

Action Needed

Support Flexibility on McKinney-Vento Homeless Assistance Grants

Background: The President’s FY 2007 budget includes a proposal to add \$184 million to HUD’s Homeless Assistance Grant program. These funds would be earmarked for the “Samaritan Permanent Housing Bonus,” a currently unauthorized program that would provide permanent housing and case management services for the long-term or “chronic” homeless population – defined as ‘single adults with disabilities who have been homeless for over a year, or at least four times over a three year period.’ **We urge Members of Congress to support the proposed funding increase, while opposing the manner in which it is earmarked.**

Issue: The Homeless Assistance Grants fund emergency, transitional, and permanent housing, along with supportive services such as mental health and substance abuse treatment. This funding stream is effective when it is both flexible and comprehensive. Through the Continuum of Care process, service providers and advocates in local communities come together to determine the need for homeless assistance in their cities and states. Based on those needs assessments, communities rank priority projects for new and renewal funding, and HUD funds as many programs as possible, given available resources.

Current resources, however, are not meeting the needs of local communities. In FY 2005, continuums of care received \$63 million less than in 2004 and 36 percent of new project requests did not receive funding (supportive services funding decreased by more than \$15 million during this same period). Furthermore, the Emergency Shelter Grant (ESG) program, a formula grant that provides money to states, cities, and counties for homelessness prevention and emergency services, was flat funded. Given recent increases in homelessness, particularly among families, this data indicates the clear need for additional Homeless Assistance Grant funds.

We believe that the proposed increase in funds should not be earmarked. The earmark would go to a program that has not been authorized, and the combination of housing and case management that is contemplated under the Samaritan Permanent Housing Bonus is already an eligible activity under the McKinney-Vento program. Therefore, a new program is not needed – especially because such a program would tie the hands of current grantees, as funds could not be used for supportive services beyond case management – such as mental health and substance abuse treatment, or job training assistance. While HUD argues that these critical supports can be funded by other federal agencies, the budget proposal does not make funds available for that purpose.

What HUD is effectively proposing is the creation of a new set-aside, within McKinney-Vento, to fund permanent housing – with minimal services – for the “chronic” homeless population. This set-aside, along with the existing 30 percent set aside to provide permanent housing for homeless persons with disabilities, would seriously reduce the ability of local communities to have their top homeless assistance priorities funded, unless those priorities featured housing for “chronically homeless individuals.”

Identifying the best use of limited resources can be difficult, but we believe that local service providers, advocates, and government agencies are better equipped to make these decisions than HUD staff in Washington, D.C.

Action: Call and Fax your Members of Congress and urge them to support the proposed \$184 million increase in funding for HUD McKinney-Vento Homeless Assistance Grants, but oppose appropriations language that would earmark these funds for the Samaritan Housing Bonus. Instead ask Congress to support the full range of housing and services that are authorized under McKinney-Vento -- from permanent supportive housing to transitional housing to supportive services.

Call the US Capitol Switchboard to be connected to your Senator or Representative: (202) 224-3121. Or, if submitting a written request it is best to fax letters to your Members. Fax numbers for House offices may be found at <http://www.house.gov/> and fax numbers for Senate offices may be found at <http://www.senate.gov>.