

Housing, Transportation, and Community Development Subcommittee
Senate Banking Committee
Hearing on Opportunities and Challenges in Addressing Homelessness
July 19, 2022

RM ROUNDS OPENING STATEMENT:

Thank you, Chairwoman Smith. I want to thank the witnesses for taking the time to be here today – especially Jamie who is coming to us from Rapid City, South Dakota this afternoon.

From Sioux Falls to Washington DC to Los Angeles, Americans are experiencing growing housing insecurity. Homelessness implicates several critical issues: America's acute shortage of affordable homes, behavioral and physical health challenges, addiction and domestic abuse and violence. Therefore, the need goes beyond just a safe place to stay; individuals also need supportive services, whether it is clinical help, career coaching, or case management so they can break the cycle of homelessness.

That is why organizations like Journey On, which is successfully working in Rapid City, as well as The Doe Fund in New York, have an expanding array of supportive services, including job training, childcare, and others that are successful in going well beyond shelter. Journey On successfully partners with law enforcement in Rapid City to provide social services and casework management for calls related to unsheltered individuals. However, Journey On, like many non-profits across the nation, have run into mounds of government red tape. Even when they have received federal dollars, the money takes too long to be released and the paperwork burden is onerous. We should be removing barriers to addressing homelessness, not creating new ones.

Over the last decade, HUD has pursued a “Housing First” approach to helping homeless individuals and families “obtain stable housing as quickly as possible without barriers or preconditions.” However, the Housing First Model often ignores the underlying causes of homelessness and are only proven to be effective at curbing homelessness at the individual level rather than at the broader community level. HUD now allocates roughly 75 percent of all competitive grants to permanent supportive housing projects, even though these projects were originally intended to serve just a portion of the total homeless population who are “chronically homeless.” This sole reliance on Housing First has prevented federal assistance for any alternative approaches by housing providers that may better address local housing needs.

The Doe Fund, based in New York City but operating nationwide, is a stunning example of how federal policy disadvantages organizations that have made incredible strides in combining stable housing, dignified work and life coaching to improve their client’s lives. An analysis of the Doe Fund’s work found that in 2020, 82 percent of graduates maintained their jobs months after leaving the program with an average starting wage of \$16.60. For every dollar New York City taxpayers spent on the program, they saved an average of \$3.60 in costs from emergency city services and criminal justice costs. These successes raise serious questions of how we prioritize federal funding. Although a Housing First model

may be effective in some cases, a one-size-fits-all solution is not the answer. We should instead give communities flexibility to implement interventions that address their issues.

We also need greater local-level accountability with the Continuum of Care funding distribution model used by HUD to make certain more homeless dollars are used to help those with the greatest needs. Untargeted government spending is particularly inappropriate at a time of elevated inflation. HUD should put into place performance measures that indicate whether the program is succeeding or failing in reducing the number of people experiencing homelessness.

Veterans represent a unique subgroup of the entire homeless population as they are eligible for specialized federal programs and benefits. Despite tremendous success in reducing the number of homeless veterans over the past decade, tangible impediments remain in securing adequate housing for this group, including a severe shortage of affordable homes, underutilization of HUD-VASH vouchers and a lack of VA support and medical staff. Every single veteran should have a place to call home, which is why I have sponsored legislation like the Reducing Veteran Homelessness Act, which would make much needed improvements to both the HUD-VASH and Grant and Per Diem programs to make sure every veteran has the resources they need to find a home.

Nationwide, Native Americans have the second-highest rate of homelessness according to the National Alliance to End Homelessness's 2020 State of Homelessness report. Furthermore, for those Native Americans who live on the reservation, traditional homelessness tends to not be as big of a problem as under-housing and overcrowding. According to a 2017 Urban Institute report, 16% of tribal area households were overcrowded, and 6% were severely overcrowded. Overall, there is a major lack of reliable data and research on Native homelessness and overcrowding, and is something I believe HUD should prioritize.

Thank you again, Madam Chair, for holding this important hearing, and I look forward to this discussion on how to address homelessness in America, especially among our native and veteran populations.