

# CRS Report for Congress

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## **Homelessness: Recent Statistics, Targeted Federal Programs, and Recent Legislation**

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# Homelessness: Recent Statistics, Targeted Federal Programs, and Recent Legislation

## Summary

There is no single federal definition of homelessness. However, most federal programs for the homeless define a homeless individual as a person who lacks a fixed and night-time residence or whose primary residence is a supervised public or private shelter designed to provide temporary living accommodations, an institution accommodating persons intended to be institutionalized, or a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

Existing data estimate the homeless population in the United States as ranging from 600,000 to 2.5 million. A congressionally mandated Homeless Management Information System (HMIS) to count the homeless is expected to produce annual data about the number of homeless individuals beginning in late 2005.

A number of federal programs, most authorized by the McKinney-Vento Homeless Assistance Act (P.L. 100-77), serve the homeless. The main federal programs for the homeless include the Education for Homeless Children and Youth (EHCY) program; the Emergency Food and Shelter Program (EFSP); the Health Care for the Homeless Program (HCH); the Projects for Assistance in Transition from Homelessness (PATH) program; the Consolidated Runaway and Homeless Youth Programs (the Basic Center Program and the Transitional Living Program); the Street Outreach Program (SOP); the Supportive Housing Program (SHP); the Shelter Plus Care (S+C) program; the Section 8 Moderate Rehabilitation of Single-Room Occupancy Dwellings (SRO) program; the Emergency Shelter Grants (ESG) program; the Homeless Veterans Reintegration Program (HVRP); the Health Care for Homeless Veterans (HCHV) program; and a number of other federal programs for homeless veterans.

After Hurricane Katrina struck the Gulf Coast on August 29, 2005, the Department of Housing and Urban Development took several steps to provide assistance to those who were left homeless by the hurricane and those who were homeless before it struck, including issuing waivers for its existing Emergency Shelter Grants program and partnering with FEMA to provide a new Katrina Disaster Housing Assistance Program.

Looking toward the future, the Administration has adopted a goal of ending chronic homelessness within ten years, and several proposals designed to help reach that goal have been introduced in the 109<sup>th</sup> Congress, including H.R. 1471, S. 709, H.R. 2131 and S. 1801.

This report will be updated to reflect legislative activity.

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# Homelessness: Recent Statistics, Targeted Federal Programs, and Recent Legislation

There is no single federal definition of what it means to be homeless. However, most federal programs for the homeless use the definition of a homeless individual provided by the McKinney-Vento Act (P.L. 100-77):

an individual who lacks a fixed, regular, and adequate nighttime residence; and a person who has a nighttime residence that is (a) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); (b) an institution that provides a temporary residence for individuals intended to be institutionalized; or (c) a public or private place not designed for, nor ordinarily used as, a regular sleeping accommodation for human beings.<sup>1</sup>

## Recent Data on the Homeless

Data on the number of homeless individuals and families are largely unavailable. The only consensus is that the number of homeless persons is probably between 600,000 and 2.5 million. The homeless are notoriously difficult to count because of their nomadic nature and because so many of the homeless are not in shelters, but are on the streets or are doubled-up with friends and family. The Department of Housing and Urban Development (HUD) has undertaken a congressional mandate to implement a system that will provide an unduplicated count of homeless individuals and families who access homeless services. The Homeless Management Information System (HMIS) is currently being implemented across the country. It is anticipated that the first data should be available in December 2005.<sup>2</sup> Since HMIS data are not yet available, the best homeless data currently come from sample studies.

There are two major studies of the homeless. Although both studies provide an assortment of data on the homeless, neither includes an estimate of the total homeless population. The most recent report, "Hunger and Homelessness Survey: A Status Report on Hunger and Homelessness in America's Cities,"<sup>3</sup> an annual report sponsored by the U.S. Conference of Mayors, was released in December 2004. In order to conduct the study, the Conference of Mayors appointed 27 mayors to serve

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<sup>1</sup> 42 U.S.C. §11302

<sup>2</sup> See: *HUD Report to Congress: Fourth Progress Report on HUD's Strategy for Improving Homeless Data Collection, Reporting, and Analysis*. Available at [<http://www.huduser.org>].

<sup>3</sup> A copy may be obtained from the USCM website, at [<http://www.usmayors.org>].

on its Task Force on Hunger and Homelessness. The cities where those 27 mayors serve were surveyed for the study.<sup>4</sup> The data from each of those 27 cities were compiled by an individual or agency in the city's government, and were reviewed by a senior-level manager before being submitted. For the 2004 survey, the data were collected from the cities for the period of November 1, 2003 to October 31, 2004 during November and December 2004, and were supplemented with data on population, poverty, and unemployment available from the Bureau of the Census and the Bureau of Labor Statistics.

The earlier of the two studies was released in December 1999. "The 1996 National Survey of Homeless Assistance Providers and Clients (NSHAPC)"<sup>5</sup> was designed and funded by 12 federal agencies<sup>6</sup> with guidance provided by the Interagency Council on the Homeless, a working group of the White House Domestic Policy Council. The U.S. Bureau of the Census collected the data based on a statistical sample of 76 metropolitan and nonmetropolitan areas between October 1995 and November 1996. The Urban Institute analyzed the data.

Specific findings of these two studies are summarized below. It is important to remember that these two surveys were conducted at different times, look at different geographical areas, ask different questions and use different survey techniques; thus the results are not necessarily comparable.

**The 2004 U.S. Conference of Mayors Study.** The U.S. Conference of Mayors (USCM) study seeks to track the changes in demand for emergency shelter and emergency food assistance, as well as changes in the characteristics of the homeless population. According to the most recent study, in 2004, requests for emergency shelter increased in the survey cities by an average of 6%, with 70% of the cities registering an increase. Requests for shelter by homeless *families* increased by 7%, with 78% of the cities reporting an increase. On average, people remained homeless for eight months (up from five months in 2003) and just under half of the cities reported that the duration of homelessness in their communities had increased over the previous year. According to the study, lack of affordable housing led the list of causes of homelessness. In order of frequency, the other cited causes included mental illness and the lack of needed services, substance abuse and the lack of needed services, low-paying jobs, unemployment, domestic violence, poverty and prison release. Regarding the demographics of the homeless population, the surveyed cities reported that, on average, single men comprise 41% of the homeless population, families with children, 40%, single women, 14% and unaccompanied

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<sup>4</sup> The 2004 cities surveyed were: Boston, Burlington, Cedar Rapids, Charleston, Charlotte, Chicago, Cleveland, Denver, Detroit, Kansas City, Louisville, Los Angeles, Miami, Nashville, New Orleans, Norfolk, Philadelphia, Phoenix, Portland, Providence, St. Paul, Salt Lake City, San Antonio, San Francisco, Santa Monica, Seattle, and Trenton.

<sup>5</sup> A copy may be obtained from the HUD website, at [<http://www.huduser.org>]. Click on "Publications," then click on "Homelessness."

<sup>6</sup> The federal agencies are Departments of Housing and Urban Development; Health and Human Services; Veterans Affairs; Agriculture; Commerce; Education; Energy; Justice; Labor; Transportation; Social Security Administration; and the Federal Emergency Management Agency.

youth, 5%. By race, the homeless population was estimated to be, on average, 49% African-American, 35% white, 13% Hispanic, 2% Native American and 1% Asian. The cities also reported that, on average, 23% of homeless people were considered mentally ill; 30% abused substances; 17% were employed; and 10% were veterans. The study also looked at access to housing assistance for the homeless in the surveyed cities and found long waits. Applicants must wait an average of 20 months for public housing (down from 24 months in the 2003 survey) and 35 months for Section 8 Vouchers (up from 27 months in the 2003 survey). Over half of surveyed cities had stopped accepting applications for at least one assisted housing program due to the length of the waiting lists.

**The NSHAPC.** Although the NSHAPC has not been updated since 1996, it is largely considered to be the most comprehensive data set available on the extent of homelessness, the characteristics of the homeless population, and service programs designed to serve the homeless. The study found that homeless clients were predominantly male (68%) and nonwhite (53%); 23% of homeless clients were veterans. Large proportions had never married (48%) and 38% had not received a high school diploma. The NSHAPC also found that 34% of homeless people found in homeless assistance programs were members of homeless families (defined as a client with one or more children) and that homeless families had, on average, two children. Parents reported that almost half (45%) of these children ages three to five attended preschool and that 93% of school-age children (ages 6 to 17) attended school regularly. Forty-two percent of homeless clients reported that finding a job was their top need followed by a need for help in finding affordable housing (38%). Fifty-eight percent reported at least one problem with getting enough food to eat during the 30 days before being interviewed. Thirty-eight percent of homeless clients reported alcohol problems during the past month, 26% reported drug problems, and 39% reported mental health problems during that period. Over one-quarter (27%) of homeless clients had lived in foster care, a group home or other institutional setting for part of their childhood. Twenty-five percent reported childhood physical or sexual abuse.

The NSHAPC counted approximately 40,000 homeless assistance programs in 21,000 service locations operating in the United States. Food pantries (about 9,000) were the most common type of program, followed by emergency shelters (about 5,700), transitional housing programs (about 4,400), soup kitchens (about 3,500), outreach programs (about 3,300), and voucher distribution programs (about 3,100). Nonprofit agencies operated 85% of all homeless assistance programs; 51% were operated by secular non-profits and 34% were operated by faith-based nonprofits. Government agencies operated only 14% of homeless assistance programs.

## The Federal Response to Homelessness

Before the early 1980s, most homeless assistance took place at the local level. However, as advocates for the homeless achieved national attention for the problem of modern homelessness, the federal government played a greater role in responding to homelessness. In 1983, the first federal task force was created to provide information to local governments and other parties on how to obtain surplus federal property that could be used for providing shelter and other services for the homeless. On June 26, 1986, H.R. 5140 and S. 2608 were introduced as the Homeless Persons' Survival Act to provide a comprehensive aid package for homeless persons. No further action was taken on either measure. However, later that same year, legislation containing Title I of the Homeless Persons' Survival Act — emergency relief provisions for shelter, food, mobile health care, and transitional housing — was introduced as the Urgent Relief for the Homeless Act (H.R. 5710). The legislation passed both houses of Congress in 1987 with large bipartisan majorities. The act was renamed the Stewart B. McKinney Homeless Assistance Act<sup>7</sup> after the death of its chief sponsor, Stewart B. McKinney of Connecticut. President Ronald Reagan signed the act into law on July 22, 1987 (P.L. 100-77).

The original McKinney Act consisted of 15 programs providing an array of services for the homeless. The act also established the Interagency Council on the Homeless, which is designed to provide guidance on the federal response to homelessness through the coordination of the efforts of multiple federal agencies covered under the McKinney Act. Since the enactment of the McKinney-Vento Homeless Assistance Act, there have been several legislative changes to programs and services provided under the act. Specific programs covered under the McKinney-Vento Act, as well as other federal programs responding to homeless, are discussed below.

### Department of Education (ED)

**Education for Homeless Children and Youth.** (42 U.S.C. §§ 11431-11435) This program is authorized under Title VII, Part B, of the McKinney-Vento Homeless Assistance Act; it assists state education agencies (SEAs) to ensure that all homeless children and youth have equal access to the same free, appropriate public education, including public preschool education, that is provided to other children and youth. Grants made by SEAs to local education agencies (LEAs) under this program must be used to facilitate the enrollment, attendance, and success in school of homeless children and youth. The LEAs may use the funds for activities such as tutoring, supplemental instruction, and referral services for homeless children and youth, as well as providing them with medical, dental, mental, and other health services. In order to receive funds, each state must submit a plan indicating how homeless children and youth will be identified, how assurances will be put in place that homeless children will participate in federal, state, and local food programs if eligible, and how the state will address such problems as transportation,

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<sup>7</sup> P.L. 106-400 (signed into law on Oct. 30, 2000) renamed the Stewart B. McKinney Homeless Assistance Act as the McKinney-Vento Homeless Assistance Act.



immunization, residency requirements, and the lack of birth certificates or school records.

Education for Homeless Children and Youth grants are allotted to SEAs in proportion to grants made under Title I, Part A of the Elementary and Secondary Education Act of 1965, except that no state can receive less than the greater of \$150,000, 0.25% of the total annual appropriation, or the amount received in FY2001 under this program. The Department of Education must reserve 0.1% of the total appropriation in order to provide grants to outlying areas (Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands). The Department also must transfer 1.0% of the total appropriation to the Department of the Interior for Bureau of Indian Affairs services to homeless children and youth.

The No Child Left Behind Act of 2001 (P.L. 107-110) amended the program explicitly to prohibit states that receive McKinney-Vento funds from segregating homeless students from non-homeless students, except for short periods of time for health and safety emergencies or to provide temporary, special, supplementary services. An exception was made for four counties that operated separate schools for homeless students in FY2000 (San Joaquin, Orange, and San Diego counties in California, and Maricopa County in Arizona), as long as those separate schools offered services that are comparable to local schools and homeless children were not required to attend them. The Education for Homeless Children and Youth Program is authorized, under P.L. 107-110, through FY2007 at 42 U.S.C. §11435, as amended. No significant legislative changes for the program are anticipated before the 110<sup>th</sup> Congress.

## **Department of Homeland Security (DHS)**

**Emergency Food and Shelter Program (EFSP).** (42 U.S.C. §§ 11331-11352). The EFSP is administered by the Emergency Preparedness and Response Directorate, also referred to as the Federal Emergency Management Agency (FEMA), in the Department of Homeland Security, and is governed by a National Board chaired by FEMA. The Board includes representatives from the United Way of America, the Salvation Army, the National Council of Churches of Christ in the U.S.A., Catholic Charities U.S.A., the Council of Jewish Federations and the American Red Cross. The United Way of America was selected as the secretariat and fiscal agent to perform necessary administrative duties for the board. The National Board establishes written guidelines each year which are published, when modified, in the *Federal Register*. Each area designated by the National Board to receive funds for that year must convene a local board. Local boards determine which private nonprofit or public organizations of the local government within individual localities should receive grants to act as service providers. Affiliates of the organizations represented on the National Board are invited to join the local board if possible; if a selected jurisdiction is part of an Indian reservation, the board must include a Native American. Also, all local boards must include a homeless or a formerly homeless person.

EFSP funds can be used for food banks/pantries, mass shelters (five or more beds), mass feeding sites, emergency repairs to meet building codes of mass feeding

facilities or shelters, limited emergency rent or mortgage assistance and limited utility assistance for individuals or families to prevent homelessness.

The EFSP was established by the Temporary Emergency Food Assistance Act of 1983 (P.L. 98-8); in 1987 it was authorized under the McKinney-Vento Homeless Assistance Act. The authorization for the EFSP expired at the end of FY1994 (42 U.S.C. §11352); however, it continues to be funded through annual appropriations. For more information, see CRS Report RS22286, *The Emergency Food and Shelter Program*, by Libby Perl.

## **Department of Health and Human Services (HHS)**

**Health Care for the Homeless (HCH) Program.** (42 U.S.C. §254b(h)) This program is authorized as a Health Center Program under the Public Health Service Act and is administered by the Health Resources and Services Administration (HRSA). The program provides funds to 159 grantees for health centers to provide health services to a special medically underserved population comprised of homeless individuals. Grants are also available for innovative programs that provide outreach and comprehensive primary health services to homeless children and children at risk of homelessness. Centers that receive grants to care for the homeless are required to provide substance abuse treatment as a condition of the grant. In CY2003, approximately 569,000 homeless individuals were provided services by the HCH program. This program is authorized through FY2006 at 42 U.S.C. §254b(j)(6). For more information, see CRS Report RL32046, *Federal Health Centers Program*, by Sharon Coleman.

**Projects for Assistance in Transition from Homelessness (PATH).** (42 U.S.C. §290cc-21 through 290cc-35) The PATH program supports a wide network of state and local agencies that provide community-based outreach, mental health, substance abuse, case management and other support services in a variety of settings for people with serious mental health illness (including those with co-occurring substance abuse disorders) who are homeless or at risk of becoming homeless. The PATH program provides these services through formula grants of at least \$300,000 to each state, the District of Columbia, and Puerto Rico. The U.S. territories each receive \$50,000. States must provide matching funds of at least \$1 for every \$3 of federal funds. In FY2003, states exceeded the minimum level of matching funds, providing more than \$30.3 million in funds to match the \$41.3 million in federal funding. Up to 20% of the federal payments may be used for housing subsidies and other services to help individuals access housing resources. The PATH program is authorized under Title V of the Public Health Service Act (Sections 521 — 535) and administered by the Center for Mental Health Services within the Substance Abuse and Mental Health Services Administration (SAMHSA). Authorization for the PATH program expired at the end of FY2003; however, it continues to be funded through annual appropriations. For more information go to [<http://pathprogram.samhsa.gov>].

**Consolidated Runaway and Homeless Youth Program.** This program was initially authorized as the Runaway and Homeless Youth Program under Title III, Runaway and Homeless Youth Act (RHYA), of the Juvenile Justice and Delinquency Prevention Act, amended, (JJDPA, P.L. 93-415). The program is

administered by the Family and Youth Services Bureau (FYSB) within the Administration for Children and Families. In October 1999, the Missing, Exploited, and Runaway Children Protection Act (MERCOPA) reauthorized RHYA through FY2003 (42 U.S.C. §5751), consolidated funding for its program components — Basic Center Program (BCP) and Transitional Living Program (TLP) — and renamed the program as the Consolidated Runaway and Homeless Youth Program. On October 10, 2003, the Runaway, Homeless, and Missing Children Protection Act was signed into law (P.L. 108-96) reauthorizing and amending RHYA and the Missing Children's Assistance Act for FY2004 through FY2008. RHYA mandates that 90% of appropriated funds be used for BCP and TLP for creating and operating community-based runaway and homeless youth centers and shelters. The reauthorized law, however, adjusts the percentage split for BCP and TLP funding by increasing the TLP minimum to 45% (of the 90% funding required for the BCP and TLP projects) and allows this percentage to be increased up to 55% for those fiscal years when continuation grants are obligated and the quality or number of applicants for both BCP and TLP warrant such an adjustment. The remaining 10% of the funds must be used for a national communications system — that is, the National Runaway Switchboard, which is the national toll free runaway and homeless youth crisis hotline, an information clearinghouse; training and technical assistance activities; research and demonstration projects that seek to improve program administration; and outreach through prevention activities. For more detail, see CRS Report RL31933, *The Runaway and Homeless Youth Program: Administration, Funding, and Legislative Actions*, by Edith Fairman Cooper.

**Basic Center Program.** (42 U.S.C. §§5701-5751) The purpose of the Basic Center Program is to meet the immediate needs of runaway and homeless youth and their families through creating or strengthening local community-based programs. The goals of BCP are to lighten the problems of such youth; reunite them with their families, and promote resolving family problems through counseling and other avenues; reinforce family connections and foster a stable home life; and help such youth to make constructive decisions regarding their plight. Grants are awarded to local public and nonprofit private organizations, and a combination of such groups to establish and operate local runaway and homeless youth centers, unless they are components of the law enforcement framework or the juvenile justice system. Grants are used to develop or strengthen community-based centers that are outside the law enforcement, juvenile justice, child welfare and mental health systems. Grants are allotted among the states using a formula based on the population of persons under age 18 in each state, proportionate to the national population of youth under age 18. The eligible organizations apply directly to the federal government and compete for BCP grants, subject to the state allotments. Priority is given to applicants who have demonstrated experience in providing services to runaway and homeless youth. Grants are awarded generally for a three-year project period. Funding for subsequent second and third year periods depends on satisfactory performance as well as the availability of funds. Shelter is offered to youth who are younger than 18 years of age and to those who are at risk of separation from their family. Also, BCP must provide age appropriate services or referrals for 18- to 21-year-old homeless youth. Grantees are required to submit semiannual financial and program reports, as well as a final report 90 days after the end of the project period.

***Transitional Living Program.*** (42 U.S.C. §§5714-1 through 5714-2) The Transitional Living Program assists older homeless youth (16- to 21-year-olds), including pregnant and parenting youth, who need longer-term supportive assistance. Services are geared toward assuring such youth a successful transition to independent self-sufficiency and avoidance of long-term dependence on social services. Grants are available to states, local units of government, a combination of such units, public or private nonprofit agencies, organizations, institutions or other nonprofit entities, faith-based organizations, federally recognized or unrecognized Indian tribes, and to urban Indian tribes. TLP services cannot exceed 18 months, unless participating youth are younger than 18. In such cases, those persons may remain in the program for an additional 180 days (that is, six months) or until they reach the age of 18, whichever occurs first. The program provides shelter — such as group homes, host family homes, and supervised apartments — and services — including information and counseling services in basic life skills (which include money management, budgeting, consumer education, and use of credit), interpersonal skill building, educational advancement, job attainment skills, and mental and physical health care to runaway and homeless teens. TLP grants are awarded competitively for five year project periods. Grantees are required to provide non-federal matching funds that are equal to at least 10% of the federal share. The non-federal share can be provided through cash or in-kind contributions. Grantees are encouraged, however, to provide cash contributions. Also, grantees must submit semiannual progress and fiscal reports, and a final program and expenditure report within 90 days after the project period is completed.

***Maternity Group Homes.*** For FY2002, the Bush Administration proposed a Maternity Group Home Initiative as part of the Runaway and Homeless Youth Program's TLP component. Maternity group homes (MGH) would provide a supportive and supervised living arrangement for unwed teen mothers (16 to 21) and their children. Such mothers would be provided transitional living guidance, including lessons on parenting, child development, health and nutrition, and other skills. The goal would be to promote the long-term economic independence of unwed teen mothers in order to ensure the well-being of their children. For each of FY2003 through FY2006, the President has requested \$10 million for MGH. To date, Congress, however, has not appropriated any specific funding for MGH. Grantees may and do use TLP funds to directly serve unwed pregnant and parenting teens, without a specific set-aside. For more information, see CRS Report RL31540, *Second Chance Homes: Federal Funding, Programs, and Services*, by Edith Fairman Cooper.

***Runaway and Homeless Youth — Street Outreach Program.***<sup>8</sup> (42 U.S.C. §5712d) Congressional concern about possible sexual abuse and exploitation of runaway and homeless youth living on the streets led to creating the Street Outreach Program through the Violence Against Women Act of the Violent Crime Control and Law Enforcement Act of 1994 (P.L. 103-332). MERCPA amended RHYA to include the Street Outreach Program as a separately-funded program component. SOP, which also is administered by FYSB, provides grants to nonprofit

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<sup>8</sup> This program is also known as the Education and Prevention Services to Reduce Sexual Abuse of Runaway, Homeless, and Street Youth Program.

groups for street-based outreach and education, including treatment, counseling and referral services for runaway, homeless, and street youth who have been subjected to, or are at risk of being subjected to sexual abuse. SOP staff must have access to local emergency shelter space or such space that can be made available for youth who are willing to leave the streets. Accommodations are needed in order to maintain interaction with such youth during the time that they are in the shelter. Only private, nonprofit agencies are eligible to participate in SOP. Such organizations include federally or nonfederally recognized Indian tribes and urban Indian groups that can apply as private, non-profit agencies. No public agencies are eligible. Priority must be given to eligible agencies that have experience in providing services to runaway, homeless, and street youth. As with BCP awards, SOP grants generally are awarded for three-year project periods. Funding for subsequent second and third year periods depends on satisfactory performance as well as the availability of funds. Like TLP, SOP grantees must provide non-federal matching funds that are equal to at least 10% of the federal share. The non-federal share can be provided through cash or in-kind contributions. Grantees are encouraged, however, to provide cash contributions. Also, grantees are required to submit semiannual progress and fiscal reports, and a final program and expenditure report within 90 days after the project period is completed. For more information, see CRS Report RL31933, *The Runaway and Homeless Youth Program: Administration, Funding, and Legislative Actions*, by Edith Fairman Cooper.

## Department of Justice (DOJ)

### **Transitional Housing Assistance for Victims of Domestic Violence.**

The Violence Against Women Act of 2000 (VAWA 2000; P.L. 106-386; 42 U.S.C. 10419) amended Title III of the Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.) to create transitional housing assistance for victims of domestic violence. The Act authorizes the Secretary of the Department of Health and Human Services (HHS) to provide grants to states to assist an eligible individual or dependent, who is either fleeing domestic violence or for whom emergency shelter services are lacking, to find and obtain permanent housing. In addition, the program is designed to help a person become integrated into the community through provision of transportation, counseling, child care services, case management, employment counseling and other assistance. A person or dependent can receive transitional housing assistance for a maximum of 18 months. Authorized funding for the program was \$25 million for FY2001. With passage of the Keeping Children and Families Safe Act of 2003 (P.L. 108-36; 42 U.S.C. 10419), Section 319(f) of the Family Violence Prevention and Services Act was amended to reauthorize the transitional housing assistance program for each FY2003 through FY2008. No funding, however, has ever been requested or appropriated for the transitional housing program at HHS.

The 108<sup>th</sup> Congress passed the Prosecutorial Remedies and Other Tools to End the Exploitation of Children Today Act of 2003 (the PROTECT Act, P.L. 108-21; 42 U.S.C. 13975), which contains provisions that are very similar to the transitional housing assistance program that is authorized to be administered by HHS. The PROTECT Act extends transitional housing assistance to child victims of domestic violence, stalking, or sexual assault. The Act provides for the *Department of Justice* to administer this transitional housing assistance grant program. In consultation with

the Director of the Violence Against Women Office, the Attorney General provides grants to states, units of local governments, Indian tribes, and other organizations to help eligible persons who need temporary housing. Under the PROTECT Act, transitional housing assistance can be provided for a maximum of 24 months. Authorization for the program is \$30 million for each of FY2004 through FY2008. Funding was requested and has been provided for each of FY2004 and FY2005. (For additional information, see CRS Report RL30871, *Violence Against Women Act: History and Federal Funding*, by Garrine P. Laney.)

## Department of Housing and Urban Development (HUD)

**Homeless Assistance Grants.** The Homeless Assistance Grants account was established to provide funding for HUD's four major grants programs that fund housing and services for the homeless. Funding for the Emergency Shelter Grants (ESG) program is allocated to states and localities on a formula basis. Funding for the three competitive programs — Supportive Housing Program (SHP), Shelter Plus Care Program (S+C), Section 8 Moderate Rehabilitation Assistance for Single-Room Occupancy Dwellings (SRO) — is disseminated through HUD's Continuum of Care (CoC) system. Under the CoC strategy, local communities establish CoC coordinating boards made up of local government and service providers. The CoC boards establish local priorities and strategies to address homelessness in their communities. Local programs that wish to receive HUD funding submit their applications to the CoC boards, which then review them, prioritize them, and submit them to HUD for review. Under HUD's CoC strategy, localities and states are encouraged to develop and maintain assistance systems which integrate programs and services for the homeless or potentially homeless. Out of concern that not enough CoC dollars were being spent on housing, since FY2002, Congress has required that not less than 30% of funds appropriated to the Homeless Assistance Grants programs be used for permanent housing and that all funding for services be matched at a 25% rate.

There has been variation in the programs funded under the homeless assistance grants since HUD consolidated its homeless programs in 1995. For example, for the first several years, HUD consolidated seven McKinney-Vento Act homeless assistance programs under this grant — Shelter Plus Care, Supportive Housing, Emergency Shelter Grants, Section 8 Moderate Rehabilitation (Single Room Occupancy), Rural Homeless Grants, and Safe Havens for Homeless Individuals, as well as the Innovative Homeless Initiatives Demonstration Program. Rural Homeless Grants and Safe Havens for Homeless Individuals still exist statutorily, although they have not been funded for years. The following is a description of the four programs that are presently funded under the homeless assistance grants.

**Supportive Housing Program (SHP).** (42 U.S.C. §§11381-11389) This competitive grant program was created by the McKinney-Vento Homeless Assistance Act of 1987, as amended. Housing funded under SHP may be transitional within a 24-month period, permanent housing for the disabled, or a single room occupancy dwelling. In order to receive funds, permanent housing must provide supportive services for its residents such as case management, child care, employment assistance, outpatient health services, food and cash assistance and

assistance in obtaining permanent housing. States, local governmental entities, private nonprofit organizations, or community mental health associations that are public nonprofit organizations may apply for funds through their local CoC board. This program requires that not less than 25% of appropriated funds be used to serve homeless families with children, not less than 25% be used to serve homeless persons with disabilities, and not less than 10% be used for providing supportive services. There is also a dollar-for-dollar match requirement, and no provider may use more than 5% of SHP funds for administrative purposes. The authorization for this program (42 U.S.C. §11389) expired at the end of FY1994; however, it has continued to be funded through annual appropriations.

***Shelter Plus Care Program (S+C).*** (42 U.S.C. §§11403-11406b) This program was created by the McKinney-Vento Homeless Assistance Act, as amended. The S+C program provides rental subsidies to homeless adults with disabilities. Similar to the Section 8 program, tenants pay 30% of their income towards housing and the administering body pays the rest. The assistance is funded for five years, but can be renewed at the end of those five years. S+C grants must be matched by local communities dollar for dollar. While S+C grant dollars cannot be used to fund supportive services, grantees are expected to partner with other agencies to provide social services and the dollar for dollar match requirement can be met through spending on services. Not less than 50% of S+C vouchers must be reserved for homeless individuals who are seriously mentally ill, have chronic substance abuse problems, or both. A state, unit of general local government (city, county, town, township, parish, or village) or public housing agency may apply for funds through their local CoC boards. Grantees may provide rental assistance to private nonprofit entities (including community mental health centers established as nonprofit organizations) that own or lease dwelling units. The authorization for this program (42 U.S.C. §11403h) expired at the end of FY1994; however, the program has continued to be funded through annual appropriations.

Funding for S+C contracts is provided in one-year increments, as a result, all S+C subsidies expire and require new funding every year. Unless Congress provides sufficient funding to renew all contracts every year, S+C assistance will expire and homeless families risk losing their assistance. At the end of 2001, 28,500 rent subsidies were being funded through the S+C program. Growth in the program is limited, however, due to the high cost of renewing expiring contracts. Some communities are concerned that the cost of renewing S+C contracts may eventually consume the entire Homeless Assistance Grants funding allocation.

***Section 8 Moderate Rehabilitation Assistance for Single-Room Occupancy Dwellings (SRO).*** (42 U.S.C. §§11407-11407b) This program was created by the McKinney-Vento Homeless Assistance Act of 1987, as amended, to provide rental assistance to homeless single individuals. Under the program, HUD provides rental subsidies, through public housing agencies, in connection with the moderate rehabilitation of residential properties that contain multiple single room dwelling units. These project units are similar to dormitories, having single bedrooms, community bathrooms, and kitchen facilities. Funds for this program may also come from the *Shelter Plus Care Program*. As of 2001, 9,500 SRO units had been funded under this program. Growth in the SRO program has been severely limited in recent years because of the high upfront cost of 10 year contracts as well

as a dwindling supply of eligible buildings. The authorization for this program (42 U.S.C. §11403h) expired at the end of FY1994; however, it has continued to be funded through annual appropriations.

***Emergency Shelter Grants Program (ESG).*** (42 U.S.C. §§11371-11378)

This program was authorized through the McKinney-Vento Homeless Assistance Act, as amended. ESG is a formula grants program to state and local governments (any local government may distribute all or a portion of the funds to private nonprofit organizations providing assistance to homeless individuals). ESG funds are distributed so that state and local governments receive the same proportion of total ESG funds as they receive of total Community Development Block Grant (CDBG) funds. Emergency Shelter Grants are used for the renovation, major rehabilitation or conversion of buildings into emergency shelters. Essential services, including employment, health, drug abuse or education services may also be funded with ESG funds (up to 30% of funds may be used for building renovations and essential services). Maintenance, operation, insurance, utilities and furnishing costs for these emergency shelters may also be funded under this program, although not more than 10% of the funds may be used for staffing costs. To prevent homelessness, financial assistance may be given to families who have received eviction or termination of utility service notices if: (1) the inability to make such payments is due to a sudden reduction in income, (2) there is a reasonable prospect that the family will be able to resume payments within a reasonable period of time, and (3) the assistance will not supplant funding for preexisting homelessness prevention activities from other sources (up to 30% of funds may be used for this activity). There is a one-for-one match requirement for local governments; there is no match requirement for the first \$100,000 for states, but a one-for-one match is required for the remainder of the funds. The authorization for this program (42 U.S.C. §11377) expired at the end of FY1994; however, the program has continued to be funded through annual appropriations.

**Hurricane Katrina and the HUD Programs.**

***Katrina Disaster Housing Assistance Program.*** Hurricane Katrina struck the Gulf Coast on August 29, 2005, displacing hundreds of thousands of people, including an unknown number of homeless individuals. In response to the disaster, on September 23, 2005, HUD and the Federal Emergency Management Agency (FEMA) announced the Katrina Disaster Housing Assistance Program (KDHAP) to provide temporary rental assistance for up to 18 months to displaced families who were living in HUD-assisted housing or were homeless prior to Hurricane Katrina. To be eligible for KDHAP, homeless families must have been displaced by Hurricane Katrina and must register with FEMA no later than December 31, 2005. According to the Interim Operating Requirements for KDHAP, homeless families are those identified as homeless by local Continuum of Care boards, using homeless information systems and other client records. The KDHAP program operating requirements do not indicate whether homeless families who have not been identified in homeless provider records will be eligible.<sup>9</sup>

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<sup>9</sup> The Interim Operating Requirements for KDHAP, published on October 4, 2005, may be (continued...)



Once a family is found to be eligible, HUD, through its public housing authorities (PHAs), will help families find housing in any area of the country with a participating PHA. When families find a place to live, the PHAs will pay a security deposit and a rent subsidy — up to the fair market rent for an area<sup>10</sup> — directly to the landlord. PHAs will also pay utility company deposits on behalf of eligible families. Unlike HUD’s other rental assistance programs, KDHAP does not require families to pay 30% of their incomes toward their rent. Rather, families are required only to pay any utilities not included in their rent and any rental costs above the fair market rent. After 18 months, families who had previously lived in HUD-assisted housing will be eligible to remain in a HUD-assisted program. HUD has not commented on the outcome for previously-homeless tenants after 18 months elapse.

**Emergency Shelter Grants Waivers.** After Hurricane Katrina, HUD waived<sup>11</sup> several Emergency Shelter Grants (ESG) regulatory provisions for an indefinite duration as they apply to both Presidentially-declared disaster areas and to receiving communities providing shelter to evacuees. Under the first waiver, ESG grantee communities may amend their consolidated plans — in which they describe activities to be funded — and only require comment periods of three days instead of thirty. Second, HUD waived the definition of “emergency shelter”<sup>12</sup> so that shelters are not limited to facilities where the primary purpose is to provide transitional or temporary shelter for the homeless, and instead may include housing owned by private sector landlords. The final HUD waiver relieves states and grantees of the requirement that they spend ESG funds within 24 months.

**Continuums of Care.** In response to questions from Continuums of Care around the country, HUD issued a statement clarifying that persons who lost their homes due to Hurricane Katrina are considered homeless by virtue of living in a place not meant for human habitation, and are therefore eligible for assistance through the continuum of care programs. Continuums should enter those who are homeless due to Hurricane Katrina into their homeless management information systems, if they are operational.

## Department of Labor (DOL)

**Homeless Veterans Reintegration Program.** (38 U.S.C. §2021) The Homeless Veterans Reintegration Program (HVRP) provides grants to states or other public entities and non-profits, including faith-based organizations, to operate

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<sup>9</sup> (...continued)

found at HUD’s website [<http://www.hud.gov/offices/pih/publications/kdhapopreq.pdf>].

<sup>10</sup> HUD sets fair market rents either at the 40th percentile rent or at the 50th percentile rent for each metropolitan or non-metropolitan statistical area in the nation, as well as for each state. For more information on fair market rents, see CRS Report RL32284, *An Overview of the Section 8 Housing Program*, by Maggie McCarty.

<sup>11</sup> By law, and subject to statutory limitations, the HUD secretary may waive regulatory requirements when there is good cause to do so. 24 CFR §5.110 (2005).

<sup>12</sup> 24 CFR §576.3 (2005).

employment programs that reach out to homeless veterans. The main goal of the HVRP is to reintegrate homeless veterans into the economic mainstream and labor force. This program was recodified under veterans benefits by the Homeless Veterans Comprehensive Assistance Act of 2001 (P.L. 107-95); formerly, it was authorized under the McKinney-Vento Homeless Assistance Act of 1987. For FY2003, the Administration proposed to move this program from the Department of Labor (DOL) to the Department of Veterans Affairs (VA), consolidating the program with two other DOL programs, the Disabled Veterans' Outreach Program (DVOP) and the Local Veterans' Employment Representatives (LVER). This consolidation was not undertaken by Congress; and for FY2004 and FY2005, no such plan was proposed by the Administration. However, DVOP and LVER resources are used in projects to support employment efforts under HVRP. This program is authorized at 38 U.S.C. §2021(e) through FY2006 at \$50 million per fiscal year. H.R. 2131, discussed later in this report, would reauthorize the program at the same amount through FY2011 and broaden its scope to include veterans at imminent risk of homelessness.

## **Department of Veterans Affairs (VA)**

### **Health Care for Homeless Veterans (HCHV).<sup>13</sup>** (38 U.S.C. §§2031-2034)

This program operates at 76 sites where VA provides outreach services, physical and psychiatric health exams, treatment, referrals, to homeless veterans with mental health problems, including substance abuse. As appropriate, the HCHV program places homeless veterans needing long-term treatment into one of its 200 contract community-based facilities. Residential housing may be purchased or leased with program funds to operate therapeutic transitional housing (38 U.S.C. §§2032, 2042). Under this program, the VA is required to coordinate and provide services in conjunction with state and local governments, other appropriate departments and agencies of the federal government and non-governmental organizations. This program was created by the Hospital, Nursing Home, Domiciliary and Medical Care Act (38 U.S.C. 1710). This program is authorized until December 31, 2006 at 38 U.S.C. §2033. In 2004, VA's 134 HCHV program provided outreach, treatment, and referral services to 64,000 homeless veterans.

**Homeless Providers Grant and Per Diem Program.<sup>14</sup>** (38 U.S.C. §§2011-2013) Under this program, grants are awarded to public or private nonprofit organizations to provide outreach, rehabilitative services, vocational counseling and training, and supported housing (38 U.S.C. §2042) to homeless veterans. Funds may be used for the expansion, remodeling, or alteration of existing buildings or the acquisition of facilities for use as service centers, transitional housing or other facilities, and for the procurement of vans for use in outreach to and transportation for, homeless veterans. Service centers must provide health care, mental health services, hygiene facilities, benefits and employment counseling, meals, and transportation assistance. Centers must also be equipped to provide job training, counseling and placement services (including job readiness and literacy and skills

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<sup>13</sup> Formerly called the Homeless Chronically Mentally Ill Veterans (HCMI) program.

<sup>14</sup> Formerly called the Homeless Veterans Comprehensive Services Programs.

training), as well as any outreach and case management services which may be necessary. A grant may not be used to support operational costs. In April 2004, VA announced the award of \$15 million in “Per Diem Only” funding to 80 faith-based and community-based agencies which will support 1,583 beds for homeless veterans. Currently 6,463 beds (67%) of the expected 9,600 Grant and Per Diem-funded beds are operational and serving homeless veterans.

**Homeless Veterans with Special Needs.** (38 U.S.C. §2061) Within the Homeless Providers Grant and Per Diem program there is also a “special purpose program” which makes \$5 million per fiscal year available to provide grants to health care facilities and to grant and per diem providers to encourage the development of programs for homeless veterans who are women (including women who care for minor dependents), frail elderly, terminally ill, or chronically mentally ill.

**Domiciliary Care for Homeless Veterans (DCHV).** (38 U.S.C. §1710(b)) This program is a residential rehabilitation program specifically intended to meet the clinical needs of homeless veterans while preventing the therapeutically inappropriate use of hospital and nursing home care services. VA operates the DCHV program at 34 locations across the country. A multi-dimensional, individually tailored treatment approach is used and the clinical status of the veteran is stabilized while the underlying causes of homelessness are addressed. The basic components of the DCHV program include community outreach and referral, admission screening and assessment, medical and psychiatric evaluation, treatment and rehabilitation, and post-discharge community support. DCHV staff help veterans apply for housing assistance, or arrangements are made for placement of homeless veterans in long-term care facilities such as State Soldiers Homes, group homes, adult foster care or halfway houses. Homeless veterans are provided employment training through involvement in VA’s Incentive Therapy Program, a medically prescribed rehabilitation program involving therapeutic work assignments at VA medical centers for which veterans receive nominal payments. The Homeless Veterans Comprehensive Assistance Act of 2001 (P.L. 107-95) amended the program by authorizing the Secretary of VA to establish up to 10 additional programs to provide domiciliary services to homeless veterans. Although the Act authorized \$5 million each for FY2003 and FY2004, no funds were appropriated. The authorization for these additional programs expired at the end of FY2004. VA plans to establish additional domiciliary programs sometime during FY2005 with funds from the medical services budget. In FY2004, VA’s existing DCHV programs provided treatment to over 5,000 homeless veterans.

**Compensated Work Therapy Program (formerly the Special Therapeutic and Rehabilitation Activities Fund).**<sup>15</sup> (38 U.S.C. §2063) The Compensated Work Therapy (CWT) program is a comprehensive rehabilitation program that prepares veterans for competitive employment and independent living. The major goals of the program are: 1) to use remunerative work to maximize a veteran’s level of functioning; 2) to prepare veterans for successful re-entry into the community as productive citizens, and; 3) to provide a structured daily activity to

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<sup>15</sup> The program was created by the Veterans Omnibus Health Care Act of 1976 (P.L. 94-581).

those veterans with severe and chronic disabling physical and/or mental conditions. As part of their work therapy veterans produce items for sale or undertake subcontracts to provide certain products and/or services such as by providing temporary staffing to a company. Funds collected from the sale of these products and/or services were used to fund the program. Funding for this program comes from the VA's Special Therapeutic and Rehabilitation Activities Fund, which is permanently authorized at 38 U.S.C. §1718(c).

**Guaranteed Transitional Housing for Homeless Veterans.** (38 U.S.C. §§2051-2054) Qualified nonprofit organizations or other qualified organizations that have experience in underwriting transitional housing projects may obtain a loan under this program for the construction, rehabilitation or acquisition of land for a multifamily transitional housing project. Under this program, housing may be single room occupancy and must provide supportive and counseling services (including job counseling) with the goal of encouraging self-sufficiency among participating veterans. To qualify, a project must require the occupant veteran to seek and maintain employment. The project must also maintain strict guidelines regarding the sobriety of participants. Occupants must pay a reasonable fee in order to live in these transitional units. Veterans who are not homeless and homeless individuals who are not veterans may be occupants of transitional housing if all of the transitional housing needs of homeless veterans in the project area have been met. Not more than 15 loans with an aggregate total up to \$100 million may be guaranteed under this program. Funding for this program is authorized as a pilot project at 38 U.S.C. §2051.

**Technical Assistance Grants.** (38 U.S.C. §2064) Under this program, VA provides grants to entities with expertise in preparing grant applications. The grantee must then provide technical assistance to nonprofit community-based groups who are applying for grants to assist homeless veterans. This program is authorized through FY2005 at 38 U.S.C. §2064.

**HUD VA Supported Housing (HUD-VASH).** (42 U.S.C. §1437f(o)) This joint HUD and VA supported housing program provides specially designated HUD rental assistance (Section 8) vouchers to homeless veterans. Every homeless veteran who receives a housing voucher must be assigned to a VA case manager and receive supportive services. This program serves homeless veterans who have chronic mental illnesses or chronic substance abuse disorders. Before a veteran may participate in this program, he or she must agree to continue treatment for the mental illness or substance abuse disorder. Today's HUD VASH program originally began as a Memorandum of Agreement between HUD and the VA and through that relationship, 1,780 vouchers were created and are in circulation today. The Homeless Veterans Comprehensive Assistance Act of 2001 (P.L. 107-95) codified the program and authorized the creation of an additional 500 vouchers each year for FY2003-FY2006. However, HUD has not requested, and Congress has not provided, funds for HUD-VASH vouchers since the program was codified.

**Other VA Activities.** In addition to the targeted programs for which specific funding is available, as shown in **Table 2**, the VA engages in several activities to assist the homeless that are not reflected in this report as separate programs. An *Advisory Committee on Homeless Veterans* was established within VA (15 members

appointed from veterans service organizations, community-based providers of services to homeless individuals, previously homeless veterans, experts in mental illness, substance use disorders and others) to consult with and seek advice concerning VA benefits and services to homeless veterans (38 U.S.C. §2066). A *demonstration program of referral and counseling* serves veterans who are in transition from certain institutions (penal institutions or long-term care mental institutions) and provides information about the benefits and services available to them under the VA programs (38 U.S.C. §2023). VA has several *Comprehensive Homeless Centers (CHCs)* in various cities, which consolidate all of VA's homeless programs in that area into a single organizational framework to promote integration within VA and coordination with non-VA homeless programs. CHCs offer a comprehensive continuum of care (CoC) to help homeless veterans escape from homelessness. VA also sponsors *Drop-in Centers*, which provide a daytime sanctuary where homeless veterans can clean up, wash their clothes, get a daytime meal, and participate in a variety of low intensity therapeutic and rehabilitative activities. Linkages with longer-term assistance are also available. The *VA Excess Property for Homeless Veterans Initiative* provides for the distribution of federal excess personal property (hats, parkas, footwear, sleeping bags) to homeless veterans and homeless veterans programs. VA also operates a pilot project with the Social Security Administration (SSA) called *SSA-VA Outreach* where HCMI and DCHV staff coordinate outreach and benefits certification with SSA staff to increase the number of veterans receiving SSA benefits and otherwise assist in their rehabilitation.

VA programs and staff have actively participated in each of the *Stand Downs for Homeless Veterans* run by local coalitions in various cities each year. Stand Downs give homeless veterans one to three days of safety and security where they can obtain food, shelter, clothing, and a range of other types of assistance, including VA provided health care, benefits certification, and linkages with other programs. In a program called Veterans Benefits Administration (VBA)'s *Acquired Property Sales for Homeless Providers*, VA is able to sell, at a discount, foreclosed properties to nonprofit organizations and government agencies that will use them to shelter or house homeless veterans. This program was reauthorized by P.L. 108-170 through December 31, 2008 (38 U.S.C. §2041). Certain specified homeless veterans are eligible for a one-time course of dental care for homeless veterans engaged in rehabilitation (38 U.S.C. §2062). Finally, *Project CHALLENGE for Veterans*, is a nationwide VA initiative in which VA's Community Homelessness Assessment Local Education and Networking Groups work with other federal agencies, state and local governments, and nonprofit organizations to assess the needs of homeless veterans and develop action plans to meet identified needs.

## Administration Initiatives and Legislation in the 109<sup>th</sup> Congress

### Administration Initiatives

**The Chronic Homelessness Initiative.** The Bush Administration has established a national goal of ending chronic homelessness in 10 years, by 2012. The idea of a 10-year plan to end *chronic* homelessness began as a part of a 10-year plan to end homelessness *in general* adopted by the National Alliance to End Homelessness (NAEH) in 2000. The following year, then-Secretary Martinez announced HUD's commitment to ending chronic homelessness at the NAEH annual conference. In 2002, as a part of his FY2003 budget, President Bush made "ending chronic homelessness in the next decade a top objective." The bi-partisan, congressionally-mandated, Millennial Housing Commission, in its Report to Congress in 2002, included ending chronic homelessness in 10 years among its principal recommendations. By 2003, the Interagency Council on Homelessness had been re-engaged<sup>16</sup> and charged with pursuing the President's 10-year plan. During 2004, several major cities (including New York and the District of Columbia) committed themselves to the goal of ending chronic homelessness in 10 years.

The Interagency Council on Homelessness has adopted a working definition to identify the chronically homeless; a chronically homeless individual is "an unaccompanied homeless individual with a disabling condition who has been either continually homeless for a year or has had at least four episodes of homelessness in the past three years." Part of the reason behind the focus on the chronically homeless is the estimate that the chronically homeless account for about 10% of all users of the homeless shelter system, but that they use 50% of the total days of shelter provided.<sup>17</sup>

While the chronically homeless may monopolize current resources, some advocates for the homeless and the Administration argue that there are better ways to serve them. Permanent supportive housing is generally seen as the solution to ending chronic homelessness.<sup>18</sup> Permanent supportive housing consists of low-cost housing, partnered with social services, available to low-income and/or homeless households. Services can include case management, substance abuse counseling, mental health services, income management and support, and life skills services. Not only has supportive housing proven to be effective, studies have also argued that it is cost efficient. By housing the chronically homeless in permanent supportive

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<sup>16</sup> ICH was created in 1987 in the Stewart B. McKinney Homeless Assistance Act. Its mission is to coordinate the national response to homelessness. The ICH is composed of the directors of 18 federal departments and agencies whose policies and programs have some responsibility for homeless services, including HUD, HHS, the Department of Labor (DOL), and the VA. The council was inactive for six years, but began receiving funding again in FY2002.

<sup>17</sup> See *Ending Chronic Homelessness: Strategies for Action*, Department of Health and Human Services, Report from the Secretary's Work Group on Ending Chronic Homelessness, Mar. 2003.

<sup>18</sup> Ibid.

housing, they are less likely to be housed temporarily by more expensive public services, such as emergency room services and jail or even prison.<sup>19</sup> The Millennial Housing Commission's final report supported this finding, stating that "the chronically homeless require permanent supportive housing to escape and reduce the enormous burden on public care systems."

The goal of ending chronic homelessness has gained wide support and prominence in a short time. However, some advocates for the homeless are concerned about the focus on the chronically homeless. In particular, they feel that the initiative does not work to solve the real problems behind homelessness, which are a lack of affordable housing, health care and income supports. They argue that while these targeted homeless assistance programs may help to stabilize people who are currently homeless, they do nothing to prevent future homelessness among low-income people with or without disabilities. They are also concerned that the focus on a single, disabled population limits the resources available for families, children and other non-disabled populations whose needs may also be great. They disagree that the chronically homeless are necessarily the most needy, especially in rural and suburban areas where street homelessness is less prevalent and that it is inappropriate to pit needy populations against each other for limited resources. Finally, they argue that earmarking resources for the chronically homeless takes away local flexibility to determine local needs and priorities and happens especially at the expense of rural and suburban communities.<sup>20</sup>

The Administration has recently undertaken some collaborative efforts to reach its goal of ending chronic homelessness in 10 years. On October 1, 2003, the Administration announced the award of over \$48 million in grants aimed at serving the needs of the chronically homeless through two initiatives. The "**Ending Chronic Homelessness through Employment and Housing**" initiative was a collaborative grant offered jointly by HUD and the Department of Labor (DOL). The initiative offered \$10 million from HUD and \$3.5 million from DOL to help the chronically homeless in five communities gain access to employment and permanent housing. The "**Collaborative Initiative to Help End Chronic Homelessness**" was a \$35 million grant initiative offered jointly by HUD, HHS, and VA. Specifically, \$20 million was available in HUD funds to provide permanent housing under the SHP, S+C, or SRO programs; \$7 million was available through HHS's Substance Abuse and Mental Health Services Agency (SAMHSA) to fund substance abuse treatment and mental health and related social services for the chronically homeless; \$3 million was available through HHS's Health Resources and Services Administration (HRSA) to provide primary care for the chronically homeless; and \$5 million in additional resources were made available at local VA hospitals for serving homeless veterans.

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<sup>19</sup> See Dennis Culhane, Stephen Metraux, and Trevor Hadley, "Public Service Reductions Associated with Placement of Homeless Persons with Severe Mental Illness in Supportive Housing," *Housing Policy Debate*, vol. 13, no. 1 (Washington, DC: Fannie Mae Foundation, 2002).

<sup>20</sup> See National Coalition for the Homeless, *Questions and Answers About the "Chronic Homelessness Initiative,"* available at [<http://www.nationalhomeless.org/chronic/chronicqanda.html>].

### **Homeless Assistance Grants Funding and Proposed Consolidation.**

The President's FY2006 budget proposes to consolidate HUD's three competitive programs — *Supportive Housing (SHP)*, *Shelter Plus Care (S+C)*, and *Section 8, Moderate Rehabilitation Assistance for Single-Room Occupancy Dwellings (SRO)* — into one competitive grant program. The Homeless Assistance Grants program would continue to reserve an estimated \$150 million for the formula Emergency Shelter Grants program. The HUD budget indicates that the consolidation of the three competitive programs would have significantly streamlined homeless assistance in the United States. A similar consolidation proposal was made for FY2003, FY2004, and FY2005. Although legislation to implement these changes, as well as the reauthorization of the HUD portion of the McKinney-Vento Act, was not introduced or enacted in the past three years, in the 109<sup>th</sup> Congress Senator Jack Reed introduced a bill to reauthorize the program and consolidate the competitive grant programs (S. 1801) on September 29, 2005 (discussed later in this report).

The Administration's funding request for the Homeless Assistance Grants account additionally includes \$200 million that would be set aside for a Samaritan Housing Initiative designed to specifically address the supportive housing needs of chronically homeless individuals. Legislation to enact a separate Samaritan Initiative program was introduced but not enacted in the 108<sup>th</sup> Congress. The request also includes \$25 million for a four year Prisoner Re-Entry Initiative to help individuals exiting prison make a successful transition to community life and long-term employment. The funds would be transferred to the Department of Justice. Funding for the Prisoner Re-Entry Initiative was also requested in FY2005, but was not enacted.

## **Legislative Activities in the 109<sup>th</sup> Congress**

The **Services for Ending Long-Term Homelessness Act (H.R. 1471/S.709)** was introduced in both the House and the Senate on April 5, 2005. The bi-partisan bill would establish a grant program for services in supportive housing for the chronically homeless. The program would be housed in the Department of Health and Human Services (RRS) and administered by the Substance Abuse and Mental Health Services Administration (SAMHSA). States, cities, public, or nonprofit entities would be eligible to apply and grant funds could be used for services including mental health services, substance abuse treatment, referrals for primary health care and dental services, health education, money management, and parental skills training. The program would require initial grantees to provide \$1 for every \$3 of federal money and renewal grantees to provide \$1 for every \$1 of federal money. The bill has been referred to the House Energy and Commerce, Subcommittee on Health and Senate Health, Education, Labor, and Pensions Committee.

The **New GI Bill of Rights for the 21<sup>st</sup> Century (H.R. 2131)**, introduced on May 5, 2005, is a comprehensive bill to improve benefits for veterans, active duty, and reserve members of the Armed Forces. Subtitle C of title V would reauthorize the Homeless Veterans Reintegration Program at \$50 million a year through FY2011 and broaden its scope to include veterans at imminent risk of homelessness. The legislation was referred to the House Veterans' Affairs, House Ways and Means, and House Armed Services committees.



The **Community Partnership to End Homelessness Act (S. 1801)**, introduced on September 29, 2005, would combine the three competitive HUD grant programs — Shelter Plus Care (S+C), Supportive Housing Program (SHP), and Section 8, Moderate Rehabilitation Assistance for Single-Room Occupancy Dwellings (SRO) — into one competitive grant, the Homeless Assistance Program (HAP). Funding for this new combined grant program, together with the Emergency Shelter Grants program (ESG) and the Interagency Council on Homelessness would be authorized at \$1.6 billion for FY2006, and such sums as may be necessary for FY2007-FY2010.<sup>21</sup> In addition, S. 1801 would eliminate the 30% cap on services under the ESG program, allow up to 10% of HAP funds to be used to provide permanent housing to families without a disabled member, and permit grant recipients to use up to 5% of HAP funds for homelessness prevention activities. The bill was referred to the Senate Committee on Banking, Housing, and Urban Affairs.

## Funding

**Table 1** shows final appropriation levels for FY2001-FY2005 for all of the targeted homeless programs included in this report except for programs administered by the VA. Unless otherwise noted, the appropriations figures come from the budget justifications submitted by the various agencies or congressional appropriations documents.

**Table 2** shows actual and estimated obligations for the Department of Veterans Affairs targeted homeless programs for FY2001-FY2005. With the exception of the Loan Guaranty Transitional Housing for Homeless Veterans, funding for VA activities described below were not specified as line items in VA appropriations. VA's Loan Guaranty Transitional Housing for Homeless Veterans program began in FY1999; the law allocated \$48.25 million for the subsidy for guaranteed loans for transitional housing to remain available until expended. The figures in **Table 2** were obtained from both VA budget documents and conversations with VA employees.

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<sup>21</sup> The programs were last authorized in 1994 at \$635,672,100. Of this amount, \$1,563,000 was authorized for the Interagency Council on Homelessness, \$143,796,000 for the ESG program, \$212,568,000 for SHP, and \$277,745,100 for S+C and SRO programs.

**Table 1. Homelessness: Targeted Federal Programs  
Appropriations, FY2002-FY2006**

(\$ in thousands)

Program	Agencies	FY2002	FY2003	FY2004	FY2005	FY2006 request
Education for Homeless Children & Youth	ED	50,000	54,642	59,646	62,496	62,496
Emergency Food & Shelter (EFSP)	DHS/ FEMA	140,000	153,000	152,000	153,000	153,000
Health Care for the Homeless (HCH) <sup>a</sup>	HHS	116,000	126,621	135,675	145,000	163,000
Projects for Assistance in Transition from Homelessness (PATH)	HHS	39,855	43,073	49,760	54,809	54,809
Consolidated Runaway, Homeless Youth Program	HHS	88,024	89,977	89,431	88,725	88,728
— <i>Runaway and Homeless Youth - Basic Center</i>		48,288	49,473	49,171	48,786	48,787
— <i>Runaway and Homeless Youth - Transitional Living</i>		39,736	40,504	40,260	39,939	39,941
— <i>Runaway and Homeless Youth - Maternity Group Homes</i>		—	—	—	—	10,000
Runaway and Homeless Youth - Street Outreach Program	HHS	14,999	15,399	15,302	15,178	15,179
Homeless Assistance Grants (HAG)	HUD	1,123,000	1,130,000	1,257,400	1,240,511	1,440,000
Homeless Veterans Reintegration Project	DOL	17,500	18,250	18,888	20,832	22,000
Transitional Housing Assistance for Child Victims of Domestic Violence, Stalking, or Sexual Assault	DOJ	—	—	—	\$14,840 <sup>b</sup>	\$12,300 <sup>b</sup>

**Source:** Table prepared by the Congressional Research Service (CRS). Unless otherwise stated, sources of data were agency budget justifications and congressional appropriations documents.

**Notes:** (1) Italics indicate amount is subsumed under earlier line item.

- a. This program is funded under the Health Resources and Services Administration (HRSA), Community Health Centers program. The HCH program generally receives about 8% of the funds appropriated for the CHC program.
- b. This funding is a set-aside under the VAWA STOP grant program.

**Table 2. Homelessness: Targeted VA Program Obligations,  
FY2002-FY2006**  
(\$ in thousands)

<b>Program</b>	<b>FY2002 (actual)</b>	<b>FY2003 (actual)</b>	<b>FY2004 (actual)</b>	<b>FY2005 (estimate)</b>	<b>FY2006 (estimate)</b>
Health Care for Homeless Veterans (HCHV) <sup>a</sup>	\$54,135	\$45,188	\$42,905	\$43,305	\$48,705
Homeless Providers Grants and Per Diem Program	22,431	43,388	62,965	86,000	99,000
Domiciliary Care for Homeless Veterans (DCHV)	45,443	49,213	51,829	58,643	60,521
Compensated Work Therapy/Therapeutic Residence Program (CWT/TR)	8,028	8,349	10,240	10,598	10,969
Guaranteed Transitional Housing for Homeless Veterans	528	594	600	22,274	15,776
HUD VA Supported Housing (HUD-VASH)	\$4,729	\$4,603	\$3,375	\$3,493	\$3,615

**Source:** Table prepared by the Congressional Research Service (CRS). Data supplied by the Department of Veterans Affairs (VA).

- a. Includes funding for the Homeless Chronically Mentally Ill Veterans (HCMI) and the Homeless Comprehensive Service Centers, including mobile centers. A specific breakdown of obligations among activities is not available.