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GOAL OF ENDING HOMELESSNESS NOT MATCHED BY BUDGET REQUEST

Proposed increases for homeless assistance funding, but mainstream housing programs still fall short

Washington—Yesterday, President Bush released his fiscal year 2008 budget proposal, which sought increases for homeless assistance funding, but significant cuts to mainstream housing and service programs. In order to make strides in ending and preventing homelessness, Congress must not only fund programs that meet homeless people's basic and immediate needs—like emergency shelter and transitional housing—but also programs that provide long term solutions such as affordable housing programs.

The President's budget proposes increasing funding for the Department of Housing and Urban Development's (HUD) homeless assistance programs by \$145 million to \$1.586 billion. Twenty-five million of that increase would be transferred to the Department of Labor for a prisoner reentry initiative.

"We call on Congress and the Administration to follow through on their commitments to ending homelessness. The budget proposed by the Administration will not be adequate to keep existing programs in place, meet the goals it has set around ending chronic homelessness, and address unmet needs. In addition, we call on Congress and the Administration to undertake a new initiative to prevent homelessness among high risk families," said Nan Roman, president of the National Alliance to End Homelessness.

Under the budget proposal, the Section 8 Housing Choice Voucher program would rise by approximately one half of one percent or about \$80 million. This is far less than would be needed to keep the program operating at its existing level and would necessitate cuts to the program. The Project Based Rental Assistance Program, which funds about 1.2 million project based subsidies, would be cut by \$163 million. In addition, the Administration proposed cutting Public Housing funding by nearly \$400 million. While funding for operating expenses would rise by \$136 million, funding for capital needs would be cut by \$415 million.

CDBG would be cut by \$736 million. Other HUD programs (Rural Housing and Economic Development, Empowerment Zones, and Brownfields, Section 108 Loan Guarantees) would be eliminated. HOME, which funds rental and homeownership housing, would increase by \$210 million. Housing for the Elderly (Section 202) would be cut by \$160 million. Housing for People with Disabilities (Section 811) would be cut by \$112 million. Housing Opportunities for People With AIDS (HOPWA) would rise by \$14 million.

"Increasing access to affordable housing is the key component to ending homelessness nationwide," said Roman. "Without increases in affordable housing, community efforts to end homelessness are doomed to failure."

In addition to HUD programs, the Department of Health and Human Services has healthcare programs that are focused on homeless people and/or people with extremely low incomes. These programs also play a key role in ending homelessness because homeless people suffer from high rates of mental and physical health issues exacerbated by living on the streets or in shelters.

The Community Services Block Grant (CSBG), which funds job training and other services in low-income communities, would be eliminated. CSBG funded community action agencies provide many services to homeless people. Last year, CSBG received \$630 million. The Social Services Block Grant (SSBG) would be cut by \$500 million to \$1.2 billion. Community Health Centers would be cut by \$44 million to \$1.944 billion. Ryan White HIV/AIDS programs would be cut by \$5 million to \$2.133 billion.

Several programs, including Education for Homeless Children and Youth, Runaway and Homeless Youth programs, and Projects to Assist in the Transition from Homelessness (PATH), would receive the same amount of funding as in 2007. Under the proposed budget, Emergency Food and Shelter Program, Health Care for the Homeless, and Grants for the Benefit of Homeless Individuals/Treatment for Homeless would receive decreases in funding.

	Enacted FY 2006	Proposed FY 2007	Proposed FY 2008
HUD Programs			
Homeless Assistance Grants	1,327	1,441	1,586
Section 8/Housing Certificate Fund			
Tenant-based rental assistance	15,418	15,920	16,000
Project-based rental assistance	5,037	5,976	5,813
Housing Opportunities for Persons With AIDS (HOPWA)	286	286	300
Public Housing			
Capital	2,439	2,439	2,024
Operating Subsidies**	3,564	3,864	4,000
HOPE VI***	99	99	
Community Development Block Grant (CDBG)****	3,711	3,711	2,975
HOME	1,757	1,757	1,967*
Elderly Housing (Section 202)	735	735	575
Housing for People with a Disability (Section 811)	237	237	125

HHS Programs

Community Health Centers	1,782	1,988	1,944
Health Care for the Homeless	155	173	169
Runaway and Homeless Youth-Basic Center and Transitional Living Program	88	88	88
Runaway and Homeless Youth Prevention Program (Street Outreach)	15	15	15
Community Services Block Grant (CSBG)	630	630	0
LIHEAP	2,161		1,782
Ryan White HIV/AIDS Programs	2,063	2,138	2,133
Family Violence Prevention and Services	125	125	125
Promoting Safe and Stable Families	89	89	89
Independent Living Training Vouchers	46	46	46
PATH	54	54	54
Mental Health Block Grant	429		407
Substance Abuse Block Grant	1,758		1,679
Grants for the Benefits of Homeless Individuals (GBHI)	46	46	37
Child Care and Development Block Grant	2,062	2,062	2,062
Social Services Block Grant	1,700**	1,700	1,200

Other Programs

Emergency Food and Shelter Program (Dept. of Homeland Security)	151	151	140
Education for Homeless Children and Youth (Dept. of Education)	62	62	62
Rural Housing Program (Dept. of Agriculture)			
Section 515	89		
Section 521	653		
Section 542	17		
Transitional Housing for Child Victims of Domestic Violence (Dept. of Justice)	15		
Homeless Veterans Reintegration Program (Dept. of Labor)	22	22	23.6
U.S. Interagency Council on Homelessness (Domestic Policy Council)	1.8	1.8	2.3

Totals include across the board cuts of 0.8% in 2005 and 1.0% in 2006

***25 million would be transferred to the Dept. of Labor for a prisoner**

reentry initiative

****Public Housing Operating funding for 2005 is lower because of a change to accounting years. It is not comparable to other years.**

*****The Administration proposes eliminating HOPE VI funding for FY07 and canceling FY06 funding**

******The Administration proposes consolidating several HUD programs into CDBG (Brownfields, Rural Housing and Economic Development & Section 108 Loan Guarantees)**

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The National Alliance to End Homelessness is a nonpartisan, mission-driven organization committed to preventing and ending homelessness in the United States. The Alliance is a leading voice on the issue of homelessness. The Alliance

analyzes policy and develops pragmatic, cost-effective policy solutions. We work collaboratively with the public, private, and nonprofit sectors to build state and local capacity, leading to stronger programs and policies that help homeless individuals and families make positive changes in their lives. We provide data and research to policymakers and elected officials in order to inform policy debates and educate the public and opinion leaders nationwide.

For more information on The National Alliance to End Homelessness, visit: www.endhomelessness.org