, and off of dependency on public programs.

DOL estimates that 14,750 homeless veterans will be served through HVRP at the FY 2005 appropriation level of \$21 million. This figure represents just three percent of the overall homeless veteran population, which the Department of Veterans Affairs estimates numbers more than 500,000 over the course of a year. An appropriation at the authorized level of \$50 million would enable HVRP grantees to reach approximately 24,000 homeless veterans.

Additionally, HVRP is being used as the account to fund a joint Department of Labor and Department of Veterans Affairs initiative authorized by Congress to assist veterans incarcerated in their reentry to the community. This decision essentially adds a new purpose to the HVRP program, for which additional funds are needed.

Table: Funding for Homeless Veterans Reintegration Program (in millions)

FY 2004	FY 2005	FY2006- Administration	FY 2006 – Down Payment on Ending Homelessness
\$19	\$20.8	\$22	\$50

Education for Homeless Children and Youth

The McKinney-Vento Act's EHCY program removes barriers to the enrollment, attendance, and success of homeless children and youth in school. The EHCY program was amended by the No Child Left Behind Act and now requires all school districts to designate a liaison for homeless children and youth, to pro-actively identify homeless children and youth, and to provide transportation to stabilize the educational experience of homeless children and youth. These provisions have greatly strengthened the EHCY program, increasing homeless students' access to and stability in school, and therefore their opportunities for academic success.

Yet the extremely limited resources available to the EHCY program have created challenges for schools in fully implementing the provisions of the McKinney-Vento Act and in reaching all children and youth experiencing homelessness. In FY 2000 (the last year for which statistics are available), states were only able to provide funds to 11% of school districts. As a result, only 28% of the children and youth identified as living in homeless situations received direct services. Funding EHCY at its full authorized level of \$70 million would allow significantly more children and youth to receive the services they need to succeed. It would also enable more schools to provide a greater level of support to children experiencing homelessness, particularly the transportation services that are essential in ensuring school access and stability.

Table: Funding for Education for Homeless Children and Youth (in millions)

FY 2004	FY 2005	FY2006- Administration	FY 2006 – Down Payment on Ending Homelessness \$70
\$59.6	\$62.5	\$62.5	

Runaway and Homeless Youth Act

Congress should appropriate \$140 million in FY 2006 for Runaway and Homeless Youth Act (RHYA) programs. \$120 million should be appropriated for the consolidated runaway and homeless youth program account and \$20 million should be appropriated for the runaway prevention (a.k.a. street outreach) account. Within the amount requested is \$10 million recommended by the Administration for maternity group homes (MGH), a newly-authorized activity within the RHYA transitional living program.

RHYA family reunification, emergency shelter, transitional living, and street outreach programs protect youth from the harm of life on the streets and either reunify them safely with family, find alternative placements, or ensure their successful transition into self-sufficient adulthood.

Need:

According to the federally-administered Runaway and Homeless Youth Management Information System (RHYMIS), during FY 2003:

- 2,500 youth were turned away from Transitional Living Programs due to lack of resources.
- 4,226 youth were turned away from Basic Center Programs due to lack of resources.
- 630,000 contacts were made through the Street Outreach Program, meeting the needs of only one-third of those requiring services.

Need for Transitional Living Programs and Basic Center Programs

In order to meet the level demonstrated need, RHYA programs would require **AT LEAST** a \$27 million increase over FY 2005 for Basic Center and Transitional Living Programs. At an average annual cost of \$9,400 per youth in Transitional Living Programs, a \$24 million increase would allow community and faith-based programs to serve the 2,500 youth who did not receive RHYA services last year due to lack of public funding. A \$3 million increase would allow programs to serve the 4,226 youth who were turned away from Basic Center programs.

Need for Street Outreach Services

According to the U.S. Department of Justice, an estimated 1.7 million youth had a runaway/throwaway episode in 1999. In FY 2003, Street Outreach Programs served approximately 630,000 youth. A \$5 million dollar increase over FY 2005 would allow communities to serve an additional 158,000 youth who are at risk of sexual exploitation and abuse.

Table: Funding for Runaway and Homeless Youth Act (in millions)

FY 2004	FY 2005	FY 2006 - Administration	FY 2006 – Down Payment on Ending Homelessness
\$105	104	114 (including MGH)	\$140

Health Care for the Homeless

Congress allocates 8.6% of the Consolidated Health Centers account for Health Care for the Homeless (HCH). The HCH program awards grants to community-based organizations to assist them in planning and delivering accessible, high quality primary care and related health services to people experiencing homelessness. In FY 2004, Federal HCH funds enabled 172 projects in all 50 states, the District of Columbia, and Puerto Rico to provide services to approximately 600,000 people - a sizable number, but far below the 3,500,000 Americans who annually experience homelessness, as reported by the Urban Institute.

Health Care for the Homeless funding has fallen far short of the amount necessary to ensure access to health care for the 71% of HCH clients who have no health insurance whatsoever. The proposed increase to \$175 million for FY 2006 is an integral part of the Administration's initiative to expand the Health Center component of the safety net and would fund 20 to 25 new projects, serving an additional 35,000 to 50,000 people.

Table: Funding for Health Care for the Homeless (in millions)

FY 2004	FY 2005	FY2006- Administration	FY 2006 – Down Payment on Ending Homelessness \$175
\$140	\$149	\$175	

Projects for Assistance in Transition from Homelessness (PATH)

The PATH program provides homeless people with serious mental illnesses access to mental health services. PATH focuses on outreach to eligible consumers, followed by help in ensuring that those consumers are connected with mainstream services.

Funding for the PATH program falls far short of the amount necessary to enable states to ensure access to mental health services for people experiencing homelessness. Under the PATH formula grant, approximately 30 states share in the program's annual appropriations increases. In order for those states to increase the effectiveness of the services they provide, an increase of approximately \$7.5 million over FY 2004 is required. The remaining states and territories (more than 20) receive the minimum grant of \$300,000 for states and \$50,000 for territories. These amounts have not been raised since the program was authorized in 1991.

To account for inflation, the minimum allocation should be raised to \$600,000 for states and \$100,000 for territories – necessitating an additional funding increase of \$7.5 million. Amending the minimum allocation requires a legislative change. Legislation increasing the minimum state allocation level (S 319) – without adversely impacting large states – was introduced on February 8 by Senators Pete Domenici (R-NM) and Edward M. Kennedy (D-MA). If the authorizing committees do not have sufficient time to reach this issue, we hope that appropriators will explore ways to make the amendment through appropriations bill language, working in conjunction with authorizers. This approach will best ensure that the amendment is made prior to Congress' adjournment in the fall.

Table: Funding for Projects in Assistance in Transition from Homelessness (PATH) (in millions)

FY 2004	FY 2005	FY 2006 - Administration	FY 2006 – Down Payment on Ending Homelessness
\$49.8	\$55	\$55	\$65

SSI Outreach and Application Assistance

As part of the ongoing effort to end long term homelessness for persons with disabilities, the Social Security Administration (SSA) is funding a series of grants designed to demonstrate the effectiveness of outreach and comprehensive application assistance in successfully enrolling eligible homeless persons in the SSI program. These grants are building on the successes achieved by several existing model programs. Once homeless persons are receiving a monthly income, service providers will be better able to assist them in obtaining permanent housing. These programs will also benefit SSA. By making quicker and more accurate decisions, case processing times will be reduced – freeing up SSA resources to devote to other cases.

SSA has made its first round of grant awards. Approximately 40 awards were made in the first round, but over 330 applications were received. Doubling the current funding level would provide support for an additional round of demonstrations and help begin to address some of the unmet need.

Funding for the grants is provided through SSA's research and demonstration program account. To support the grants, \$16 million should be added to the account, along with corresponding report language that allocates those funds for homelessness outreach grants.

Table: Funding for SSI Outreach and Application Assistance (in millions)

FY 2004	FY 2005	FY 2006 - Administration	FY 2006 – Down Payment on Ending Homelessness
\$8	\$8	\$0	\$16

Grants for the Benefit of Homeless Individuals (GBHI)

The Grants for the Benefit of Homeless Individuals (GBHI) program, within the Substance Abuse and Mental Health Services Administration (SAMHSA), provides competitive grants to community-based public and nonprofit organizations for the purpose of developing and expanding addiction and mental health services for homeless persons.

Congress established GBHI because mainstream addiction and mental health services are not adequately reaching the homeless population. For example, homeless people, who are difficult to contact, are readily dropped from extensive waiting lists for mainstream treatment services. Further, few community-based mainstream programs offer the long-term, residentially-based aftercare and housing services that are essential to homeless persons' successful re-entry into the larger community. Furthermore, mainstream providers are not typically linked to the full range of health, housing, and social services that homeless people with addictions and mental illnesses require for recovery and residential stability.

Funding for the GBHI program falls far short of the amount needed by community-based and faith-based organizations seeking to develop or strengthen addiction and mental health services for homeless people in their communities. SAMHSA is able to fund only about 20 percent of qualified applicants due to resource limitations.

The GBHI program is funded through allocations from the mental health and substance abuse treatment Programs of Regional and National Significance (PRNS) accounts. Congress, in report language to accompany the FY 2006 Labor-HHS-Education bill, should allocate \$7,800,000 from the mental health PRNS account and \$44,200,000 from the substance abuse treatment PRNS account for the GBHI program.

Table: Funding for GBHI (in millions)

FY 2004	FY 2005	FY 2006 - Administration	FY 2006 – Down Payment on Ending Homelessness
\$37.2	\$40.1	\$34.4	\$52

SAMHSA Services for Ending Long-Term Homelessness

The Administration has set a goal of ending chronic homelessness by 2012. States and local governments have responded by creating plans and devoting resources to meet this challenge. To succeed, the initiative will require HHS's funding and expertise in the delivery of services, including mental health and substance abuse treatment and recovery.

Congress is now considering the Services to End Long Term Homelessness Act (SELHA), which would authorize an efficient funding mechanism that would be used in conjunction with housing resources that are available through HUD and other state and local programs.

While Congress deliberates on this proposal, HHS's Substance Abuse and Mental Health Services Administration (SAMHSA) already has authority to make grants for services in supportive housing for people who are chronically homeless, and has done so for the past three years. In FY 2003 through FY 2005, HHS provided \$10 million for services in supportive housing for people who experience chronic homelessness. This year's budget includes no funding for this purpose.

An appropriation of \$55 million would fund services in about 10,000 units of supportive housing, and produce results in the effort to end chronic homelessness:

- Approximately 80% of homeless people with disabilities who are given the opportunity to move into supportive housing stay for a year or more, and many who leave move to independent settings.
- Supportive housing reduces costs for emergency room and hospitalizations by more than 50%, while increasing earnings from employment. A major study found that supportive housing saved taxpayers more than \$16,000 a year per unit in the use of public health services, hospitals, shelters, and jails.
- Homeless people with disabilities often have needs that cross the boundaries of fragmented, categorical service systems. Supportive housing provides accessible, coordinated, and flexible services that lead to recovery and reintegration into community life.

Funding should be provided within the Programs of Regional and National Significance Account (PRNS) within SAMHSA's Center for Mental Health Services (CMHS). Although it wasn't in the final appropriations, Senate Appropriators included an additional \$10 million for this purpose last year.

HHS Funding for Services for Chronic Homelessness (in millions)

FY 2004	FY 2005	FY 2006 - Administration	FY 2006 – Down Payment on Ending Homelessness
\$10	\$10	\$0	\$55