

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

February 8, 2019

Memorandum

To: Members, Committee on Financial Services

From: FSC Majority Staff

Subject: February 13, 2019 “Homeless in America: Examining the Crisis and Solutions to End Homelessness”

The Committee on Financial Services will hold a hearing entitled, “Homeless in America: Examining the Crisis and Solutions to End Homelessness,” which will take place in room 2128 of the Rayburn House Office Building on Wednesday, February 13, 2019 at 10:00 a.m. This will be a one-panel hearing with the following witnesses:

- **Ann Marie Oliva**, Senior Policy Advisor, Center for Supportive Housing
- **Nan Roman**, President and CEO, National Alliance to end Homelessness
- **Joshua Stewart**, Director of Policy, National Coalition for Homeless Veterans
- **Justin T. Rush**, Public Policy Director, True Colors Fund
- **Carolyn Darley**, Speaker Advocate, National Coalition for the Homeless
- **David S. Lucas**, Ph.D., Postdoctoral Research Fellow, Institute for an Entrepreneurial Society, Whitman School of Management, Syracuse University

Purpose

This hearing will allow Members to hear from witnesses about the continuing challenges of ending homelessness in America, and their recommendations for legislation to help overcome those challenges.

The State of Homelessness in America

Each year, the Department of Housing and Urban Development (HUD) releases the Annual Homeless Assessment Report (AHAR) to Congress, which provides the best available estimates of the homeless population in the United States. The AHAR conveys data collected through Point-in-Time (PIT) counts, which are conducted locally every year in January. According to the 2018 AHAR,¹ there were 552,830 people experiencing homelessness in the United States on a single night in 2018. This represents a 0.3 percent increase since the prior year and it is the second year in a row of increases in homelessness despite an overall 13.2 percent decline in homelessness since 2010. While the increase in people experiencing homelessness between 2016 and 2017 was driven by increases in major city Continuum of Care (CoC) jurisdictions,² between 2017 and 2018, smaller urban and

¹ U.S. Department of Housing and Urban Development Office of Community Planning and Development, “The 2018 Annual Homeless Assessment Report (AHAR) to Congress, Part 1: Point-in-Time Estimates of Homelessness” December 2018. Available at: <https://www.hudexchange.info/resources/documents/2018-AHAR-Part-1.pdf>

² The HUD Continuum of Care program provides grants to eligible Continuum of Care recipients, which are typically cities, counties, and combinations of both. A Continuum of Care jurisdiction is the area covered by a grantee. Major city Continuum

suburban CoC jurisdictions experienced increases. Rural CoC jurisdictions remained largely unchanged over this timeframe. 50 percent of all persons experiencing homelessness live in major city CoC jurisdictions, and one of every five people experiencing homelessness live in New York City or Los Angeles CoC jurisdictions.

The AHAR also provides details on the demographics of the people experiencing homelessness. In 2018, nearly 160,000 children and youth experienced homelessness, representing nearly 30 percent of the total, and over 216,000 women and girls experienced homelessness, or 40 percent of the total. Nearly 38,000 veterans experienced homelessness in 2018, or 9 percent of the total. Racial minorities were disproportionately represented among people experiencing homelessness in 2018. African Americans comprised 40 percent of all people experiencing homelessness, despite making up only 13 percent of the nation's general population, and Hispanic or Latino people comprised 25 percent of the total, despite making up only 18 percent of the nation's general population.

The AHAR also shows that more progress has been made in reducing homelessness among some subpopulations than others. For example, the greatest progress in reducing homelessness has been among veterans due in large part to increased funding for this population. Specifically, funding for programs targeted to VA homeless veterans from \$376 million in FY 2009 to more than \$1.5 billion in FY 2017 (an increase of more than 300%). Over the same time period the number of veterans experiencing homelessness has been cut nearly in half. By comparison, funding for HUD homeless assistance grants has increased from \$1.7 billion in FY 2009 to \$2.3 billion in FY 2017 (an increase of 42 percent). Over the same period of time, there has been a 25 percent decline in homelessness among families, youth, and children, including a more recent 2 percent decrease between 2017 and 2018. While there has also been a 16 percent decrease in people experiencing chronic homelessness since 2010, there has been a more recent 2 percent increase between 2017 and 2018.

The National Shortage of Affordable Housing

The causes of homelessness are complex and varied, but the growing rental housing crisis in many parts of the country, has been a contributor in driving the lowest income families into homelessness. According to the National Low Income Housing Coalition (NLIHC), the U.S. has a shortage of more than 7.2 million rental homes that are affordable and available to the lowest income renter households.³ While the issue is more acute in some areas, there is no state that has an adequate supply of affordable rental housing for the lowest income renters.⁴ This lack of affordable housing is contributing to increased rents, which is causing too many families to struggle to afford their rent and remain stably housed. In fact, 71 percent of the lowest income renter households are severely cost burdened, meaning they are spending more than half of their incomes on rent and utilities.⁵ There is no state, metropolitan area, or county where a worker earning minimum wage can afford a two-bedroom rental home at fair market rent, and there are only 22 counties in the country, where they can afford a one-bedroom rental home.⁶

The Federal Response to Homelessness

of Care jurisdictions are defined as those that contain one of the 50 largest cities in the United States. The 2018 AHAR provides a list of major city Continuum of Care jurisdictions.

³ National Low Income Housing Coalition, "The Gap: A Shortage of Affordable Homes," March 2017.

⁴ *Id.*

⁵ National Low Income Housing Coalition, "Out of Reach: The High Cost of Housing," 2018.

⁶ *Id.*

There are a number of federal programs in seven different agencies that serve people experiencing homelessness. HUD plays a primary role in the federal response to homelessness through the administration of three main homeless assistance programs. First, the **Emergency Solutions Grants (ESG)** program focuses on the emergency shelter and service needs of people experiencing homelessness, as well as homelessness prevention and rapid rehousing. Second, the **Continuum of Care (CoC) program** focuses on providing longer-term housing and services for people experiencing homelessness and is the largest federal program that primarily serves people experiencing homelessness. While supportive services are eligible uses of ESG and CoC funding, in general, these programs focus on providing housing while relying on other sources of funding, including other federal programs, to provide the corresponding supportive services, such as counseling, medical support and employment assistance. Third, the **HUD VA Supported Housing (HUD-VASH) program**, which is a joint HUD and VA initiative, provides specially designated Section 8 rental assistance vouchers to veterans experiencing homelessness while the VA provides supportive services. There are various other federal homeless assistance programs at other agencies, including the Runaway and Homeless Youth program administered by the Department of Health and Human Services and the Education for Homeless Children and Youths program administered by the Department of Education.

Congress created the **U.S. Interagency Council on Homelessness (USICH)** to coordinate the federal response to homelessness across relevant federal agencies. USICH is an independent agency that leads national efforts to prevent and end homelessness in America, driving action and maximizing the efficient use of resources in support of best practices at every level of government and in partnership with the private sector. In accordance with the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009, USICH released the nation's first comprehensive federal strategy to prevent and end homelessness in 2010. In 2018, USICH developed and released an updated strategic plan, known as *Home, Together*,⁷ which puts forth the national framework for ensuring that, when not preventable, homelessness should be a rare, brief, and one-time experience. *Home Together* establishes and tracks progress towards population-specific goals: to end homelessness among veterans, persons with disabilities experiencing chronic homelessness, families with children, unaccompanied youth, and all other individuals. USICH works collaboratively with its partners across the country to reach these goals by defining success, providing guidance around best practices, and providing technical assistance to states and localities. Since USICH began coordinating the nation's response, 66 communities across 32 states and 3 full states have achieved the goal of effectively ending veteran homelessness and 3 communities have effectively ended chronic homelessness.⁸ USICH's statutory authorization terminates at the end of September 30, 2020.

Legislative Proposals

- H.R.____, "The Ending Homelessness Act of 2019" introduced by Chairwoman Waters would provide \$13.27 billion over five years to several critical federal housing programs and initiatives, which includes funding for new units of affordable housing, new vouchers, case management, and technical assistance. The targeted funding in this bill is projected to end homelessness in America.

⁷ United States Interagency Council on Homelessness , Communities That Have Ended Homelessness. Available at: <https://www.usich.gov/tools-for-action/communities-that-have-ended-homelessness/>

⁸ *Id.*

- The “Working Together to End Homelessness Act of 2019,” is a discussion draft from Chairwoman Waters that would permanently reauthorize USICH. Last Congress, this bill was introduced by Representative Royce (H.R. 5393), and Chairwoman Waters, Representative Stivers, Representative Beatty were original cosponsors.
- The “Homes for Our Heroes Act of 2019,” is a discussion draft from Representative Peters that would require HUD and the Department of Veteran Affairs (VA) to provide more detailed reporting on the HUD-VASH programs. It would also require HUD and VA to conduct a joint study to identify barriers to the effective utilization of HUD-VASH vouchers in high cost areas. Last Congress, this bill was introduced as H.R. 7022.
- The “Veteran Housing Opportunities and Unemployment Support Extension (Veteran HOUSE) Act of 2019, align eligibility for the HUD-VASH Program with other homelessness services furnished by the Department of Veterans Affairs. Specifically, the bill would eliminate the time-served requirement and make chronically homeless veterans discharged under conditions other-than-honorable, but not dishonorable, eligible for VA case management resources and HUD housing vouchers under the HUD-VASH program.