



Testimony of the

NATIONAL COALITION
for **HOMELESS VETERANS**

House of Representatives
Committee on Veterans' Affairs
Subcommittee on Economic Opportunity

"Veteran Homelessness in the Wake of COVID-19"

June 16, 2021

Chairman Levin, Ranking Member Moore, and distinguished Members of the Committee on Veterans' Affairs Subcommittee on Economic Opportunity:

On behalf of our Board of Directors and Members across the country, thank you for the opportunity to share the views of the National Coalition for Homeless Veterans (NCHV) with you. NCHV is the resource and technical assistance center for a national network of community-based service providers and local, state and federal agencies that provide emergency, transitional, and supportive housing, food, health services, job training and placement assistance, legal aid and case management support for thousands of homeless, at-risk, and formerly homeless veterans each year. We are committed to working with our network and partners across the country to end homelessness among veterans.

We thank you for your leadership and continuing efforts to focus on the needs of veterans experiencing or at-risk of homelessness, as Congress has enacted COVID relief legislation in the form of the Families First Coronavirus Response Act, the Coronavirus Aid, relief, and Economic Security or CARES Act, the National Defense Authorization Act or NDAA, the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020, and most recently the American Rescue Plan. The assistance Congress provided has resulted in over \$971 million in supplemental resources, 75 percent of which had been obligated as of May, being distributed to organizations across the country to keep veterans safe from COVID by decongesting shelter spaces, ramping up rapid rehousing capacity, and focusing on individualized housing options in hotels and motels.

While veteran homelessness decreased by 50% between 2010 and 2020, HUD's 2020 Point-in-Time Count data is showing a slight uptick in veteran homelessness to 37,252 individuals on any given night. This progress was possible due in large part to Congressional investment in key Federal Programs, adherence to evidence-based solutions, and dedicated coordination at the national and local level. As we progress into 2021, veteran homelessness is once again a priority at the Department of Veterans Affairs (VA,) and it has become unavoidably clear that we must double down on ongoing efforts to end homelessness, while simultaneously recalibrating to respond to the urgent economic crisis COVID has created and the inequities that certain veteran groups face. Homelessness is an intersectional challenge that has as many paths in as it does out. As such, a variety of tools are required to respond to individual crises and needs. Many can be addressed by VA, but some do fall outside the Department's control.

Housing Affordability

Most of us want the best for our families, yet our country remains amid a housing affordability crisis that affects veterans and civilians alike. Housing improves health outcomes and offers safety amidst a pandemic. We need to rewrite the rules so housing is considered a right, especially for veterans. The average rental price according to HUD has increased by four percent

annually over the last decade or 66 percent between 2010 and 2020.ⁱ Yet the federal minimum wage has remained unadjusted since 2009. In 2019, over 700,000 veterans were homeless or cost-burdened and paying more than 50 percent of their income on rent.ⁱⁱ Congress can make meaningful progress toward ending homelessness for all by enacting legislation to make housing a right with subsidies for all who need them, deployed in conjunction with deep investment in affordable housing development, and providing appropriate but optional services for all, including veterans.

Equity and Underserved Populations

Programs to serve veterans experiencing homelessness must focus on ensuring minoritized and underserved groups of veterans are not left behind. Black veterans comprise 33 percent of the population of veterans experiencing homelessness, but only 12 percent of the veteran population.ⁱⁱⁱ American Indian and Alaska Native veterans are at elevated risk as well. It is worth re-emphasizing those African American and Native American veterans are far more likely to experience homelessness and underlying diagnoses that increase their likelihood of morbidity due to COVID-19. Women veterans are the fastest growing sub-population of veterans experiencing homelessness and we must continue to monitor these individuals' needs and growth. Aging veterans and rural veteran populations have become an important intersection in the discussion of improving services, transportation, access and information dissemination for veterans in some of the most remote and inaccessible areas.

Homeless programs must continue to focus on equitable outcomes among veterans who utilize VA homeless services and Congress must focus on addressing the inequities that may lead certain groups to be disqualified from accessing VA services. Further, more can be done to unearth inequities in homeless-adjacent systems that contribute to the inequities we see in the population of veterans experiencing homelessness, whether during military transition, accessing education or employment assistance, or accessing key benefits like compensation & pension and loan guaranty, to identify areas of improvement. VA must ensure its system of care welcomes all veterans and is well equipped to serve them.

COVID-19 Crisis

From a public health perspective, homelessness makes both veterans, and the general population at large, more vulnerable to exposure to and transmission of highly communicable conditions like COVID-19. As largest health care system in the country, VA has been in a unique position leading the way for the country in testing, treatment access, and outcomes. To date, there has still been no national public accounting of the proportion of the cases in VA's daily report were experiencing homelessness.

NCHV was pleased to see the addition of race and equity data in VA's reporting on COVID and hope this data collection will continue past the emergency. This information will continue to

inform decisions on any racial disparities that may exist in the identification and treatment of veterans for the coronavirus and in general as we move forward. Given the challenge this population faces with implicit bias in many medical systems and the intersectionality of these crises, VA must add homeless statistics to the VA's reporting on confirmed COVID cases and deaths as these can directly affect program outcomes. The District of Columbia, New York City, and others report on housing status and their public acknowledgement of the data has allowed for better risk assessments among community providers and improved ability to create a comprehensive response. Congress must also ensure that all responses to this pandemic, future emergencies, and general program design are developed to equitably center the needs of veterans of color, and other vulnerable subpopulations.

The pandemic has impacted veterans in a variety of ways ranging from public housing authorities shuttering, making it harder for unsheltered veterans to find shelter and housing in some communities, causing increased difficulties in accessing supportive services and utilizing HUD-VASH vouchers, to entirely new mental health challenges for veterans feeling isolated in housing or struggling to find their way to a safe place to sleep inside. VA and its grantees have not only risen to these challenges but have been able to continually adapt to changing circumstances.

Homelessness is often a lagging indicator, so VA must continue to address veteran homelessness within the greater scale of the COVID-19 response. Further, VA must continue prioritizing testing and vaccination for veterans who are unsheltered or living in transitional housing. A CDC Morbidity and Mortality Weekly Report on the prevalence of coronavirus infections among transitional housing residents found that early testing of residents in congregate transitional housing is critical to reducing the rapid spread of the virus among a highly vulnerable population.¹ The study examined a limited number of shelters where testing took place and found much lower rates of infection during pre-emptive testing, than when there was a single case, or a cluster of cases.

Moving Toward COVID-19 Recovery

We encourage collaborative Federal efforts to identify ways to efficiently serve veterans experiencing homelessness. As our country moves out of a crisis response phase and into a COVID recovery phase, we can focus on permanent housing as communities wind down COVID hotel and motel operations. One way to do that would be to appropriate case management funding to VA to fully utilize HUD-VASH vouchers for which funds have already been appropriated to HUD. Some communities have been utilizing CARES and may be utilizing HOME funding via the American Rescue Plan, to purchase hotels and motels for conversion. VA's Homeless Programs would benefit from an overall authorization increase of approximately

¹ Mosites E, Parker EM, Clarke KE, et al. Assessment of SARS-CoV-2 Infection Prevalence in Homeless Shelters – Four U.S. Cities, March 27-April 15, 2020. MMWR Morb Mortal Wkly Rep. ePub: 22 April 2020. DOI: <http://dx.doi.org/10.15585/mmwr.mm6917e1>external icon

\$105 million to sustain and increase full time hires or to utilize the now authorized but more expensive contracting options and shallow subsidy enhancements.

HUD-VASH

There is absolutely no reason any veterans in motel or hotel placements temporarily should be exited back into homelessness at the end of the pandemic. Whether the Administration's FY'22 budget is sufficient currently relies solely on how the appropriated ARP (AMERICAN RESCUE PLAN) funds will be allocated by VA and HUD. NCHV has requested \$95 million for new HUD-VASH vouchers to provide sufficient capacity for lease up capability at the impending end of the Eviction and Foreclosure moratoriums. Veterans with other than honorable discharges were also granted eligibility via the NDAA. The Administration's level funded budget request is insufficient. Opponents muster opposition to unused vouchers that are within the system as a general reason for dis-investment while simultaneously dismissing the reasons for their existence, such as project-based vouchers, low stock options in high need areas, PHA (Public Housing Authorities) lease-up rates and case manager FTE (Full Time Employees) deficiencies. These issues must be addressed simultaneously for this assistance to make maximum impact.

SSVF

Health care navigators implemented and hired during the emergency for the Supportive Service for Veteran Families (SSVF) program should be continued as they have been a success with service providers, improving veteran outcomes and transition among programs and should be expanded to include housing navigation as well. Halting navigator assistance to veterans would jeopardize a provider's ability to increase positive outcomes for homeless veterans let alone maintain them. Veterans need this assistance, including those participating in other VA programs, and Congress can close this gap by authorizing a grant program to maintain this assistance across multiple homeless veteran programs. NCHV requested \$420 million for SSVF in FY'22 appropriations. This program has been an overwhelming success during the pandemic, as its flexibility has allowed for innovative collaborations. To maintain an appropriate level of service to veterans even after the conclusion of an emergency, this program must be considered for a substantive increase in funding. The SSVF program has utilized over \$700 million of the original CARES funds.

GPD

Grant and Per Diem (GPD) recipients and grantees have found current GPD rates are insufficient to run these types of programs well in higher cost of living/rent areas, especially in markets such as California. NCHV requests Congress consider increasing the GPD rate and require VA to identify a way to decouple payments to GPD operators from the State Home Per Diem Rate. NCHV requests GPD rates be maintained at 300% post-emergency or until a more responsive formula can be developed.

We appreciate the flexibilities Congress granted to make it easier for current grantees to take advantage of GPD Capital Grants to decongregate their facilities. NCHV has requested \$370 million, which is a \$50 million increase over FY'21, for future rounds of capital grants, in regular, non-emergency funding to allow time for appropriate planning and construction. All grantees will benefit from continued waivers of VA real property disposition and matching requirements. Certain restrictions in the most recent Capital Grant NOFO (notice of funding opportunity) prevented certain grantees from making full use of this opportunity due to the caps on per unit cost being low for acquisition in certain communities and new construction in communities where aging stock makes construction more affordable. Further, the overall grant award caps prevented larger program operators from utilizing the opportunity as the funding available was insufficient to support decongregation of larger facilities. The final major concern raised was related to the availability of sufficient per diem funding to support 24/7 staffing operations at multiple sites for providers that were unable to decongregate beds without adding to their physical footprint. With an increase in the rate above the 115% authorized in P.L. 116-315, organizations would have a fighting chance at addressing staffing needs at multiple locations.

Veteran Employment

NCHV anticipates the economic recovery will take time, and payments made for rent in arrears could move veterans off assistance before they have stabilized. Re-Employment and reintegration efforts will be crucial to stabilize an anticipated influx of unemployed veterans through an expanded Homeless Veteran Reintegration Program through 2023 and beyond. Also, the newly minted Veteran Rapid Retraining Assistance Program (VRRAP) has seen a generous uptake with program administrators claiming they will expend the \$386 million allotted, halfway to the program's goal of 17,250 participants. There will be a deepening economic crisis when unemployment benefits sunset. Similarly, the housing crisis will deepen when the eviction moratorium sunsets. Nearly 15 million Americans have accrued over \$50 billion in missed rental payments, and veterans are among them. They will immediately be added to the "at-risk" category of homelessness if unable to access enough emergency rent assistance or other homelessness prevention funding.

Appropriations

NCHV has made several recommendations for emergency appropriations necessary for homeless veteran programs to function for the remaining balance of FY'22 and FY'23 considering anticipated veteran needs. NCHV estimates a total need in excess of \$1.609 billion, including \$100 million increase for DOL's HVRP program through 2025 and \$125 million for HUD to provide new HUD-VASH vouchers to expand access to permanent housing in a recovery. We thank Congress for its ongoing support for homeless programs and stress that if we are to move out of this emergency and continue to decrease veteran homelessness, implement program expansions that are already law, and incorporate program changes included in current legislative

proposals, sufficient funding must be incorporated into non-emergency appropriations and authorizations as we move away from emergency funding.

In VA's FY'22 budget request, \$2.6 billion was requested for homelessness in total in FY'22, with \$486 million of that to come from the \$17.8 billion available under the emergency ARP funds, which can be spent through the end of FY'23. First, we believe that number to be insufficient if meant to be the entirety of supplemental funds for the upcoming year. Second, uncertainty exists regarding the amount of ARP funding VA plans to dedicate to homelessness. NCHV recommends additional supplemental funding:

VA

- a. **\$100 million increase to the Health Care for Homeless Veterans Program (HCHV)** for temporary housing for homeless vets to reduce social distancing and increase outreach to unsheltered, coordinate escalation of housing placements with CES (Coordinated Entry Systems), and surveillance of homeless encampments during the crisis and recovery period.
- a. **\$960 million increase to Supportive Services for Veteran Families (SSVF)** to provide flexible assistance targeted at addressing rental and other eligible arrears and expanding the shallow subsidies programming to more veterans and to extend CARES program flexibilities more permanently.
- b. **\$300 million increase for the Grant and Per Diem Program (GPD)** to maintain an increase to the daily rate since social distancing has affected maximum occupancies and operating costs during the crisis and recovery period. This funding would also allow for additional capital grants that are needed beyond the duration of the crisis.
- c. **\$54 million for the Housing and Urban Development – Veterans Affairs Supportive Housing (HUD-VASH) Program** for VA to provide additional VA or community contracted case managers.

HUD

- d. **\$95 million increase for HUD-VASH** to increase the recovery capacity of communities to move veterans from motel/hotel placements into permanent housing rather than releasing them back to the streets.
 - i. \$40M for HUD to provide 5,000 new Project Based Vouchers, that are not counted against PHA utilization rates and caps on project-basing of vouchers.
 - ii. \$55M for HUD to provide 6,000 new Tenant Based Vouchers.

DOL

- e. **\$100 million increase for DOL’s Homeless Veteran Reintegration Program (HVRP)** through FY’25 aimed at helping at-risk veterans due to pandemic-related job loss and for coordinated efforts to increase effectiveness and reach of SSVF’s Shallow Subsidy program.

In Summation

Thank you for the opportunity to submit this testimony for the record and for your continued interest in ending veteran homelessness. It is a privilege to work with all of you to ensure that every veteran facing a housing crisis has access to safe, decent, and affordable housing paired with the support services needed to remain stably housed. We are in the middle of an emergency and veterans experiencing and at-risk of homelessness need safe housing now more than ever. We thank you for your attention as we work collectively to lessen the impact that COVID-19 will have on veterans experiencing or at-risk of homelessness.

ⁱ US Department of Housing and Urban Development Office of Policy Development and Research. *National Comprehensive Housing Market Analysis*. January 1, 2020
<https://www.huduser.gov/portal/publications/pdf/National-CHMA-20.pdf>

ⁱⁱCenter on Budget and Policy Priorities. *Rental Assistance Shortage Leaves 700,000 Veterans Homeless or Struggling to Find Housing*. November 7, 2019
<https://www.cbpp.org/blog/rental-assistance-shortage-leaves-700000-veterans-homeless-or-struggling-to-afford-housing>

ⁱⁱⁱ National Alliance to End Homelessness. *5 Key Facts About Homeless Veterans*. November 9, 2020
<https://endhomelessness.org/5-key-facts-about-homeless-veterans/>