



Homelessness: Targeted Federal Programs and Recent Legislation

Libby Perl, Coordinator
Analyst in Housing Policy

Adrienne L. Fernandes
Specialist in Social Policy

Garrine P. Laney
Analyst in Social Policy

Gail McCallion
Specialist in Social Policy

Ramya Sundararaman
Analyst in Public Health

Francis X. McCarthy
Analyst in Emergency Management Policy

Barbara English
Information Research Specialist

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Summary

The causes of homelessness and how best to assist those who find themselves homeless became a particularly prominent, visible issue in the 1980s. The concept of homelessness may seem like a straightforward one, with individuals and families having no place to live falling within the definition. However, the extent of homelessness in this country and how best to address it depend upon how one defines the condition of being homeless.

There is no single federal definition of homelessness, although a number of programs, including those overseen by the Department of Veterans Affairs (VA), the Department of Homeland Security (DHS), and the Department of Labor (DOL) use the Department of Housing and Urban Development (HUD) definition. Currently, the HUD definition of homeless individual is one who lacks a fixed nighttime residence and whose primary nighttime residence is a supervised public or private shelter designed to provide temporary living accommodations, a facility accommodating persons intended to be institutionalized, or a place not intended to be used as a regular sleeping accommodation for human beings. However, the definition was recently broadened as part of the Helping Families Save Their Homes Act of 2009 (P.L. 111-22), which was signed by the President on May 20, 2009. The new definition will take effect approximately 18 months from the date the law was enacted.

A number of federal programs in seven different agencies, many authorized by the McKinney-Vento Homeless Assistance Act (P.L. 100-77), serve homeless persons. These include the Education for Homeless Children and Youths program administered by the Department of Education (ED) and the Emergency Food and Shelter program, a Federal Emergency Management Agency (FEMA) program run by the Department of Homeland Security. The Department of Health and Human Services (HHS) administers a number of programs that serve homeless individuals. These include Health Care for the Homeless, Projects for Assistance in Transition from Homelessness, and the Runaway and Homeless Youth program.

HUD administers the Homeless Assistance Grants, made up of four separate programs that provide housing and services for homeless individuals—the Supportive Housing Program, the Shelter Plus Care program, the Section 8 Moderate Rehabilitation of Single-Room Occupancy Dwellings program, and the Emergency Shelter Grants program. The VA operates numerous programs that serve homeless veterans. These include the Health Care for Homeless Veterans program and the Homeless Providers Grant and Per Diem program, as well as a collaborative program with HUD called HUD-VASH, through which homeless veterans receive Section 8 vouchers from HUD and supportive services through the VA. The Department of Labor also operates a program for homeless veterans, the Homeless Veterans Reintegration Program.

Attention has turned to homelessness in recent months due, at least in part, to the downturn in the economy. Some homeless service providers report that the numbers of individuals seeking assistance are increasing, while school districts in some communities report that they are serving more homeless students than they did the previous year. In the American Recovery and Reinvestment Act (P.L. 111-5), Congress appropriated funds to serve homeless individuals through various programs, including the Emergency Food and Shelter program, the Education for Homeless Children and Youth program, and a new Homelessness Prevention and Rapid Re-housing Program. Congress also recently reauthorized the McKinney-Vento Homeless Assistance Grants as part of the Helping Families Save Their Homes Act of 2009 (P.L. 111-22) for the first time since FY1994. Additionally, active legislation in the 111th Congress includes the Homeless Veterans Reintegration Program Reauthorization Act (H.R. 1171), the Veterans Health Care Authorization Act of 2009 (S. 252), and the Homes for Heroes Act (H.R. 403).

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Introduction

Federal assistance targeted to homeless individuals and families was largely non-existent prior to the mid-1980s. Although the Runaway and Homeless Youth program was enacted in 1974 as part of the Juvenile Justice and Delinquency Prevention Act (P.L. 93-415), the first federal program focused on assisting all homeless people, no matter their age, was the Emergency Food and Shelter (EFS) program, established in March 1983 through an emergency jobs appropriation bill (P.L. 98-8). The EFS program was and continues to be administered by the Federal Emergency Management Agency (FEMA) in the Department of Homeland Security (DHS) to provide emergency food and shelter to needy individuals.

In 1987, Congress enacted the Stewart B. McKinney Homeless Assistance Act (P.L. 100-77), which created a number of new programs to comprehensively address the needs of homeless people, including food, shelter, health care, and education. The act was later renamed the McKinney-Vento Homeless Assistance Act (P.L. 106-400) after its two prominent proponents—Representatives Stewart B. McKinney and Bruce F. Vento. The programs authorized in McKinney-Vento include the Department of Housing and Urban Development (HUD) Homeless Assistance Grants, the Department of Veterans Affairs (VA) Health Care for Homeless Veterans and Domiciliary Care for Homeless Veterans programs, the Department of Labor (DOL) Homeless Veterans Reintegration Program, the Department of Health and Human Services (HHS) Grants for the Benefit of Homeless Individuals and Health Care for the Homeless, and the Department of Education (ED) Education for Homeless Children and Youths program.

This report describes existing federal programs that provide targeted assistance to homeless individuals and families (other federal programs may provide assistance to homeless individuals but are not specifically designed to assist homeless persons). These include those programs listed above, as well as others that Congress has created since the enactment of McKinney-Vento. In addition, this report summarizes active and enacted homelessness legislation in the 111th Congress and discusses current issues related to homelessness, including the recent economic downturn and chronic homelessness. Finally, **Table 1** at the end of this report shows funding levels for each of the ED, DHS, HHS, HUD, DOL, and Department of Justice (DOJ) programs that assist homeless individuals. **Table 2** shows funding levels for VA programs.

Defining Homelessness

There is no single federal definition of what it means to be homeless, and definitions among federal programs that serve homeless individuals may vary to some degree. As a result, the populations served through the federal programs described in this report may differ depending on the program.

The McKinney-Vento Homeless Assistance Act (P.L. 100-77), enacted in 1987, authorized numerous programs to assist homeless individuals (McKinney-Vento is discussed more fully in the next section of this report). The act included programs to address various needs of homeless persons such as housing, education, health care, and food assistance, among others, all administered by various federal agencies. McKinney-Vento also contained a definition of the term homeless individual for purposes of those programs that were authorized through the law (see Section 103 of McKinney-Vento). The definition of homeless individual in McKinney-Vento is used today to determine eligibility for the HUD Homeless Assistance Grants, FEMA's Emergency Food and Shelter program, the VA homeless veterans programs,

and the DOL's Homeless Veterans Reintegration Program.¹ Section 103 of McKinney-Vento defines a homeless individual as

[a]n 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.²

The definition is sometimes described as requiring one to be literally homeless in order to meet its requirements³—either living in emergency accommodations or having no place to stay. This contrasts with definitions used in some other federal programs, where a person may currently have a place to live but is still considered to be homeless because the accommodation is precarious or temporary.

The McKinney-Vento definition of homeless individual was recently changed, on May 20, 2009, when the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act was enacted as part of the Helping Families Save Their Homes Act of 2009 (P.L. 111-22). The change will be effective at the earlier of 18 months from the date of the law's enactment—on or about November 20, 2010—or three months from the date on which HUD publishes final regulations. The new law makes several changes to the definition. One of the primary changes is to incorporate into the definition those individuals and families who are defined as homeless under other federal laws as long as they (1) have experienced a long-term period without living independently in permanent housing; (2) have experienced instability as evidenced by frequent moves; and (3) can be expected to continue in unstable housing due to factors such as chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or youth with a disability, or multiple barriers to employment. (For a full discussion of the changes to the McKinney-Vento definition in the new law, see the section of this report entitled "Definition of 'Homeless Individual' and 'Chronically Homeless Person'")

Among the federal programs that have adopted a definition of homelessness that differs from the definition in Section 103 of McKinney-Vento is the Department of Education (ED) Education for Homeless Children and Youth program. The ED program defines homeless children and youths in part by reference to the Section 103 definition of homeless individuals: those living in places not meant for human habitation.⁴ In addition, however, the Education for Homeless Children and Youth program defines children and youth who are eligible for services to include those who are (1) sharing housing with other persons due to loss of housing or economic hardship, (2) those living in hotels or motels, trailer parks or campgrounds due to lack of alternative arrangements, (3) those awaiting foster care placement, and (4) children of migrant workers.⁵

The Department of Health and Human Services (HHS) Runaway and Homeless Youth program also has its own definition of homelessness. However, unlike the Education for Homeless Children and Youth program, the Runaway and Homeless Youth program definition does not refer to the McKinney-Vento Act

¹ The definition of *homeless veteran* is a veteran who is homeless as defined by McKinney-Vento. 38 U.S.C. § 2002(1). This definition applies to VA programs for homeless veterans as well as the Homeless Veterans Reintegration Program.

² 42 U.S.C. § 11302(a).

³ See, for example, the Department of Housing and Urban Development, *The Third Annual Homeless Assessment Report to Congress*, July 2008, p. 2, footnote 5, <http://www.hudhre.info/documents/3rdHomelessAssessmentReport.pdf>.

⁴ 42 U.S.C. § 11434a.

⁵ Migratory children are defined at 20 U.S.C. § 6399.

Section 103 definition. Instead, the statute defines a homeless youth as either age 16 to 21 (for transitional housing) or age 18 and younger (for short-term shelter) and for whom it is not possible to live in a safe environment with a relative or for whom there is no other safe alternative living arrangement.⁶

Different definitions are also used by the Health Care for the Homeless program and Projects for Assistance in Transition from Homelessness (PATH), both administered by HHS. Under the Health Care for the Homeless program, a homeless individual is one who “lacks housing” and includes those living in a private or publicly operated temporary living facility or in transitional housing.⁷ In the PATH program, an “eligible homeless individual” is described as one suffering from serious mental illness, which may also be accompanied by a substance abuse disorder, and who is “homeless or at imminent risk of becoming homeless.” The statute does not further define what constitutes being homeless or at imminent risk of homelessness, however.

The Federal Response to Homelessness

Homelessness in the United States has always existed, but it did not come to the public’s attention as a national issue until the 1970s and 1980s, when the characteristics of the homeless population and their living arrangements began to change. Throughout the early and middle part of the 20th century, homelessness was typified by “skid rows”: areas with hotels and single-room occupancy dwellings where transient single men lived.⁸ Skid rows were usually removed from the more populated areas of cities, and it was uncommon for individuals to actually live on the streets.⁹ Beginning in the 1970s, however, the homeless population began to grow and become more visible to the general public. According to studies from the time, homeless persons were no longer almost exclusively single men, but included women with children; their median age was younger; they were more racially diverse (in previous decades, the observed homeless population was largely white); they were less likely to be employed (and therefore had lower incomes); they were mentally ill in higher proportions than previously; and individuals who were abusing or had abused drugs began to become more prevalent in the population.¹⁰

A number of reasons have been offered for the growth in the number of homeless persons and their increasing visibility. Many cities demolished skid rows to make way for urban development, leaving some residents without affordable housing options.¹¹ Other possible factors contributing to homelessness include the decreased availability of affordable housing generally, the reduced need for seasonal unskilled labor, the reduced likelihood that relatives will accommodate homeless family members, the decreased value of public benefits, and changed admissions standards at mental hospitals.¹² The increased visibility of homeless people was due, in part, to the decriminalization of actions such as public drunkenness, loitering, and vagrancy.¹³

⁶ 42 U.S.C. § 5732a(3).

⁷ 42 U.S.C. § 254b(h)(5)(A).

⁸ Peter H. Rossi, *Down and Out in America: The Origins of Homelessness* (Chicago: The University of Chicago Press, 1989), pp. 20-21, 27-28.

⁹ *Ibid.*, p. 34.

¹⁰ *Ibid.*, pp. 39-44.

¹¹ *Ibid.*, p. 33.

¹² *Ibid.*, pp. 181-194, 41. See also Martha Burt, *Over the Edge: The Growth of Homelessness in the 1980s* (New York: Russell Sage Foundation, 1992), pp. 31-126.

¹³ *Down and Out in America*, p. 34; *Over the Edge*, p. 123.

In the 1980s, Congress first responded to the growing prevalence of homelessness with several separate grant programs designed to address the food and shelter needs of homeless individuals. These programs included the Emergency Food and Shelter Program (P.L. 98-8), the Emergency Shelter Grants Program (P.L. 99-591), and the Transitional Housing Demonstration Program (P.L. 99-591).¹⁴ 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 homeless persons.

Congress began to consider comprehensive legislation to address homelessness in 1986. On June 26, 1986, H.R. 5140 and S. 2608 were introduced as the Homeless Persons' Survival Act to provide an 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 after the death of its chief sponsor, Stewart B. McKinney of Connecticut; it was renamed again on October 30, 2000, as the McKinney-Vento Homeless Assistance Act after the death of another prominent sponsor, Bruce F. Vento of Minnesota. In 1987, President Ronald Reagan signed the act into law (P.L. 100-77).

The original version of the McKinney-Vento Act consisted of 15 programs providing an array of services for homeless persons. The act also established the Interagency Council on Homelessness, 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-Vento 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 homelessness, are discussed below.

Department of Education (ED)

Education for Homeless Children and Youths

(42 U.S.C. §§ 11431-11435) This program, also known as the Education for Homeless Children and Youth program, was initially authorized under Title VII, Part B, of the McKinney-Vento Homeless Assistance Act; it provides assistance to 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, immunization, residency requirements, and the lack of birth certificates or school records.

¹⁴ All three programs were incorporated into the McKinney-Vento Homeless Assistance Act in 1987. (The Transitional Housing Demonstration Program was renamed the Supportive Housing Demonstration Program.)

Education for Homeless Children and Youth Program 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 must also transfer 1.0% of the total appropriation to the Department of the Interior for services to homeless children and youth provided by the Bureau of Indian Affairs.

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: (1) those separate schools offer services that are comparable to local schools; and (2) homeless children are not required to attend them. The Education for Homeless Children and Youth Program was authorized under the No Child Left Behind Act of 2001 through FY2007 (FY2008 with the automatic one-year extension provided by the General Education Provisions Act).¹⁵

The Housing and Economic Recovery Act of 2008, signed into law on July 30, 2008 (P.L. 110-289), included a provision increasing the authorization for the McKinney-Vento Education for Homeless Children and Youth Program from \$70 million to \$100 million for FY2009, and such sums as may be necessary for each subsequent fiscal year. If appropriated funds for the program are greater than \$70 million, this provision authorizes the Secretary to award emergency grants (not to exceed \$30 million) to SEAs based on need, to assist children and youth who have become homeless due to foreclosure. SEAs would then award these grants to LEAs based on their need for such awards. Determination of need is to be based on the number of children, youth, and their families who have become homeless due to foreclosure of their home or rental property.

Department of Homeland Security (DHS)

Emergency Food and Shelter (EFS) Program

(42 U.S.C. §§ 11331-11352) The Emergency Food and Shelter program, the oldest federal program serving all homeless populations,¹⁶ was established in March 1983 and is administered by the Federal Emergency Management Agency (FEMA), in the Department of Homeland Security. The program allocates funds to local communities to fund homeless programs and homelessness prevention services. The EFS program is governed by a National Board chaired by FEMA and made up of 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., United Jewish Communities, and the American Red Cross. The National Board uses a formula comprised of unemployment rates and poverty rates to determine which local jurisdictions (typically counties) qualify for funds. Eligible local jurisdictions then convene a local board to determine which organizations – nonprofits and government agencies – within their communities should receive grants, and distribute their available funds accordingly.¹⁷

¹⁵ See Section 422 of the General Education Provisions Act, as amended by P.L. 103-382. 42 U.S.C. § 1226a.

¹⁶ The Runaway and Homeless Youth Program, discussed later in this report, was enacted in 1974.

¹⁷ For more information about recipient jurisdictions, see the National Board website, <http://efsp.unitedway.org/>.

Eligible expenses for which local organizations may use funds include items for food pantries such as groceries, food vouchers, and transportation expenses related to the delivery of food; items for mass shelters such as hot meals, transportation of clients to shelters or food service providers, and toiletries; payments to prevent homelessness such as utility assistance, hotel or motel lodging, rental or mortgage assistance and first month's rent; and local recipient organization program expenses such as building maintenance or repair, and equipment purchases up to \$300.

The EFS program 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 EFS program expired at the end of FY1994 (42 U.S.C. § 11352), however it continues to be funded through annual appropriations.

Department of Health and Human Services (HHS)

Health Care for the Homeless (HCH) Program

(42 U.S.C. § 254b(h)) The Health Care for the Homeless program is authorized as a Consolidated Health Centers Program and currently allocates funds to 184 grantees to provide health services to a special medically underserved population comprised of homeless individuals. This is the only federal program with responsibility for addressing the primary health care needs of homeless people; it furnishes a range of services that include emergency shelter, transitional housing, job training, primary health care, education, and some permanent housing. 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 homeless persons are required to provide substance abuse treatment as a condition of the grant. In CY2006, approximately 701,623 homeless individuals were provided services by this program. Authorization for the Health Centers Program expired at the end of FY2006 (42 U.S.C. § 254b(r)). (For more information, see CRS Report RL32046, *Federal Health Centers Program*, by Barbara English.)

Projects for Assistance in Transition from Homelessness (PATH)

(42 U.S.C. § 290cc-21 through § 290cc-35) Created in 1987, the PATH program is authorized under Title V of the Public Health Service (PHS) Act, Sections 521-535 and administered by the Center for Mental Health Services within the Substance Abuse and Mental Health Services Administration (SAMHSA). The PATH formula grant 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 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 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 FY2005, the most recent year for which data are available, states exceeded the minimum level of matching funds, providing more than \$32.7 million in funds to match the \$52.4 million federal allocation. Up to 20% of the federal payments may be used for housing subsidies and other services to help individuals access housing resources. Authorization for the PATH program expired at the end of FY2003; however, it continues to be funded through annual appropriations.¹⁸

¹⁸ For more information, see <http://pathprogram.samhsa.gov>.

Grants for the Benefit of Homeless Individuals

(42 U.S.C. § 290aa-5) Another program administered through SAMHSA, the Grants for the Benefit of Homeless Individuals program was one of the programs originally authorized under the McKinney-Vento Homeless Assistance Act.¹⁹ The program is also sometimes referred to as Section 506 grants after the section of the Public Health Service Act where it was transferred as part of the Alcohol, Drug Abuse, and Mental Health Administration Reorganization Act of 1991 (P.L. 102-321). Through the Section 506 grants, SAMHSA supports community services for homeless individuals with substance abuse disorders or with co-occurring substance abuse and mental disorders. The goal is to link substance abuse and mental health treatment services with housing programs and other services for homeless persons. The programs are evaluated based on outcomes such as employment, permanent housing, reduced criminal involvement, reduced substance abuse, and improved mental health. In FY2008, SAMHSA budgeted \$32.6 million for Section 506 grants.²⁰

Runaway and Homeless Youth Program

The Runaway and Homeless Youth Program is administered by the Family and Youth Services Bureau (FYSB) within HHS's Administration for Children and Families (ACF). The program was established in 1974 and was most recently authorized by the Reconnecting Homeless Youth Act of 2008 (P.L. 110-378). The law authorizes federal funding for three programs through FY2013: the Basic Center Program (BCP), Transitional Living Program (TLP), and Street Outreach Program (SOP). These programs are designed to provide services to runaway and homeless youth outside of the law enforcement, juvenile justice, child welfare, and mental health systems. The funding streams for the Basic Center Program and Transitional Living Program were separate until Congress consolidated them in 1999 (P.L. 106-71). Together, the two programs, along with other program activities, are known as the Consolidated Runaway and Homeless Youth Program.²¹ Although the Street Outreach Program is a separately funded component, SOP services are coordinated with those provided under the BCP and TLP. Grantees must provide at least 10% of the funds to cover the total cost of the services provided under the three programs. (For more information about the program, see CRS Report RL33785, *Runaway and Homeless Youth: Demographics and Programs*, by Adrienne L. Fernandes.)

Basic Center Program

(42 U.S.C. §§ 5701-5751) The Basic Center Program is intended to provide short-term shelter and services for youth under age 18 and their families through public and private community-based centers. Youth eligible to receive BCP services include those youth who are at risk of running away or becoming homeless (and who may live at home with their parents), or have already left home, either voluntarily or involuntarily. In FY2007, approximately 330 BCP shelters in all 50 states, Puerto Rico, American Samoa, and Guam served 43,867 youth.²² These centers, which generally shelter as many as 20 youth for

¹⁹ See Section 613 of McKinney-Vento.

²⁰ U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, *FY2009 Congressional Budget Justifications*, p. CSAT-22, http://www.samhsa.gov/Budget/FY2009/SAMHSA_CJ2009.pdf.

²¹ Other program activities include a national communications system for runaway youth and their families, logistical support for grantee organizations, HHS's National Clearinghouse on Families and Youth, demonstrations, and the administration of the management information system that tracks data on runaway and homeless youth, known as NEO-RHYMIS.

²² U.S. Department Health and Human Services, *Administration for Children and Families Justification of Estimates for Appropriations Committees*, FY2008, p. 93. Data on youth served by the BCP, TLP, and SOP are provided in HHS's NEO-RHYMIS reporting system on runaway and homeless youth, https://extranet.acf.hhs.gov/rhymis/custom_reports.html.

approximately two weeks, are located in areas that are frequented or easily reached by runaway and homeless youth. The centers seek to reunite youth with their families, whenever possible, or to locate appropriate alternative placements. The centers also provide food, clothing, individual and family counseling, and health care referrals. Some centers serve homeless youth ages 18 to 21 through street-based services, home-based services, and drug abuse education and prevention services.

BCP grants are allocated by formula to each state, the District of Columbia, and Puerto Rico, and are then distributed by HHS on a competitive basis to community-based organizations. The amount of BCP funding available to a jurisdiction is based on its proportion of the nation's youth under age 18, and under the law, each jurisdiction receives a minimum of \$200,000. Separately, each of the territories (U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands) receives a minimum of \$70,000 of the total appropriations.²³ Grantees are required to establish relationships with law enforcement, health and mental health care, social service, welfare, and school district systems to coordinate services.

Transitional Living Program

(42 U.S.C. § 5714-1 through § 5714-2) The Transitional Living Program provides longer-term shelter and assistance for youth ages 16 to 22 (including pregnant and/or parenting youth) who may leave their biological homes due to family conflict, or have left and are not expected to return home. TLP grants are distributed competitively by HHS to community-based public and private organizations. In FY2007, just over 200 organizations received TLP grants and served 3,662 youth.²⁴ All but five states (Idaho, Nevada, New Hampshire, North Dakota, and Wyoming), Puerto Rico, and Guam appear to have at least one TLP grantee.²⁵ Each TLP grantee may shelter up to 20 youth at host family homes, supervised apartments owned by a social service agency, or scattered-site apartments and single-occupancy apartments rented directly with the assistance of the agency. The new law to reauthorize the program, P.L. 110-378, continues to allow youth to remain at TLP projects for up to 540 days (18 months) or longer for youth under age 18 and adds that a youth may remain in the program for a continuous period of 635 days (approximately 21 months) under "exceptional circumstances."²⁶ The new law further authorizes that a youth in a TLP who has not reached age 18 on the last day of the 635-day period may, in exceptional circumstances and if otherwise qualified for the program, remain in the program until his or her 18th birthday. Youth receive several types of TLP services:

- basic life-skills training, including consumer education, and instruction in budgeting and housekeeping;
- interpersonal skill-building;
- educational preparation, such as GED courses and post-secondary training;
- assistance in job preparation and attainment;
- education and counseling on substance abuse; and
- mental and physical health care services.

²³ Prior the enactment of P.L. 110-378, states could receive a minimum of \$100,000 and territories could receive a minimum of \$45,000.

²⁴ U.S. Department Health and Human Services, Administration for Children and Families Justification of Estimates for Appropriations Committees, FY2008, p. 93.

²⁵ See "Locate a TLP Program" on the Family and Youth Services website, <http://www.acf.hhs.gov/programs/fysb/content/youthdivision/programs/locate.htm>.

²⁶ This term means circumstances in which a youth would benefit to an unusual extent from additional time in the program.

The 2003 amendments to the Runaway, Homeless, and Missing Children Protection Act (P.L. 108-96) provided statutory authority for TLP funds to be used for maternity group homes. For FY2003 through FY2006, the President requested \$10 million to fund the group homes. However, Congress has not appropriated any specific funding for the initiative. Grantees may and do use TLP funds to directly serve unwed pregnant and parenting teens, without a specific set-aside. These organizations provide youth with parenting skills, including child development education, family budgeting, health and nutrition, and other skills to promote their well-being and the well-being of their children.

*Street Outreach Program*²⁷

(42 U.S.C. § 5712d) Runaway and homeless youth living on the streets or in areas that increase their risk of using drugs or being subjected to sexual abuse, prostitution, or sexual exploitation are eligible to receive services through the Street Outreach Program. The program's goal is to assist youth in transitioning to safe and appropriate living arrangements. SOP services include outreach and education, treatment, counseling, provision of information, and referrals to other social service agencies. The Street Outreach Program is funded separately from the BCP and TLP, and is authorized to receive such sums as may be necessary. Since FY1996, when funding for the Street Outreach Program was established, community-based public and private organizations have been eligible to apply for SOP grants. Grants are generally awarded for a three-year period. Applicants may apply for a \$100,000 grant each year for a maximum of \$200,000 over that period. In FY2007, street workers with grantee organizations made 661,286 contacts with street youth (multiple contacts may have been made with an individual youth). Of those youth, most received written materials about referral services, health and hygiene products, and food and drink items.

Collaboration on the Prevention of Adolescent Dating Violence

The Family Violence Prevention and Services Act (FVPSA), Title III of the Child Abuse Amendments of 1984 (P.L. 98-457), authorized funds for Family Violence Prevention and Service grants that work to prevent family violence, improve service delivery to address family violence, and increase knowledge and understanding of family violence. Some of these projects focus on runaway and homeless youth in dating violence situations through HHS's Domestic Violence/Runaway and Homeless Youth Collaboration on the Prevention of Adolescent Dating Violence initiative. The initiative was created because many runaway and homeless youth come from homes where domestic violence occurs and may be at risk of abusing their partners or becoming victims of abuse.²⁸ The initiative funds projects carried out by faith-based and charitable organizations that advocate or provide direct services to runaway and homeless youth or victims of domestic violence. The grants fund training for staff at these organizations to enable them to assist youth in preventing dating violence. Eight projects are funded at \$75,000 annually, for FY2008 through FY2010, the most recent funding cycle.

²⁷ This program is also known as the Education and Prevention Services to Reduce Sexual Abuse of Runaway, Homeless, and Street Youth Program.

²⁸ U.S. Department of Health and Human Services, Domestic Violence/Runaway and Homeless Youth Collaboration on the Prevention of Adolescent Dating Violence Grant Announcement, April 24, 2007, <http://www.acf.hhs.gov/grants/open/HHS-2007-ACF-ACYF-EV-0103.html>.

Department of Justice (DOJ)

Transitional Housing Assistance for Child Victims of Domestic Violence, Stalking, or Sexual Assault

(42 U.S.C. § 13975) The 108th 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), which contains the Transitional Housing Assistance for Child Victims of Domestic Violence, Stalking, or Sexual Assault program. The PROTECT Act authorizes the Attorney General to provide grants to states, units of local governments, Indian tribes, and nonprofit organizations to assist an eligible adult, minor, and their dependents who are fleeing domestic violence, or for whom emergency shelter services are lacking. Under the act, eligible adults, minors, and their dependents may be assisted with transitional housing, short-term housing assistance such as help with rent and utility payments, and supportive services, including help in finding and maintaining permanent housing. Grants may be used to help eligible persons with temporary housing for a maximum of 24 months.

The transitional housing assistance program had been authorized at \$30 million for each of FY2004 through FY2008; however, during the 109th Congress, the Violence Against Women and Department of Justice Reauthorization Act of 2005 (P.L. 109-162) increased the authorized funding level and extended the authorization period for the transitional housing program, providing \$40 million for FY2007 through FY2011. At least 7% of the total appropriation in any fiscal year for this program must be allocated to tribal organizations serving victims of domestic and dating violence, stalking, or sexual assault. For FY2005 through FY2008, Congress appropriated funding for the program through a set-aside from the Special Training Officers and Prosecutors (STOP) grant. Enacted FY2008 funding for the transitional housing assistance grant program is \$17.39 million. (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 were established in 1987 as part of the Stewart B. McKinney Homeless Assistance Act (P.L. 100-77). The grants, administered by HUD, fund housing and services for homeless persons. Initially, four programs, including the Emergency Shelter Grants (ESG) program, Supportive Housing Program (SHP), and Section 8 Moderate Rehabilitation Assistance for Single-Room Occupancy Dwellings (SRO) program, were funded through HUD's Homeless Assistance Grants. Since 1987, Congress has added and removed grant programs, but these three remain, together with the Shelter Plus Care (S+C) program, which was introduced as part of the Cranston-Gonzalez National Affordable Housing Act (P.L. 101-625) in 1992. Two additional programs – Rural Homeless Grants and Safe Havens for Homeless Individuals – still exist statutorily, although they have not been funded since FY1994 when Congress gave HUD the authority to use SHP funds for these programs.

Funding for the ESG program is allocated to states and localities on a formula basis. Funding for the other three programs—SHP, S+C, and SRO—is disseminated through HUD's Continuum of Care (CoC) system. Under the CoC strategy, localities and states are encouraged to develop and maintain assistance systems that integrate programs and services for persons experiencing homelessness or who are at risk of becoming homeless. Local communities establish CoC coordinating boards made up of local government officials 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. Out of concern that not enough CoC dollars were being spent on housing (versus services), since FY2002 Congress has required that not less than 30% of funds appropriated to the Homeless Assistance Grants programs be used for permanent housing. Following is a description of the four programs that are presently funded under the Homeless Assistance Grants. (For more information about the distribution of the funds for the four grants, see CRS Report RL33764, *The HUD Homeless Assistance Grants: Distribution of Funds*, by Libby Perl.)

Emergency Shelter Grants (ESG) Program

(42 U.S.C. §§ 11371-11378) The ESG program distributes formula grants to state and local governments; recipient governments may then distribute all or a portion of the funds to private nonprofit organizations that provide 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 Community Development Block Grant (CDBG) funds. Factors used to determine how CDBG funds are distributed include poverty rates, population, the number of persons in poverty, housing overcrowding (homes in which there is more than 1.01 persons per room), the age of housing (the number of housing structures built prior to 1940), and the extent of population growth lag in a given community.

Emergency Shelter Grants may be used for the renovation, major rehabilitation or conversion of buildings into emergency shelters. The funds may also be used for essential services, including employment, health, drug abuse or education services, although not more than 30% of funds may be used for services. Another allowable use of funds is the maintenance, operation, insurance, utilities, and furnishing costs for these emergency shelters, although not more than 10% of the funds may be used for staffing costs. Funds may also be used to prevent homelessness. Financial assistance may be given to families that 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 prevention activities. 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.

Supportive Housing Program (SHP)

(42 U.S.C. §§ 11381-11389) Housing funded under the SHP may be transitional housing for individuals and families for up to 24 months, permanent housing for disabled individuals, or single room occupancy dwellings. 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, and food and cash assistance. 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 boards. SHP requires that not less than 25% of 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 for acquisition, rehabilitation, and construction activities, a 20% match for services, and a 25% match requirement for operational expenses. 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) The S+C program provides tenant- and project-based rental subsidies to homeless adults with disabilities. Like the Section 8 program, tenants pay 30% of their income toward housing and the administering body pays the rest. The assistance is initially funded for five years, but can be renewed at the end of those five years on an annual basis. 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 services and the dollar for dollar match requirement can be met through spending on services. Not less than 50% of S+C rental units 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 authority 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.

Section 8 Moderate Rehabilitation Assistance for Single-Room Occupancy Dwellings (SRO)

(42 U.S.C. §§ 11401, 11407-11407b) Under the SRO program, HUD provides rental subsidies, through public housing authorities, to support housing units that are similar to dormitories, having single bedrooms, community bathrooms, and kitchen facilities. The SRO units are funded as part of HUD's Section 8 Moderate Rehabilitation program; the program requires grant recipients to spend at least \$3,000 per unit to rehabilitate property to be used for SRO housing. Grant recipients are then reimbursed for the costs of rehabilitating the SRO units through Section 8 rental assistance payments that they receive over a 10-year contract period. The costs of rehabilitation are amortized and added to a base rental amount. 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.

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 nonprofit organizations to operate 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. HVRP grantee organizations provide services that include outreach, assistance in drafting a resume and preparing for interviews, job search assistance, subsidized trial employment, job training, and follow-up assistance after placement. Recipients of HVRP grants also provide supportive services not directly related to employment such as transportation, provision of or assistance in finding housing, and referral for mental health treatment or substance abuse counseling. HVRP grantees often employ formerly homeless veterans to provide outreach to homeless veterans and to counsel them as they search for employment and stability. Initially, HVRP was authorized by the McKinney-Vento Homeless Assistance Act of 1987, but in 2001 it was reauthorized under the Homeless Veterans Comprehensive Assistance Act (P.L. 107-95). Currently HVRP is authorized through FY2009 at \$50 million per year. (For more information about HVRP and other programs for homeless veterans, see CRS Report RL34024, *Veterans and Homelessness*, by Libby Perl.)

Referral and Counseling Services: Veterans at Risk of Homelessness Who Are Transitioning from Certain Institutions

(38 U.S.C. §2023) The Homeless Veterans Comprehensive Assistance Act of 2001 (P.L. 107-95) instituted a demonstration program to provide job training and placement services to veterans leaving prison, long-term care, or mental institutions who are at risk of homelessness. The enacting law gave both the VA and the Department of Labor authority over the program. By 2005, the program awarded \$1.45 million in initial grants to seven recipients. These grants were extended through March 2006 with funding of \$1.6 million and then again for an additional 15 months, though June 30, 2007, with \$2 million in funding.²⁹ The statute enacting the program provided that it would cease on January 24, 2006, four years after its enactment. However, on October 10, 2008, Congress extended the program through FY2012 as part of the Veterans' Mental Health and Other Care Improvements Act of 2008 (P.L. 110-387). The new law removed the program's demonstration status and expanded the number of sites able to provide services to twelve.

Department of Veterans Affairs (VA)³⁰

Health Care for Homeless Veterans (HCHV)³¹

(38 U.S.C. §§ 2031-2034) The Health Care for Homeless Veterans program operates at VA sites around the country where staff provide outreach services, physical and psychiatric health exams, treatment, and referrals to homeless veterans with mental health and substance abuse problems. As appropriate, the HCHV program places homeless veterans needing long-term treatment into one of its contract community-based facilities. Housing is provided either through residential treatment facilities that contract with the VA or through organizations that receive Grant and Per Diem funding for transitional housing (the Homeless Providers Grant and Per Diem Program is described below). In FY2007, VA's 132 HCHV sites provided outreach, treatment, and referral services to just over 65,802 homeless veterans.³² Of those receiving assistance, 1,529 veterans stayed in residential treatment facilities in FY2007, with an average stay of about 61 days.³³ The HCHV program is authorized through December 31, 2011 (P.L. 109-461).

Homeless Providers Grant and Per Diem Program³⁴

(38 U.S.C. §§ 2011-2013) The Grant and Per Diem program has two aspects: the grants portion of the program funds capital grants that organizations may use to build or rehabilitate facilities to be used for transitional housing and service centers for homeless veterans, while the per diem portion funds services to homeless veterans. Specifically, capital grants may be used to purchase buildings, to expand or remodel

²⁹ U.S. Department of Labor, Office of the Assistance Secretary for Veterans' Employment and Training, *FY2006 and FY2007 Annual Report to Congress*, May 21, 2008, p. 12, http://www.dol.gov/vets/media/FY2006-2007_Annual_Report_To_Congress.pdf.

³⁰ For more information about VA programs for homeless veterans, see CRS Report RL34024, *Veterans and Homelessness*, by Libby Perl.

³¹ Also known as the Homeless Chronically Mentally Ill Veterans (HCMI) program.

³² Wesley J. Kaspro, Robert A. Rosenheck, Diane DiLello, Leslie Cavallaro, and Nicole Hareluk, *Healthcare for Homeless Veterans Programs: Twenty-First Annual Report*, U.S. Department of Veterans Affairs Northeast Program Evaluation Center, March 17, 2008, p. 25.

³³ *Ibid.*, p. 119.

³⁴ Formerly called the Homeless Veterans Comprehensive Services Programs.

existing buildings, and to procure vans for use in outreach to and transportation for, homeless veterans. Service centers for veterans must provide health care, mental health services, hygiene facilities, benefits and employment counseling, meals, transportation assistance, job training and placement services, and case management. The capital grants will fund up to 65% of the costs of acquisition, expansion or remodeling of facilities, and grantees must provide the remaining 35%. Under the per diem portion of the program, both capital grant recipients and those organizations that would be eligible for capital grants (but have not applied for them) are eligible to apply for funds, although grant recipients have priority in receiving per diem funds. The Grant and Per Diem program is permanently authorized at \$150 million (P.L. 110-387).

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 that provides 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. The program was initially authorized at \$5 million per year for FY2003 through FY2005. The program was reauthorized from FY2007 through FY2011 at \$7 million per year (P.L. 109-461).

Domiciliary Care for Homeless Veterans (DCHV)

(38 U.S.C. § 1710(b)) The Domiciliary Care for Homeless Veterans 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. Veterans served through the Domiciliary Care program typically suffer from mental illness, substance abuse disorders, or both.³⁵ The VA operates the DCHV program at 38 locations with 1,950 total beds across the country.³⁶ A multi-dimensional, individually tailored treatment approach is used to stabilize the clinical status of veterans 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 the VA's Incentive Therapy Program, a medically prescribed rehabilitation program involving therapeutic work assignments at VA medical centers for which veterans receive nominal payments. In FY2007, 5,905 veterans completed treatment in DCHV programs with an average stay of 105 days at the VA facilities.³⁷

Compensated Work Therapy Program³⁸

(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 program was created by the Veterans Omnibus Health Care Act of 1976 (P.L. 94-581). The major goals of the program

³⁵ Sandra G. Resnick, Robert Rosenheck, Sharon Medak, and Linda Corwel, *Nineteenth Progress Report on the Domiciliary Care for Homeless Veterans Program, FY2007*, U.S. Department of Veterans Affairs Northeast Program Evaluation Center, March 28, 2008, p. 10.

³⁶ *Ibid.*, p. 1.

³⁷ *Ibid.*, pp. 9-10.

³⁸ The CWT program was formerly called the Special Therapeutic and Rehabilitation Activities Fund.

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 structured daily activity to 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 temporary staffing to a company. Funds collected from the sale of these products and/or services are used to fund the program. Funding for this program comes from the VA's Special Therapeutic and Rehabilitation Activities Fund, and the program is permanently authorized at 38 U.S.C. § 1718(c).

Guaranteed Transitional Housing for Homeless Veterans

(38 U.S.C. §§ 2051-2054) The Guaranteed Transitional Housing for Homeless Veterans Program was created as part of the Veterans Programs Enhancement Act of 1998 (P.L. 105-368). Through the program, qualified nonprofit organizations or other qualified organizations that have experience in underwriting transitional housing projects may obtain a loan for the construction, rehabilitation or acquisition of land for a multifamily transitional housing project for homeless veterans. The 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 veterans 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 of up to \$100 million may be guaranteed under this program. To date, the VA has committed to two multifamily housing projects. One project, sponsored by Catholic Charities of Chicago, opened in January 2007 with 141 transitional units for homeless veterans.³⁹ A second project in San Diego is also expected to provide 144 transitional housing units.⁴⁰

HUD VA Supported Housing (HUD-VASH)

(42 U.S.C. § 1437f(o)(19)) HUD-VASH is a joint HUD and VA initiative that provides specially designated Section 8 vouchers to homeless veterans while the VA provides supportive services. HUD-VASH serves homeless veterans who have chronic mental illnesses or chronic substance abuse disorders. Before a veteran may participate in HUD-VASH, he or she must agree to continue treatment for their mental illness or substance abuse disorder. Every homeless veteran who receives a housing voucher must be assigned to a VA case manager and receive supportive services. 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. 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. In the 109th Congress, the Veterans Benefits, Health Care, and Information Technology Act of 2006 (P.L. 109-461) similarly authorized additional HUD-VASH vouchers for FY2007 through FY2011. However, funds were not provided for additional vouchers until the 110th Congress, when the FY2008 Consolidated Appropriations Act (P.L. 110-161) allocated \$75 million for additional

³⁹ See U.S. Department of Veterans Affairs, "Multifamily Transitional Housing Loan Guarantee Program: Program Overview," Presentation by Claude B. Hutchinson, Jr., July 2007, http://www1.va.gov/homeless/docs/Loan_Guarantee_Informational_Video_Slides.ppt.

⁴⁰ Statement of Pete Dougherty, Director, Homeless Veterans Programs, Senate Veterans Affairs Committee, *Looking At Our Homeless Veterans Programs: How Effective Are They?*, 109th Cong., 2nd sess., March 16, 2006.

HUD-VASH vouchers. On April 16, 2008, HUD announced the award of 10,105 vouchers to housing authorities in all 50 states, the District of Columbia, and Puerto Rico.⁴¹

Supportive Services for Very Low-Income Veterans and Their Families

In the 110th Congress, the Veterans' Mental Health and Other Care Improvements Act of 2008 (P.L. 110-387) authorized a program of supportive services to assist very low-income veterans and their families who either are making the transition from homelessness to housing or who are moving from one location to another. The law specified that funds be made available for the new program from the amount appropriated for VA medical services—\$15 million for FY2009, \$20 million for FY2010, and \$25 million for FY2011. Funds are to be distributed to private nonprofit organizations and consumer cooperatives—the entities that will provide supportive services—through a competitive process. Those organizations that assist families transitioning from homelessness will be given priority for funding. Among the eligible services that recipient organizations may provide are case management, health care services, daily living services, assistance with financial planning, transportation, legal assistance, child care, and housing counseling. According to VA budget documents, the VA will develop regulations for the program in FY2009 and award grants in FY2010.⁴²

Other Activities for Homeless Veterans

In addition to the targeted programs for which specific funding is available (see **Table 2** at the end of this report), the VA engages in several activities to assist homeless veterans that are not reflected in this report as separate programs. An Advisory Committee on Homeless Veterans was established within VA to consult with and seek advice concerning VA benefits and services to homeless veterans (38 U.S.C. § 2066). The Advisory Committee consists of 15 members appointed from Veterans Service Organizations, community-based homeless service providers, previously homeless veterans, experts in mental illness, substance use disorders and others. The Advisory Committee is authorized through December 30, 2011 (P.L. 109-461).

Another VA initiative is Comprehensive Homeless Centers (CHCs). These CHCs are located in eight cities, and consolidate all of the VA's homeless programs in that area into a single organizational framework to promote integration within the VA and coordination with non-VA homeless programs.⁴³ CHCs offer a comprehensive continuum of care to help homeless veterans escape from homelessness. The 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.

The Department of Labor makes funds available through its Homeless Veterans Reintegration Program for local communities that organize Stand Downs for Homeless Veterans. Stand Downs are local events,

⁴¹ For a list of housing authorities and the number of vouchers allocated to each, see http://www.hud.gov/news/releasedocs/hud-vash_chart.doc.

⁴² U.S. Department of Veterans Affairs, *FY2010 Congressional Budget Justification, Volume II, Medical Programs and Information Technology*, p. 11-12, http://www.va.gov/budget/summary/2010/Volume_2-Medical_Programs_and_Information_Technology.pdf.

⁴³ Comprehensive Homeless Centers are located in Anchorage, Brooklyn, Cleveland, Dallas, Little Rock, Pittsburgh, San Francisco, and Los Angeles.

staged annually in many cities across the country, in which local Veterans Service Organizations, businesses, government entities, and other social service organizations come together for up to three days to provide services for homeless veterans. Some of these services include food, shelter, clothing, and a range of other types of assistance, including VA provided health care, benefits certification, and linkages with other programs. Another program, called Veterans Benefits Administration (VBA)'s Acquired Property Sales for Homeless Providers, allows the VA to sell, at a discount, foreclosed properties to nonprofit organizations and government agencies that will use them to shelter or house homeless veterans. Finally, Project CHALENG for Veterans is a nationwide VA initiative to work with other agencies and better coordinate the response to the needs of homeless veterans. VA regional offices designate "points of contact" from among local service providers, and they in turn 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.

Social Security Administration

The Social Security Administration (SSA) operates an initiative to increase the access of homeless individuals to federal benefits through employee training, outreach to homeless persons, and assistance with applications. Through the program, called the *Homeless Outreach Projects and Evaluation (HOPE)* initiative, SSA employees conduct outreach to disabled, chronically homeless individuals (those persons who have been homeless for more than one year or on four or more occasions during the last three years) and assist them with filling out applications for benefits such as Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI).⁴⁴ The program also helps individuals find assistance for their other needs such as health care, counseling, and housing. Congress provided \$8 million per year for the HOPE initiative in FY2003, FY2004, and FY2005, and this funding has been used to support 41 HOPE programs throughout the country.⁴⁵ An evaluation of the program found that, despite the fact that SSI and SSDI applications from HOPE program participants were processed more quickly than comparison groups, there was no significant difference in allowance rates between applications from HOPE programs and the comparison groups.⁴⁶ However, the evaluation found improved housing conditions for HOPE program participants,⁴⁷ and smaller percentages of participants were living on the streets, in shelters, or in places not meant for human habitation 12 months after participating in HOPE.

In addition to the HOPE initiative, a collaboration among SSA, HUD, and HHS makes technical assistance available to train state and local human services workers to better serve homeless individuals with mental illnesses or substance abuse disorders who may qualify for Social Security benefits. The program is called *SSI/SSDI Outreach, Access and Recovery (SOAR)*, and since the program began, employees at both the state and local government level in 34 different states have received SOAR training.⁴⁸ A preliminary evaluation of nineteen states and localities that received SOAR assistance found higher than average approval rates among homeless applicants on initial applications for SSI and SSDI

⁴⁴ For more information about the HOPE Initiative, see the SSA "Service to the Homeless" website at <http://www.socialsecurity.gov/homelessness/index.htm>.

⁴⁵ Marion L. McCoy, Cynthia S. Robins, James Bethel, Carina Tornow, and William D. Frey, *Evaluation of Homeless Outreach Projects and Evaluation (HOPE)*, Social Security Administration, October 2007, p. 1-1, <http://www.socialsecurity.gov/homelessness/docs/hopfinalreport.doc>.

⁴⁶ *Ibid.*, pp. 3-11 and 3-13.

⁴⁷ *Ibid.*, p. 3-15.

⁴⁸ Initially, 24 states participated in SOAR training. In August 2007, an additional 10 states were selected to participate. See USICH Newsletter, August 9, 2007, http://www.ich.gov/newsletter/archive/8-09-07_e-newsletter.htm.

(70% approval compared to 10-15% for all homeless applicants), improved access to housing for some individuals who gained benefits, and cost savings for state public benefits programs.⁴⁹

Current Issues

The Recent Economic Downturn and Homelessness

In December 2008, the National Bureau of Economic Research declared that the economy had been in a recession since December of 2007.⁵⁰ Prior to the announcement, effects of an economic downturn already could be seen in the employment sector, where the unemployment rate had increased in nearly every month of 2008. In December of 2007, the unemployment rate was 4.9%; by April of 2009, it had risen to 8.9%.⁵¹ The housing sector also faced difficulty throughout the course of 2008. The foreclosure rate for all loans rose from 1.28% in the first quarter of 2007 to 2.97% in the third quarter of 2008.⁵² Foreclosure rates may continue to rise throughout 2009 due to additional interest rate resets that are scheduled to occur.⁵³

Increased foreclosures and rising unemployment may result in higher rates of homelessness among all groups, but particularly among families facing increased financial strain. Due to the time lag in community counts of homeless individuals—the last count required by HUD occurred in January of 2009, but results have not been released⁵⁴—it is not yet known whether the number of people experiencing homelessness has grown since the beginning of the economic downturn or whether any increased levels of homelessness would be related to the economic situation. However, anecdotal evidence from shelters, soup kitchens, and other service providers indicates an increased demand for services, and potentially an increase in the number of individuals who are homeless, some for the first time.⁵⁵ School districts are reporting higher numbers of students who qualify for services under the Department of Education's definition of homelessness.⁵⁶ In addition, the 2008 U.S. Conference of Mayors Hunger and Homelessness Survey reported an average increase in homelessness of 12% among the 25 surveyed cities.⁵⁷ Arguably, in reaction to the reported increased need for emergency help, Congress increased appropriations to FEMA's

⁴⁹ *Preliminary Outcomes from the SOAR Technical Assistance Initiative*, Policy Research Associates, May 2008, <http://www.prainc.com/SOAR/soar101/SOAROutcomes.pdf>.

⁵⁰ National Bureau of Economic Research, *Determination of the December 2007 Peak in Economic Activity*, December 11, 2008, <http://www.nber.org/cycles/dec2008.pdf>.

⁵¹ U.S. Department of Labor, Bureau of Labor Statistics, *The Employment Situation, April 2009*, May 8, 2009, <http://www.bls.gov/news.release/pdf/empstat.pdf>.

⁵² Mortgage Bankers Association, *National Delinquency Survey, First Quarter 2007*, data as of March 31, 2007, p. 3, and *National Delinquency Survey, Third Quarter 2008*, data as of September 30, 2008, p. 3.

⁵³ For more information, see CRS Report RL33775, *Alternative Mortgages: Causes and Policy Implications of Troubled Mortgage Resets in the Subprime and Alt-A Markets*, by Edward V. Murphy.

⁵⁴ For more information about attempts to estimate the number of homeless individuals, see CRS Report RL33956, *Counting Homeless Persons: Homeless Management Information Systems*, by Libby Perl.

⁵⁵ See, for example, Trymaine Lee, "Families With Children in City Shelters Soar to Record Level," *New York Times*, December 23, 2008, p. A-27; C.W. Nevius, "More on Streets Newly Homeless," *San Francisco Chronicle*, December 16, 2008, p. B1; and Michael Drost, "Changing Face of Homelessness," *Washington Times*, December 14, 2008.

⁵⁶ Barbara Duffield and Phillip Lovell, *The Economic Crisis Hits Home: The Unfolding Increase in Child and Youth Homelessness*, National Association for the Education of Homeless Children and Youth, December 2008, <http://www.naehcy.org/dl/TheEconomicCrisisHitsHome.pdf>.

⁵⁷ U.S. Conference of Mayors, *Hunger and Homelessness Survey*, December 2008, p. 13, http://www.usmayors.org/pressreleases/documents/hungerhomelessnessreport_121208.pdf.

Emergency Food and Shelter Program by 30% in FY2009, from \$153 million to \$200 million, the most ever appropriated for the program in a fiscal year.

Funds for Homeless Programs in the American Recovery and Reinvestment Act

Congress appropriated funds to a number of programs targeted to assist homeless individuals as part of the American Recovery and Reinvestment Act (P.L. 111-5), which was signed into law on February 17, 2009 (see **Table 1**). The new law appropriated \$1.5 billion to be used for a new Homelessness Prevention and Rapid Re-Housing Program (HPRP). These funds are to be distributed to communities and states using the Emergency Shelter Grants formula. Specifically, funds may be used for short- or medium-term rental assistance, and for activities to help families find and maintain housing such as help with housing searches, outreach to landlords, credit repair, security or utility deposits, utility payments, first month's rent, and help with moving expenses. Grantees must expend at least 60% of funds within two years of the date that the funds are made available by HUD, and 100% of funds within three years. On March 19, 2009, HUD released a notice in which it detailed requirements for grantees and subgrantees.⁵⁸ In order to qualify for funds, communities were required to amend their consolidated plan to describe how they would use the funds and submit the amended plan to HUD by May 18, 2009. HUD is to approve consolidated plan amendments by July 2, 2009.

The American Recovery and Reinvestment Act (ARRA) also appropriated \$70 million for the Education for Homeless Children and Youth program, with funds to be distributed to state education agencies (SEAs) within 60 days of the law's enactment. SEAs must, in turn, distribute funds to local education agencies (LEAs) within 120 days of receiving funds. Funds are to be distributed to the states based on the number of students who were homeless during the 2007-2008 school year relative to the number of homeless students nationally during the same time period. States may distribute the funds to LEAs either competitively or based on the number of homeless students per LEA.

The ARRA appropriated \$100 million to FEMA's Emergency Food and Shelter program and \$50 million to the Department of Justice to be used to provide transitional housing for victims of domestic violence, stalking, or sexual assault. The new law also appropriated \$500 million for health centers (including health centers for homeless individuals) to fund services to patients, as well as \$1.5 billion in infrastructure funding for facility construction and renovation, the purchase of equipment, and acquisition of health information technology.

The Chronic Homelessness Initiative

In 2002, the Bush Administration established a national goal of ending chronic homelessness within 10 years, by 2012. A chronically homeless individual is "an unaccompanied homeless individual with a disabling condition who has been continually homeless for a year or more, or has had at least four episodes of homelessness in the past three years."⁵⁹ An impetus behind the initiative to end chronic homelessness is that chronically homeless individuals are estimated to account for about 10% of all users of the homeless shelter system, but are estimated to use nearly 50% of the total days of shelter provided.⁶⁰

⁵⁸ U.S. Department of Housing and Urban Development, Notice of Allocations, Application Procedures, and Requirements for Homelessness Prevention and Rapid Re-Housing Program Grantees under the American Recovery and Reinvestment Act of 2009, March 19, 2009, <http://www.hud.gov/recovery/hrp-notice.pdf>.

⁵⁹ 24 C.F.R. § 91.5.

⁶⁰ Randall Kuhn and Dennis Culhane, "Applying Cluster Analysis to Test a Typology of Homelessness by Pattern of Shelter Utilization: Results from the Analysis of Administrative Data," *American Journal of Community Psychology*, vol. 26, no. 2 (continued...)

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-HUD 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.⁶¹ By 2003, the Interagency Council on Homelessness had been re-engaged after six years of inactivity and was charged with pursuing the President's 10-year plan.⁶² As of the date of this report, 49 states, the District of Columbia, Guam, Puerto Rico, the Virgin Islands, and nearly 350 cities and counties have developed ten-year plans to end chronic homelessness.⁶³

Permanent supportive housing is generally seen as a solution to ending chronic homelessness.⁶⁴ Permanent supportive housing consists of low-cost housing, paired 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. Providing permanent supportive housing to homeless adults with mental illnesses or substance abuse disorders is sometimes referred to as the "housing first" approach—housing is found for homeless individuals prior to treatment of their illnesses and addictions. In the late 1990s, research began to show that finding housing for homeless individuals with severe mental illnesses meant that they were less likely to be housed temporarily by more expensive public services, such as hospitals, jails, or prisons.⁶⁵

More recently, two studies have examined outcomes of housing first initiatives. A study published in the *Journal of the American Medical Association* in 2009 examined outcomes among residents in a development for chronically homeless individuals with severe alcohol problems living in Seattle.⁶⁶ Many residents had been high-cost users of emergency room services, sobriety centers, and jails. Researchers found that the total costs of serving residents in the 12 months prior to their moving into the housing development (including shelter nights, time in jail, emergency medical services, and Medicaid and other healthcare costs) was \$42,964 per person per year.⁶⁷ Twelve months after moving into the development, the cost had been reduced to \$13,440 per resident per year. Cost reductions grew over time, indicating that length of time housed could contribute to savings.⁶⁸ In addition, the median number of drinks consumed

(...continued)

(April 1998), p. 219.

⁶¹ The report is available at <http://govinfo.library.unt.edu/mhc/MHCReport.pdf>. See pp. 54-56.

⁶² The Interagency Council on Homelessness (ICH) was created in 1987 in the Stewart B. McKinney Homeless Assistance Act, P.L. 100-77. 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, DOL, and the VA.

⁶³ For a list of cities and counties with ten-year plans, see the Interagency Council on Homelessness website, <http://www.usich.gov/slocal/10-year-plan-communities.pdf>. For a list of states with ten-year plans, see http://www.ich.gov/library/2005-7_State_ICH_Status_Report.pdf.

⁶⁴ Report from the Secretary's Work Group on Ending Chronic Homelessness, *Ending Chronic Homelessness: Strategies for Action*, Department of Health and Human Services, March 2003, pp. 12-13, <http://aspe.hhs.gov/hsp/homelessness/strategies03/>.

⁶⁵ 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 (2002): 107-163.

⁶⁶ Mary E. Larimer, Daniel K. Malone, and Michelle D. Garner, et al., "Health Care and Public Service Use and Costs Before and After Provision of Housing for Chronically Homeless Persons with Severe Alcohol Problems," *Journal of the American Medical Association*, vol. 301, no. 13 (April 1, 2009), pp. 1349-1357.

⁶⁷ *Ibid.*, p. 1355.

⁶⁸ *Ibid.*, p. 1356.

by residents per day and days drinking to intoxication also declined.⁶⁹ A HUD study published in 2007 looked at housing stability and health outcomes of residents in three housing first programs. During a one-year period, 43% of clients in the three programs remained in housing during the entire twelve-month period while another 41% stayed intermittently, ultimately returning to the housing first programs before the end of the year.⁷⁰ Regarding health outcomes, the study found little change in psychiatric impairment among those who stayed in housing permanently or intermittently and some decrease in participants' levels of impairment related to substance use.⁷¹

The Administration has undertaken several projects to reach its goal of ending chronic homelessness in 10 years. Most recently, in August 2005, HUD announced a pilot program called *Housing for People Who Are Homeless and Addicted to Alcohol* to provide supportive housing for chronically homeless persons (those who have been homeless for at least 365 days during a five-year period) and who have a long-term addiction to alcohol. The initiative awarded two-year grants totaling just under \$10 million to 12 grantees for FY2005.⁷² According to the Interagency Council on Homelessness, the program has provided supportive housing to over 500 homeless clients.⁷³

Two collaborative efforts to end chronic homelessness, undertaken by several federal agencies, began in 2003. The *Collaborative Initiative to Help End Chronic Homelessness*, announced on October 1, 2003, is a grant initiative initially funded at \$35 million through the joint efforts of HUD, HHS, and VA. Specifically, \$20 million in HUD funds was made available to provide permanent supportive housing under the SHP, S+C, or SRO programs; \$7 million was made available through HHS's Substance Abuse and Mental Health Services Agency to fund substance abuse treatment and mental health and related social services for chronically homeless individuals; \$3 million was available through HHS's Health Resources and Services Administration to provide primary care for chronically homeless individuals; and \$5 million in additional resources was made available at local VA hospitals for serving homeless veterans. By 2005 HHS had dedicated an additional \$20 million to the initiative. The Collaborative Initiative has enrolled 1,242 individuals in the program, of whom an estimated 89% remained housed 12 months after entering the program.⁷⁴ *Ending Chronic Homelessness through Employment and Housing*, another initiative from 2003, is 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 chronically homeless individuals in five communities gain access to employment and permanent housing.⁷⁵

In addition, HUD has encouraged the development of housing for chronically homeless individuals in the way that it distributes the Homeless Assistance Grants to applicants through its annual grant competition. HUD awards points to applicants if their Continuums of Care (the geographic entities that collectively apply to HUD for funds) have developed 10-year plans to end chronic homelessness. Under HUD's

⁶⁹ Ibid., pp. 1354-1355.

⁷⁰ Carol L. Pearson, Gretchen Locke, Ann Elizabeth Montgomery, and Larry Buron, *The Applicability of Housing First Models to Homeless Persons with Serious Mental Illness*, U.S. Department of Housing and Urban Development, July 2007, p. 62, <http://www.huduser.org/Publications/pdf/hsgfirst.pdf>. The sample size in the study was 80 individuals.

⁷¹ Ibid., pp. 83-84 and 88-89.

⁷² For a list of grantees see *Federal Register*, vol. 71, no. 167, August 29, 2006, p. 51207.

⁷³ U.S. Interagency Council on Homelessness e-newsletter, March 6, 2007, http://www.ich.gov/newsletter/archive/03-06-07_e-newsletter.htm.

⁷⁴ Alvin S. Mares and Robert A. Rosenheck, *Evaluation of the Collaborative Initiative to Help End Chronic Homelessness*, Northeast Program Evaluation Center, February 26, 2007, pp. 32-33, http://www.hudhre.info/documents/CICH_ClientOutcomesReport.pdf.

⁷⁵ These cities are Portland, OR, Boston, San Francisco, Indianapolis, and Los Angeles. See the Department of Labor website, <http://www.dol.gov/odep/programs/homeless.htm>.

Samaritan Housing Initiative, Continuums of Care can receive additional funds for permanent supportive housing projects for chronically homeless individuals. In FY2007, nearly 25% of the three competitive Homeless Assistance Grants went to fund housing projects targeted to chronically homeless individuals.⁷⁶

The initiative to end chronic homelessness has raised some concerns among advocates for homeless people that allocating resources to chronically homeless individuals is done at the expense of families with children who are homeless.⁷⁷ This concern may become more acute if the downturn in the economy puts more low-income families at risk of homelessness. In the FY2008 appropriation for HUD, Congress set aside funds for a “rapid re-housing” demonstration, a process targeted to assist homeless families with dependent children that have one or more moderate barriers to achieving and maintaining permanent housing. The American Recovery and Reinvestment Act (P.L. 111-5) similarly set aside funds—\$1.5 billion—for a new Homelessness Prevention and Rapid Re-Housing Program (HPRP) in which grantee communities and states may use funds to prevent homelessness or to find housing quickly for those who have become homeless. In addition, legislation in the 111th Congress to reauthorize the McKinney-Vento Homeless Assistance Grants would change the definition of a chronically homeless person to include families with an adult head of household who has a disability (currently only “unaccompanied individuals” are considered chronically homeless). These bills are the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act (H.R. 1877 and S. 808), described below.

Legislation Enacted in the 111th Congress

Reauthorization of the McKinney-Vento Homeless Assistance Grants

The McKinney-Vento Homeless Assistance Grants, administered by HUD, are the primary federal source of funds to develop and support housing for homeless individuals, including emergency, transitional, and permanent housing. The grants consist of the Emergency Shelter Grants (ESG), the Supportive Housing Program (SHP), Shelter Plus Care (S+C), and the Section 8, Moderate Rehabilitation Assistance for Single-Room Occupancy Dwellings (SRO) program. These programs are discussed earlier in this report in the section entitled “Homeless Assistance Grants.” The Homeless Assistance Grants had not been authorized since FY1994, though they continued to be funded through annual appropriations.⁷⁸

On April 2, 2009, identical bills to reauthorize the Homeless Assistance Grants entitled the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act were introduced in the House and the Senate (H.R. 1877 and S. 808). On May 6, 2009, Senator Reed, the sponsor of S. 808, proposed to add the bill as an amendment to S. 896, the Helping Families Save Their Homes Act, which was being considered by the full Senate.⁷⁹ Senator Reed’s amendment was approved, and later that same day the Senate approved S. 896. The House approved S. 896 on May 19, 2009, and, due to small differences between the House- and Senate-passed versions, the Senate approved the House-passed measure that same day. On May 20, 2009, the President signed the bill into law as P.L. 111-22. The changes in the

⁷⁶ HUD SuperNOFA Broadcast slides, February 21, 2008, p. 15, http://www.hudhre.info/documents/2007_debrief_broadcast.ppt.

⁷⁷ See, for example, the House Financial Services Committee, Subcommittee on Housing and Community Opportunity, *Hearing on Reauthorization of the McKinney-Vento Homeless Assistance Act, Part II*, 110th Cong., 2nd sess., October 16, 2007, http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=110_house_hearings&docid=f:39908.pdf.

⁷⁸ The programs were last authorized as part of the Housing and Community Development Act of 1992 (P.L. 102-550). In FY1994, \$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.

⁷⁹ See S.Amdt. 1040.

HEARTH Act will take effect at the earlier of 18 months from the date of its enactment—on or about November 20, 2010—or three months from the date on which HUD publishes final regulations.

This section describes the major changes that the HEARTH Act makes to the Homeless Assistance Grants.

Consolidation of the Competitive Homeless Assistance Grants

The HEARTH Act removes the distinctions among the three competitive Homeless Assistance Grants and replaces them with one consolidated grant program called the “Continuum of Care Program.” Applicants will no longer apply for one of the three existing grants—S+C, SHP, or SRO—based on the type of housing and services they intend to provide. Instead, the new consolidated grant will provide funds for all permanent housing, transitional housing, supportive services, and re-housing activities.

In consolidating the competitive grants, the HEARTH Act will maintain some aspects of the current Continuum of Care application system and will codify the system in law (currently much of the application system has been established through the grant funding process). Under P.L. 111-22, HUD will review applications from Collaborative Applicants—local entities that determine funding priorities and jointly submit a single application to HUD on behalf of all local applicant organizations (much like the existing Continuum of Care).⁸⁰ Currently, although CoCs submit one application to HUD, the Department must still review the individual project applications from organizations seeking funding. This change from separate project applications to a single CoC application will mean the difference between HUD reviewing hundreds rather than thousands of applications. Collaborative Applicants could also choose to apply to HUD to be “Unified Funding Agencies;” the Unified Funding Agencies will have authority to receive grant awards directly from HUD and distribute them to individual awardee organizations. Otherwise, HUD will continue using its current practice of distributing funds directly to individual project applicants.

The new law also changes matching requirements for grant recipients. Currently, the three competitive homeless assistance grants each have their own rules regarding the amount of HUD funds that must be matched with cash or in-kind support. For example, under SHP, grantees must match dollar for dollar any funds they receive for acquisition, rehabilitation or construction of property, they must provide a 20% match for supportive services funding, and a 25% match for operating expenses. S+C grantees must match each dollar received with an equal amount for supportive services. Under the HEARTH Act, grantees will be required to provide a 25% cash or in-kind match for any dollar of HUD assistance they receive, no matter the activity.

P.L. 111-22 also requires certain set-asides within the Continuum of Care Program to provide housing for homeless populations. At least 30% of funds (not including those for permanent housing renewals) will be used to provide permanent supportive housing to individuals with disabilities or families with an adult head of household (or youth in the absence of an adult) who has a disability. This requirement will be reduced proportionately as communities increased permanent housing units for those individuals and families, and will end when HUD determines that a total of 150,000 permanent housing units have been provided for homeless persons with disabilities since 2001. The HEARTH Act also requires that at least 10% of funds be used to provide permanent housing for families with children. This had not previously been a requirement of the Homeless Assistance Grants. Collaborative Applicants that are successful in reducing or eliminating homelessness through permanent housing will receive bonuses that they could use

⁸⁰ The HEARTH Act would also allow individual organizations to apply directly to HUD for funds if they were not reasonably permitted to participate as part of the collaborative application process.

for any eligible activity under the Continuum of Care Program as well as homelessness prevention activities.

The HEARTH Act will also institute a new program to allow certain high-performing communities to have greater flexibility in the way that they use their funds. To be designated high-performing, a Collaborative Applicant will have to meet requirements regarding the average length of homelessness in their communities, repeat instances of homelessness, community involvement and outreach activities, effectiveness in reducing homelessness, and success in achieving independent living among homeless families with children and youth. Collaborative Applicants designated “high performing” will be able to use their grant awards for any eligible activity under the Continuum of Care Program, as well as for homelessness prevention activities.

Regarding the pro rata need process currently used to determine how funds are distributed to communities (which uses the Community Development Block Grant program formula, in part, to determine need⁸¹), the HEARTH Act requires HUD to create a new formula for determining need within two years of the bill’s enactment using “factors that are appropriate to allocate funds to meet the goals and objectives of” the Continuum of Care program. The new law gives the HUD Secretary the authority to adjust the formula to ensure that Collaborative Applicants have sufficient funds to renew existing contracts for one year.

P.L. 111-22 authorizes the Continuum of Care Program, together with the Emergency Solutions Grants Program (described below) at \$2.2 billion in FY2010 and such sums as necessary for FY2011. The new law provides that permanent housing contracts may be renewed with funds from either the Homeless Assistance Grants account or the project-based Section 8 program account.

Definition of “Homeless Individual” and “Chronically Homeless Person”

P.L. 111-22 expands the definition of “homeless individual” that is codified in the McKinney-Vento Homeless Assistance Act.⁸² Under current law, a homeless individual is defined as an individual who lacks a fixed, regular, and adequate nighttime residence and who resides in a temporary shelter (including welfare hotels, congregate shelters, and transitional housing for those with mental illnesses), resides in an institution as a temporary residence, or in a place not designed for human habitation.

The HEARTH Act amends the current definition of homeless individual to include all those persons living in transitional housing, not just those residing in transitional housing for the mentally ill as in current law. The new law also includes in the definition persons living in hotels or motels paid for by a government entity. P.L. 111-22 also adds to the current definition those individuals and families who meet all of the following criteria:

- They will “imminently lose their housing,” whether it be their own housing, housing they are sharing with others, or a hotel or motel not paid for by a government entity. Imminent loss of housing would be evidenced by:
 - an eviction requiring an individual or family to leave their housing within 14 days;
 - a lack of resources that would allow an individual or family to remain in a hotel or motel for more than 14 days; or

⁸¹ For more information on this issue, see CRS Report RL33764, *The HUD Homeless Assistance Grants: Distribution of Funds*, by Libby Perl.

⁸² 42 U.S.C. § 11302.

- credible evidence that an individual or family would not be able to stay with another homeowner or renter for more than 14 days.
- Have no subsequent residence identified.
- Lack the resources needed to obtain other permanent housing.

HUD practice prior to passage of the HEARTH Act was to consider those individuals and families who would imminently lose housing within seven days to be homeless.

Another change to the definition of homeless individual is that the HEARTH Act considers homeless anyone who is fleeing a situation of domestic violence or other life-threatening condition. In addition, P.L. 111-22 adds to the definition of homeless individual unaccompanied youth and homeless families with children who are defined as homeless under other federal statutes⁸³ and who (1) have experienced a long-term period without living independently in permanent housing; (2) have experienced instability as evidenced by frequent moves; and (3) can be expected to continue in unstable housing due to factors such as chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or youth with a disability, or multiple barriers to employment. In general, however, Collaborative Applicants will not be able to use more than 10% of grant funds to serve those individuals and families defined as homeless under other federal statutes.

P.L. 111-22 also expands the current definition of “chronically homeless person,” which has been defined in regulation.⁸⁴ Under the regulation, the term is defined as an *unaccompanied individual* who has been homeless continuously for one year or on four or more occasions in the last three years, and who has a disability. The HEARTH Act adds to the definition homeless *families* with an adult head of household (or youth where no adult is present) who has a disability. The definition of disability specifically includes post traumatic stress disorder and traumatic brain injury. Note, however, that to be considered chronically homeless, an individual or family must be living in a place not meant for human habitation, a safe haven, or an emergency shelter; the HEARTH Act’s changes to the definition of “homeless individual” do not apply to chronic homelessness. In addition, a person released from an institution will be considered chronically homeless as long as, prior to entering the institution, they otherwise met the definition of chronically homeless person, and had been institutionalized for fewer than 90 days.

Homelessness Prevention

The HEARTH Act expands the opportunities for grantees to engage in homelessness prevention activities. Currently, only ESG funds may be used for homelessness prevention activities such as payment of rent or utility bills, limited to 30% of a state’s or a community’s allocation. P.L. 111-22 expands the eligible activities and funding level of the Emergency Shelter Grants Program and renames it the “Emergency Solutions Grants Program.” The new bill allocates 20% of funds made available by Congress for the Homeless Assistance Grants to the newly named program (currently somewhere between 11% and 15% of funds are reserved for the ESG program). P.L. 111-22 expands the list of supportive services that can be provided with ESG program funds from those concerned with “employment, health, drug abuse, or education,” to include family support services for homeless youth, victim services, and mental health services.

⁸³ For more information about the definition of homelessness under other federal programs, see the section of this report entitled “Defining Homelessness.”

⁸⁴ 24 C.F.R. § 91.5.

The new ESG program also allows funds to be used for short- or medium-term rental assistance and housing relocation and stabilization services for individuals and families at risk of homelessness. The bill defines the term “at risk of homelessness” to include an individual or family with income at or below 30% of area median income, who has insufficient income to attain housing stability, who has moved frequently for economic reasons, and who lives in unstable housing (examples of unstable housing are enumerated in the law). The term also includes all individuals and families defined as homeless under other federal statutes as “at risk.” Under the updated ESG program in the HEARTH Act, the amount of funds that grant recipients can use for emergency shelter and supportive services related to emergency shelter and street outreach will be limited. Recipients cannot use more than the greater of 60% of their ESG allocation, or the amount they had used prior to enactment of the HEARTH Act, for these purposes, reserving the remainder of funds for rental assistance and services for those at risk of homelessness.

Rural Homelessness

In the area of rural homelessness, the HEARTH Act retains portions of McKinney-Vento’s rural homelessness grant program (Title IV, Subtitle G of McKinney-Vento), a program that has not been funded, as the Rural Housing Stability Assistance Program. The program reserves not less than 5% of Continuum of Care Program funds for rural communities to apply separately for funds that would otherwise be awarded as part of the Continuum of Care Program. Unlike under the Continuum of Care program, rural communities will be able to serve persons who do not necessarily meet HUD’s definition of “homeless individual.” P.L. 111-22 provides that HUD may award grants to rural communities to be used for (1) re-housing or improving the housing situation of those who are homeless or are in the worst housing situations in their geographic area, (2) stabilizing the housing situation of those in imminent danger of losing housing, and (3) improving the ability of the lowest-income residents in the community to afford stable housing. The HEARTH Act adds to the list of eligible activities under the rural grants the construction or rehabilitation of transitional or permanent housing as well as the leasing of property or payment of rental assistance for these purposes.

Active Legislation in the 111th Congress

This section discusses active legislation in the 111th Congress that would make changes or additions to existing programs that serve homeless individuals or that would create new programs. Legislation is considered active if it has at least been considered at the subcommittee level.

On March 30, 2009, the House approved the **Homeless Veterans Reintegration Program (HVRP) Reauthorization Act (H.R. 1171)**. As introduced on February 25, 2009, the bill simply would have extended the authorization of HVRP from FY2010 through FY2014 at \$50 million per year. However, during markup by the House Veterans’ Affairs Committee, the bill was amended so that it would also create an HVRP grant program specifically targeted to serve women veterans and veterans with children. The amendment was drawn from H.R. 293, the Homeless Women Veterans and Homeless Veterans with Children Reintegration Act. The new program, like HVRP, would provide job training, counseling, and job placement services, but would also provide child care for participants. H.R. 1171 would authorize the new program for women veterans and veterans with children at \$10 million per year from FY2010 through FY2014.

On May 21, 2009, the Senate Veterans’ Affairs Committee approved the **Veterans Health Care Authorization Act of 2009 (S. 252)**. The bill would create several pilot programs to assist low-income and formerly homeless veterans. Two of these programs would make grants available to public and private nonprofit organizations to provide supportive services to very low-income, formerly homeless

veterans living in permanent housing. The bill would authorize \$3 million in each year from FY2010 through FY2014 to award up to ten grants to service providers assisting veterans residing in permanent housing on former federal property or military property available through the base realignment process. The bill would similarly authorize another \$3 million in each year from FY2010 through FY2014 to award up to ten grants to service providers assisting veterans residing in permanent housing for veterans in local communities. Another pilot program proposed in S. 252 would make funds available to public and nonprofit organizations that provide outreach to low-income and elderly veterans in rural areas to inform them about pension benefits. S. 252 would authorize \$1.275 million for each year from FY2010 through FY2014 for this purpose. A fourth pilot program would make grants to public and nonprofit organizations to provide supportive services to veterans participating in vocational rehabilitation activities. Eligible services would include transportation, child care, and clothing assistance. The bill would authorize \$5 million for each year from FY2010 through FY2012 for these supportive services grants.

The Homes for Heroes Act (H.R. 403), which was passed by the House on June 16, 2009, would provide various forms of housing assistance for veterans through both HUD and the VA. H.R. 403 would create a new housing program within HUD to provide grants and rental assistance to private nonprofit organizations or consumer cooperatives, enabling them to acquire, rehabilitate, and construct permanent supportive housing for very low-income veterans and their families. Services for veteran families, including health care, employment and training, educational assistance, transportation, child care, and housing counseling, would be provided through the VA. The bill would authorize \$200 million for this new housing grant program in FY2009 and such sums as necessary in each year thereafter. In addition, H.R. 403 would authorize sufficient funds to provide 20,000 Section 8 vouchers for homeless veterans. The bill would also exclude from the definition of income service-connected disability and death benefit payments to veterans or family members in determining the amount of rent that veterans would pay in federally assisted housing.

Funding

Table 1 shows final appropriation levels for FY2005-FY2009 for the targeted homelessness programs included in this report except for programs administered by the VA. The table also contains a shaded column showing appropriations that were made as part of the American Recovery and Reinvestment Act (P.L. 111-5). 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 FY2004-FY2009. The figures in **Table 2** were obtained from VA budget documents and conversations with VA employees.

Table 1. Homelessness: Appropriations for Targeted Federal Programs, FY2005-FY2009
(dollars in thousands)

Program	Agencies	FY2005	FY2006	FY2007	FY2008	FY2009 Stimulus Act (P.L. 111-5)	FY2009
Education for Homeless Children & Youth	ED	62,496	61,871 ^a	61,871	64,067 ^b	70,000	65,427
Emergency Food & Shelter	DHS/FEMA	153,000	151,470	151,470	153,000	100,000	200,000 ^c
Health Care for the Homeless ^d	HHS	149,000	161,000	170,968	177,590 ^b	^e	188,342
Projects for Assistance in Transition from Homelessness	HHS	54,809	54,223	54,261	53,313 ^b	—	59,687
Consolidated Runaway and Homeless Youth Program	HHS	88,725	87,777	87,837	96,128 ^b	—	97,234
—Runaway and Homeless Youth - Basic Center	HHS	48,786	48,265	48,298	52,860	—	^f
—Runaway and Homeless Youth - Transitional Living	HHS	39,939	39,511	39,539	43,268	—	^f
Runaway and Homeless Youth - Street Outreach Program	HHS	15,178	15,017	15,027	17,221 ^b	—	17,721
Homeless Assistance Grants	HUD	1,240,511	1,326,600	1,441,600	1,585,990	— ^g	1,677,000
—Homelessness Prevention and Rapid Rehousing						1,500,000	
Homeless Veterans Reintegration Program	DOL	20,832	21,780	21,809	23,620 ^b	—	26,330
Transitional Housing Assistance for Victims of Domestic Violence, Stalking, or Sexual Assault ^h	DOJ	14,840	14,808	14,847	17,390	50,000	18,000

Source: Table prepared by the Congressional Research Service (CRS). Unless otherwise stated, sources of data were agency budget justifications and congressional appropriations documents. The amounts are enacted values and do not necessarily include all rescissions for each program in each fiscal year.

Notes: Italics indicate amount is subsumed under earlier line item.

- P.L. 109-148 provided supplemental FY2006 appropriations of \$5 million for assistance to local educational agencies serving homeless children and youth who were displaced by Hurricane Katrina or Hurricane Rita.
- In the FY2008 Consolidated Appropriations Act, P.L. 110-161, Division G, Section 528, an across-the-board rescission of 1.747% was applied to nearly all Departments of Labor, Health and Human Services, and Education programs. The values in the table reflect the rescission.
- Funds for the Emergency Food and Shelter program were appropriated as part of the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act (P.L. 110-329), while appropriations for the remaining programs were part of the FY2009 Omnibus Appropriations Act (P.L. 111-8).
- The Health Care for the Homeless Program is funded under the Health Resources and Services Administration (HRSA), Community Health Centers program. The HCH program generally receives about 8.6% of the funds appropriated for the CHC program. The appropriation figures are based on this estimate.
- The American Recovery and Reinvestment Act (ARRA, P.L. 111-5) appropriated \$500 million for health centers to fund services to patients, as well as \$1.5 billion in infrastructure funding for facility construction and renovation, the purchase of equipment, and acquisition of health information technology. It is not known how much of this funding will go specifically to support health centers for homeless individuals.

- f. As of the date of this report, it was not known how Consolidated Runaway and Homeless Youth funds would be divided between the Basic Center and Transitional Living programs.
- g. Although funds appropriated through ARRA for homelessness prevention and rapid re-housing are distributed using the Emergency Shelter Grants formula, the funds are to be administered according to different rules than those under the four existing Homeless Assistance Grants.
- h. This funding is a set-aside under the VAWA STOP grant program.

Table 2. Homelessness: Targeted VA Program Obligations, FY2004-FY2009

(\$ in thousands)

Program	FY2004 (actual)	FY2005 (actual)	FY2006 (actual)	FY2007 (actual)	FY2008 (actual)	FY2009 (estimate)
Health Care for Homeless Veterans (HCHV) ^a	42,905	40,357	56,998	71,925	77,656	80,219
Homeless Providers Grants and Per Diem Program ^b	62,965	62,180	63,621	81,187	114,696	130,000
Domiciliary Care for Homeless Veterans (DCHV)	51,829	57,555	63,592	77,633	96,098	98,789
Compensated Work Therapy/Therapeutic Residence Program (CWT/TR)	10,240	10,004	19,529	21,514	21,497	22,206
Loan Guarantee for Transitional Housing for Homeless Veterans	605	574	507	613	660	c
HUD VA Supported Housing (HUD-VASH)	3,375	3,243	3,626	7,487	4,854	54,128
Supportive Services for Very Low-Income Veterans and Their Families ^d	—	—	—	—	—	218

Source: Department of Veterans Affairs budget documents.

- a. Includes funding for the Homeless Chronically Mentally Ill Veterans (HCMV) and the Homeless Comprehensive Service Centers, including mobile centers. A specific breakdown of obligations among activities is not available.
- b. Does not include funding for Grant and Per Diem Liaisons.
- c. As of the date of this report, CRS had not yet received information from the VA regarding FY2009 estimated obligations for the Loan Guarantee for Transitional Housing program.
- d. The Supportive Services for Very Low-Income Veterans and Their Families program was created as part of the Veterans' Mental Health and Other Care Improvements Act of 2008 (P.L. 110-387). According to VA budget documents, the department will develop regulations in FY2009 and award grants in FY2010.

Author Contact Information

Libby Perl, Coordinator
Analyst in Housing Policy
eperl@crs.loc.gov, 7-7806

Adrienne L. Fernandes
Specialist in Social Policy
afernandes@crs.loc.gov, 7-9005

Garrine P. Laney
Analyst in Social Policy
glaney@crs.loc.gov, 7-2518

Gail McCallion
Specialist in Social Policy
gmccallion@crs.loc.gov, 7-7758

Ramya Sundararaman
Analyst in Public Health
rsundararaman@crs.loc.gov, 7-7285

Francis X. McCarthy
Analyst in Emergency Management Policy
fmccarthy@crs.loc.gov, 7-9533

Barbara English
Information Research Specialist
benglish@crs.loc.gov, 7-1927

Key Policy Staff

Program	Name	Telephone and E-Mail
Education for Homeless Children and Youths	Gail McCallion	7-7758 gmccallion@crs.loc.gov
Emergency Food and Shelter program	Francis X. McCarthy	7-9533 fmccarthy@crs.loc.gov
Health Centers for the Homeless	Barbara English	7-1927 benglish@crs.loc.gov
HUD programs and Homeless Veterans	Libby Perl	7-7806 eperl@crs.loc.gov
Projects for Assistance in Transition from Homelessness	Ramya Sundararaman	7-7285 rsundararaman@crs.loc.gov
Runaway and Homeless Youth programs	Adrienne L. Fernandes	7-9005 afernandes@crs.loc.gov
Violence Against Women Act programs	Garrine P. Laney	7-2518 glaney@crs.loc.gov
