

**STATEMENT**

of

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of the



**NATIONAL COALITION *for* HOMELESS VETERANS**

before the

**Committee on Veterans Affairs**  
**United States House of Representatives**

**The Honorable Christopher Smith**  
*Chairman*

**September 20, 2001**  
**Washington, DC**

**Chairman Smith and Committee members:**

The National Coalition for Homeless Veterans (NCHV) is committed to assisting the men and women who have served our Nation well to have decent shelter, adequate nutrition, and acute medical care when needed. NCHV is committed to doing all we can to help ensure that the organizations, agencies, and groups who assist veterans with these most fundamental human needs receive the resources adequate to provide these services to perform this task. Our veterans served us faithfully, often heroically. Each of us can do no less than to do our part to ensure that these men and women are treated with dignity and respect.

*NCHV believes that there is no generic and separate group of people who are "homeless veterans" as a permanent characteristic.* Rather, NCHV takes the position that there are veterans who have problems that have become so acute that a veteran becomes homeless for a time. In a great many cases these problems and difficulties are directly traceable to that individual's experience in military service or his or her return to civilian society.

The specific sequences of events that led to these American veterans being in the state of homelessness are as varied as there are veterans who find themselves in this condition.

It is clear that the present way of organizing the delivery of vitally needed services has failed to assist the veterans who are so overwhelmed by their problems and difficulties that they find themselves homeless for at least part of the year.

The Urban Institute produced a report for the Interagency Council on the Homeless, for the survey that was conducted in 1996 titled "Homelessness: Programs and the People They Serve" released in December 1999 that has become the report that is used as the baseline in demographic data for homelessness in America. That report found **23% of all homeless individuals are veterans.**

In February 2001 the Urban Institute released census information on the homeless population that was done in conjunction with the 1996 survey. Their conclusion is that at least 2.3 million people or nearly 1% of US population is likely to experience homelessness at least once during a year. This would equate **veterans experiencing homelessness to be 529,000 during a year.**

The National Coalition for Homeless Veterans (NCHV) is very supportive of the intent of both bills H.R. 2716 "Homeless Veterans Assistance Act" introduced by Chairman Smith and H.R.936, "Heather French Henry Homeless Veterans Assistance Act" introduced by Representative Lane Evans, to provide for a wide range of services to homeless veterans.

Here we will comment primarily on HR2716 since we have provided detailed comments on HR936 at the June 20, 2001 hearing.

## **Section 2 Sense of Congress regarding needs of homeless veterans and the responsibility of Federal Agencies.**

“Federal programs for the assistance of homeless veterans that are effective should be identified and expanded.” NCHV believes there are many **community based programs** that receive federal funding that should be recognized and expanded by providing funding for technical assistance that would enable those models to be replicated through intense peer-to-peer knowledge transfer.

“Federally funded programs for homeless veterans should be held accountable for achieving clearly defined results.” We strongly support having accountability for community based programs as well as Federal programs serving homeless veterans. NCHV believes that a return on investment model would provide data to assist Congress to determine future investment strategies for Federal dollars serving homeless veterans.

“Federal efforts to assist homeless veterans should include prevention of homelessness.” Prevention of homelessness among veterans has long been ignored. If we are to reach the goal of ending homelessness among veterans some resources need to be focused on prevention efforts. The Department of Defense also needs to become a partner in prevention efforts.

“Federal agencies should cooperate more fully to address the problem of homelessness among veterans.” The lead agency has to be the Department of Veterans Affairs. There is general widespread myth that the VA takes care of all veterans for all things. The VA needs to be more aggressive in developing partnerships with other Federal agency serving homeless individuals. Many front line providers do not understand the world of veterans and how to treat those needs. Very few of these providers know how to access resources for veterans. The VA could assist in developing this knowledge which would improve services to homeless veterans.

Congress authorized the implementation of a process to be lead by the VA to hold at a minimum an annual meeting that would involve government and community agencies to discuss and evaluate the needs of homeless veterans (PL102-405) in each VA hospital’s catchment area. At some hospital locations this process is working well in many others it is minimally in place. This is a good vehicle to engage government and community based organizations in addressing the specific needs of homeless veterans. Congress should monitor the VA’s implementation process and evaluate the results in this annual report to Congress.

## **Section 3 Improvement and consolidation of provisions of law relating to homeless veterans.**

The VA Homeless Providers Grant and Per Diem program section includes “expansion, remodeling, or alteration of existing buildings, or acquisition of facilities.....”. NCHV approves and supports this broader definition of eligible programs. Many existing or programs previously funded by this grant program have been ineligible for grant funds.

With this improved authorization, successful and productive programs that have good methodology for serving homeless veterans will be able to expand their programs.

This section also includes authorization for grantees to be able to count “in-kind” services as part of the match requirement of the grant. While NCHV members have requested this authorization in the past their preferred method is to have a flat per diem rate the same as the state VA home domiciliary rate that does not require a match. Leaving the match requirement even with addition of counting “in kind” requires excessive documentation which is a burden on grantees and the VA.

NCHV believes a new formula based on the state home domiciliary rate is a good comparison model for types of services provided and compensation for those services.

Approximately 5000 transitional housing beds will be available funded through the Homeless Providers Grant and Per Diem program for veterans of which 2,076 are currently activated. The need for increased funding for beds through this program has never diminished since its inception. There is an un-addressed need for housing that is safe, clean, sober and has responsible staff to ensure that it stays that way, and that supportive services are regularly provided as to be sufficient to help veterans fully recover as much independence and autonomy as possible.

The Homeless Providers Grant and Per Diem Program currently is assigned funding internally within the VA at approximately \$35 million. The “grant” piece provides funding for the “bricks and mortar” for new programs and the “per diem” piece provides for a daily payment of up to 50% for a maximum of \$19 per day to provide services to the veterans housed under the “grant” piece. The grantees are required to obtain matching funds to complete the 50% not funded through the VA.

NCHV strongly recommends that Congress not only authorizes the VA to allocate these increased amounts to the Grant and Per Diem program but add it as a line item in the VA budget so that it will be allocated regardless of internal decision making processes that have not always been sensitive to homeless programs.

The current level of funded beds is 5000 for an investment of about \$35 million. If funding stays at the \$35 million level there would be a need to cut 1000 beds if the new per diem increase became effective.

\$43 million needed to remain at same 5000 bed level with increased per diem rate

\$50 million would add 813 beds with increased per diem rate to total 5813 beds

\$100 million would add approximately 6600 beds with increased per diem rate to total 11,628 beds

\$120 million would add approximately 9000 beds with increased per diem rate to total 13,953 beds

The demand for this grant program far exceeds its current funding level. Every year programs get turned down usually because of lack of funding.

Grant applications rejected:

- 2000-64
- 1999-42
- 1998-67
- 1997-62
- 1996-57
- 1995-67
- 1994-67

NCHV also feels there needs to be a future vision of how to turn these transitional beds into a mix of transitional and long term permanent supported housing. The current grant program has employment as an expected outcome for all veterans transitioning through the program. However many veteran are not able to work or live without continued supportive services on a daily basis. Some of these veterans need alternatives to independent living and the CBO system has the experience and programs in place that could support the future needs of these veterans.

The **Homeless Veteran Reintegration Program (HVRP) managed through the US Department of Labor, Veterans Employment and Training Service** is virtually the only program that focuses on employment of veterans who are homeless. Since other resources that should be available to our member organizations to fund activities that result in gainful employment are not generally available, HVRP takes on an importance far beyond the very small dollar amounts involved.

Work is the key to helping homeless veterans rejoin American society. As important as quality clinical care, other supportive services, and transitional housing may be, the fact remains that helping veterans get and keep a job can be the most essential element in their recovery and reintegration for those that work is a realistic outcome.

The Homeless Veteran Reintegration Program is a job placement program begun in 1989 to provide grants to community-based organizations that employ flexible and innovative approaches to assist homeless, unemployed veterans reenter the workforce. Local programs offer employment and job-readiness services to place these veterans directly into paying jobs. HVRP provides the key element often missing from most homeless programming.....job placement.

Through HVRP funds veterans gain access to civilian assistance, ex-military benefits and entitlements, education and training opportunities, legal assistance, whatever is needed to begin the rebuilding process towards employment.

HVRP programs work with veterans who have special needs and are shunned by other programs and services, veterans who have hit the very bottom, including those with long histories of substance abuse, severe PTSD, serious social problems, those who have legal

issues, and those who are HIV positive. These veterans require more time consuming, specialized, intensive assessment, referrals, and counseling than is possible in other programs that work with other veterans seeking employment.

This program has suffered since its inception because it is small and an easy target for elimination or reduced appropriations. Even DOL rarely asks for the full appropriation for HVRP in the budget they submit to OMB. Our coalition has spent the majority of its advocacy efforts in the past five years in keeping this program alive because it has been so vital in ending homelessness among veterans.

***HVRP is an extraordinarily cost efficient program, with a cost per placement of about \$1,500 per veteran entering employment.*** Based on years of experience of our member organizations NCHV strongly believes that helping homeless veterans to get and keep a job is the key to reducing homelessness among veterans. NCHV recommends an investment of **\$50 million** per year in HVRP to assist veterans in becoming self-sustaining and responsible tax paying citizens.

\$50 million is only \$100 for each of the over 500,000 veterans that is estimated are homeless at some point during the year.

“**Annual Report** on assistance to homeless veterans.” NCHV supports the addition of evaluating grantee programs. However this still falls short of evaluating the entire continuum of care for homeless veterans, including those not funded through the VA. This section does not appear to address the specifics of the monitoring process nor the resources to support monitoring inside and outside the VA. We are concerned an inferior and incomplete report will be produced that will not assist Congress in making decisions concerning resources for homeless veterans.

#### **Section 4 Rental Assistance vouchers for HUD Veterans Affairs supported housing program.**

This section would increase in number the current level of 1700 vouchers by the following:

FY03 500  
FY04 1000  
FY05 1500  
FY06 2000

As for all homeless individuals finding affordable housing after the “transitional living” phase of homelessness is an extreme challenge since affordable housing is in critically short supply. NCHV supports this section and encourages Congress to find a way to support increased vouchers for all homeless individuals.

**Section 5 “Increase in representative payee services for homeless veterans.”** Instructs the Secretary to enter into contracts with community agencies to be payees for veterans and then to report by March 2003 the results of those efforts. NCHV supports the adoption of this section.

**Section 6 “Joint methodology to monitor results of services furnished to homeless veterans between VA and HUD.”** NCHV supports the intent of this section. We have a concern that there are no provisions for non-compliance. What happens if not done?

**Section 7 “Enhanced-use leases for facilities that serve homeless veterans.”** NCHV supports waiver of competitive selection process for enhanced-use leases for properties used to serve homeless veterans and believes this could expedite expansion of services to homeless veterans while increasing the return on investment of Federal properties currently underutilized.

There will be a challenge to match available properties with organizations having the technical expertise to plan, implement and manage these complex set of funding and property management issues. NCHV recommends that technical assistance resources be a part of the authorization.

**Section 8 “Authorization of additional domiciliary care programs.”** This section would authorize the addition of up to 10 programs and \$5m for FY03 and FY04 to establish VA domiciliary care programs. NCHV does not believe the VA should be in the housing business. If these domiciliary programs are to be used for veterans to prepare them for community based transitional programs we support and would like to see the bill language clarified. If they are competing transitional programs we would not.

NCHV is concerned that there is a tendency to provide the authority to the VA to create housing programs and other competitive services that CBOs are currently providing. We believe that the VA should provide the medical services and the CBOs can provide the other supportive services within the continuum of care for homeless veterans.

**Section 9 “Demonstration program relating to referral and counseling for veterans transitioning from certain institutions who are at risk for homelessness.”** NCHV strongly supports the intent of this section to focus on the **prevention** of homelessness. The language does not address a role for community based organizations which we think should be part of the prevention formula. Community based organizations provide the housing and case management services for the complex set of issues facing these veterans transitioning from institutions. Their role needs to be acknowledged and included in developing solutions of preventing homelessness among veterans.

**Section 10 “Demonstration grant program for independent group homes for recovering veterans.”** This section would establish grants of \$5,000 each for a total authorization of \$250,000 for FYFY03 and FY04. NCHV is concerned that this grant program would be targeting a model that although successful has no in depth veteran specific knowledge. Are these grants targeted for a specific organization outside the veteran community based provider network? Does this organization have the needed capital and structure to support an additional 50 homes? Our coalition members are puzzled over the small amount of individual grants and how this seed money would

assist in establishing transitional or semi-permanent housing for veterans. Our suggestion is to modify the number of homes to 10 and provide grants in the amount of \$25,000 each.

### **Missing**

NCHV is very disappointed that there is no provision to support technical assistance for homeless veteran providers. Where and how are they going to learn how to be successful? The VA does not provide technical assistance and HUD does for general population homeless providers....but nothing done veteran specific but knowledgeable veteran providers.

It is very clear that it takes a network of partnerships to be able to provide a full range of services to homeless veterans. No one entity can provide this complex set of requirements without developing relationships with others in the community.

Community-based nonprofit organizations are most often the coordinator of services because they house the veterans during their transition. These community-based organizations ***must orchestrate a complex set of funding and service delivery streams with multiple agencies*** in which each one plays a key critical role.

There are a wide variety of Federal, state and private funds that veteran service providers are eligible for in the course of serving homeless veterans. The challenge is in accessing them. Many veteran specific providers lose several years before being able to position themselves to successfully compete and receive ANY federal, state or local agency funds.

The current prevailing public policy of devolution increases likelihood that Federal dollars are ultimately allocated through a ranking process subject to local viewpoints. At the local level the ***common perception is that veterans are taken care of by the VA.*** Some are, yet most are not. These perceptions can be a barrier to homeless veterans service providers' access to funds. It is a reality that must be reckoned with in order to compete successfully.

When a local group is forced into priority recommendations that choose between needy men, women, and/or their children, it is a challenge to argue for displacing the funding for women and children in favor of a man (who's a veteran the "VA is taking care of" anyway!). Sometimes a homeless veteran has his family still together, and obviously some homeless veterans are women, but these conditions are the exceptions.

Consistently at around \$1 billion annually, the biggest piece of funding currently on the table is available from targeted HUD funds through the Super NOFA for Supportive Housing Programs (SHP). Historically only 3% of these grants are awarded to veteran specific programs. Three percent, when a quarter of the homeless are veterans. Any other help HUD grants give to veterans is purely by chance, and we have no information on whether the rest of the money reaches veterans.

The distribution system for these McKinney Act funds follow a devolution policy that organizes priorities for allocation of formula share dollars at a local level within a continuum of care. The Continuum of Care prescribes a planning process built on a community-by-community model. Within each community, a planning process takes place in which advocates and service providers describe the problem, access the current resources available, and decide what needs to be done using the “targeted” McKinney programs, which total \$1.2 billion annually. Overall federal funding to assist the poor is about \$215 billion annually and is not synchronized with targeted homeless assistance funds. So, these funds need to be accessed differently.

Until such time as a homeless veteran provider is able to convince the organizations that make up the local continuum of care that it is in THEIR best interest to juggle their dollars in a way to allow a veteran provider to the table, a veteran specific program typically gets ranked out of the money (if it even got ranked in the continuum at all). Veteran service providers report it takes several years of analysis, networking, program/funding design, and negotiations to be able to show that giving a high priority to a relatively small piece of HUD Supportive Housing Programs dollars for a veteran provider is in the community's best interest. A veteran provider can access support service money and a clinical care system (the Department of Veterans Affairs) available for veterans only. This leverages resources that can off-load the community care system of the veterans currently occupying beds and free up capacity that then becomes available for women, children and other special needs population. At one level, this is the market economy operating at its best...but it is complicated, to say the least.

***The veteran community-based organization system faces a capacity gap around managing this complexity*** in order to respond successfully to the distribution system for accessing funds and then if awarded the resources to pay for management and financial reporting systems to properly service those funds.

The point here is to underscore the complexities involved in successfully responding to the streams of funding available and necessary to combine together adequate budgets in a sufficiently broad geographic area to put on a reasonable array of services for homeless veterans. ***Most community-based organizations throughout the country struggle to respond to this system of distribution of federal funds.***

### **Some Solutions**

In 1990, seven homeless veteran service providers established the National Coalition for Homeless Veterans (NCHV) to educate America's people about the extraordinarily high percentage of veterans among the homeless. These seven providers are considered to be true original warriors for the cause. All former military men, they were concerned that people did not understand the unique reasons why veterans become homeless and the fact that these men and women who defended America's freedom were being dramatically under-served in a time of personal crisis. In the years since its founding, NCHV's membership has grown to 245 in 44 states and the District of Columbia.

I urge this committee to consider finding ways to get *capacity building services* into the hands of the community-based care provider group attempting to serve veterans. It is squarely within the mission of NCHV to help formulate this capacity. While NCHV has been doing this, it's been done in a limited way without the benefit of any federal funds. I ask you to consider authorizing an allocation \$750,000 FY 2002 and each year thereafter through FY2007 to the National Coalition for Homeless Veterans to build capacity of the veteran service provider network. The goal would be to significantly increase access to the federal, state and private funding streams and to enhance the efficiency of utilization for those currently accessing these streams.

NCHV looks forward to working with this committee and the staff on solutions that will lead to the end of homelessness among veterans.

NCHV's Board believes that ending homelessness among veterans is not a mission impossible but a **mission possible** in the next few years and look forward to your continued support.

## **CURRICULUM VITAE**

**Linda Boone**, Executive Director, National Coalition *for* Homeless Veterans took over the management of this national advocacy organization in April 1996. Linda's activities on veteran issues started in 1969 as a volunteer in her local community. Her advocacy for homeless veterans began in 1990 after meeting veterans living under a boardwalk near her home.

Prior to becoming executive director for NCHV Boone spent over 20 years in materials management positions at high tech manufacturing companies and as a consultant to companies and organizations for competitive management practices.

In September 1993, she completed a successful year as National President of the one million member American Legion Auxiliary. During her administration, her focus was on homeless veterans. That year, members of the American Legion Auxiliary contributed 10 million volunteer hours and \$20 million throughout 11,000 communities around the world.

The National Coalition for Homeless Veterans was founded in 1990 by a group of veteran service providers when they became frustrated with the growing numbers of homeless veterans that were coming into their facilities and the lack of resources to adequately provide services.

The mission of NCHV is to end homelessness among veterans by shaping public policy, educating the public, and building the capacity of service providers.

## **FEDERAL GRANT OR CONTRACT DISCLOSURE**

The National Coalition for Homeless Veterans received a \$60,000 grant from the US Department of Labor in FY2000 to provide incentive grants to NCHV members for employment programs serving homeless veterans.

An appropriation from Congress was provided to NCHV in the FY2001 budget for \$400,000 to provide technical assistance for service providers.