



STATEMENT FOR THE RECORD

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**BEFORE THE SUBCOMMITTEE ON HOUSING AND TRANSPORTATION
SENATE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS**

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Chairman Allard, Senator Reed, and Distinguished Members of the Committee, I appreciate the commitment you are expressing to homelessness in today's hearing.

I appreciate the work of Senators Reed and Allard to bring this bill before the Subcommittee, knowing its long development and thoughtful integration of the experience of the last 19 years. The inclusive process that Committee staff employed in creating the bill is appreciated. The input from stakeholders across the country in and out of government assured that the bill represented a broad constituency.

I am pleased to endorse the Administration's proposal to consolidate the Homeless Assistance competitive grants at the Department of Housing and Urban Development to more effectively assist individuals and families in leaving homelessness and moving to permanent housing and

self-sufficiency. Consolidation of these programs would also give localities more decision making power over their funds and provide a greater focus on prevention of homelessness.

I have been the executive director of the U.S. Interagency Council on Homelessness since March 2002. The Council is an independent Federal entity with a mission to coordinate the Federal response to homelessness and to create a national partnership at every level of government to reduce and end homelessness in the nation and forward the Administration's goal of ending chronic homelessness. Since revitalization by the President in March 2002, the United States Interagency Council on Homelessness (USICH) has fostered interagency, intergovernmental, and intercommunity partnerships in the creation of an unprecedented national partnership focused on homelessness. Over the past 3 years the Council has worked with Governors to create State Interagency Councils on Homelessness to mirror the work we are doing in Washington in the Federal Council. These State Councils make State resources more available and accessible. 53 Governors are now partnered in the creation of such Councils.

There are 20 Federal agencies which make up the Council membership, meeting regularly in Washington and 53 State level Councils, but the frontlines of homelessness are in local communities. Building on the 10-year planning process set in motion by the National Alliance to End Homelessness, the Council has been active for the past three years through its Regional Coordinators and the encouragement of HUD through its Continuum of Care grants to foster local 10-Year Plans to End Chronic Homelessness. Two hundred twelve localities are now committed with the full support of their Mayors and County Executives to ending chronic homelessness. As part of the partnership, the Council has provided technical assistance to cities to ensure results in their communities in ending chronic homelessness.

These local planning processes have created unprecedented local partnerships that have brought together the nonprofit sector, business sector, faith and community based organizations, in results oriented business plans to achieve the outcome of reducing and ending chronic homelessness.

INTRODUCTION

Having been involved in the response to the problem of homelessness for a quarter century now, I want to first express my appreciation and solidarity with those who have been on the frontline of response, in the forefront of local efforts.

A decade before the McKinney Act came into existence, countless faith and community based non-profit groups, as well as the philanthropic and business community joined by concerned citizens provided extraordinary and heroic work to our homeless neighbors. Unfortunately, the need and numbers grew despite these efforts.

MCKINNEY-VENTO IMPORTANCE

In 1987, the passage of the McKinney Act contributed a range of new resources and restored morale to the work that local groups were doing to assist those who had fallen into homelessness.

I was Director of Homeless Services in the City of Cambridge that summer in 1987, and I can assure you that all across that city, the state, and the nation there was relief that reinforcements and resources had arrived.

Thankfully, over the last two decades the McKinney-Vento programs at a range of Federal agencies have supplemented other public and private resources all across the nation. Without that Federal funding there is little question that homelessness would be even more pervasive than it is now.

In the nearly 20 years since then, the McKinney-Vento programs have been an important source of resources for our local and national responses.

THE ROLE OF FEDERAL AGENCIES

Much credit must go to the important role that HUD and a number of other Federal agencies has had in prioritizing homeless people and focusing both targeted homeless funds and mainstream funding to assist in the national effort. HUD, along with other Federal agencies, has been central in the national quest to reduce and end homelessness by funding vital research, direct services, employment resources, and permanent housing. Through HUD's Continuum of Care grant process, local Continuum of Care boards --- in nearly every locality across the country --- receive funds to help end the problem of homelessness in their communities.

Through collaborations and initiatives by Department of Housing and Urban Development, Department of Health and Human Services, Department of Veterans Affairs, Department of Labor, Department of Education, General Services Administration, Department of Justice, and the Social Security Administration significant investments over the last several years have made a difference for our most vulnerable and disabled citizens.

INCREASED FEDERAL INVESTMENT

In the past five years targeted Federal resources have increased to record levels each year, including the President's proposed budget for 2007 which includes an increase to bring total targeted Federal funding to a record level of over \$4.1 billion.

That increase includes the Samaritan Initiative at HUD which targets \$200 million to help those who are chronically homeless--those who are on the streets and long term in our shelters. Samaritan is an important resource to continue efforts to spur the Administration's goal to reduce and end chronic homelessness, now a national initiative supported by Governors, Mayors, County Executives, non-profit providers, and private sector partners all across the nation.

If the President's proposed funding level for 2007 is approved, there will have been nearly a tenfold increase in targeted resources for homelessness since the McKinney Act first passed in 1987. In fact, just in the past four years, McKinney Act programs have increased more than 20%. Overall targeted homeless funds have increased by over 30% during that time.

Homelessness remains a significant problem across the U.S. Researchers tell us that on any given night, there are between 600,000 and 800,000 Americans who are homeless. A recent USA Today article indicated over 700,000 on that night. In the course of a year, researchers tell us that more than 2 million of our neighbors experience homelessness.

Increased resources and increased numbers are a frustrating reminder that, while new funding is important, new ideas are just as important. We can't simply take the new resources and expend them in the status quo.

TWENTY YEARS OF EXPERIENCE AND LEARNING

We've learned a great deal to inform policy and investment over the past twenty years and those insights need to inform any changes to McKinney-Vento.

Here are a few of those insights:

1. No one level of government, no one element of the private sector can get the job done alone. We need to be partnered in every facet of the public, private, and nonprofit sectors. And the entire community must be partnered from the jurisdictional CEO – whether Mayor, County Executive, or city manager – to those nonprofit providers who are on the frontlines to business, academia, philanthropy, advocates, formerly and currently homeless people, to each level of government, all partnered together as stakeholders on this issue.

2. Federal resources must be invested in the result of ending people's homelessness.

Resources should be aimed at creating opportunities for individuals and families to rebuild their lives by funding case management, employment services, benefits coordination and permanent housing.

Public and private sector partners have also joined us in moving beyond managing the crisis to reducing and ending homelessness. The National Governors Association, U.S. Conference of mayors, National League of Cities, National Association of Counties, United Way, the International Downtown Business Association, National Alliance to End Homelessness, The National Alliance of the Mentally Ill, and others are partnered with us nationally. And they've committed to join with us in beginning that effort to end the homelessness of those who are the most disabled and most vulnerable, people experiencing chronic homelessness.

3. Federal resources should be invested according to what works. Investments should be data and research driven, performance based, and results oriented.

4. People experiencing chronic homelessness are expensive. Research tells us that, while they number only between 10 and 20 percent of the homeless individual population, they consume half of all emergency shelter resources. And recently through research conducted in local communities across the country, we are learning that chronic homelessness is costly in expensive mainstream health and law enforcement systems. Funding of housing, treatment and services and planning for these individuals must be coordinated across all sectors in local communities.

5. 10-Year Plans to End Chronic Homelessness encouraged by the Council bring the entire community together in a stakeholder informed planning process focused on results. When those strategies are business plans driven by the political will of the local jurisdictional leaders, change happens, results are quantifiable.

HUD has encouraged its local Continuums of Care to partner in jurisdictional 10-Year Plans. These plans not only ensure that all levels of government are partners in the community-based strategies and include resources from a variety of Federal agencies, they importantly provide a place for all stakeholders – from the Chamber of Commerce to downtown business associations, law enforcement, hospital administrators, providers, librarians, and all others who are concerned and impacted.

6. Perhaps most importantly, jurisdictional plans are creating inclusive local partnerships that are achieving results and leveraging resources. 211 communities are now partnered with the Council through their Mayors and County Executives. Jurisdictionally led planning infused with local political, social, and civic will are achieving visible and measurable outcomes in implementing their 10-Year Plans.

In a forty city survey conducted by the Council, jurisdictional plans and our increase in federal resources have leveraged more than \$2 billion in state, local, and private funds in the past 3 years.

7. We know that permanent supportive housing works for vulnerable and disabled populations. When McKinney-Vento was first passed, this technology developed in the mental health system of response was not in common use. Today communities across the country are

targeting this technology to those experiencing chronic homelessness and achieving 80-85% retention rates on average. And another technology borrowed from the mental health system, Assertive Community Treatment Teams, known as ACT, is making a significant difference on the streets, engaging those who were thought to be intractably homeless there and providing the clinical and multidisciplinary strategies to end their street homelessness and support them in housing. A consumer-centric response rooted in opportunities for housing, services, benefits, and employment is working.

8. We now understand the priority that needs to be placed on prevention. For too long we bailed the leaking boat of homelessness, some moved out, more moved in.

Again, research helped us understand that, without prevention strategies, especially focused on effective discharge planning protocols from mainstream systems of care and incarceration and services, our intervention efforts would not create the results we expect\

9. Employment must be part of the strategy to reduce dependency and increase self-sufficiency.

10. Research and innovation investments have shaped initiatives that are evidence-based and produce results. Both have been essential in advancing policy in this Administration.

REAUTHORIZATION OF MCKINNEY VENTO AND CONSOLIDATION OF HUD'S HOMELESS ASSISTANCE GRANTS.

The Administration's proposal as well as the Bill introduced by Senator Reed would reauthorize McKinney Vento and consolidate HUD's competitive Homeless Assistance Grants. Both of these proposals would provide: 1) more flexibility to localities, 2) grant-making responsibility to local boards, 3) provide a significant amount of funds for prevention of homelessness, 4) continued support for the creation of permanent housing opportunities, and 5) dramatically reduce the time required to distribute funds to grantees. The Administration's bill would also further the goal of ending chronic homelessness.

The proposals to consolidate the Homeless Assistance Grant programs would address the needs identified by the lessons learned over the past twenty years.

1. An increased focus on prevention activities including the development of discharge planning protocols, research, and innovations will forward the national objectives on homelessness. Prevention stops the human tragedy before it begins and is less costly than homelessness.
2. The focus on permanent housing and the targeting by HUD and the Congress is the right direction to reduce and end homelessness. Prioritizing McKinney resources to create and access permanent supportive housing makes sense.
3. Cost benefit analyses continue to demonstrate that housing and supportive service solutions for chronic homelessness may be less expensive than this population randomly ricocheting through the homeless system and expensive mainstream health and law enforcement systems.

4. Coordination at the local level of all relevant local government, nonprofit, and private sector players is key to making Continuum of Care funding and 10-year jurisdictional plans successful.

5. Coordination of Federal investments ensures that each agency initiative is supporting a national strategy. Cooperation of Federal agencies ensures that such investments are monitored for evidence based results.

CONCLUSION

Across the nation localities in partnership with all stakeholders, public and private, have been re-energized on the issue of ending homelessness in their communities. The mind set across our country has changed in the past few years. The creation of State Interagency Councils on Homelessness and jurisdictional 10-Year Plans have stimulated this new sense and provided a nexus point for their joint impact. The commitments of Federal agencies to new initiatives and new investments have provided inspiration. HUD's partnerships in the field, especially through the Continuum of Care, have offered resources and coordination among providers. The Continuum of Care process would be strengthened by consolidation of programs with an even greater focus on local collaborations and prevention of homelessness.

There is now a national intent to end the disgrace of homelessness beginning with chronic homelessness, visible on our streets and in our shelters. We have much work to do, but we are better prepared and equipped than ever before.