



national policy and advocacy council on homelessness

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Proposed Manager's Amendment to HEARTH (H.R. 840) Would Dismantle Good Legislation With Broad Support

HEARTH – The Best Approach to McKinney-Vento Reauthorization:

NPACH worked closely with Representatives Julia Carson, Geoff Davis, their staffs, and many other advocacy groups to develop H.R. 840 – the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, a bill to reauthorize HUD's McKinney-Vento Homeless Assistance Grant programs. HEARTH has received broad support, including co-sponsorship from 84 House members and a large number of endorsements from across the country.

Under HEARTH, communities will receive greater flexibility in the use of homeless assistance funds - in return for accountability to ensure that funds are being spent to meet all local needs. Homelessness is defined to reflect the reality of how people live in 2008 – not 1987. And HEARTH also provides for broad community participation, to ensure informed local decision making. **HEARTH is strong, positive legislation that should be enacted by the House with minimal changes.**

Proposed Manager's Amendment Dismantles HEARTH:

Unfortunately, the proposed manager's amendment to HEARTH is no mere tweak. Instead, it radically reshapes the legislation so that it closely resembles the Senate's effort to codify current HUD policy, an approach explicitly rejected by the drafters and co-sponsors of HEARTH. **We call on Members of the House to continue their support for HEARTH and its key provisions, and reject changes** that would fundamentally alter the bill to:

- Promote residential instability for homeless families and single individuals, instead of supporting stability.
- Impose rigid set-asides and incentives that restrict local flexibility to address the most pressing homeless assistance needs.
- Create new programs that would complicate efforts to end homelessness, particularly in suburban and rural communities.
- Deny key stakeholders a seat at the table when local groups set priorities for the use of HUD homeless assistance dollars.

Current HUD Policy – Unresponsive to the Needs of Local Communities:

HEARTH was drafted in response to HUD's current "top down" homelessness policy, which has focused HUD's homeless assistance funding on long-term rental subsidies for a small segment of the homeless population – single, disabled individuals who have lived on the streets or in emergency shelter for a long time. HUD has been able to impose this policy through its annual NOFA process, with little Congressional oversight, because the HUD title of the McKinney-Vento Act has not been reauthorized since 1994. Pending Senate legislation would generally codify current HUD policy, while making very modest improvements.

It is unacceptable for anyone to live on the street. However, the effort to target homeless assistance resources to expensive long-term housing subsidies for ten percent of the homeless population has had a profound effect on the amount of federal funding available to serve the remaining ninety percent of homeless persons – in particular, homeless children, youth, and families. This targeting also has tied the hands of communities across the country, preventing them from addressing their top local homeless assistance priorities, lest they lose critically needed HUD homeless assistance funding. And it has hampered the efforts of urban, suburban, and rural communities, where homelessness looks different than the way HUD portrays it.

For additional information, contact Jeremy Rosen, Executive Director, at jrosen@npach.org or (202) 714-5378.

Concerns With Proposed Manager's Amendment:

1. The Manager's Amendment Unwisely Requires People to Move At Least Twice in Order to Be Considered Homeless.

The proposed manager's amendment includes Senate language that would require individuals and families to move at least twice before being considered homeless. This proposal would harm domestic violence victims and families with children, and create documentation problems for providers.

- Domestic violence victims often flee their abusers by going to the home of a friend or relative. Typically, they are not able to stay in these living situations for long – either because the abuser will find them or because the households they arrive at simply do not have room for them. These victims often do not have a second safe place to go – they must be able to obtain housing assistance without having to move a second time. If not, many of them will inevitably return to their abusers, and suffer additional harm.
- Families with children would also be harmed by imposing a requirement for multiple moves in order to qualify for HUD homeless assistance. Such a requirement would greatly increase the likelihood that children would be forced to change schools on multiple occasions. Both research and experience demonstrate the negative impact of excessive mobility on child well-being. Every time a child moves, their education is disrupted, their peer networks change, and the social networks that support them are fractured. Federal policy should seek to prevent mobility, not require it.

NPACH and a diverse coalition of housing, education, children's, and domestic violence advocates have long been concerned that HUD's current definition of homelessness – a definition that has not been updated since 1987 - fails to reflect the reality of who is homeless today. The HEARTH Act remedies this problem, by updating HUD's definition so that it is closely aligned with the definition used by the U.S. Departments of Education, Justice, and HHS (for Head Start). This definition covers many children, youth, families, and single adults living in unstable, temporary, and often dangerous housing situations – housing situations that are particularly prevalent in rural communities where homeless shelters often do not exist.

Following the lead of HEARTH, the House should enact a definition of homelessness that covers people living in these conditions.

- Enacting such a definition would promote the safety of domestic violence victims – by ensuring that they do not have to return to their abusers in order to be housed -- and reduce school mobility for hundreds of thousands of young children, by providing them with stable housing so that they are not constantly forced to change schools.
- A broader definition of homelessness has already been implemented by school systems across the country. With the experience gained from that implementation, we know that local school districts and other agencies are able to make eligibility determinations. On the other hand, the Senate language in the proposed manager's amendment will likely prove difficult to administer – in part because it would require individuals and families to provide evidence of moves that happened in the past – evidence which they will not be able to produce on many occasions.

2. The Manager's Amendment Deprives Communities of the Flexibility to Effectively Respond to Homelessness

The proposed manager's amendment alters the terms of HEARTH's federal-local compact. Following the Senate's McKinney-Vento reauthorization legislation, it would codify current HUD policy – a policy that imposes set asides which would continue driving almost all new homeless assistance dollars to long-term rent subsidies or gap construction funding that support only housing for the single adult street homeless population, and leave out many homeless children, youth, and families. These “one size fits all” incentives are inefficient, as they require rural Kentucky to adopt the same priorities as a city like Los Angeles, despite the fact that the face of homelessness is dramatically different in those distinct areas of the country.

In contrast, HEARTH is designed to provide local communities with significant flexibility to use homeless assistance funding, in order to address homelessness as it appears in each urban, suburban, and rural community.

- Homelessness looks different in communities across the country. In some urban areas, supplies of affordable housing are low, and it makes sense to spend homeless assistance dollars on rent subsidies or on gap financing to build permanent

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supportive housing. In other urban communities, housing resources are available, but there is little funding for supportive services – and local advocates, service providers, and government agencies may well conclude that the most cost-effective way of spending HUD homeless assistance funding is on such services. And in many suburban or rural communities, street homelessness is simply not prevalent – if it occurs at all.

- Because scarce homeless assistance funds must be used effectively, the flexibility provided by HEARTH is coupled with accountability. Communities must undertake rigorous planning to determine gaps in their existing continuum of homeless services. Then they must propose a plan for the use of homeless assistance dollars which ensures that federal dollars go to address these previously identified needs. Therefore, contrary to misinformation disseminated by supporters of the manager's amendment, an urban area with a major street homelessness problem would not be able to stop spending HUD homeless assistance funding on that population, without being penalized.
- Conversely, a rural community with no street homelessness would need to focus funding on the individuals and families who are homeless in that area – often these will be people living “doubled up” with other families, or in motels. This is a strong and appropriate manner of ensuring that localities are addressing their most pressing homeless assistance needs – not simply “cherry picking” or “creaming” by seeking to help the “easiest to serve” homeless individuals and families. **These provisions of HEARTH should not be changed.**

3. *The Manager's Amendment Needlessly Complicates Efforts to Address Suburban and Rural Homelessness*

The proposed manager's amendment mirrors an ill-advised and overly bureaucratic Senate proposal. It creates two new programs – a homelessness prevention program (significantly modifying the current Emergency Shelter Grant (ESG) program, and a rural homelessness program (modifying an existing program that Congress has not funded since its adoption). Homelessness prevention is critically important, as is addressing homelessness in rural communities. **However, there is simply no reason to create new programs that focus on these concerns.**

- Having multiple programs means that local government officials, advocates, and service providers will be required to implement two different definitions of homelessness (urban and rural), interpreting whether or not an individual or family meets either definition or is only “at risk” of homelessness – a third definition which governs eligibility under the new prevention program. A likely result of these varying definitions is that an individual or a family living in a temporary doubled up situation would have their eligibility for HUD homeless assistance funding determined based not on their tenuous living situation but instead on whether they live in an urban, suburban, or rural community. This is unwise.
- The proposed rural title would not impact America's suburban communities, where the mortgage foreclosure crisis and other broad economic challenges are contributing to increased homelessness. The HEARTH approach would be effective in these areas.
- By expanding the definition of homelessness, providing new resources and eligible uses for homelessness prevention dollars, and declining to impose rigid set-asides and incentives, the application and funding process contemplated under HEARTH meets the needs of suburban and rural areas through existing programs.

As discussed above, homelessness in suburban and rural communities looks different than in major urban centers. HEARTH's flexibility in the use of funds, including a significant expansion of funding for homelessness prevention, coupled with a broadening of eligible uses for prevention dollars, would allow urban, suburban, and rural communities to apply for and receive HUD homeless assistance dollars on a level playing field, through a single program. This is the most efficient method of promptly distributing funds, in a manner that will allow them to be used effectively. **These key provisions of HEARTH should be retained.**

4. *The Manager's Amendment Excludes Key Stakeholders from the Community Planning Process*

To ensure that local decisions are made with all key stakeholders at the table, HEARTH imposes limited but important requirements that representatives of certain groups (if present in the community) be involved in local planning for the use of HUD homeless assistance funding. These groups include representatives of veterans, educators, victims of domestic violence, and youth. The manager's amendment would unwisely weaken these requirements – making it more likely that local decisions on how to spend federal funds would not be made by people familiar with the full range of community needs. **The HEARTH approach should be preserved.**

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