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HOMELESS ASSISTANCE PROGRAMS FOR VETERANS—IMPLEMENTATION OF PUBLIC LAW 107–95, THE HOMELESS VETERANS COMPREHENSIVE ASSISTANCE ACT OF 2001, AND STATUS OF THE NATIONAL GOAL TO END CHRONIC HOMELESSNESS BY 2011

HEARING

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS

HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTH CONGRESS

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HOMELESS ASSISTANCE PROGRAMS FOR VETERANS—IMPLEMENTATION OF PUBLIC LAW 107–95, THE HOMELESS VETERANS COMPREHENSIVE ASSISTANCE ACT OF 2001, AND STATUS OF THE NATIONAL GOAL TO END CHRONIC HOMELESSNESS BY 2011

TUESDAY, MAY 18, 2004

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC

The committee met, pursuant to notice, at 10:35 a.m., in room 334 Cannon House Office Building, Hon. Chris Smith (chairman of the committee) presiding.

Present: Representatives Smith, Buyer, Simmons, Brown, Miller, Boozman, Evans, Michaud, Rodriguez, Strickland, Davis, and Udall.

OPENING STATEMENT OF CHAIRMAN SMITH

The CHAIRMAN. The hearing will come to order, and I want to wish everybody a good morning. Today there are about 135,000 troops housed in Iraq. Tonight there may be as many as 250,000—some put that number a little higher, others put it lower—without houses here in the United States, living on the streets or in shelters. Perhaps twice that number will experience homelessness at some point this year.

And despite significant public and private efforts, there remains far too many veterans at risk of becoming homeless because of mental illness, substance abuse, poverty, lack of support from family and friends, and substandard living conditions.

This morning the committee will conduct an oversight hearing on federal homeless assistance programs for veterans, focusing on those authorized by the Homeless Veterans Comprehensive Assistance Act of 2001, legislation that I was very proud to sponsor, joined by my good friend and colleague, Ranking Member Lane Evans.

This landmark law authorized, as you know, almost a billion dollars over 5 years for new and expanded programs to combat homelessness among veterans, establishing the goal of ending chronic homelessness in the veterans' population within a decade.

Today the committee will look at what progress has been made in the 2½ years since the law was signed by President Bush. For

example, are all of the new and expanded programs up and running? What changes and improvements can we make to insure that we meet our 10-year goal? Is the number of homeless veterans on the decline? And what is the evidence of that?

We already know a lot about the homeless veterans' population. Research indicates that the vast majority of homeless veterans are male. Only about 3 percent are female. And the vast majority are single. Most homeless veterans come from poor, disadvantaged backgrounds, and they tend to be older and more educated than homeless non-veterans.

About 45 percent of homeless veterans suffer from mental illness, and slightly more than 70 percent suffer from alcohol or drug abuse problems. Roughly 56 percent of homeless veterans are African-American or Hispanic.

But statistics tell only part of the story. Today we'll hear directly from veterans who have suffered homelessness. We will hear about their struggle and their triumphs as they rise from despair to hope.

We'll also hear from those providing federal, community, and faith-based programs of assistance to homeless veterans and veterans at risk of becoming homeless. While there have been some significant progress by the VA and these and other providers in serving homeless veterans, I am troubled by the slow pace of developing regulations and policies to carry out several of the initiatives authorized by Congress in December of 2001.

For example, our legislation authorized the VA to establish 10 new Domiciliary Care for Homeless Veterans programs, but to date, not a single new one has been established, nor am I aware of any plans by the VA to expand this program in the future. I'm at a loss to understand why the VA has effectively prevented implementation of this authority, despite its proven effectiveness and strong support from the professionals within the VA.

As we will hear this morning, in very compelling testimony, domiciliary care for veterans, and specifically, the Domiciliary Care for Homeless Veterans, is a valuable tool to assist many of the nation's homeless veterans who need significant access to VA health care services. Approximately 5,500 veterans benefit annually from the 35 programs that provide coordinated, integrated, rehabilitative, and restorative clinical care in bed-based programs.

The goal of the domiciliary care program is to help veterans achieve and maintain the highest level of functioning and independence possible prior to receiving transitional housing with supportive services in the community.

More than a year ago, VA conducted an internal study of the domiciliary care system and concluded that domiciliary care is a highly effective system, particularly for veterans with serious mental illness and substance abuse disorder who need intensive services. Why, then, has the VA not established new domiciliary programs?

Another area that I am particularly concerned about is the failure of the Department of Housing and Urban Development to fully implement Section 12 of Public Law 107–95 to expand HUD Veterans' Affairs Support of Housing, or HUD-VASH Program. This program provides permanent housing subsidies and care management services to homeless veterans with mental and addictive dis-

orders. Under the program, VA screens homeless veterans for program eligibility and provides case management services to enrollees.

HUD allocates funding to local housing authorities to set aside a specific number of HUD Choice vouchers for homeless veterans who are enrolled in the HUD-VASH Program and are referred to the housing authorities to receive the set-aside vouchers. Rigorous evaluation of the program indicates that it significantly reduces the days of homelessness for veterans plagued by mental and addictive disorders. HUD initially allocated 1,780 Housing Choice vouchers when this program began. But given the magnitude of the problem, clearly more is needed.

P.L. 107–95 authorized HUD to allocate 500 additional HUD-VASH vouchers in each years—fiscal years 2003 to 2006. There should have been at least 1,000 additional vouchers this year, targeted to chronically homeless veterans, for a total availability of 2,780 vouchers. Regrettably, discussions between the VA and HUD have resulted in no compromise, and HUD has made no request to fund any additional HUD-VASH vouchers in any of its past three budget submissions.

I do want to recognize VA's success in other areas of assistance for homeless veterans, in particular, for the Homeless Provider Grant and Per Diem Program. The Grant and Per Diem Program provides competitive grants to community-based, faith-based, and public organizations to offer transitional housing or service centers for homeless veterans. Since 1994, VA has offered grants helping to create over 6,000 new community-based beds for homeless veterans in all 50 states and the District of Columbia.

In addition, the VA per diem-only funds have assisted with operating expenses for existing transitional housing programs, providing 3,700 specific beds and services for homeless veterans. Between grants and per diem-only awards, VA is contributing support to maintain an additional 10,000 community-based housing beds.

In its fiscal year 2005 budget proposal, the VA requested an increase in the Grant and Per Diem Program from 75 million to a hundred million, and the committee plans to authorize this increase, along with an extension of the program authority, through 2008.

However, the bottom line is not always about dollars or percentages or any other statistics. The men and women who have proudly worn the uniform of the United States deserve more than any other Americans all the honors, benefits, and services a grateful nation can provide. And for those who have temporarily lost the ability to provide housing for themselves, we have a sacred obligation to provide care and assistance to ensure that no veteran is left behind.

I'd like to yield to my good friend and colleague, Mr. Evans, for any opening comment you might have.

OPENING STATEMENT OF HON. LANE EVANS

Mr. EVANS. Thank you, Mr. Chairman. About 2½ years ago, we passed ambitious legislation with a goal of eliminating chronic homelessness among veterans in a decade. There's cause for optimism. Many of our panelists today are helping veterans return to productive and fulfilling lives every day. I will also be pleased to

hear from those who are recovering from homelessness. You give us some reason to hope, and I salute you.

There is also cause for some frustration, however. VA and other agencies have made little progress on some of the provisions we've enacted in the Homeless Veterans Comprehensive Assistance Act.

Now, we have a lot to work with in the next 6½ years if we want to meet those established goals. There are still about the same number of homeless veterans. If we're not very careful, troops demobilizing from the current conflict deployment will likely add to the challenges of meeting needs.

We have said often in this hearing room that there is no silver bullet for curing homelessness. Rather, it takes the collective efforts of all of us as committed partners if we are going to succeed. It requires a continuum of coordinated services to meet the needs of highly vulnerable people, yet there are other worthy goals.

Mr. Chairman, thank you for your persistent advocacy on behalf of America's homeless veterans. I look forward to working with you on this issue, and thank you for the time.

The CHAIRMAN. Thank you very much, Mr. Evans. Chairman Simmons?

Mr. SIMMONS. Thank you, Mr. Chairman. I have a full statement that I'd like to insert into the record, but let me just——

The CHAIRMAN. Without objection, it will be made a part of the record.

OPENING STATEMENT OF HON. ROB SIMMONS

Mr. SIMMONS. Let me just add my congratulations to you for continuing to pursue this issue. I think we know from testimony that we've had at both a subcommittee and a full committee level that solving homelessness is much more complicated than simply finding a place for a veteran to reside, that in many cases, homeless veterans have mental issues, addiction issues, which contribute to the problem. And if we don't have programs in place that address those aspects of the issues, we're never, ever going to be successful in dealing with homelessness for our veteran population.

Earlier this month, the subcommittee marked up and reported out a bill that extends the authorization for VA's Homeless Assistance Programs through fiscal year 2008 and increases the Grant and Per Diem Programs to $100 million per year.

So I think the subcommittee and the committee have been diligent in attempting to match dollars to the need, but as I think you pointed out, it takes more than dollars. It takes a major effort on behalf of our federal authorities, not just the VA, but other federal agencies to work together in a cooperative basis to solve this problem.

And I would also add another dimension to the group that works for us in Connecticut, and I think will work for us in Connecticut better in the future, and that is the involvement of the state homes. Recently, the Connecticut State Home and Hospital at Rocky Hill changed its name to the Connecticut State Home. The purpose was twofold: one, the VA hospital system in Connecticut serves the veterans' population much better than any state hospital could, and the state hospital was under-funded and under-manned. And secondly, we find that when it comes to issues like homeless-

ness or long-term care, the state home can provide an environment which is very congenial to veterans, and they can provide these services at a lower cost.

So we're moving in that direction as well. I look forward to hearing our witnesses today, and I thank them for all of the efforts they've made to address this really important question. Thank you, Mr. Chairman.

[The prepared statement of Chairman Simmons appears on p. 51.]

The CHAIRMAN. Thank you very much, Mr. Chairman. The chair recognizes the Ranking Member of the Health Committee, Mr. Rodriguez.

OPENING STATEMENT OF CIRO D. RODRIGUEZ

Mr. RODRIGUEZ. Thank you, Mr. Chairman. I want to personally thank you and the Ranking Minority Member for this oversight hearing. Of course, the Chairman of the Health subcommittee, also.

The provisions from the bill addressed many of the most problematic areas in the VA health care delivery and benefits for homeless veterans, including preventing homeless in the high-risk populations, as well as addressing gaps in the mental health infrastructure, in addition to providing additional opportunities for vocational training and securing additional supportive transitional and permanent housing solutions for veterans who are ready to change their lives.

Unfortunately, the building blocks are not there. The whole situation, as you well know, we're going to be having difficulties. The building blocks have to be there in order to help the homeless veterans, the most successful mental health programs must be available at the right time and at the right place for veterans who need them.

Homeless veterans often rely upon these programs as the foundation for being able to come back into society and for their ultimate recovery. The VA clearly cannot solve the problems underlying homelessness alone, and they need help. No one knows this better than my good friend Carlos Martinez, who's here joining us today from the American GI Forum National Veterans Outreach Program in San Antonio. His operation is one of the best examples of bringing together multiple funding streams and community resources to help our homeless veterans. Carlos, welcome, and if you're here, can you stand up, Carlos? Thank you very much. And we can give him a hand. (Applause.)

Mr. RODRIGUEZ. Carlos has been there for our veterans for a long time, and has continued to work for them. I want to personally thank you. I look forward to the hearing about our successes and the challenges we face. In short, while the VA has made progress in some areas, it's also lagging in others, and we need to make sure of that when we vote on that.

I know that there are questions about the particular provisions of the law and Homeless Veterans Assistance Act, and, Mr. Chairman, I look forward to hearing the testimony. Thank you very much.

The CHAIRMAN. Thank you very much. Mr. Miller.

OPENING STATEMENT OF JEFF MILLER

Mr. MILLER. I thank you very much, Mr. Chairman. I also have remarks that I'd like added into the record.

The CHAIRMAN. Without objection, they will be made part of the record.

Mr. MILLER. I do want to say that I've read Mr. Kuhn's testimony, and I look forward to hearing more about the innovative techniques that your testimony talks about and has employed to provide wonderful housing and employment opportunities to beneficiaries. And also, I just want to say thank you, especially thank you to Mr. Valentino, Mr. Owens, and Mr. McNair. You are, in fact, inspirations to each of us, as well as your fellow veterans. And with that, Mr. Chairman, I'll submit my comments.

[The prepared statement of Congressman Miller appears on p. 55.]

The CHAIRMAN. Thank you, Mr. Miller. The Chair recognizes Mr. Michaud, the Ranking Member of the Benefits Committee.

OPENING STATEMENT OF HON. MICHAEL H. MICHAUD

Mr. MICHAUD. Thank you, Mr. Chairman. I want to recognize and thank you and Ranking Member Evans for your leadership on this very important issue that we're dealing with today.

I'd also like to welcome the witnesses appearing before us today. Your insight is important and necessary as the committee continues its effort to stem the tide of chronic homelessness among our veterans. But, Mr. Chairman, I must—simply also want to express my disappointment in the U.S. Department of Labor for its apparent lack of commitment and interest in working with the committee on this issue, and it's not the only time that the U.S. Department of Labor has not appeared before this committee.

I note for the record that, as opposed to other federal agencies appearing before us today, the Department of Labor declined the committee's invitation to participate in today's hearing. I resent their disregard for this committee, for the Chairman, for the Ranking Member, and the nation's homeless veterans. The Labor Department administers grant programs that are specifically aimed at assisting homeless veterans successfully to integrate into society.

In fiscal year 2003, the Labor Department awarded 77 grants for the Homeless Veterans Reintegration Program, as well as other grants for the incarcerated veterans integration and the nation's veterans homeless coalition, for a total of $19 million. This is a substantial amount of federal dollars funding.

By all accounts, these programs are successful and provide tremendous service with relatively few federal resources. As I said, I'm disappointed, however, the Department of Labor is not here to discuss these programs and to assist the committee in its oversight duties. Clearly, Mr. Chairman, to meet our goals of ending chronic homelessness, we are going to have to work together, as Mr. Simmons had mentioned, both the public sector, private sector, and non-profit alike. I hope that in the near future, we'll see more cooperation with the Department of Labor in order to reduce, if not eliminate, homelessness among our nation of veterans.

So I want to thank you once again, Mr. Chairman, and also the witnesses, for your testimony you're going to give today. Thank you.

The CHAIRMAN. Thank you, Mr. Michaud. The Chair recognizes the gentleman from Ohio, Mr. Strickland.

Mr. STRICKLAND. Thank you, Mr. Chairman. I have no statement. I'm just looking forward to hearing the testimony. Thank you.

The CHAIRMAN. The Chair recognizes Chairman Brown, the Chairman of the Benefits Committee.

Mr. BROWN. Mr. Chairman, thank you for holding this hearing today. I think it's a vital issue facing our country that we look out for our homeless veterans, and I appreciate very much the oversight that you're offering in this situation. Thank you for the hearing. No questions at this time.

The CHAIRMAN. Thank you very much. And before introducing our witnesses, I just want to say that hearing today kicks off a series of hearings of oversight on the homeless programs. We did invite the Secretary of Labor. We invited the Department of Labor to be here. They did provide us with a 3-page submission, but there needs to be more with regards to fulfilling the dream and the hope of ending chronic homelessness, and it doesn't happen unless every agency of our government pulls together.

So we will have additional oversight hearings, and I think we'll just stay at this until the spirit and the letter of the law are fully carried out. And that goes for the appropriations process as well.

I just wrote the Chairman of the VA/HUD subcommittee a very detailed letter about what I believe, pursuant to the provisions of this Act, which we all agreed to in a bipartisan fashion, is needed. We have not had the kind of response I expected since enactment of this law, and we will be very vigorous. That's what this hearing kicks off. An effort to say—like you, Mr. Michaud, and I think like all the members—we have conveyed our concerns. We have written letters. But now we need to hold these series of hearings to say, "Is chronic homelessness a priority or not?" To me, and I think to everyone on this committee, it is an absolute priority.

I'd like to welcome our first panel of witnesses, beginning with Mr. John Kuhn, who is the VA chief of homelessness for New Jersey, and a good friend. And as a matter of fact, members will recall when we were writing this legislation, not only did John testify, but he was one of those people that we tapped for insights in what ought to be in the bill, and he provided very, very, valuable guidance. And I want to thank him publicly for the very serious role that he played in drafting that landmark piece of legislation, and I'm very grateful for him.

As I think members may know, New Jersey Homeless Services offers a continuum of care that includes treatment for substance abuse and mental illness, vocational rehab, and transitional housing. Mr. Kuhn began working with the homeless 15 years ago, shortly after his graduation from Columbia University's School of Social Work. Mr. Kuhn has a B.A. in psychology from Brown, and MPH from Rutgers. He has received numerous VA and community awards for his innovative programming.

He is accompanied by three veterans that he will be introducing shortly, who will be telling us their stories, and I'm grateful that he has brought them here to testify.

And we'll also hear from Dr. Richard McCormick, who has a private practice in Hudson, OH. He was a Commissioner on the CARES Commission this past year. Prior to this, he was Director of the Mental Health Care Line for VISN 10. He also held many positions with the VA Medical Center in Cleveland, OH, such as the Chief of Psychology Service; Director of the Veteran Addiction Recovery Center; and Chief of the Drug Dependence Treatment Program, to name just a few.

Dr. McCormick has a B.A. in psychology from Case Western Reserve University. He has also completed his M.A. and Ph.D. in clinical psychology from Case, as well.

Mr. Kuhn, if you would proceed.

STATEMENTS OF JOHN KUHN, HOMELESS PROGRAM COORDINATOR, NEW JERSEY HEALTH CARE SYSTEM, DEPARTMENT OF VETERANS AFFAIRS; ROBERT VALENTINO, VETERAN; RALPH OWENS, VETERAN; THADDEUS MCNAIR, VETERAN; AND RICHARD MCCORMICK, PSYCHOLOGIST, HUDSON, OH

STATEMENT OF JOHN KUHN

Mr. KUHN. Thank you for your warm introduction, Mr. Chairman. Good morning. Mr. Chairman, members of the committee, it's an honor to be here.

Misery. Misery is what brings veterans to our program. They're hungry. They're tired. They're sick. And these are things the VA has tremendous success with. We can reduce veterans' misery very quickly. We get them in a secure environment. We feed them. We take care of the medical ailments.

But pretty soon, that misery, as it's relieved, ceases to be a motivation for changing someone's life, for recovery. Because the misery, we can take care of quickly. What do we do then after the misery is gone to help someone feel like they have a chance for change, that there's a meaningful choice that they can make, other than just sort of tuning themselves up and going back on the street and relapsing, which we see all too often? The reality is is many of our veterans we treat have substance abuse histories.

And I think what we begin to focus on are the three pillars of happiness. Happiness sounds like an odd thing to address when we're talking about trying to find housing for homeless veterans and the issues around homelessness, but it's ultimately happiness that is going to be the greatest protector we have in recovery.

A homeless veteran wants nothing less than what everyone in this room wants. Tom Jefferson put it in our Declaration of Independence. The pursuit of happiness is something that drives every conscious person. So how do we help people with that?

Well, first, we have to understand that not everybody is naturally happy, that for many people, it's something that's a learned behavior. People have to learn how to become happy, and if you've spent your whole life being miserable, living in terrible conditions, and having no hope, and you finally get out of that misery for a few moments, but you have no other strategies other than turning

to drugs or alcohol to get rid of some pain, you're going to go back to that. If you have no other strategies for the first time you suffer a loss again after you've—early in recovery, for the first time you're in pain, you're going to do what works, even if it only works for a short period of time.

So what are the three pillars of happiness? How do we help break the cycle? First, everybody wants to feel connected. Isolation is a terrible ordeal, and when we don't have members of family around, when we don't have friendships, when we're stuck in isolation, depression is going to be the next—our next friend.

The second piece, the second pillar, is a sense of purpose. Everybody in this room derives a sense of purpose from their work. Sitting in Congress, you have the fantastic opportunity—and this committee has done so wonderfully in making real differences in peoples' lives. The legislation you've passed have touched thousands, tens of thousands of people. And the people at this desk are now all involved in things that give them a sense of purpose in their work. They're giving back to others. They're doing things to change not only their own lives, but other lives. And that helps gives them a sense of purpose, and I'll let them talk to that.

And then the third thing is a sense of spiritual connection, however that's defined. Happiness seems to be—that struggle for meaning, that struggle for understanding spirituality is a big piece of that, and it can't be ignored. And certainly, research bears that out, that it is one of the three legs of happiness.

So it is something that we have to put our focus on, addressing all of these issues, not just the homelessness—I mean not just the housing, I should say, not just health. And in fact, surprisingly, money and health have the lowest correlation to happiness.

So within the VA, there are things like—in addition to AA and NA, which talks a lot about higher power, we'll do meditation groups. We'll have yoga. We'll have veterans forming their own Muslim prayer groups or Christian prayer groups as an opportunity to develop their spirituality, again, however they define it.

For a sense of breaking isolation, for a sense of community, the Salvation Army partnered with us, and we formed VET Camp. Now, even though we can't treat the children of veterans, there are other partners out there who are willing to work with us where we can bring about family reunification, which is so important, where people can have relationships. Because it's not just the veteran we're treating. When you help a veteran find their place in the world, all of a sudden they can have relationships again with their children, with their significant others, with their wives, with their husbands. It gives them a chance to rebuild their lives, and it helps the people they're rebuilding their lives with, and I think of children being most profoundly affected by that.

And then finally with work, it's not just the work they're doing, but they're contributing back to society. So it's sort of the pebble-in-the-pond analogy. The ripple effects are enormous.

I think one of the brilliant facets of the VA—and something that Pete Dougherty and Gay Koerber understood—is that we need all these elements in a homeless program. And that's why these things have been developed over decades. I think Gay started the first program, you know, 15, 20 years ago with the understanding that

rehabilitation and treatment is more about redemption in every sense of the word than simply about housing. And I will let these veterans who I am so honored to be with here today talk about their stories.

[The prepared statement of Mr. Kuhn appears on p. 64.]

The CHAIRMAN. And, first, to introduce them, Mr. Robert Valentino, Mr. Ralph Owens, and Mr. Thaddeus McNair. Mr. Valentino, if you could begin, and then give a little background, if you would.

STATEMENT OF ROBERT VALENTINO

Mr. VALENTINO. My name is Robert Valentino. I was United States Air Force 1967 to 1971, Disabled American Veteran. What brought me into the VA, I carried a gun, lived in Patterson, and was a drug addict and an alcoholic. And suicidal. Not a good choice.

And the only thing I had left was the VA. I learned that through the DAV, the Disabled American Veterans, being a senior vice-commander in Chapter Two Clift, NJ. I knew what the VA had, because we used to go there for bingo in East Orange, and I used to be one of the bingo callers. So I knew the program they had at 18B in East Orange.

And realizing that I needed help, my day of reckoning was August 8th, 1998. I had tried to commit suicide that day. An unsuccessful attempt. It was more of a thought than an action. However, it was real. But that was the only thing I had left.

And I got a hold of the VA on Monday. Walked in. A nurse came around the corner. I said, "I feel I'm suicidal." She came right around the corner. She says, "Do you hear voices?" I said, "I hear yours." She says, "That doesn't count. Do you hear any others?" I said, "No." She said, "Would you like to speak to a psychiatrist?" I said, "Yes, I would."

The psychiatrist spoke to me for about 2 minutes, and she said, "Mr. Valentino, we'd like to keep you. Would you like that?" And I said, "Yes, I would." And that was like the weight of the world literally coming off my shoulders, and it was the start of a new life, and realizing that I had options at age 50 to change my life.

And part of my life, I was successful. I made over $100,000 a year. I changed my lifestyle. I became a golf pro in 1994. What a way for a golf pro to live.

But the VA gave me options. And in going through the 21-day program, they told me about Lyons and the Homeless Veterans Program. And that was a real option for me. Not to go back to Patterson and try to see what I could do. And in learning what I did at Lyons—and I stayed there for about 4 months—that was something I really wanted to stay close to and understand that my life could change. And I moved to the area of Bernardsville. I live in Bernardsville today. The opportunities that the VA has given me since.

We formed partnerships with Middlesex County Economic Opportunities Corporation, MCEOC. I'm employed by them today as the marketing director for MAVERIC. MAVERIC is an acronym for Moving America's Veterans into Employment and Residence in a Community. And we handle three projects. We have a greenhouse at the VA, we have a retail store, Rainbow Collectibles, in Bound

Brook, NJ, and we formed a driving range and learning center at the VA hospital, which we operate today. It's our second season in operation.

And I'm back teaching golf again. Full circle. And it's not about what I make monetarily. It's about what—how I feel. I feel I'm underpaid as far as money goes at times, but I get so many other rewards in what I do now. I actually have the best job in the world. I get to go out and ask people for donations of equipment to help us with the driving range. Everything on our driving range has either been discounted or donated, and it started when we first looked for an architect.

Some of the architects that interviewed for the design portion of the driving range asked us for $35,000 up front. And I finally got a hold of one architect. John Harvey was his name. And I walked with him on the site for 2 hours. And I don't know if I broke him down or if he just realized that he wanted to help us. But he said his father was a veteran, and he felt bad that he hasn't done anything, and he missed his father. His father is passed away since. And he said he would donate his design fee for our site.

And that was the start of what I could possibly do. And he waived his fees and his site visit fees. And we were able to get other companies—Grass Roots, Store Tractor. I'm a member of the Golf Course Superintendent's Association of New Jersey today. Some of our employees at the site, it's a site where they can come, the Superintendent's Association of New Jersey, come and look at our site, offer us advice, and they could hire from that site as well.

And the people that we've been able to mentor at the site. One veteran in particular, Dennis, who stayed at the VA over the winter, and he stayed full season, and he's back again this year. He went to Rutgers for a turf grass course this winter. And these are opportunities that we have for the veterans, as well as myself, to pass it on to other people now. And it's something that I never dreamt possible. There's so many opportunities that we have today that maybe the thoughts that we might have are maybe someday we could be building more driving ranges, more housing, and more things that the veterans could actually work in and become part of. And you mentioned the Department of Labor and how annoyed you are with them. I mean, these are jobs that the VA and John has taken upon themselves and through partnerships have developed. And today we carry that on at the VA. Thank you.

The CHAIRMAN. Mr. Valentino and Dr. McCormick.

Mr. MCCORMICK. Thank you, Mr. Chairman.

The CHAIRMAN. I'm sorry. If we could, Mr. Owens first. Okay. Mr. McNair, then.

STATEMENT OF THADDEUS MCNAIR

Mr. MCNAIR. Good morning, Mr. Chairman, members of the committee. My name is Thaddeus McNair, and I'm also a veteran of the United States Army. I got to go to the Lyons Domiciliary through chance by going through the East Orange Veterans Hospital. I was really intoxicated. I believe I was going to be hospitalized, and I learned about the substance abuse program there, and I decided to go in as an outpatient.

At that time, that outpatient didn't work for me, because I was still drinking and having a hard time with it. So I heard they had an inpatient program, so I chose to do that for 21 days. And after that, I realized that just going back on the streets was not going to be the answer. So I decided to go to Lyons, which I'm glad I did, by the way, because I'm here to speak about it.

Mr. John Kuhn hit a lot of things that I was going to talk about, so—to piggyback on somebody's thoughts is about the spirituality part of this program is—when you're out there and you're under addiction of drugs and alcohol, the spirituality is the first thing to go. When you start sobering up and getting your life back together, it's the last thing that you get back, and it's a hard ride.

And as the member over here, Mr. Simmons, brought to the attention of the committee there's a bunch of issues here, not only just giving veterans a place to live, but to deal with the issues of how they actually became homeless, and the trials and tribulations that they have to deal with to get in that position. They're difficult times, and it really deals with their mental state. We really some mental help from being, you know, being out on the streets and walking the sidewalks and living in abandoned buildings, not being able to get in touch with your family, either out of pride or because you have hurt them in so many ways until they're really not looking forward to being bothered with you anymore, which is a hard thing to deal with too.

The program has took me—I was about 145 pounds when I came into the hospital. I'm about 215 pounds now. So I was just a shell of a person. And it repaired me from the inside out. I was—I had issues of—health issues that I wasn't even aware of because of my alcoholism. It was brought to my attention that my liver was bad. I didn't know that. My eyesight was going bad. I didn't pay that no mind, because I stayed so drunk until I didn't even realize the severity of the problems that I was having with my health issues.

And I'm feeling much better now. The program has showed me how to live again, how to appreciate life, because as my colleague was bringing to the attention of the committee, that suicide is a big issue amongst alcohol abusers and drug users. When you get to the state where you feel like you have no choice but to just commit suicide, that's a mental issue in itself.

When I took that route—and I failed also—I was staying with my wife and my kids at the time. And my wife really got upset with me. She said, "Thaddeus, you're a very selfish person. You're very selfish." And I couldn't understand where she was coming from, and she said—because I was thinking about myself and not thinking about leaving my kids behind by trying to take my life, which is a wake-up call for me also.

It's a good thing to realize that you do have a place for help when you need the help, because a lot of veterans are walking the streets and don't realize that help is out there. It needs to be more publicized, needs to become aware to the homeless vets that are still walking the streets. And I'm glad to be here to help share and talk on behalf of the vets, not only in my home state New Jersey, but throughout the country.

Right now I'm in the program, and I just finished nursing school that the program provided for me. And I'm seeking employment

through the VA to give back my services to the vets, because I feel as though no one can take care of a vet better than another vet. And that will be my way of giving back, and I plan to be here for a while, hopefully. Because if I do one day need the services from another vet, I feel like I may get it, because, you know, I gave some so I will need some back.

That's all I have to share at this time. Thank you for listening to me.

The CHAIRMAN. Mr. McNair, thank you very, very much for your testimony. Mr. Owens.

STATEMENT OF RALPH OWENS

Mr. OWENS. Mr. Chairman, members of the committee, Chief Kuhn, I first want to thank you for the opportunity to be here and talk a little bit about Ralph Owens. These recovery programs are—anonymous programs. It is difficult for me to break that, and for, my colleagues, as well, so please bear with me and appreciate what we've done here.

If you'll indulge me, I am not the typical—I wouldn't suspect—person who comes to the domiciliary, and I'd like to spend a little bit of time talking about my military service. I spent 20 years in the United States Army, 7½ reserve time and about 12½ active duty. I've received the finest training that the Armed Forces offers. For those of you who know of such things, I'm Airborne, I'm Ranger, I'm Jungle Expert, Air Mobile, I'm trained in mobilization, Command and General Staff College, and a long list of lesser-known courses.

Courtesy of the Army, I've visited nearly every state in the Continental United States. I've been to Canada, Alaska, Asia, England, Europe, and South America. I have served in no recognized combat and I have no combat ribbons. Many of my colleagues have seen and done much worse than I.

I want to highlight some of my duty assignments. I graduated Rutgers in 1972. I was supposed to go to Vietnam. By the time I finished college and these courses I've mentioned, I joined the 101st Airborne Division at Fort Campbell. For 2 years, I supported the Third Brigade and was on jump status. The 101st went completely air mobile. I then spent 2 years in the 506 Infantry. They have a very rich history, "Band of Brothers" documenting some of that. I've also served with some of the finest Army officers that this country has produced.

I remember one full colonel asking me when I resigned my RA commission to stay in the Army with him, and today he is Secretary of State Colin Powell. I did resign. I went into a reserve unit. I was fortunate enough to serve on a general staff, two-star level. I had a flair and a savvy for military affairs, and I got to visit many of these states, many conferences, many rooms something like this. I also served in Special Operations Command. Worked side-by-side with special forces and some of the most elite forces our country has.

I also served in ROTC command. I wasn't particularly fond of the assignment, but one of the beauties for anyone who teaches and mentors is the same as in a unit—when the person you're training or you're teaching those college students who want to become great

American Army officers when they get what you're trying to teach them. I want to emphasize that, because I do that even today with my fellow veterans in this program.

I left the service in '93. As you might imagine, I was rather comfortable as a major. I had a beautiful home. I had a condo at the Jersey Shore. I had—through luck or shrewdness—a handsome portfolio well into six digits. I applied for a U.S. patent. I hold my own U.S. patent.

And now I submit to you that addictions have no prejudice. They don't recognize whether you're inventive and hold a patent. They don't recognize whether you're an officer or enlisted. They don't recognize whether you own a house, or whether you have a condo, or whether you've known people such as Colin Powell and talked to him weekly. They don't pay attention to race, education, because I couldn't have earned a Master's before my addiction struck.

They don't care—the addiction doesn't care. By the end of 2000, early 2001, my house was gone, my condo was gone, my portfolio was gone, my respect was gone. I get to thank this committee now, because you funded a program, and I found a program of recovery at the VA in East Orange. That was only a 21-day program. I heard about a thing called a DOM, when I had no idea what a DOM was. Though I had never lived on the street, like many of my colleagues had, and wasn't technically completely homeless, I went to the domiciliary and I spent months there. And I thank you again, because you funded that program.

I will tell you that recovery is an individual mission. It's up to the individual. These programs don't do it. The person has to do it. They have to find something within themselves. But what your programs do is give us the resources. You educate us, you give us the haven, you give us the safe bubble to survive in while we are learning about ourselves, about our addiction, and doing the simple but most difficult work of coming to grips with ourselves.

Having passed my most desperate hour, I moved on to the DOM. I was there for numerous months, and that was 2 years, 3 months, and 12 days ago today. And each day, I work on me a little more.

Now, it just so happened that about a week ahead of me, there was another individual who went through this program who was gifted in the construction trades. His only problem was he was Navy. I had to take that opportunity. I'm sorry.

I failed to mention that my father was a union carpenter when I grew up, and I've probably had a hammer in my hand since I was shorter than this table. I've always enjoyed building. I worked my way through high school and through college in the construction trades. And when I left the Army, I decided to pursue—rather than a white-collar job, I decided to pursue my love for building.

I just mentioned that there was this Navy guy who was a week ahead of me in the program. We bonded. At the time, the VA had what I guess you would call a struggling construction team. They had taken on some jobs, and I'll leave it to the Chief here to tell you how successful they may or may not have been. But this individual and I teamed up, and they challenged us—the Chief challenged us with a number of construction jobs. And between the two of us, we could do just about anything they asked us to do.

I had my own company, which didn't do well during my addiction. But I had my own company, and we took that company and turned it into a vendorship for the VA. And we have done a number of projects as vendors for the VA. We have renovated much of the VA house in Bound Brook. From a mud puddle, a true quagmire we built this golf range that Mr. Valentino is so proud of today.

Through funding of some sort from this committee or somewhere, Middlesex County Economic Opportunity Corporation got the money to purchase a house for female veterans. We got the contract to completely renovate that, and we are waiting to finish that and open it very shortly. We got another contract. I think the Chief might have mentioned that one of the buildings on Lyons, one of the old hospital buildings, is being renovated to house 100 or more veterans. We are doing that.

We have done some other small jobs for other VAs as far as Northport, NY from Central Jersey. We're looking at another VA renovation in Staten Island. For all these projects, we use veterans. We use the work force out of the DOM. I am probably the single biggest employer, or payroll, at least, for veterans in the DOM. And I suspect I have paid 10 to 11,000 man hours for the veterans going through this program.

I brought up the beauty of watching someone learn. With some of these veterans who had minimal construction experience and wanted to try it again, we spend a lot of our time training them and mentoring. Their skills, if they ever had them, are tarnished, if not exaggerated. Which makes it difficult for us. But we are trying to train a nucleus of a construction team, and we are succeeding so far to build a team out of the DOM.

The funding for these long-term housings will allow us, rather than lose these guys back to their home town, where they often return to whatever addiction or problems they had, to maintain these guys within my reach, if you will, and build a substantial team that can do more and more for the veterans going through programs like this.

I guess I've run into the red light. I want to thank you one more time for listening to me, and thank you again for your programs for the VA.

The CHAIRMAN. Thank you, Mr. Owens. Thank you very much. And thank you to our two other veterans, Mr. McNair and Mr. Valentino. Thank you for breaking with the idea of anonymity to come forward to present your testimony. This helps us to know better how well or how poorly our programs are working. And you are an inspiration. You have to know that. You've been able to survive through your courage and your faith, but also with, the way you put it, Mr. Owens, a safe bubble. Hopefully, we can provide that and expand that safe bubble so that more of our veterans can get back into society, be mainstreamed back into a good solid employment situation.

I'd like to ask our final witness, Dr. McCormick, if you would proceed.

STATEMENT OF RICHARD MCCORMICK

Mr. MCCORMICK. Thank you, Mr. Chairman. In my over 30 years as a clinician and mental health administrator in VA, which included being responsible for four centers of excellence and homeless, as well as co-chair of the Committee on the Care of Severely Mentally Ill Veterans, and then this past year, in traveling around as a CARES commissioner, I've had the opportunity to observe closely and be part of VA's efforts to prevent and fight homelessness. I've met and worked with many homeless veterans. They're not always well understood, their characteristics and challenges buried in important but dry statistical data. It's their perspective I'll try in some inadequate manner to communicate to you in the few minutes I have today.

Joe is an Army Vietnam veteran with a chronic persistent substance abuse disorder, one of 776,000 veterans that the President's National Drug Control Policy estimates need treatment. Seeing him on the streets of a major city, it's easy to think of him as just another substance abuser, but he's a member of a unique subset of persons with this disease. He served his country honorably, succeeded in the structure and rigors of the Army, and got his habit in a jungle, coping with the stress of an increasingly unpopular war. Substance abuse is not the only thing that keeps him homeless today, 35 years later, but it has to be attended to before any other rehabilitation efforts will work.

If he had read the paper he used to cover his head on a park bench over a year ago, he may have seen a story about the President, with sincerity, I believe, announcing a government-wide initiative to improve substance abuse treatment. If VA had at least given him a copy of its 2003 report to Congress on maintaining capacity for special programs, he would have read that the very next year, VHA again decreased its investment in substance abuse treatment, treating 5 percent fewer veterans than the year before.

He wanders the street in a network that has reduced the number of substance abusers it treats by 40 percent since 1996, when the Congress, in its wisdom, mandated that there would be no decrease, and a network that spends barely a third of the funds on substance abuse treatment it did 6 years ago, one of 20 of 21 networks that have reduced services for substance abuse since 1996.

John is a Navy Gulf War veteran with schizophrenia, one of the 117,000 service connected for psychoses, the most severely debilitating of mental disorders that emerges at a time of life when the stress of military service is in play. He sleeps in a shelter, fearful, having been trans-institutionalized to the streets and jails. He was the obviously distressed and dispossessed poster child on CBS news many years ago that raised public awareness about homelessness.

But VA's homeless programming parade is an emperor without clothes for him. Many VA homeless programs treat very few veterans with psychosis, some none at all. This might not matter if John had access to Intensive Community Case Management, an evidence-based expensive intervention that works. But he lives on the wrong side of the state boundary. One state over, VA has Intensive Case Management teams in every major city. In the state he lives, they have none at all.

Harry is a marine. He was lucky. He survived the retreat from a reservoir in Korea. He was lucky again. He's enrolled in one of a handful of VA PTSD programs specifically targeted for Korean War veterans. He isn't one of 180,000 who are service connected for PTSD. He never wanted anything like that. He still tries to keep track of his squad, but he worries about Gene, whose depression and nightmares have dominated the hidden side of his life, and are now throwing him off track, and since he's burned most of his bridges, may be homeless soon. Gene lives in a city where VA does many wonderful things, but does not provide state of the art treatment for war-related trauma, especially not for Korean vets.

What do we all need to hear from veterans like these? VA provides some excellent homeless programs, such as you've heard about today, and mental health and vocational programs that support them. Some are staffed by VA and some through partnerships, as you'll hear later.

But when a veteran unpacks his gear and cleans the jungle rot or sand out of her boots, whether she can access services to keep from being or remaining homeless depends not just on what she needs, but where she has returned home to. This is an American tragedy.

I believe the problem is more than one of funding. It is a failure of management in VHA to insure that a consistent adequate array of services are available across the system. Decentralization has had many benefits for transforming VA, but top management in VHA has abdicated its responsibility to assure that there is not unacceptable variability.

This is a time of great opportunity. The Secretary has underscored this in his recent CARES decision memorandum, stating, "It is not acceptable that the availability of mental health services be dependent on geographic location." And there's a national effort to do strategic planning for mental health that's just beginning, but I fear the moment will be lost if there's not committed leadership and oversight. I hope that in selecting the next Undersecretary for Health, close scrutiny will be given to the willingness and ability of candidates to provide firm, decisive leadership in assuring consistent mental health services across the country.

One of the things that I'm doing in my retirement—the last thing I'll say—is writing a mystery novel. I'll just remind you of Sherlock Holmes' famous novel on the Hound of the Baskervilles. You'll be hearing about a lot of very good programs today. But just like the clue there is what didn't happen. Please don't forget that there are many, many places in this country where VA does not provide adequate mental health or homeless services. Thank you, Mr. Chairman.

[The prepared statement of Dr. McCormick appears on p. 69.]

The CHAIRMAN. Dr. McCormick, thank you very much for your testimony, and for your very sobering advice about what is available, and the decline in mental health capacity, which we have raised repeatedly on this committee as being an over-arching concern.

I do have a couple of questions. Unfortunately, we have a series of votes, maybe up to four votes, so we will break briefly and then come back and reconvene.

But I want to ask you, Mr. McNair, about veterans who are on the streets. And my question to you would be, is the word getting out, or is it not getting out, as to the availability of these services? It would be to all of you on the panel, really. You mentioned that there are a lot of people who don't know.

And Mr. Kuhn, you might want to speak to the issue of those who are not the lucky ones, if you will, who don't have that safe bubble to survive, as Mr. Owens pointed out.

You know, there's a great unmet need. I think the number in New Jersey is about 8,000 homeless veterans. I've been to Veterans Haven a number of times, and the capacity, the absorption capability at that facility, is so stressed, because they don't have enough of a facility. They don't have personnel. It's all a matter of providing that safe bubble. And how many people—and I'll ask this to the VA in the second panel as well—but how many people are really not getting this kind of help?

Mr. MCNAIR. In my state alone, there's thousand of homeless vets just roaming the streets. You would look at them as an ordinary Joe that's just homeless or has an addiction; no haircut, bummy clothes, need baths. You wouldn't believe that these guys actually fought for this country, joined the service, unless you sat down and talked to them a lot of times. Because of their mental illness, you may think that they are maybe telling stories, per se, but this is actually true. Because a bunch of our homeless veterans needs to get out there and tell other homeless vets about it.

The CHAIRMAN. How did you find out about it?

Mr. MCNAIR. Well, because of my illness, I went into the emergency room at the VA. And from there, I heard about the program, and then I went and I got some information from there.

The CHAIRMAN. Mr. Kuhn?

Mr. KUHN. It's unquestionably a big problem for us. We have thousands of veterans in the state, and we have contact with maybe about a thousand a year. The things we have done to try to increase our ability to reach out to veterans, first, we have a web site, which you're all welcome to check out. It's vetsinfo.com. That web site, by the way, was developed by homeless veterans who now operate our computer learning center. All of our veterans go through our computer learning center to learn how to use PCs and various software.

We also have an educational video which is available both on the Internet, and we distribute widely. We've had extensive contacts with the press where we use the press to try to get out information about our programs. These articles turn up from time to time, and hopefully help us get out the word. We have an 800 number where veterans can call 24 hours a day, 7 days a week to get a screening appointment. And we have a VISN which, despite, as you know, VISN 3 has had very significant budget cuts, but somehow, through deep personal commitment, our management has kept our services intact. In fact, we've expanded our domiciliary in New Jersey. It had been at one point 70 beds. It's now up to 85.

So there's a real financial commitment, despite these budget cuts, to improve and strengthen services. But there certainly remains a need.

The CHAIRMAN. Mr. Rodriguez, did you want to ask a question? Please do.

Mr. RODRIGUEZ. Let me just thank you for being here. You know, it was very moving, the testimonies of all of you, and I just wanted to thank you for what you've done, and also for being role models for a lot of our veterans out there, and being able to come back. I know how difficult—you know, I can just imagine how difficult that is in terms of being able to pull that together, and so I just personally want to thank you for what you've done and being the great role models for some of our homeless people that are out there. So thank you. Thank you very much.

The CHAIRMAN. Thank you. Chairman Simmons.

Mr. SIMMONS. Just briefly, Mr. Chairman. I've said before, and I believe, that if a veteran is not at home in his head and in his heart, that he'll never be home in a house. And I think that what we've heard this morning in testimony is the testimony of veterans who have come home to their head and their heart, and that gives them the opportunity to rebuild their lives, and now, hopefully, occupy a house.

And that's the complexity of the problem. It's a complicated problem. But I was particularly—I was interested in all the testimonies, but I'm particularly interested in the idea expressed by each of the folks at the table that in rebuilding their lives, they're giving back. And when you give back, you get back. People are not remembered for what they get in life, they're remembered for what they give. And that's where the satisfaction truly lies. Whether it's a golf course or whether it's a construction project or whether it's working in a hospital, that giving back gives dignity to your life. It's the only way to go. And housing will follow all of that.

So I want to thank them for their testimony. I think it's been really important. I appreciate it.

The CHAIRMAN. Thank you, Mr. Chairman. Mr. Udall.

OPENING STATEMENT OF HON. TOM UDALL

Mr. UDALL. Thank you, Mr. Chairman, and let me also thank the panel for their testimony.

I wanted to ask about this RSVP program, the Rehabilitation Services and Veterans Programs. It seems to me that one of the real keys here in terms of getting veterans back into homes is working with the non-profit sector. And I know that the Department of Labor put out $150,000 grant to this non-profit. Can any of you speak to the kinds of results and what are the successes that are occurring there?

I note that in 18 months—I guess this was back in last year—put 790 homeless veterans back to work. Ninety-six percent of them kept their jobs for at least 90 days. I mean, can any of you speak to what's happening there that's making those successes, and can you tell us a little bit about that? Thank you.

Mr. KUHN. We've actually, with some community partners, have made several grant applications to the Department of Labor for that program, but unfortunately, have not been successful. We've received no funding from the Department of Labor. All the funding we have gotten for these businesses that we have developed, we've done on our own through partnerships. And actually, the money

we've been able to invest has been earned by other businesses, and then get reinvested, like any business. As you begin to earn some funds, you have a little excess funds you can invest in other business, you open another business. And we have a sort of a snowball effect where we've independently, with some not-for-profits that we worked with, opened these businesses. But we've received no funding from the Department of Labor to do this, so it would certainly be something we could use.

Mr. UDALL. And Mr. Chairman, let me thank you for focusing on this very important issue. I think that when we have our American men and women serving all over the world, and they're returning, it's a very unfortunate situation to have them return and be homeless. So I think you focusing on this is very, very important. Thank you.

The CHAIRMAN. Thank you, Mr. Udall. I want to thank our very distinguished panel. I want to especially thank our three patriots who had the courage to come and speak out the way you have. We wish you well and success. And believe me, your stories will help us to do a better job.

Now, John Kuhn will remember that in a previous set of hearings, a few veterans came down, told their stories, and it prompted us to action. It made it all real that we could make at least a modicum of difference if we put the resources there and you give us an additional push to do more, and we have to do more. So I want to thank you for your courage in speaking out.

As you said, Mr. Owens, addictions have no prejudices, and they can affect any one of us at any time. And those who have served honorably, it seems to me it behooves us as a Congress that's faced, as Mr. Udall pointed out, with so many of our men and women deployed right now, to do more to bring homeless veterans back into the mainstream and to provide that bubble for them to survive. So I thank you again for your testimony.

We stand in recess and will return immediately after the votes.

[Recess.]

The CHAIRMAN. The committee will resume this hearing. And I want to apologize to our witnesses for that delay. Obviously, there were three votes on the floor, and members will be returning.

I also want to announce that I'm going to have to leave at around a quarter of for a meeting with the President. Just a footnote. One of the issues that I've worked on for years has been the issue of anti-Semitism. I co-led an effort with Mayor Ed Koch to Berlin, and we're going to give a report to the President. This was his timing, not ours. This hearing had already been set, so I apologize. And Dr. Boozman will likely take the chair at that point, if he would. But then I will return, and hopefully, the other members will get back.

But the important thing I want everyone, especially in Panel 3, to know is that your testimonies will not only be read, they will be looked at very carefully, and we will act on them. That's why we're having this hearing, to catapult us into some additional activity and work. So I want you to know that that's my commitment. That's the commitment of this committee.

I would like to welcome our second panel, beginning with the Hon. Gordon H. Mansfield, who was nominated to serve as Deputy Secretary by President George W. Bush on November 3, 2003, con-

firmed by the Senate on January 22 of 2004. He previously served as VA Assistant Secretary for Congressional and Legislative Affairs since August 1 of 2001.

Prior to his appointment, Secretary Mansfield served as the legislative advisor to the Secretary of VA, and was responsible for VA's congressional relations and for representing VA programs, policies, investigations, and legislative agenda to Congress.

Secretary Mansfield previously served as Executive Director of the Paralyzed Veterans of America and in the Department of Housing and Urban Development during the first Bush Administration.

A graduate of Villanova, with a law degree from the University of Miami, Secretary Gordon enlisted in the Army in 1964, where he served two tours of duty in Vietnam. While serving as a company commander with 101st Airborne Division during his second tour, he was wounded during the Tet Offensive of 1968, sustaining a spinal cord injury. For his actions while his unit was under fire, he was decorated with the Distinguished Service Cross. He was medically retired by the U.S. Army at the grade of Captain.

His other combat decorations include the Bronze Star, two Purple Hearts, the Combat Infantryman's Badge, and the Presidential Unit Citation. Mr. Mansfield is also the recipient of the Presidential Distinguished Service Award.

We will also hear from Ms. Patricia Carlile, who is the Deputy Assistant Secretary for Special Needs in the Office of Community Planning and Development at HUD, where she is responsible for managing approximately $3 billion in new and renewal HUD grants that serve homeless people, persons with HIV/AIDS, and others who are at risk of becoming homeless.

In the first Bush administration, Ms. Carlile was the Executive Director of the Interagency Council on Homeless. A graduate of Pace University with a master's degree from Georgetown, Ms. Carlile has owned her own management and executive search consulting firm, and has also served in several other senior level positions in the Federal government.

Mr. Don Winstead is the Deputy Assistant Secretary for Human Services Policy in the Office of the Assistant Secretary for Planning and Evaluation at the Department of Health and Human Services. That's a mouthful. Among other responsibilities, the Office of Human Services Policy coordinates policy development and research related to homeless individuals and their families.

Prior to joining HHS in December of 2001, Mr. Winstead worked for 30 years at the Florida Department of Children and Families. He began as a front-line caseworker and worked in a variety of direct service, administrative, and managerial positions in Florida ranging from social worker to deputy secretary, before leaving to take his current position at the Department of Health and Human Services.

Mr. Secretary, if you could begin. Your full statement will be made part of the record, but proceed as you wish.

STATEMENTS OF GORDON H. MANSFIELD, DEPUTY SECRETARY, DEPARTMENT OF VETERANS AFFAIRS; PATRICIA CARLILE, DEPUTY ASSISTANT SECRETARY FOR SPECIAL NEEDS PROGRAMS, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; AND DON WINSTEAD, DEPUTY ASSISTANT SECRETARY FOR PLANNING AND EVALUATION, OFFICE OF HUMAN SERVICES POLICY, DEPARTMENT OF HEALTH AND HUMAN SERVICES; ACCOMPANIED BY PETER H. DOUGHERTY, DIRECTOR, OFFICE OF HOMELESS VETERANS PROGRAMS; M. GAY KOERBER, ASSOCIATE CHIEF CONSULTANT, HEALTH CARE FOR HOMELESS VETERANS; AND CLAUDE B. HUTCHISON, JR., DIRECTOR, OFFICE OF ASSET ENTERPRISE MANAGEMENT

STATEMENT OF GORDON H. MANSFIELD

Mr. MANSFIELD. Thank you very much, Mr. Chairman. Before I begin, I'd like to make a personal comment, and that is that this is an area where I'm nowhere near being an expert. In fact, I'm just starting to learn about it. And I want to make the point that in my days at PVA, I had the opportunity to meet Carlos Martinez and become a friend. And I know the program that he's run, and he's been part of my education.

Also, as an assistant secretary, Jack Downing and his program up in North Hampton had some issues, and I had a chance to get involved in that and learn something. Since then, Ray Boland, I was out in Wisconsin on Saturday and had an opportunity to visit one of our partnership programs out there. And also, I've had the opportunity with Gay and Claude and Pete here at the VA to have really good, hard-working, caring people who know this program and are helping to educate me.

One of the things I've done is in my travels is made it a point everywhere I go to try and visit a homeless program, and I've visited about eight or nine over the course of the last few weeks in traveling. And it's an opportunity to learn and see what the VA is doing, actually, versus what the paperwork is.

So Mr. Chairman, I'm pleased to be here today to discuss the Department of Veterans Affairs Programs and Services for Homeless Veterans. My testimony will focus on the progress VA has made in implementing programs and services authorized by the Homeless Veterans Comprehensive Assistance Act of 2001, Public Law 107–95, and our implementation of the Loan Guaranty for Multifamily Transitional Housing for Homeless Veterans Program.

But also, I would like to thank Congressman Renzi and the cosponsors of H.R. 4057, the Samaritan Initiative, which could establish an interagency grant program designed to end chronic homeless through the coordinated provision of housing, health care, mental health, and substance abuse treatment, supportive and other services to disabled persons who have been living long-term on the streets and in shelters, including veterans. This bill incorporates a proposal submitted to Congress in the President's fiscal year 2005 budget, which calls for $70 million in new funds—50 million for HUD for housing, 10 million for HHS for primary and behavioral health care, and $10 million for VA for case management and outreach—to support collaborative community projects that

combine clinical outreach, housing, and the supportive services necessary to sustain the tenancies. The Samaritan Initiative supports the President's goal of ending chronic homelessness by 2012.

Also, I want to underscore the VA's continuing commitment to the goal of ending homelessness, especially for veterans. VA has allocated significant resources to programs directly related to providing services and benefits for homeless veterans. The total obligations for specialized programs for homeless veterans was over $153 million for fiscal year 2003. And the total costs of treatment—and when I say "treatment," I mean when we touch any veteran in the VA programs for homeless veterans—comes to probably about $1.27 billion. The total costs of treatment—and again, I mention that "treatment" is when we touch somebody with a concern for homeless veterans—are currently projected to grow to 1.37 billion in fiscal year 2004, and 1.47 billion in fiscal year 2005. On top of this are the compensation and pension and other benefit payments made to homeless veterans. And as I testified at the last hearing, serving homeless veterans is a priority for both Secretary Principi and myself.

It is our mission to do all we can to eradicate homelessness among veterans. We work in a variety of venues with many partners at the federal, state, and local level, and with faith-based and other community providers. Only through such effective and expensive collaborations, combined with innovation, can we maximize our opportunities for success.

The Advisory Committee on Homeless Veterans submitted its first report with over 60 specific recommendations in 30 discrete areas last June. At least half of the committee's recommendations from the last year have been implemented or resolved. We look forward to delivering the Advisory Committee's second annual report in about 6 weeks' time.

Shortly after taking office, President Bush revitalized the United States Interagency Council on Homelessness. Secretary Principi called upon our department to be active and participate at every level. The Secretary has attended each of the cabinet secretary-level meetings, and has designated Mr. Peter Dougherty, VA's Director of Homeless Veteran Programs, to serve as VA's representative to the Senior Policy Working Group.

Our department worked closely with the Departments of Housing and Urban Development and Health and Human Services to develop a joint initiative targeting the chronically homeless. That initiative required local planning that would meet the needs of chronically homeless veterans. VA is pleased to be a partner in this effort, and equally pleased to be the lead in the overall program evaluation effort. The Samaritan Initiative I have just mentioned will allow us to continue, expand, and improve this effort.

We continue to work with HUD, HHS, Labor, and others on a variety of issues to improve homeless veterans' access to housing, health care, benefits, and homeless prevention services. VA was one of the federal partners to sponsor state-level policy academies that bring decision-makers together to plan comprehensive strategies to aid all homeless veterans and their states, and a national meeting involving representatives is also being planned.

Since 1993, VA has collaborated in meetings with local communities across the United States in Project CHALENG for veterans. More than 4,000 persons, including more than 750 current or formerly-homeless veterans, attended last year. Long-term housing, dental care, and child care remain the top unmet need in 2003, as they were in the past years.

Each year, we join with hundreds of veterans' service organizations, community homeless service providers, state and local governments, faith-based organizations, and health and social service providers, and stand-down or other outreach efforts targeted to assist the homeless. Last year, more than 20,000 veterans, including more than 1,400 women veterans, 2,700 spouses, and 1,800 children of veterans, attended 95 events in 39 states and the District of Columbia, and they were aided by more than 13,500 volunteers and VA employees.

Since 1994, the Homeless Providers Grant and Per Diem Program has allowed the VA to assist state and local governments, non-profit and faith-based organizations in developing supportive transitional housing programs and supportive service centers, and providing vans for transportation for homeless veterans. These funds helped, through both the grant and per diem and the per diem-only program, to develop more transitional housing beds, over 6,000 of which are operational today, and we expect greater than 7,500 of those will be operational in the next 60 days.

We used our targeting ability this past year to achieve two of our key goals: to authorize funding for at least one transitional housing program in each state, and to increase services in states with low program utilization.

We awarded funding to the National Coalition for Homeless Veterans to provide technical assistance to assist eligible organizations that applied for grants to develop programs for homeless veterans. We are hopeful that in the near future, we'll be able to offer funding to existing grant recipients to assist them in serving the special needs populations.

Last year, we offered funding to existing grant recipients to assist them in meeting fire and safety code. We are aware of the need for additional funding, and we hope to make—hope to publish a Notice of Funding Availability to meet the current estimated need to improve fire and safety systems.

VA has also signed a memorandum of understanding that allows VA staff to provide assistance on matters relating to the release of veterans from correctional institutions. For many years, VA has provided residential treatment and rehabilitation to veterans with medical and mental health disorders and VA's domiciliary care programs, including a special component called the Domiciliary Care for Homeless Veterans Programs focused specifically on providing a full range of treatment services to help homeless veterans. Over the past 15 years, the VA has established 35 of these programs, with a total of 1800 beds plus. In fiscal year 2003, 5,156 veterans were treated in these programs.

Mr. Chairman, as you indicated in your comments to begin with, we have more to do in this area, and I will commit to you as we move forward to make this an issue of priority that I will follow up personally after this hearing.

The Loan Guaranty for Multifamily Transitional Housing for Homeless Veterans Programs is an innovative program to provide long-term transitional housing with supportive services. We now have four sites—Chicago, Houston, Miami, and San Diego—where we hope to make final commitments to provide loan guaranties to assist financing of multifamily housing projects to create places for up to 800 to live.

Mr. Chairman, that concludes my oral statement. I would ask that my written statement be submitted for the record, and I'd be happy to answer questions.

[The prepared statement of Mr. Mansfield appears on p. 71.]

The CHAIRMAN. Without objection, your full statement will be made a part of the record. Thank you for your testimony.

Before going to Ms. Carlile, I just want to point out that Mr. Dougherty and Ms. Koerber, who are with you, were very helpful when we wrote the law. And I'll never forget, we spent the better part of a Friday going over a "what works" deal filled with graphs and charts and all. And that's where we kind of gleaned that the DOMs were a great commitment of financial resources with a tremendous consequence to homeless veterans. And we heard it today from our three veterans who testified as to how that time spent, the quality, as well as the longevity of that time, made all the difference in the world in their lives.

And one of the questions that I would ask in advance—and I will have to leave for that White House meeting and then come back to read what your response was—we authorized 10 new domiciliaries in the Homeless Victims Assistance Act of 2001 signed by the President, and yet not one of those have materialized. I would hope that we could do better, because they do work. And it seems to me that yes, there are other tools in our toolbox, but that one seems to have a, for certain individuals, a great payoff in terms of the quality of their lives. So that's one question I would ask you to answer during the Q&A time.

Ms. Carlile, if you could proceed?

STATEMENT OF PATRICIA CARLILE

Ms. CARLILE. Thank you, Mr. Chairman. First of all, I want to say thank you for inviting HUD to testify at this hearing. I am very pleased to be here this afternoon to represent the Secretary of the Department of Housing and Urban Development on the subject of homeless veterans, a subject that is particularly dear and near to me, being a veteran's daughter.

The Secretary recognizes the moral responsibility America has to its veterans. Homeless people have fallen through the social safety nets, and this country is responsible for helping them regain their self-esteem and become productive citizens. HUD understands this and has been a major player from the beginning in providing housing and support services to the homeless population.

HUD is committed to serving homeless veterans, an estimated 23 percent of the homeless population. But we are also charged by Congress to serve all homeless groups. HUD's homeless programs serve singles and families with children. Our programs serve persons who are impaired by substance abuse, mental illness, and physical disabilities, as well as non-disabled persons. With the sig-

nificant funds that Congress has appropriated to HUD, we are able to provide an array of housing and supportive services to all homeless groups, including homeless veterans.

I would like to take a moment now to outline some of the activities that we have specifically been engaged in that serve homeless veterans.

First, in 2003, we awarded a total of nearly 1.3 billion in targeted homeless assistance. I'd like to point out that veterans are eligible for all of our homeless assistance programs. Out of a total of 147 veteran-specific applications submitted to HUD in 2003, we awarded funds to 122 projects, which is 83 percent of the veteran-specific projects submitted. Forty million dollars was awarded to these projects.

In addition to these funds, we awarded $583 million to 1,913 projects that also will be serving homeless veterans, in addition to serving other homeless groups as well. We estimate in 2003 through our competitive homeless programs that we will serve approximately 62,000 veterans. Many thousands more will be served through and have been served through HUD's Emergency Shelter Grants Program.

Congress has directed that each community implement a Homeless Management Information System to better understand and serve homeless persons. Once these systems are implemented across the country, we will be able to even more comprehensively tell how many veterans are being helped in HUD and non-HUD-funded programs, and what the specific outcomes these projects produce.

HUD is using its mainstream resources as well to help house homeless veterans. The HOME Program recently awarded 6.5 million to community housing development organizations to house chronically homeless people, and HUD's Economic Development Office gave extra points in 2003 and again this year to encourage communities to serve homeless people. In addition, several other HUD mainstream programs, Community Development Block Grant and Public and Indian Housing, have issued notices to grantees to encourage support of the Administration's Chronic Homelessness Initiative. HUD also pays the salaries and expenses of the 10 Interagency Council on Homelessness regional coordinators who support our federal, state, and local partners.

The Administration has set a goal of ending chronic homelessness in 10 years. This goal will benefit homeless veterans. Since the chronically homeless are the most challenged homeless group, many of whom are veterans, it is imperative to involve many partners. I represent the Department of VA's Secretary Advisory Committee on Homeless Veterans and the President's New Freedom Commission on Mental Health. Both of these advisory groups have addressed chronic homelessness and their recommendations. HUD appreciates working with those federal partners. Those around here, we spend a lot of time together. And we really do get a lot done, and we really do enjoy working with each other, and we know it's very beneficial to the homeless veterans and the homeless people overall.

The experience has been more than worthwhile, and we really continue to look forward to further collaborations.

In the HUD, HHS, and VA Collaborative Initiative to Help End Chronic Homelessness, the first program to specifically serve chronically homeless persons, HUD contributed $20 million of the $35 million awarded. These projects are now underway.

We believe the proposed Samaritan legislation, which the Deputy Secretary mentioned, with a $70 million budget, will be an opportunity to double our efforts to be more responsive to the chronically homeless population, and will enhance our ability to collaborate more effectively with our federal partners. Of the 70 million requested for this initiative, 30 million would be for housing provided by HUD.

Another exciting initiative that is serving homeless veterans is the 13.5 million HUD/DOL five-year Chronically Homeless Demonstration Program. HUD provided 10 million to this effort. While this collaboration focuses on housing and employment, the grantees also have to offer their essential wraparound services, such as health care, education, and life skills. We believe that the combination of housing and jobs will help chronically homeless persons become self-sufficient. And I do want to add that I've worked very closely with the Department of Labor, and they are very supportive of getting funds and helping with the homeless veterans and chronically homeless as well.

HUD is an active collaborator with the Departments of Justice, Labor, Health and Human Services, Education, and Veterans' Affairs for the Serious and Violent Offenders Re-entry Initiative. We're helping to educate the grantees, most of whom serve veterans, in accessing housing in their communities.

In collaboration with HHS and VA, HUD has participated in the eight policy academies that have facilitated the development of comprehensive strategic homeless action plans to access mainstream services at the state and local levels. This offers an opportunity for the chronically homeless and the homeless veterans to be addressed in each community.

We meet regularly with our federal partners in implementing these initiatives and brainstorming about additional initiatives that might be needed. We also keep each other informed of our various activities at the Interagency Council on Homelessness meetings.

And just a few more points will be—we have provided special technical assistance to serve the veteran population, trying to get them to—help them to provide—to develop better applications, to understand more about how to access mainstream resources.

We have also been concerned about the lack of veteran-specific homeless project applications, and produced a guideline and technical assistance guidebooks to help them further their knowledge.

And to underscore our desire to serve veterans, we have highlighted veterans 11 times in the NOFA that was published on May 14th. In collaboration with VA, this year for the first time, we strongly encouraged applicants to use VA CHALENG data in assessing the needs of homeless veterans within their community.

And that concludes my remarks, Mr. Chairman.

[The prepared statement of Ms. Carlile appears on p. 80.]

Mr. BOOZMAN (presiding). Thank you. Mr. Winstead.

STATEMENT OF DON WINSTEAD

Mr. WINSTEAD. Thank you, Mr. Chairman. I'll be very brief. We appreciate this committee's invitation to be part of this panel with our federal colleagues. Secretary Thompson was honored this past year to serve as the Chair of the Interagency Council on Homelessness. This was a year of significant focus and significant accomplishment, both for our agency and throughout the federal government.

On the 1st of April, as Secretary Thompson turned the chairmanship of the Interagency Council over to his friend and colleague, Secretary Principi, he said, "By working across the federal government and with state and local leaders, we can help more people find a permanent place to call home and provide the care and services necessary for them to return to community life."

We appreciate the opportunity to be here with our federal partners, and we appreciate the opportunity to continue to collaborate across agencies on these important issues.

Thank you, Mr. Chairman.

Mr. BOOZMAN. Thank you. Assuming that the VA homeless domiciliaries have done a good job, which they appear to be doing, and given the fact that we have some unused space that we're trying to, you know, find a home for, is there any particular reason that we've failed to expand the program above the 35 slots that we have now?

Mr. MANSFIELD. Mr. Chairman, I think the answer to that is that we haven't done it yet. I think we have an opportunity here. We've just been through, as you mentioned, the total CARES process, which looks at the capital assets. We're also nearing the end of a long-term care needs review. And on top of that, the Secretary has also directed that he be given a review on the mental health care needs.

So putting all those together, they all impinge or have some effect on what we need to do with the homeless programs. And I think what we have here, then, is an opportunity to move forward, with CARES done, with the long-term care plan coming in, and the mental health needs assessment being done to be able to move in that direction.

Mr. BOOZMAN. Thank you. What actions is the VA taking in addition to ongoing communications with HUD to increase the number of managed vouchers made available to VA case managers?

Mr. MANSFIELD. I'm going to ask Pete to answer that question.

Mr. DOUGHERTY. Mr. Chairman, the Secretary has communicated with the Secretary of HUD. We have obviously communicated through the department's Advisory Committee that that is a particular need. Obviously, as this committee is aware, the approval for the vouchers is not something that this department has control over. We are simply required and, as we understand it, are prepared to provide the specific case management services in connection to new vouchers if they would come.

Mr. BOOZMAN. Okay. I guess, then, we need to ask HUD what the situation is, or——

Ms. CARLILE. Well, as I oversee the Special Needs Program, I can answer this indirectly. We have increased our homeless targeted program budget in the last 3 years, and that is now serving more

homeless veterans, providing transitional housing for the veterans. We also have put out special funds for the chronically homeless. So that is increasing the number of chronically homeless veterans who are being served.

We understand the need for the HUD-VASH, and we've seen some good results. We have seen that housing with case management is very effective. In fact, HUD has been providing housing and case management for the homeless veterans and the homeless population from the early days of the McKinney-Vento. So we do recognize the success of that combination.

Insofar as a specific reference or a comment on the HUD-VASH, we have not had any funds appropriated for that, as you well know. And this is under a program—the program is under Public and Indian Housing, which Assistant Secretary Michael Liu oversees. And if you have some specific questions more, I would be glad to take those back to him for a response.

Mr. BOOZMAN. I guess one thing we'd like to know is if HUD supports an increase, and if you've requested it.

Ms. CARLILE. To my knowledge, we have not requested it, because we've been increasing the homeless targeted program budget. We have not increased many of the others.

Mr. BOOZMAN. Living a sober life is really the key, you know, to becoming part of society again. One of the most frequently heard complaints that we have is that there is not enough mental health professionals, not enough beds in that area. I know that mental health care is not only a problem in the VA system, but it truly is a problem in almost all of our districts throughout the country in every aspect. Can you comment on that?

Mr. MANSFIELD. Sir, I would agree that the point you're making is obviously true. I mentioned that point in my statement about the $1.27 billion to indicate that, in addition to those specific homeless named or homeless directed-only programs, VA does an awful lot in other areas, and that would include some of this. We heard earlier testimony about the need for it, and I would agree that there is a need. I think, as I mentioned in the review of the mental health requirements going forward, that is one issue that would be looked at and resolved, I would hope.

Mr. BOOZMAN. The Secretary told us in February that 200,000 veterans are homeless. He suggested that the number of homeless is coming down. What is the basis for that conclusion? And would the National Coalition for Homeless Veterans to testify shortly agree with the Secretary's assessment? I guess we'll know that in a little——

Mr. MANSFIELD. I was going to say I'll wait and see what they have to say. But I think, as I understand it, the National Coalition, back in the mid-'90s, did an estimate— and as I understand it, an informal estimate—that came up with the number of 275,000 homeless veterans.

And a few years after that, in 1996, the VA, HUD, HHS, and others helped to pay for a survey of homeless service providers and clients. Based on the estimates created by the Urban Institute, who performed that, it was estimated that there were about 180,000 homeless veterans. That number was increased to 200,000 over the course of the past couple of years.

And as you know, Mr. Chairman, there have been any amount of numbers that have been put forward. But I would suggest to you that when we're talking more than tens of thousands or more than hundreds of thousands, it really doesn't matter. What it means is there's more than there should be, and we need to work on it.

Mr. BOOZMAN. Thank you. Mr. Winstead, Ms. Carlile, you are both ex-officio members of the Advisory Committee on Homelessness. Do you both agree with the committee's view that substance abuse residential programs should play a more prominent role?

Mr. WINSTEAD. Yes, sir. I do represent Secretary Thompson on that Advisory Committee, and we do, in general agree with those recommendations. I would say, also, I do think that there's tremendous value in residential programs. I think the other part of it is that there is also tremendous need and tremendous value, in providing follow-along care to people after they leave residential programs. Both are very important, but I think substance abuse programs are extremely important.

We will be implementing this year a new program called Access to Recovery that will provide, through competitive vouchers to states, programs for increased substance abuse treatment, and certainly veterans in need of substance abuse services would be part of that target population.

Ms. CARLILE. Well, we know that so many of the homeless people are addicted to drugs and alcohol. And our idea of ending chronic homelessness and helping to get others out of homelessness is to provide the kind of housing and treatment that would be needed. And so that's why we are partnering together.

But if we have the residential services for substance abuse homeless veterans, then we can also hook them up with the possibility of becoming employed. That gives them the self esteem they need. That gives them back an opportunity to become a productive citizen. So I think it really helps, the combination.

Mr. BOOZMAN. Thank you. Ms. Davis.

OPENING STATEMENT OF HON. SUSAN A. DAVIS

Mrs. DAVIS. Thank you, Mr. Chairman, and thank you to all of you. I'm sorry I was not able to be here for the earlier part of the testimony, but I wanted to thank you, Secretary Mansfield, for mentioning the VA support for the San Diego—Vietnam Veterans of San Diego Program there. And also to recognize in the audience is Mr. Al Pavich, who has done an incredible job. Please stand, Al. Thank you. (Applause.)

I really can't begin to talk about the dedication of this gentleman for the veterans of San Diego. Obviously, it comes out of his personal experience, but also, I think just his decentness in making certain that they receive the services that they so desperately and so, I think, are deserving of in our community. And so I appreciate that very much.

I wanted, if I could, Secretary Mansfield, to just turn to a few questions. One of them had to do with the kinds of grants and loans that are available to non-profit organizations through the VA. And I'm just wondering—perhaps you've already touched on this—but how effective the groups are in providing help to homeless veterans, how strong our evaluative tools are in knowing the extent

to which they are providing the kinds of support that they want to support—they want to provide.

Mr. MANSFIELD. As I mentioned in my opening, I'm not the expert here, and I'm going to ask the expert for me to give you the answer, ma'am.

Mrs. DAVIS. Okay, thank you.

Mr. DOUGHERTY. Ms. Davis, I just want to make sure. Are you referring to the Homeless Providers Grant and Per Diem Program, or the HVRP, Department of Labor program?

Mrs. DAVIS. The Grant and Loans Program for the non-profits.

Mr. DOUGHERTY. Homeless Providers Grant and Per Diem Program, like the one with the Vietnam Veterans of San Diego?

Mrs. DAVIS. Yeah.

Mr. DOUGHERTY. We're very happy to say that when VA first started homeless programs back in 1987, we put in a component to review, and conduct program monitoring and evaluation of all programs that specifically serve homeless veterans. We have the ability, unlike any other groups out there, including any other federal group out there, to identify who's been seen in programs, how long they've been seen, a conduct a clinical assessment of veterans coming into the programs, and long-term program effectiveness.

We can tell from 1987 to today, any veteran who's been in a homeless-specific program, when they've been served, how long they've stayed, and how long, more importantly, they've stayed out of that. When you're dealing with a population that has serious problems with mental illness and substance abuse, it's not uncommon to have people relapse and come back at some point in time for additional services.

As you pointed out, the Vietnam Veterans of San Diego, is, obviously, a great partner with the Department of Veterans Affairs. We're doing more and more of that partnering simply because we have an ability to provide clinical staff and clinical support with benefits assistance with community partners. The ultimate goal is to reintegrate a homeless veteran back into society's mainstream, not to isolate me from society.

Mrs. DAVIS. You're obviously doing that in different communities where there are more resources than others, more follow-up care, more mentoring, whatever that may be. Are you able to put any real pressure on the community as a whole, at least to understand to which those supportive services make a difference for our vets in the community?

Mr. DOUGHERTY. Well, Ms. Davis, when I was a member of the Veterans' Affairs staff a number of years ago, we went on a site visit, and we went to Los Angeles, CA. When we went there and held a field hearing, the director of the medical center said he didn't think there was much of a problem with homeless veterans in Los Angeles. We said, "We're not from here. We've only been here for about 24 hours, but we can tell there's a significant problem."

I want to bring that up, because today, the VA, in partnership with literally dozens of community providers, in a variety of programs, many of which are very specialized. Those kinds of specific programs they serve, about a thousand or more homeless veterans on VA grounds.

That's the kind of initiative, the relationship that we create with the Department of Veterans Affairs by connecting with those good community providers. It makes us as a department better and stronger. It makes those community organizations better and stronger. And as we all know, that the way to solve this is that collaborative effort between VA and others.

Mrs. DAVIS. Yeah. Thank you. I appreciate that. Because I think we have to do the follow-up, and we have to continue to advocate on behalf of our homeless populations. And we can't do that if we don't have good data and the ability to really assess the extent to which things are working well. I appreciate that.

You know, a second ago, I think you mentioned Secretary Principi and the fact that there seems to be a sense, at least, that the numbers are going down of veterans on the streets. And I was wondering how you track that, a little more detail about that, and how accurate the counts are.

Mr. DOUGHERTY. I think to expand upon what Mr. Mansfield has said is well, obviously, homeless people are not very good at reporting in. They're not very good at telling people whether they really are veterans or not. I mean, obviously, if they come to VA for services, we can identify whether or not a person is, in fact, a veteran.

What we do know, based upon the Northeast Program Evaluation Center and work done by Dr. Bob Rosenheck, is that in 1987, approximately 44 percent of all males who were in the homeless population were veterans. Based upon the 1996 survey that Mr. Mansfield referred to, what we found out is that one-third of the homeless who were males were veterans as well.

We have looked at that. And what we found out, that a part of that is probably an aging-out process, but a part of that is actually a reduction of veterans in the homeless population.

But again, I think as Mr. Mansfield just said, and clearly in the position that I have, it probably becomes a moot point, whether we were talking about tens of thousands or hundreds of thousands, whether it's 50,000 more or 20,000 less. The point is there's a lot of homeless veterans out there who need our assistance.

Mrs. DAVIS. And I think we would expect to see a number more now, as we have many of our vets that will be coming back from Iraq. We're certainly hoping that the services, particularly the mental health services, will be more available to them. But I know that we have heard a number of concerns here in the committee. Thank you very much. Thank you, Mr. Chairman.

Mr. BOOZMAN. Mr. Strickland.

Mr. STRICKLAND. Thank you, Mr. Chairman. In regard to the number of the homeless, the comparison of the percentage of the homeless that are veterans seems to me is not relevant unless you look at the total number of the homeless in this country. And if that's increased significantly, even if the percentage of veterans has gone down, we still could even have more homeless veterans.

Now, I'm sorry I missed your testimony. That's the way life is around here. But in the first panel, I heard words like "redemption," "spirituality," "healing." We were all impressed by those who told their stories.

And just a question to get your personal opinions. My understanding is that in most states, once a person is convicted of a fel-

ony, incarcerated—and I worked at a maximum security prison, and many veterans are in there—their benefits are significantly reduced while they are incarcerated. When they have completed their sentence, those benefits are restored; is that correct? I think that's correct.

But what about their right to vote? And my understanding is that that is, at best, something that is inconsistent from state to state. And it seems to me that—well, I won't express my opinion. I would ask yours. Do you think that once a veteran who has served the country honorably, become engaged in a law infraction, been incarcerated, completes that sentence, should have his or her voting rights restored, so that they can participate in this most basic aspect of citizenship? And that's voting.

Mr. MANSFIELD. That's an interesting question, sir. I've been informed by my expert staff here that they think that Maine may be the only state that has that provision. And obviously, it's not something that the VA could do, although we could be an advocate for it.

I'm torn both ways. I can see an answer that says you have that right, but you also have responsibilities. And I think that's a framework for the country, and has been since the beginning. If you carry out the responsibilities, you maintain the rights. I'm not sure if you're asking if that person has served their time and served the sentence, then ought those rights not to be restored?

Mr. STRICKLAND. That's right.

Mr. MANSFIELD. Then you're getting into an area where you've got potentially all kinds of heinous crimes. And this committee itself has voted specifically, for example, on burial rights about certain individuals. So I think you're getting us into an area that is something I would pass to the Department of Justice and go back.

Mr. STRICKLAND. I guess what I was asking was your opinion. It seems to me that if the benefits are restored—I can tell you, it just really angers me that, having worked in a maximum security prison, that we deprive people who have completed their sentences, paid their price to society, of having access to this most basic function of citizenship, and especially someone who has worn the uniform of our nation. It seems to me we are consigning them forever to a second-class citizenship.

And if the same man who sat at this table this morning and talked about how they had been rehabilitated through these magnificent efforts and programs had been convicted of a felony, they could be contributing what they're contributing right now in their lives and still be deprived of the ability to go to the polls and cast the vote.

So I just pass that along as a very strongly-felt personal opinion.

I'd like to move to something else, but something that I think is related, perhaps. At the VA's request, Congress passed legislation prohibiting what is called the Fleeing Felons Provision. These are veterans who are prohibited from receiving VA benefits, including treatment for substance or alcohol abuse and mental illness, under Chapter 17 of Title 38.

Now, the VA has recently reported that about 23 percent of veterans identified as fleeing felons have had their benefits restored, because the felony prosecution was dismissed or the warrant was

withdrawn. This suggests to me that a significant percentage of these persons described as fleeing felons are not fleeing from anyone who's interested in prosecuting them.

I'm concerned that homeless veterans, particularly those with alcohol and substance abuse problems, may be at risk of losing these essential benefits, even those benefits which could provide treatment for the addictions which may be contributing to their homelessness.

And I guess I'm just asking you, in your opinion, should we try to modify these provisions? We don't want to let anyone who is a legitimate felon fleeing the law off the hook. But I think the evidence is, especially because of databases and all that kind of stuff today, that it's possible for veterans who are in desperate need to be so identified as a fleeing felon, perhaps inappropriately, and therefore, be denied essential benefits. The indications are that perhaps a fourth are such persons that would not appropriately be identified as a fleeing felon.

Mr. MANSFIELD. Sir, I would just make the point that if they're identified inappropriately, then obviously, we ought to correct the situation. And I'm really not, again, an expert in this area, or familiar. But I'll tell you what I'll do is I'll go back and look at the area, and I'll get an answer back to you and the committee personally.

Mr. STRICKLAND. Thank you. Mr. Chairman, could I ask one more quick question? I know my time is up, and I apologize. But Secretary Mansfield, has the VA turned down applications for homeless veterans who may be in need of dental care?

Mr. MANSFIELD. I'm sorry. Have they turned down applications?

Mr. STRICKLAND. From homeless veterans who may be in need of dental care. Specifically dental care.

Mr. MANSFIELD. Applications for the dental care.

Mr. STRICKLAND. Yes.

Mr. MANSFIELD. I would imagine the answer has to be yes, sir. I mean, I know, as I mentioned in my visits around the country and stopping into programs and talking with folks, I know that dental care and eyeglasses are the biggest—one of the biggest issues that we deal with. And dental care in the total VA population is one that's very scarce and restricted. So I would have to tell you that probably, we do. I'm not familiar what the numbers are, and again, I'll get that information for you.

Mr. STRICKLAND. Thank you, Mr. Chairman.

Mr. BOOZMAN. Ms. Carlile, HUD, in your testimony, you said awarded a $40 million grant, grants to community organizations for homeless vets. Was the VA consulted about the decision-making of the grants, or how did that work?

Ms. CARLILE. No, sir, they were not. We operate under the HUD Reform Act. And in that regard, we have to develop our own application and keep that to ourselves.

But these are programs that are competitive. We have emphasized the importance of veterans. We work very closely with VA, so we know a lot about their needs and, you know, the importance of transitional housing as well as permanent housing.

So we have provided technical assistance to the service providers to help them develop better applications. We don't think that

they—we were surprised that the applications are so few. They've increased now from 2 years ago. They were like 87. It's about 140 now. But we were surprised that—we have been surprised all these years that more applicants are not applying for veteran-specific programs. Many veterans, or most veterans, are served with the non-specific veteran programs.

Mr. BOOZMAN. Thank you. I want to thank the panel for coming. And again, we really do appreciate all that you all are doing for homeless veterans. We especially want to acknowledge the presence of Mr. Hutchison of the VA's Asset and Enterprise Office. The next panel features one of Mr. Hutchison's success stories. And we really do appreciate all that you're doing and have done for homeless veterans. So again, thank you all very much.

Mr. MANSFIELD. Thank you, Mr. Chairman.

Mr. BOOZMAN. We would like to welcome our last panel to be seated at the witness table. Ms. Linda Boone, Executive Director, took over the management of the National Coalition for Homeless Veterans in April 1996. Since then, the organization has grown from a handful of members to nearly 250 community-based organizations, government agencies, and businesses providing supportive services to more than 150,000 homeless veterans and their families every year.

Ms. Boone spent the first 20 years of her career in the high-technology manufacturing environment before developing her own consulting and training business working with multimillion-dollar corporations to develop competitive management practices.

Ms. Boone's involvement with veterans issues began in 1969 as a volunteer in her local community. Her advocacy for veterans' homelessness began in 1990 after meeting veterans living under a boardwalk near her home, when she went on to serve as the National President of the one million-member American Legion Auxiliary. During her administration, the organization contributed 10 million volunteer hours and $20 million to more than 11,000 communities worldwide.

Mr. William G. D'Arcy directs the efforts of Catholic Charities Housing Development Corporation to develop affordable housing which serves low-income seniors and adults who reside in Cook and Lake Counties, Illinois. He also manages the Division of Residential Housing, which operates 18 residences that provide independent living, supportive living, and licensed nursing care services to 1,300 residents on a daily basis.

Mr. D'Arcy has been active in affordable housing as a developer, property manager, and volunteer board member since 1971. Prior to joining Catholic Charities, he worked in health care systems, a public accounting and consulting firm, not-for-profit organizations, and as an independent consultant. He has 30 years of experience in business development, management, strategic planning, and marketing of housing, health care, and other human services.

Mr. James W. Manning was born and raised in Newark, NJ. He enlisted in the U.S. Army in May 1950 and served with the 11th Airborne Division at Fort Campbell, Kentucky. He went to Korea in the spring of 1951 and served with the 187th Airborne Regimental Combat Team in Japan and Korea until discharge in April of 1953.

He joined the International Association of Heat and Frost Insulators and Asbestos Workers in 1954, and retired in 1995. He has been active in the Neptune, NJ, Post Number 2639 of the VFW since 1990. He is also a member of the American Legion and AMVETS. He is currently Department of New Jersey VFW Chief of Staff and Legislative Agent.

Mr. Carlos Martinez serves as President and CEO of the American GI Forum National Veterans Outreach Program. Mr. Martinez has been associated with the organization since its founding in 1972, and has been its CEO since 1974. Under his leadership, the organization has uniquely blended social service needs with sound business practices, and the organization has prospered from a single service office to a multi-corporate structure encompassing seven separate sub-corporations. The American GI Forum National Veterans Outreach Program is a nationally-recognized leader in community-based services for veterans.

Mr. Martinez currently serves on two congressionally-chartered committees, the VA's Advisory Committee on Homeless Veterans and the VA's Advisory Committee on Veterans Readjustment.

Mr. Martinez, a native of San Antonio, holds a Bachelor's degree in management, and Master's degree in business administration. Mr. Martinez is a veteran of the U.S. Air Force, having served 4 years during the Vietnam era.

Again, thank you all for being here, and we'll go to Ms. Boone.

STATEMENTS OF LINDA BOONE, EXECUTIVE DIRECTOR, NATIONAL COALITION FOR HOMELESS VETERANS; WILLIAM G. D'ARCY, DIRECTOR, CATHOLIC CHARITIES HOUSING DEVELOPMENT CORPORATION; JAMES W. MANNING, VETERAN; AND CARLOS MARTINEZ, PRESIDENT AND CEO, AMERICAN GI FORUM NATIONAL VETERANS OUTREACH PROGRAM

STATEMENT OF LINDA BOONE

Ms. BOONE. Thank you, Mr. Chairman and committee members. And we thank you for your vigorous oversight of the Homeless Veterans Comprehensive Assistance Act of 2001. We are pleased that the VA has taken steps to implement some of the provisions of the act. At the same time, we are quite disappointed that the department, in the 3 years since passage of the act, has neither implemented all of the provisions, nor allocated funds to the department's homeless programs at the levels authorized by the statute.

Among the provisions the VA has either failed to implement or adequately fund include outreach planning and services, domiciliary care expansion, special needs programming, mental health care expansion, substance abuse services expansion, dental care, and additional comprehensive homeless service centers.

We urge this committee to continue to press the VA to implement all provisions of the Act, and also to work with their appropriation colleagues to insure that the sufficient funds are included in that fiscal year 2005 VA budget for full implementation of each of the department's specialized homeless programs.

With regard to expiring authorities of the Act, we call special attention to the Homeless Providers Grant Per Diem Program and the Homeless Veterans Service Provider Technical Assistance Pro-

gram. We urge Congress to reauthorize the Grant and Per Diem Program for the six-year period at at least $200 million annually. While we are not opposed to the Grant Per Diem reauthorization legislation recently introduced by this committee's leadership, we believe it does not go far enough to assure long-term stability and resource expansion for this program.

We urge Congress to reauthorize the Technical Assistance Program for a six-year period at the $1 million level. We are proud to have successfully competed for funding under this program in fiscal year 2003. We believe we have been effective stewards of the technical assistance funds, and look forward to participating in future competitions.

One of our greatest disappointments with this Act's implementation falls at the feet of HUD. As you know, the Act authorized HUD to allocate 500 additional housing choice vouchers in each of the physical years 2003 through 2006 for distribution to homeless veterans with serious mentally ill and addictive disorders through the HUD-VASH Program. HUD has neither done so, nor indicated any plans to do so.

This failure perplexes us, given that the Administration has made a commitment to ending chronic homelessness, and it is this very population that the HUD-VASH Program serves. We implore this committee to push HUD to expand this critical permanent supportive housing program for homeless veterans, and to work with your appropriation colleagues to insure dedicated funding to the HUD-VASH in 2005 and beyond in order to prevent such negligence in the future.

We also want to alert you to a grave concern about the physical stability of the Homeless Veterans Reintegration Program within the Department of Labor. We are troubled to learn that the funding has not increased for HVRP in fiscal year 2005. It is very unlikely there would be any competition for HVRP for New Start grants next year. We are beside ourselves that the Administration placed HVRP in this kind of jeopardy. We urge each committee member to write your appropriations colleagues requesting that the authorization level for HVRP be included in the 2005 appropriations legislation at the $50 million mark.

Another of our timely recommendations, given the VA Secretary's recent release of the National CARES Plan, has to do with the VA's management of its capital assets as they pertain to homeless purposes. With an estimated 500,000 veterans homeless at some time during the year, and the VA reaching only 20 percent of those in need, 400,000 veterans remain without services within the departments—from the department responsible for supporting them. In the meantime, numerous VA properties sit vacant or under-utilized. We urge Congress to require the department to submit a plan regarding the management of its capital assets for homeless purposes. The suggested elements of such a plan are detailed in our written statement.

Finally, we draw the committee's attention to a quite reasonable legislation introduced by Representative Evans that would make a major leap in homeless prevention among veterans. The measure, H.R. 1906, would require separating service members to participate in the Transition Assistance Program, and it would modify the pro-

gram's curriculum to include a component of homelessness. We urge all committee members to join this legislation as co-sponsors, and to work with your Armed Services colleagues now as they develop the 2005 DOD Reauthorization Bill to insure its enactment this year. We should not deprive one more class of separating service members the opportunity to take an action that would prevent their future homelessness. Thank you very much.

[The prepared statement of Ms. Boone appears on p. 86.]

Mr. BOOZMAN. Mr. D'Arcy.

STATEMENT OF WILLIAM G. D'ARCY

Mr. D'ARCY. Thank you, Mr. Chairman, honorable committee members, and guests. My name is Bill D'Arcy. I'm employed at Catholic Charities of Chicago as the Chief Operating Officer of its Housing Development Corporation. I'm honored to offer testimony about the proposed St. Leo Residence for Veterans and Veterans' Affairs Clinic that Catholic Charities seeks to develop in the City of Chicago.

We have been working closely with the Department of Veterans Affairs for 18 months to develop a pilot project, and have made significant progress. We propose to develop 141 studio apartments for homeless veterans, and a nearby outpatient clinic, also for veterans.

Following the guidelines from the Department of Veterans Affairs, the purposes of the housing are to provide supportive services and counseling to veterans, with the goal of making them self-sufficient, to require each veteran to seek and obtain and maintain employment, to maintain strict guidelines about sobriety as a condition of occupancy, and to charge a reasonable fee for rent.

A successful pilot program has three components: namely, funding for construction, support services for veterans, and rental assistance vouchers for the veteran tenants. Let me address these.

Catholic Charities has nine sources of funding for construction. The estimated cost of construction for the studio apartment building and nearby Veterans' Affairs Clinic is 18.3 million. The largest sources of funding include 11 million from the State of Illinois through the Low-Income Housing Tax Credit Program, 3.2 million from the Department of Veterans Affairs in a loan, and 1.3 million from Catholic Charities as owner equity. Combined, these sources represent 85 percent of the total money. The remaining funds will be derived from other grants and low-interest loans.

Regarding supportive services, Catholic Charities will join with the Department of Veterans Affairs and the Department of Labor in providing qualified staff to deliver a range of supportive services to the veterans who live in the St. Leo Residence and who go to the nearby clinic.

Lastly, about rental vouchers. As I read Public Law 107–95, I see that the importance of rental assistance vouchers was stated in Section 12. A total of 5,000 vouchers were to be funded, but unfortunately, the funds were not appropriated.

Why are rental assistance vouchers important to St. Leo Residence and other pilot projects? Simply because housing homeless veterans is a risky business venture. When homeless veterans move in, very few of them will be able to pay rent. They will need

a safety net at first. To operate such a risky business, a stream of identifiable rental income is crucial. Rental assistance vouchers will provide the steady income to pay for daily operations.

In a project that proposes using low-income housing tax credits, such as ours does, the purchasers of the tax credits want assurance that it will be a financially viable project, and that a loan could be repaid, such as one being offered by the Department of Veterans Affairs.

By requesting rental assistance vouchers, Catholic Charities can provide a safety net for 70 veterans who may have difficulty in finding employment. The rents for the other 70 apartments can be set low for veterans that start out at minimum wage jobs. Therefore, rental income from vouchers is a deal-maker or a deal-breaker in order to obtain approval from funding agencies.

Thus, I ask you to take Congressional action to fund rental assistance vouchers in Public Law 107–95, Section 12. First, I ask that the 500 vouchers in the first funding year be allocated to the pilot projects currently being developed by the Department of Veterans Affairs and their partners across the country.

Secondly, I request these 500 vouchers be designated as project-based vouchers that remain with the buildings to serve veterans for the 15-year compliance period of the Low-Income Housing Tax Credit Program.

Thirdly, I ask that 70 of these vouchers be project-based and earmarked for the St. Leo Residence for Veterans in Chicago.

Last year, Catholic Charities served 75 veterans in its overnight shelter program in Chicago. One veteran named Jerry served in Vietnam, got involved in drugs. He returned to the U.S., continued his drug habit, got married, had children, lost his job, got divorced. A few years later, he stayed sober for a while, but then fell back into his old pattern of drug abuse.

Jerry is now on the road to recovery in a Catholic Charities program. He told me last Friday that a place like St. Leo Residence could give him the supportive community he needs to continue his recovery and become independent.

I want to give Jerry another chance. We know that supportive housing can help people transform their lives. The future of these pilot projects requires your help.

Thank you for listening.

[The prepared statement of Mr. D'Arcy appears on p. 101.]

Mr. BOOZMAN. Mr. Manning.

STATEMENT OF JAMES W. MANNING

Mr. MANNING. Thank you, Mr. Chairman and distinguished committee members. My name is Jim Manning, and I'd like to thank the distinguished Chairman for the invitation to testify today. I'd like to add at the outset that although I'm a Commissioner of the Neptune Housing Authority, a member of the Veterans of Foreign Wars, the American Legion, and the AMVETS, I am not representing any organization, per se; I'm here as a veterans activist.

I've been a member of the New Jersey Veterans of Foreign Wars Legislative Committee for some 7 years, and this year, I'm Chief of Staff of the New Jersey State VFW, along with being Legislative

Agent. And that may sound impressive. But my annual budget is $300, so I want to put it in perspective.

During the years on the Legislative Committee, my interest has been in veterans' health care and homeless veterans. And as you are well aware, Mr. Chairman, the fight for adequate funding is a yearly knock-down, drag-out struggle, with the veteran coming out on the bottom end.

Early in 2002, shortly after President Bush signed H.R. 2716 into Public Law 107–95, many of us in the veterans community attended the press conference in Trenton, NJ, which announced the finer points of the new law.

I remember asking Chairman Smith at the time how many of the Section 8 vouchers we could expect in our part of New Jersey. Congressman Smith answered that the breakdown had not yet been made. I also remember that there were some homeless veterans testifying that day as to the merits of the new law. It was truly a happy day for veterans, especially homeless veterans.

Since I had been appointed a commissioner to my Housing Authority in Neptune, NJ, I started asking questions at the seminars that we, as public Housing Authority commissioners, frequently attended. When I mentioned the VA in conjunction with Section 8 vouchers, most people looked at me as if I had three heads. In addition, the higher ranking Housing Authority people seemed to brush me off. This surprised me, because I thought that all the Housing Authority people worked for the good of everybody. And then it dawned on me the high ranking Housing Authority people are simply not interested in VA vouchers, because if the local authorities don't administer these vouchers, there are no administrative fees.

Having struck out in that area, I turned to Henrietta Fischman up in the Bronx, and John Kuhn at Lyons, and of course, John Bradley. I was finally told that there is no funding for those Section 8's in the new law, and furthermore, there may never be funding for that part of the law.

Not ready to give up yet, I spoke to the grant writer from the Neptune Housing Authority, who advised me that we may be able to help homeless veterans with the 58 new Section 8 vouchers that our Authority will receive January 1, 2003. With this gentleman's help, we proposed a resolution giving veterans preference on our Section 8 waiting list. Our resolution passed, and we were on our way. We thought.

A short time later, New Jersey Governor Jim McGreevey announced a command call, and the New Jersey Department of Military Affairs, the National Guard, the Adjutant General, et cetera, along with the service organizations, had a meeting to discuss veterans' needs. I gave a short presentation on homeless veterans and Section 8's.

Afterwards, a young woman approached me, described herself as a resident of Veterans Haven, who was a single mom and would be graduating from Veterans Haven in a couple of months. The next question was how about a Section 8 voucher, and how could she get one? She told me that she had a sister living in my town, where there was a major medical center, and she felt she could get

employment there, since she's a nurse. It sounded like a win-win situation to me.

Now, backing up a little, I'd like to explain that Veterans Haven is a transitional housing facility whose residents had mainly drug and alcohol problems to the tune of 97 to 98 percent. The maximum stay is 24 months. The average stay is 11 months.

The next problem with using the Neptune Section 8's is that an applicant must be drug- and alcohol-free for a period of 7 years. To illustrate, if a person is convicted of a drug or alcohol violation of the law and winds up on probation for 5 years, the seven-year period to qualify for a Neptune Township Section 8 voucher begins at the termination of the probation. That effectively makes the waiting period 12 years. So the first two names of veterans whose names I submitted to the Authority were disqualified almost immediately.

The young woman that I described earlier never did submit an application. And sad to say, I heard just last week that she has relapsed. Because of privacy considerations, I still don't know what her problem was. I mean, drugs or alcohol.

The point that I'm trying to make is that I believe that our veterans need a special way of their own to obtain these housing vouchers. The civilian commissioners on housing authorities across our nation have rules and regulations for the normal civilian population.

I think that special consideration and special tailoring is needed in helping our homeless veterans who have been exposed to the rigors of combat stress and other stressful factors involved in military service. Consider the suicide problem in Iraq for an example. The last figures that I heard are in the upper teens. That's a lot of stress. Our military people are special people, and in some cases, need special treatment as concerns housing.

On May 3, 2004, I attended a meeting of a committee on which I serve, which is making an effort to create a Veterans Haven, Jersey Shore. It is to be patterned after the Veterans Haven in Winslow Township. One of the sites being considered is the old Fort Hancock area at Sandy Hook. There are some major renovations going on at this time, mainly to house schools and colleges.

The committee also felt that the prospective homeless residents could also work for the National Park Service doing rehabilitation. The Park Service has already been contacted in this regard. The drawback here is that the NIMBYs are already at work, so we are being forced to look at alternate spots. The project is still in the beginning stage, and we are now seeking financing for the project. The preparation will cost about $200,000. Then there is the expense of professionals, insurance, et cetera.

I'm getting to the point: Section 8's. If we are successful with this program, we'll need more—we'll still need housing when the prospective homeless veterans graduate or are ready to rejoin the regular population. I'm typing this report on February 13, 2004, and a homeless vet just called my house this morning asking for a Section 8 voucher. I'm going to rush through this, because my time has run out.

In conclusion, I'd like to say that I don't believe that the Section 8 program is a cure-all for everyone. A dormitory setting may be

good for some people. But for those veterans who suffer from PTSD, for example, and those who turn to drugs and alcohol due to their military service, I think that the Section 8 program for veterans can be the difference between success and failure in their attempt to make the recoveries from substance abuse, with the help of their families, in a home setting.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Manning appears on p. 110.]

Mr. BOOZMAN. Thank you. Mr. Martinez.

STATEMENT OF CARLOS MARTINEZ

Mr. MARTINEZ. Thank you, Mr. Chairman. It's my pleasure to come before you today to speak on this vitally important issue of homelessness among veterans, and to share with you my perspective based on 31 years of service with the American GI Forum National Veterans Outreach Program.

In consideration of the time constraints, I will summarize several of the points I presented in my full testimony that has been submitted for the record.

The American GI Forum Veterans Service Center provides services that include Veterans Work Force Investment Program, the Homeless Veterans Reintegration Program, a HUD-funded Veterans Integration Program for job placement, along with a wide range of support services. The centrally-located building, acquired in 1995 using a VA's Grant and Per Diem Program, also houses a full-time Disabled Veterans Outreach Program representative with a state-wide job bank, counselors from the VA's Vet Center, and a Health Care for Homeless Veterans Program.

The center will also be adding a nearby building that will provide 80 transitional beds and 30 single-room occupancy apartments for homeless veterans by October of this year. This comprehensive system of services is referred to by many people as the "veterans one-stop center" in San Antonio.

The American GI Forum NVOP further added to this continuum of care with two economic development projects introduced in 1997: the Veterans Enterprises of Texas, which is a box manufacturing plant, and the American GI Forum Weatherization Company, which is a specialty company that makes houses or apartments of low-income individuals more energy-efficient.

These companies serve two primary objectives: to generate income that the organization uses to fill gaps for more support services and other special needs; and secondly, to create job opportunities for homeless and disabled veterans. The two companies created approximately 30 new permanent jobs. And during peak loads, additional temporary jobs are created, which are perfect for training homeless veterans in sheltered job environment while their case managers continue to work on their recovery plan.

Although a forerunner to Public Law 107–95, I believe that the NVOP is a community-based model that illustrates the benefit of coordination between the VA, HUD, and DOL programs that the legislation promotes. Public Law 107–95 acknowledges the integral role provided by community-based organizations, and wisely included technical assistance support that will expand the roles of community-based groups serving homeless veterans.

I also commend the U.S. Department of Labor for introducing a new category of HVRP funding for intermediary agencies that will mentor new agencies into this service. Expanding the roles of agencies serving veterans is applauded. However, in this case, the new categories funded from the same HVRP appropriations, which trades off current successful operators for new untested applicants.

I would suggest additional appropriations within the already authorized 50 million for HVRP to fund this worthy idea at a realistic level that would have significant impact on the objectives of Public Law 107–95 of ending chronic homelessness by 2011.

In my view, Public Law 107–95 introduced all the vital elements that are necessary and adequate for addressing the problems of the homeless veterans, with one exception: permanent housing. A permanent housing option, like the HUD-funded single-room occupancy apartments, provide a critical step in the recovery for some that need to stay connected to a community of peers for an extended period. However, one of the difficult barriers to the use of these funds by many smaller agencies is that HUD requires a dollar-for-dollar match for non-federal dollars.

I would suggest that HUD allow other government funds as a match, or at the very least, to reduce the match requirement. And I would also encourage this committee to add permanent housing to the Grant and Per Diem Program. In fact, the Grant and Per Diem Program is one of the most critical programs for treating the homeless veterans, and this committee must consider additional funding in order to reach the communities currently not participating. Housing is a base need.

In closing, I would like to reiterate that the veterans one-stop center model that our organization uses is very successful, because veterans have a very different perspective when entering a place of service. They see entitlements, while civilians see them as social services.

Case managers working with homeless veterans must understand two worlds: the world of veterans benefits and entitlements, and the civilian world that has many other vital services that can be accessed for the veteran.

And thirdly, veterans helping veterans has been proven over and over as the most successful approach. One-stop centers for veterans, I believe, is a key ingredient for the daunting task of ending chronic homelessness by the year 2011.

I want to thank you all for this personal opportunity to present my views to you, and I want to thank all of you for your service to the veterans.

[The prepared statement of Mr. Martinez appears on p. 116.]

Mr. BOOZMAN. Thank you. Mr. Manning and Mr. D'Arcy, how would you characterize HUD's responsiveness to the needs of veterans seeking housing assistance?

Mr. MANNING. Mr. Chairman, I just think that the Section 8 vouchers—there's a new term for them now, the—what is it called?

Ms. BOONE. Housing Choice.

Mr. MANNING. Housing Choice vouchers should be administered by the VA. As I said, apparently, the fees are not there for the Housing Authority people. For every Section 8 voucher that our Authority leases up, a certain fee is given to our Housing Author-

ity. And that is apparently what I ran into when I asked these people about how a VA Section 8 voucher would work. They don't even want to know about that, because there's no money in it for them.

We need somebody that's going to help the veteran, and somebody to administer these vouchers, as I see it, without—in other words, it has to be tailored. You can't simply say—as my Authority says, you have to wait 7 years before you can even apply. And if there is a probationary period or something, you're just eliminating—we try to include the veterans. As it turned out, we eliminated the veterans. It was just a waste of time and spinning of wheels. That's why 107–95 was so important, and we were so happy when we thought we were going to get these vouchers. But they were never forthcoming.

Now, how they could be administered, I really don't know. I'm not in that area. But I get a constant barrage of phone calls. I'm at my VFW hall every day. And right now, we're going to go into a season where we're going to have more people sleeping under the boardwalk and on the beaches in New Jersey, because the warm weather is here again. But they come out of the woodwork then, you know? And a lot of them are veterans.

But that's what I would think. Apparently, the Housing Authority in Neptune is not the answer. It has to come from within the veterans organizations, I believe.

Mr. D'ARCY. Mr. Chairman, if I might suggest for these pilot programs that the Department of Veterans Affairs seeks to do around the country, it would be best if a pool of vouchers were designated to support those projects exclusively.

And the reason I say that is in Chicago, the Chicago Housing Authority is the local distributor of Section 8 vouchers. And we went to them, and we were treated—we were welcomed and treated well. But we are just one more voice competing for all these vouchers in the City of Chicago while they demolish these high-rises and try to put people out into the community in mixed neighborhoods.

So I think if the Congress wants the pilot projects for veterans to work, the Congress should say, "Here's a pool of Housing Choice vouchers specifically for these projects, and nobody else touches them." That's my recommendation.

Mr. BOOZMAN. Again, Mr. Manning and D'Arcy. How many vouchers could you use in helping the veterans gain housing?

Mr. MANNING. Mr. Chairman, in my Authority, out of those 58 that we were awarded in January of 2003, they're just about being used up now as we speak. But a few more have become available again, because some of the people worked themselves out of the need for the Section 8 or the housing assistance. So, you know, we do have a few more to issue.

I would say in my area alone, the Asbury Park/Neptune area, maybe central New Jersey, if we only had 50 a year, it would be a step in the right direction. But again, it has to be tailored to the person's needs. That seven-year thing, it just doesn't apply to veterans.

Because simply by veteran, man or woman—we have them both in Vets Haven right now—simply by going to Veterans Haven for help, they're admitting that they have a problem. And then if there's any conviction at all anywhere along the line, it's going to

show up in their application. So they're almost automatically disqualifying themselves.

That's why it's so difficult. That's why it has to come from the veterans community, as opposed to the civilian community, I think.

Mr. D'ARCY. Mr. Chairman, for our proposed St. Leo project, we're asking for 70 vouchers. That's one voucher for every two units. And the reason we're taking that posture is that we know that veterans are people who have been very productive in their military life. They've hit on bad times. But we can work with them and get them back into a life of productivity.

So we think if we have a safety net of 70 vouchers for half the units, the folks who may have a harder time getting started would be put in those units that have the vouchers. The other folks will be employable. In short order, they'll start paying rent.

How many you need, I think you need one voucher at least for every other unit in the 5,000 units that the pilot project entertains. Optimally, maybe one voucher per unit, but that may not be viable.

Mr. BOOZMAN. Thank you. Ms. Boone, in fact, you know, everybody else would like to comment also. We really are making progress with the VA homeless programs, and yet we have problems. What do you feel like are the most pressing problems that we've got right now in the management of the programs, and what do you want to see as far as specific things changed?

Ms. BOONE. Well, probably the biggest issue is its inconsistent delivery, you know, across the networks. It's inconsistent about you can have good programs. And, I mean, the panel this morning spoke to that. You know, it's not consistent about the services. If you're in one state, you may get really good services. If you're in another, you may not.

I field calls from homeless veterans every week, because we have an 800 number, and people call us asking for assistance. And critical in that sort of triage I do is "What city and state are you in?" Because then I have to determine whether there's even a VA close to them, and if that VA is responsive to homeless veterans, if they have enough resources for homeless veterans, and then where else can you sort of network them. There is not a consistent delivery system, so it really depends on where you are.

So I would like to see that in terms of the VA can do that, too, through their management of the programs.

The other thing is we really—the Grant Per Diem Program is—we represent primarily community-based organizations, and that is a really critical piece of resources for community-based organizations to deliver services. And they are the ones that are typically housing the veteran and providing all the, you know, case management, and doing all those things to get those pieces of service delivered.

And the Grant Per Diem Program is very small compared to the need out there. And the VA has not consistently—it's up to them. It's not an appropriated line item. It's up to the Secretary to move the dollars from his VA budget into that program. And consistently, the VA has not, you know, put the spending into the VA Grant Per Diem Program at the level, and now we're asking for it to be raised. And so how difficult is that going to be? So we're

never going to have enough beds until there's, I think, a more sense of urgency to do that.

Mr. BOOZMAN. Mr. Rodriguez?

Mr. RODRIGUEZ. Thank you. Let me just also indicate that—I know the Chairman probably feels the same way, that the fact that we don't have too many members here is not indication of our commitment. I know I had three committees going on, and we have a hearing on Iraq in the Armed Services Committee. A lot of our members are on the Armed Services, so I wanted to apologize for some of us coming and going.

Let me also take this opportunity to thank you for the services that you do provide, and I know the difficulty that you have in seeking those resources to make that happen. So, you know, from the bottom of my heart, let me thank you for what you do for all our veterans out there.

And I wanted to ask Carlos Martinez—I know you've been at it for some 31 years there? I wanted to just get your feedback in terms of where—and I know you had some recommendations that you've made—but, you know, in the process of those 31 years some of the pitfalls, and what do we need to do in addition in terms of streamlining? You know, and especially now where we're at with the veterans coming out of Afghanistan as well as Iraq, what are some of the things that we might need to do from that perspective, and what are some of the lessons that—and that might apply to the rest of you in terms of lessons that we've learned—and what do we need to do?

Mr. MARTINEZ. Thank you, Mr. Congressman. You know, I guess looking at it over the course of 31 years, what I can see is a lot more acknowledgement of the problems that the veterans bring with them as they're exiting the military service than we did previously. And I know that our organization was founded because of that problem as the Vietnam veterans were returning and were not—the society was just not recognizing that they had these problems.

I think in dealing with the homeless veterans right now, I think the concentration of efforts is there. I believe that we're stepping in the right direction when we talk about coordination between DOL and VA and HUD.

However, at our end of the spectrum, at the community-based level, it's very hard, because things are not often synchronized. We may get a per diem grant at one point of the year and not have any matching dollars available until 8 months later, which makes it very difficult for us to coordinate these things.

The issue of dollars for small community-based groups is always a problem. Even our organization that has businesses that generate that extra money, it's still very, very challenging for us to be able to take a multimillion-dollar project on creating housing. But we do it because that's our vocation. That's what we're there for and why we want to be there.

But I believe that, at least in my view, I sense that the Congressmen serving on this Veterans' Affairs Committee have always demonstrated a lot of interest, a lot of knowledge, and a lot of sensitivity to the problems. I think you guys do great. It's just when it

gets into the hands of the different departments that things are interpreted a bit differently.

And I think that's where we need to be more careful, I believe, that the actual intent that you have be carried out. And I think several examples were given to you today that you thought you had mandated to have some domiciliary units put out there, and they weren't. And you thought you had some vouchers out there, and they weren't. And so on. So I believe that that might be something that the committee needs to look at.

And I think some of the critical problems are if you take a person, an individual that's homeless out there, they've got problems. You're going to take care of them very quickly if you get them a job, if you get them treatment for their problems. But in order to do that, you have to get them the shelter, you have to get them the coordination of all these varied services. Because their problems are not all in a box. They bring in all kinds of different types of problems.

So we have to have that flexibility at the local level. And I believe that the idea of 107–95 to include more of the locally-based community-based organizations is also very instrumental in reaching this community. Because for the most part, our offices are just down the street from where they hang out. And they feel comfortable coming in to talk to us.

And as I stressed in my points, I still believe that, again, because of the 31 years of experience, veterans dealing with veterans is the best approach.

Ms. BOONE. One of the concerns that the National Coalition for Homeless Veterans has is these returning veterans and the prevention of homelessness. We have spent a lot of time over the last 10, 15 years managing the homeless veterans we have, but we have spent very little time on prevention. And that's why we think H.R. 1906 that Representative Evans introduced is a key piece of legislation.

But what we would like to see is DOD at this table, at a witness table. Where is their culpability in creating homeless veterans? They have not actively participated in helping provide a solution to preventing homelessness, and we'd like to see this committee, and particularly people on this committee that serve on Armed Services, to take a more active role in bringing the Department of Defense to the table on the homeless veteran issue.

We know from VA numbers that since 1973, male veterans are 1.3 times more likely to be homeless than their non-veteran counterpart. Female veterans are 3.6 times more likely to be homeless than their non-veteran counterpart. And so where the heck is DOD in this solution? And we think they need to be there.

Mr. RODRIGUEZ. Let me ask you one additional question. And you might not have any idea, or you might not even care, but I keep bringing it up. I brought it up, I think, when we had the hearing in San Antonio. I'm concerned about the number of veterans that are in prison, especially for substance abuse and the non-violent types of crimes. I'm wondering if anyone is doing anything in those areas. I really feel that we ought to be doing something, because I know a good number of them might be there because of self-medi-

cation and that kind of thing. So I just wondered if anyone wants to comment on that.

Ms. BOONE. Public Law 107–95 called for some pilot projects, and the Department of Labor and the Department of Veterans Affairs are implementing some pilot projects to do some in-reach into the prison systems and to help veterans that will be released from prison in their transition. So those pilot programs are just being—they just started.

And the Department of Labor gave us, the National Coalition for Homeless Veterans, a technical assistance grant to write a booklet for veterans that are incarcerated to prepare for their transition so that they will prevent some homelessness. And so that pamphlet is available. And just last week, we had a horrendous response. And we have 65 letters. Normally, I get 10 to 20 letters from prisoners every month. But just over the last 2 weeks, we've had over 65 letters we've responded to to send packets in to prisons to help veterans to plan their transition.

So there are some pilot things happening. I would watch this real close, and then figure out what needs to be done next, how effective they are.

The Department of Veterans Affairs, on a small scale, is doing some in-reach with, like, their vet center people and sometimes hospital people. But we are definitely concerned about that, because it's a prevention activity, and we need to spend more time on prevention so that we don't have to deal with this problem later.

And we feel like—tomorrow—the National Coalition for Homeless Veterans, we're in the middle of our annual conference. It started today, and we have about 300 people here in the city that are community-based providers from all over the United States. And tomorrow afternoon, we're having—in room 340, we're having a round table of homeless veterans. And we have a veteran from the Iraq War, we have a veteran from Desert Storm, and three other veterans from the 1990s, that were released in the 1990s, that are going to share their stories.

And I think that we need to take really good notes about this. What can we do about the prevention? Where did we screw up that we haven't learned in the last 35 years? You know, where are the missing pieces that we're not paying attention to that could prevent this? And I don't want to be, you know, dealing with this 20 years from now, still having such a huge number of homeless veterans. We should get smarter about prevention.

Mr. MARTINEZ. I would echo, certainly, that specific point, prevention. And as we deal with the incarcerated veterans, that's a problem. Because the recidivism is high with all prisoners. But in our community with the homeless veterans we're dealing with in the Fabian Dominguez Unit, we do have the Texas Work Force Commission involved in in-reach. And we do some—we do the receiving. As they counsel them, they send them out in the community.

But again, the number is growing. It's a huge number that's going to be exiting over the course of the next 10 years, so we had better prepare for it. And four projects or five projects that DOL funded across the country is not going to do it.

Mr. RODRIGUEZ. Thank you very much.

Mr. BOOZMAN. I want to thank the panel, again, for coming. I think all of you all are tremendous examples of how people can get involved and really have made a tremendous, you know, difference in the lives of lots of folks. And so we really do appreciate your advocacy. And you've been very, very helpful today.

The meeting stands adjourned.

[Whereupon, at 2:06 p.m., the committee was adjourned.]

APPENDIX

Opening Statement
Honorable Rob Simmons
Committee on Veterans' Affairs
Full Committee Oversight Hearing on Homeless Veterans
May 18, 2004

Mr. Chairman I want to add a few points to the discussion that I believe are pertinent.

As important as it is, homelessness is only a by-product or perhaps a symptom of the disease process in which homeless veterans find themselves. As you indicated, nearly half of homeless veterans have serious mental problems, and close to three quarters of them are addicted to drugs or alcohol or both. Our landmark legislation identified veterans at risk of homelessness, to include those discharged or released from institutions after inpatient psychiatric care, substance abuse treatment, imprisonment or jail for criminal activity. Our law established an interagency mandate to coordinate outreach services to these veterans, in an effort to stem the problem at its root, rather than to simply provide services later when these veterans already are on the streets.

It is my understanding that the Northeast Program Evaluation Center (NEPEC) recently conducted a survey of over 600 homeless veterans. On average, these veterans reported that they first became homeless 14 years **after** their discharge from military service. When asked whether their military experiences contributed to their becoming homeless, most—69 percent--said "not at all." When the other 31 percent were asked what about their military service had increased their risk for homelessness, 75 percent named substance use that started during military service, 68 percent said inadequate preparation for civilian employment and 60 percent mentioned loss of the structured life of the military. Clearly there are insights to be gained from their perspective and this survey. I want to thank the NEPEC for its fine work in this area.

The NEPEC, as you may know, is located on the West Haven Campus of the VA Connecticut Health Care System. It was established in 1987 to evaluate VA programs for veterans with PTSD, for homeless veterans, and for severely mentally ill veterans, and the NEPEC fulfills an important role. Their contributions in this area are specifically relevant and I wish to especially acknowledge Dr. Robert Rosenheck, the Center's

Director, for his dedication to providing sound science to these challenges.

I think VA, HUD, HHS and Labor all need to intensify their efforts to examine the phenomenon in which homelessness, especially in the chronically homeless population, occurs. Homelessness is a symptom of more complex problems. We need to discover why the homeless are addicted and suffer from a variety of mental illnesses and thoughtfully strive to obviate root causes. These organic and addictive behaviors are like the snow and ice on a slippery slope that leads one to homelessness.

I agree with you, Mr. Chairman, that homelessness is a national embarrassment in the richest country on the face of the earth. When it shows up in the veteran population, it stings and hurts me as a veteran. I think our oversight needs to focus not only on how VA, HHS, HUD and Labor are executing their various programs, but also how we are rising to the challenge and exploring approaches that get at the underlying problems. "No place to call home," "out on the streets," and "living under a bridge" are unacceptable outcomes for veterans struggling to reclaim their dignity and their lives.

Shared outreach, coordinated and holistic treatment approaches, employment opportunities and affordable housing solutions are the only hope we have of fulfilling our goal to end chronic homelessness. These are the hard cases, and we need to work hard for them.

Statement of
Congressman Jeff Miller of Florida
Hearing on Homelessness
Committee on Veterans' Affairs
May 18, 2004

Thank you, Mr. Chairman.

I am pleased to be here today, and I want to thank all of the panelists who have traveled great distances to share very important information with us. I look forward to hearing about the relationships that exist between VA and community-based providers around the nation.

Homeless veterans are a critical challenge, and this Committee has long worked hard not just to mitigate, but to eliminate this chronic problem. Through two major pieces of legislation in the past five years alone, this committee has given VA the necessary tools to provide a unique range of services for homeless veterans. VA now provides outreach, case management, clinical care, residential treatment and rehab, managed residential placement, care for serious mental illnesses and substance-use disorders, and housing initiatives for homeless veterans.

In some places around the country, these VA resources have been utilized to their fullest extent, such as in VISN 3. I have read John Kuhn's testimony, and I look forward to hearing more about the innovative techniques that your program has employed to provide such wonderful housing and employment opportunities to your beneficiaries. Messrs. Valentino, Owens, and McNair, you are inspirations to each of us, as well as to your fellow veterans. I commend your dedication, and I thank you for coming here today. Your testimony is invaluable.

I also look forward to hearing from all three federal departments most directly involved in homeless assistance to veterans. You have made some progress in implementing new mandates, but a number of gaps still remain. This Committee looks forward to hearing today about your plans to pick up the pace on still-pending initiatives. We need to end completely this epidemic.

Thank you, Mr. Chairman.

STATEMENT OF CIRO D. RODRIGUEZ
RANKING DEMOCRATIC MEMBER
SUBCOMMITTEE ON HEALTH

COMMITTEE ON VETERANS AFFAIRS
OVERSIGHT HEARING ON HOMELESS ASSISTANCE PROGRAMS
FOR VETERANS

MAY 18, 2004

Thank you, Mr. Chairman. At the end of 2001, Congress enacted the best of two good bills for America's homeless veterans introduced by the Chairman and Ranking Member of this Committee.

Provisions from the bill addressed many of the most problematic areas in VA health care delivery and benefits for homeless veterans, including preventing homelessness in high-risk populations, addressing gaps in the mental health infrastructure, providing additional opportunities for vocational training, and securing additional supportive transitional and permanent housing solutions for veterans who are ready to change their lives.

In order to help homeless veterans, the most successful mental health programs must be available "at the right time, in the right place" for the veterans who need them. Homeless veterans often rely upon these programs as the foundation for their sobriety and ultimate recovery.

The Homeless Veterans Comprehensive Assistance Act attempts to ensure a stronger VA mental health infrastructure in many areas across the country. Homeless veterans need mental health programs to pull their lives together. Chemical dependency, social isolation, outdated or forgotten vocational skills, mental illness and chronic physical illnesses are often associated with homelessness and compound the problems veterans confront in getting their lives back on track.

Unfortunately, it appears the building blocks are not always in place to address these fundamental problems and as long as that is true, the whole infrastructure meant to serve homeless veterans will falter.

-over-

There are solutions, but VA clearly cannot solve the problems underlying homelessness alone. No one knows this better than my good friend Carlos Martinez joining us today from the American G.I. Forum National Veterans Outreach Program in San Antonio. His operation is one of the best examples of bringing together multiple funding streams and community resources to help our homeless veterans. Carlos, welcome, and thank you for your work on behalf of San Antonio and the Nation's veterans. I look forward to hearing about your successes and challenges later today.

Experts with years of experience are needed to advise VA. VA is to be commended for quickly establishing a high-profile Homeless Veterans Advisory Committee. This Committee has already made recommendations to improve VA's programming and partnerships. I'm pleased that VA saw fit to seek an increase in its homeless grant and per diem program as a result. I note that the Health Subcommittee has already marked legislation to address this recommendation.

The Inter-Agency Council on Homelessness has been re-energized to discuss effective means of addressing the best approach to bringing federal programs' resources together to meet the needs of homeless people. Under the leadership of its new chairman, Anthony J. Principi, it must continue to specifically address the needs of homeless veterans.

Other provisions are clearly lagging. I am particularly concerned about the status of the special needs grants for groups of veterans that are not well suited to vocational rehabilitation, including terminally ill veterans, frail elderly veterans, and veterans with severe mental illness. VA has not made as much progress with outreach initiatives as we would have hoped; in addition, while VA has finally gotten started with an initiative we passed in 1998, awards of multi-family transitional home loans are still some time away.

Mr. Chairman, thank you for holding this hearing. I will look forward to the testimony of our witnesses.

STATEMENT OF LANE EVANS
RANKING DEMOCRATIC MEMBER
COMMITTEE ON VETERANS AFFAIRS
OVERSIGHT HEARING ON HOMELESS ASSISTANCE PROGRAMS FOR VETERANS

MAY 18, 2004

Thank you, Mr. Chairman. About 2 ½ years ago, we passed ambitious legislation to assist homeless veterans. In crafting two separate pieces of legislation which, together, formed a comprehensive whole, I believe we set the stage for allowing VA, other governmental agencies and private-sector partners to meet the goal of eliminating chronic homelessness among veterans in a decade.

There is cause for optimism. Many of our panelists are helping veterans return to productive and fulfilling lives every day. They have innovative and collaborative approaches to addressing the challenges they face in meeting their important missions and keeping their programs afloat financially. I will also be pleased to hear from our veterans who are recovering from homelessness. You give us reason to hope. I salute you.

There is also cause for frustration. VA and other agencies have made little progress in implementing some of the good provisions we enacted in the "Homeless Veterans Comprehensive Assistance Act."

Now, we have a lot of work to do in the next 6 ½ years if we want to meet the goal established by both Congress and this Administration. It appears that, despite good efforts, there remain about the same number of homeless veterans. Troops demobilizing from a difficult deployment in which many experienced combat and other stressors will likely add to the challenges of meeting needs.

We have said often in this hearing room that there is no silver bullet for curing homelessness. Rather it takes the collective efforts of a number of committed partners. It requires a continuum of coordinated services to meet the needs of highly vulnerable people. Yet there are few more worthy goals.

Mr. Chairman, again, thank you for your persistent advocacy on behalf of those veterans who are often not able to advocate for themselves. I look forward to the testimony of our witnesses.

OPENING STATEMENT OF
LUIS V. GUTIERREZ
COMMITTEE ON VETERANS' AFFAIRS
Full Committee Oversight Hearing on Homeless Assistance Programs for Veterans -- Implementation of P.L. 107-95, the Comprehensive Veterans Homeless Assistance Act of 2001

TUESDAY, MAY 18, 2004 10:30 AM

Mr. Chairman, I thank you for holding another hearing today to examine the VA's work and services to our nation's homeless veterans. Unfortunately, homelessness is found disproportionately in the veteran population - about one in three homeless adult males has served our nation in the Armed Forces. Although providing the construction and funding for transitional housing for these veterans is an essential part of stemming the tide of homelessness, it is not a panacea. Mental illness, substance abuse and other challenges our veterans face can often contribute and exacerbate the problem of homelessness. I look forward to hearing from our panelists today on VA's outreach services and how we can better support our veterans with the end goal of decreasing and moving swiftly to eradicating homelessness among the veteran population.

I am specifically looking forward to hearing from our panelists today about VA's outreach work with the Federal Bureau of Prisons. Regrettably, it is too often that I hear stories of some of our more troubled veterans returning to civilian life without the slightest idea of what services are available to them through the VA. I am, however, optimistic that the VA can do a better

job of identifying these veterans and assisting them with finding adequate employment opportunities and housing.

Lastly, I would like to acknowledge Bill D'Arcy, chief operating officer for Housing Development at the Catholic Charities of the Archdiocese of Chicago. Mr. D'Arcy came to my office recently to brief me about his work with the VA in Chicago and their innovative St. Leo's Veterans Residence and Health Clinic to be built on the South Side of Chicago. I look forward to hearing an update on the project and to ask a few questions about how our Committee can better ensure that the increased number of HUD-VASH vouchers we legislated here can be best utilized. As I am sure the panelists will attest, these vouchers are desperately needed, and I look forward to working with my colleagues to make them available.

I thank the panelists for coming today, and I look forward to your testimony.

Opening Statement
HVAC Hearing 5-18-04
Full Committee Oversight Hearing on Homeless Assistance Programs for Veterans
Rep. Tom Udall

Thank you, Mr. Chairman.

Less than three years ago, this Committee passed the Comprehensive Homeless Veterans Assistance Act of 2001. That meritorious bill was the result of bipartisan efforts to combat homelessness in the veteran population, and the hope of our Chairman and Ranking member was to end homelessness within a decade. It was—and still is—a worthy goal, with steps being taken to reach it.

The night that bill was signed into law by the President, I told my constituents that their government had just taken one of the most progressive actions in history to

help fight homelessness among the veteran population. I hope I can I tell my constituents today that the law is working; that all of the programs—outreach, dental care, mental health treatment among them—are being carried out in timely and efficient fashion.

In my state of New Mexico, in Albuquerque alone, over 1,500 veterans are without homes. Unless we aim high, we will never end this problem. It is crucial that we recognize that homelessness is not a long-term sentence, but with the right programs, encouragement, AND implementation of these programs, homelessness can be conquered.

I look forward to hearing from our panelists about what they are currently doing to fight homelessness, what

must be improved, and what their goals are for this epidemic.

Thank you, Mr. Speaker.

STATEMENT OF
JOHN KUHN, LCSW, MPH
CHIEF, HOMELESS SERVICES
DEPARTMENT OF VETERANS AFFAIRS
NEW JERSEY HEALTH CARE SYSTEM
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES

MAY 18, 2004

Mr. Chairman and Members of the Committee: It is an honor to appear before you today. This Committee's innovation, passion, and bipartisan effort have produced legislation that has meant life to thousands of veterans. At a local level, I have been incredibly fortunate to work in a Veterans Integrated Service Network (VISN) that has matched that commitment by making service to the homeless a priority. Not only has the VISN maintained funding support, but it has created an environment where innovation is encouraged, leading to the development of exciting new rehabilitation opportunities.

Homelessness is a terrible symptom of the corrosive effects of substance abuse and mental illness. These chronic, life-threatening disorders need to be addressed with the same urgency as any other serious illness. At a time when our medical outlays are soaring, the secondary effects of drug and alcohol abuse account for a large percentage of U.S. medical expenditures. If these dollars had been spent on earlier mental health interventions, costs would be lower and the toll on lives would be reduced.

An increasingly common outcome for impoverished substance abusing veterans is prison. Our jails are filled with drug offenders. A recent study found that 80% of New Jersey's inmates have substance abuse disorders, yet only 10% receive treatment. Often when they are released from prison, still untreated, they return to environments where they cannot find work and face the prospect of homelessness. Fully half of the veterans we treat in VA New Jersey Homeless Services have felony histories. Almost every homeless veteran we treat has a

substance abuse disorder. Furthermore, substance abuse has ripple effects that tear apart families, creating a cycle of neglect and poverty. VISN 3 is actively involved in outreach to incarcerated and paroled veterans. We expect these promising initiatives to reduce recidivism and prevent homelessness.

At times the breadth of challenges facing homeless veterans can seem insurmountable. Focusing only on problems and barriers can cause us to lose the sense of vision needed to make a difference. Fortunately, there are solutions available to us that can save lives. Everyday VA helps veterans who feel they are lost and without hope rediscover their humanity. Given the magnitude of homeless veterans needing our care, it is a major challenge for VA to establish the capacity to meet the needs of all these individuals.

It is misery that brings homeless veterans to our door. Sick, tired, and hungry, these men and women come to us seeking relief. Attending to their immediate, essential needs is only the start of the recovery process. In any intervention addressing homelessness, housing naturally plays a critical role. However, as the veterans sitting here today have shown me, addressing homelessness requires far more than a place to live. These veterans have taught me that our focus cannot simply be on the mechanics of developing housing. We must set our sights on what all men seek—meaning and through that sense of meaning, hope and happiness. Research suggests that there are three main components to happiness: spirituality, purpose (usually derived from work), and a sense of belonging (derived from family and/or friends). We have worked with a singular focus to provide our veterans with these tools. Through different paths, the veterans sitting with me today have played active roles in giving back to others. They all hold jobs that allow them to mentor others and experience a sense of purpose. They have all gone through a process of discovering themselves and their inner strengths.

VISN 3 has emphasized a comprehensive and coordinated approach to

rehabilitation by organizing an integrated Network of Homeless Veterans Programs. This service line has pioneered vocational rehabilitation programs that have produced opportunities to gain living wage careers. You will hear from the veterans seated here about their own unique paths and how they found their way not only out of homelessness, but also how they found a sense of purpose. O'Craftsman Contractors, opened by Ralph Owens, has allowed us to develop a construction business—one that has now rehabilitated almost 100 units of housing for homeless veterans. Robert Valentino, the Marketing Director of Moving America's Veterans into Employment and Residences In the Community (MAVERIC) and Manager of the Golf Driving Range at the Lyons Campus of the VA New Jersey Health Care System, directs a business that now generates revenues capable not only of employing veterans but also generating sufficient funds to open new businesses and housing. Thaddeus McNair, as a nursing assistant trainee, may soon be helping other veterans struggling with serious physical problems and may ultimately pursue a career as a registered nurse. I cannot thank these veterans enough for the caring they have shown and the inspiration they have elicited in others.

I also want to give my personal thanks to Pat Troy, the Associate Director for Patient Care Services at the VA in New Jersey. He saw a unique opportunity to help the veterans we serve while developing candidates to fill desperately needed nursing assistant positions at the VA Medical Center. He launched the innovative nursing assistant training program that has involved 15 formerly homeless veterans, including Thaddeus McNair.

Not all of the skills taught to the veterans we serve need to be offered by the VA. Thanks to our community partnerships, we can offer a range of interventions that help veterans attain their goals. A wonderful program offered by Craig Panzano at a local YMCA, called the Adventure Program, teaches veterans just off the street trust and communication skills. It also helps them to bond as a unit—once again a part of a squad working together to accomplish a mission.

For the past several years, we have worked with Mike Armstrong of Community Hope to develop VISN 3's first housing for seriously mentally ill veterans. This project is supported by a VA per diem grant, as well as over $600,000 in funding from the State and County. If it wasn't for the active involvement of many interested and caring participants, this project could have never taken place. Kenneth Mizrach, my Director, made an empty hospital building available to Community Hope so this project could move forward. United States Congressman Rodney Frelinghuysen advocated with Federal, County, and State officials, helping the project secure critically needed funding.

The incoming New Jersey State Commander of the American Legion, Jim Viliard, and the Commander of the American Legion Auxiliary, Penny Kraus, have launched a bold new initiative to create transitional housing for homeless veterans. They expect to raise $100,000 over the next year. This initiative not only creates essential housing, but it also energizes others to action. This "can-do" spirit, if matched in other states, could have a significant and lasting impact on resources available to help homeless veterans.

Working with Carroll Thomas, the Middlesex County Economic Opportunity Corporation (MCEOC) and Veterans Industries have been able to open several businesses, a furniture store, a golf driving range, a greenhouse, a bagel shop and a transportation system. These businesses have employed scores of veterans.

MCEOC is also a Head Start provider. Its expertise in working with children has led us to develop one of the only VA housing programs that has the capacity to serve women and children. MCEOC will open a ten-unit transitional residence housing women and, if space is available, their children sometime this summer. Carroll Thomas's vision, innovation, and commitment to homeless veterans has produced transformational changes in the rehabilitative services the VA can

provide. Initiatives such as these, coupled with VA's plan to make grants to assist special needs populations (women, including women with children, chronically mentally ill, frail elderly and terminally ill) will do much to address the needs of the growing female veteran population.

These programs can be replicated at other VA's. They offer a source for meaningful opportunity and a reason for hope.

Thank you for your time. I will be happy to respond to questions from the Committee.

Written Statement of Richard A. McCormick, Ph.D.
House Committee on Veterans Affairs
Hearing on Homeless Veterans Comprehensive Assistance Act
May 18, 2004

In my over thirty years of service as a clinician and mental health administrator in VHA, which included responsibility for directing all mental health and homeless services in VISN10, as well as national roles such as Co-Chair of the Committee on the Care of Severely Mentally Ill Veterans, and mental health representative on the national Task Force for Evidence Based Practice, and this past year as a CARES Commissioner, I have had the opportunity to observe closely and be part of VHA's efforts to fight and prevent homelessness among veterans. I have met and worked with many homeless veterans. They are not always well understood; their characteristics and challenges buried in important but dry statistical data. It is their perspective that I shall try in some inadequate manner to communicate to you in these few minutes I have today.

Joe is an army Vietnam veteran with a chronic, persistent substance use disorder, one of the 776,000 veterans that the President's National Drug Control Policy estimates need treatment. Seeing him on the streets of a major city it is easy to think of him as just another substance abuser, but he is a member of a unique subset of persons with this disease. He served his country honorably, succeeded in the structure and rigors of the Army, and got his habit in a jungle, coping with the stress of an increasingly unpopular war. It's not the only thing that keeps him homeless today, 35 years later, but it has to be attended to before any other rehabilitation efforts will work. If he had read the paper he used to cover his head on a park bench over a year ago, he may have seen a story about the President, with sincerity, announcing a government wide initiative to improve substance abuse treatment. If VA had at least given him a copy of its 2003 report to Congress on maintaining Capacity he would have read that the very next year VHA again DECREASED its investment in substance abuse treatment, treating 5% fewer veterans than the year before. He wanders the streets in a VISN that has reduced the number of substance abusers it treats by 40% since 1996 when the Congress mandated there would be no decrease and spends barely a third of the funds on substance abuse treatment it did six years ago. One of 20 out of the 21 that have reduced services.

John is a navy Gulf War veteran with schizophrenia, one of the 117,000 service connected for psychoses the most severely debilitating of mental disorders, that emerges at a time of life when the stress of military service is in play. He sleeps in a shelter, fearful, having been trans-institutionalized to the streets and jails. He was the obviously distressed and dispossessed poster child on CBS news many years ago that raised public awareness about homelessness, but the VA Homeless programming parade is an emperor without clothes for him, they focus on higher functioning patients, most treat very few severely mentally ill, some none. This might not matter if he had access to Intensive Community Case Management, an evidence based, expensive intervention that works, but he lives on the wrong side of a state boundary. One state over VA has teams in every major city, in his state they have none at all.

Harry is a marine sergeant, discharged honorably, but in his view always a marine. He was

lucky, he survived the retreat from the reservoir in Korea. Still, in his dreams, hears the voices of wounded men left behind to be slaughtered by the advancing Chinese. But he's been lucky, again, enrolled in one of the handful of PTSD programs in VA specifically targeted to his age cohort, part of a larger, well organized PTSD program at his VA. He isn't even one of the 180,000 veterans service connected for PTSD, he never applied for compensation. He tries still to keep track of his squad, and he worries about Gene, whose depression and nightmares have dominated the hidden side of his life, and are now throwing him off the track of respectability as he ages. He has few resources, has burned most bridges of support, will be homeless soon, but lives in a city where VA does many wonderful things, but doesn't provide state of the art treatment for war related trauma, especially not for Korean vets.

So, what do we all need to hear from veterans like these. VA provides some excellent homeless programs, and mental health and vocational rehabilitation programs that support them, some staffed by VA and some through partnerships. But when a veteran unpacks his gear and cleans the jungle rot, or sand, out her boots whether she can access services to keep from being or remaining homeless depends not just on what she needs but where she returned home to. This is a current American tragedy.

What is the problem and what can be done? I believe the problem is more than one of funding. It is a failure of management in VHA to ensure that a consistent, adequate array of services are available across the system. Decentralization has had many benefits for transforming VHA, but top management in VHA has abdicated its responsibility to assure there is not unacceptable variability.

This is a time of great opportunity. The Secretary has underscored this issue in his recent CARES decision memorandum, stating that "it is not acceptable that the availability of mental health services be dependent on geographic location", and a national effort for mental health strategic planning is just beginning, but I fear the moment will be lost if there is not firm committed leadership and oversight. I hope that in selecting the next Undersecretary for Health close scrutiny will be given to the willingness and ability of the candidates to provide firm, decisive leadership in assuring consistent mental health services. Without that we will lose this opportunity to assure that all the Joe, Harry, John and Marys out there now, or coming back from our current war, get what they deserve. I commend you for holding this hearing as a step in the oversight process.

Statement of
Gordon Mansfield
Deputy Secretary for Veterans Affairs
Department of Veterans Affairs
Before the
House of Representatives
Committee on Veterans' Affairs
***

May 18, 2004

Mr. Chairman and Members of the Committee:

I am pleased to be here today to discuss the Department of Veterans Affairs' (VA's) programs and services for homeless veterans. I will focus on the progress VA has made in implementing programs authorized by the Homeless Veterans Comprehensive Assistance Act of 2001, Public Law 107-95, since we last appeared before this Committee to testify on these programs in May 2003. I will also discuss our implementation of the Loan Guaranty for Multifamily Transitional Housing for Homeless Veterans Program.

First, I would like to thank Congressman Renzi and the co-sponsors of HR 4057, the Samaritan Initiative, which would establish an inter-agency grant program designed to help end chronic homelessness through the coordinated provision of housing, health care, mental health and substance abuse treatment, supportive, and other services to disabled persons who have been living long term on the streets and in shelters, including veterans. This bill incorporates a proposal submitted to the Congress in the President's FY 2005 budget which calls for $70 million in new funds - $50 million for HUD for housing, $10 million for HHS for primary and behavioral health care and $10 million for VA for case management and outreach – to support collaborative community projects that combine clinical outreach, housing and the supportive services necessary to sustain the tenancies. The Samaritan Initiative supports the President's goal of ending chronic homelessness by 2012.

I would also like to underscore VA's continuing commitment to the goal of ending homelessness, especially for veterans. VA has allocated significant resources to programs directly related to provide services and benefits to homeless veterans. The total obligations for specialized programs for homeless veterans was over $153 million for FY 2003, and the total costs of "treatment" for homeless veterans was $1.27 billion. The total costs of "treatment" for homeless veterans are currently projected to grow to $1.37 billion in FY 2004 and $1.47 billion in FY 2005. On top of this are the compensation and pension and other benefit payments made to homeless veterans. As I testified last week, serving homeless veterans is a priority for both Secretary Principi and me.

It is our mission to do all we can to eradicate homelessness among veterans. We work in a variety of venues with many partners at the Federal, State, and local levels and with faith-based and other community providers. Only through such effective and extensive collaborations, combined with innovation, can we maximize our opportunities for success.

VA's Advisory Committee on Homeless Veterans

In our efforts to identify the best way to serve homeless veterans, we have relied heavily on VA's Advisory Committee on Homeless Veterans. As you know, the members of this Advisory Committee possess special expertise and vast experience in serving homeless veterans. We have implemented many of the recommendations made in the Advisory Committee's first report and are working towards implementation of many others. We look forward to delivering the Advisory Committee's Second Annual Report in mid-summer.

Interagency Council on Homelessness / Federal and Local Relationships

To further our inter-agency collaborative efforts to assist homeless veterans, we continue to actively participate in the United States Interagency Council on Homelessness (ICH). Secretary Principi has led the Department in participation, attending each of the cabinet-secretary level meetings. He is now the Chair of the

Council. Mr. Peter H. Dougherty, VA's director of Homeless Veterans Programs, continues to serve as VA's representative to the Council's Senior Policy Working Group.

In the last year we have worked closely with the Departments of Housing and Urban Development (HUD) and Health and Human Services (HHS) on an initiative to assist the chronically homeless with housing, health care and benefits coordination. Under this initiative, $35 million has been provided to eleven communities that developed quality plans to house and serve many of our nation's most needy. This effort is based on the premise that housing and treating the chronically homeless will decrease the total costs for health care, emergency housing, related social services and justice system costs. VA is pleased to be a partner in this effort.

We also continue to make important strides at the local level. The local level is our front line: the point at which we meet and provide needed services to veterans. VA continues to collaborate with local communities across the United States in Project CHALENG (Community Homelessness Assessment, Local Education and Networking Groups) for Veterans. At regularly scheduled CHALENG meetings, VA works with non-VA homeless service providers and local homeless veterans to identify outstanding service needs of homeless veterans and to develop action plans to address those needs.

CHALENG is integral in enabling VA medical centers to strengthen their partnerships with community service providers. This leads to better coordination of VA services as well as the development of innovative, cost-effective strategies to address the needs of homeless veterans at the local level.

VA Involvement in Stand-Downs

Another avenue by which we continue to coordinate our programs and outreach efforts at the local level is through our significant and integral involvement in stand-downs. Last year, VA joined in more than 100 stand-down events in 39 states and the District of Columbia. Along with hundreds of veteran service organizations, community

homeless service providers, state and local governments, faith-based organizations, and health and social service providers, VA provided assistance to homeless veterans. More than 20,000 veterans came to the stand-downs to acquire services (a 12% increase from the previous year), including more than 1,400 women veterans (a 40% increase). Over 2,700 spouses (an 18% increase) and over 1,800 children of veterans (a 14% increase) also attended these events. While providing services to more than thousands of veterans and family members is impressive, it is the kind of care and active community involvement that makes these events truly impressive. More than 13,500 volunteers and VA employees participated in these events during the past year and more than 150,000 volunteers and VA employees have participated since we began tracking these events in 1994.

Homeless Providers Grant and Per Diem Program

VA's most significant program involving local communities continues to be our Homeless Providers Grant and Per Diem Program. As you are aware, this highly successful program allows VA to assist state and local governments, and faith-based and other non profit organizations in developing supportive transitional housing programs and supportive service centers for homeless veterans. These organizations may also use VA funds to purchase vans to conduct outreach and provide transportation for homeless veterans.

During this past year, we achieved one of our key goals: to authorize funding for at least one transitional housing program in each state. We also targeted funding to States that had no or limited veteran-specific transitional housing program. Since the program was authorized in 1992, VA has obligated $76 million to the grant component of the program. These funds are helping both to develop more than 6,400 transitional housing beds (of which 65 percent are operational) and 17 independent service centers and to purchase 128 vans.

We also offer limited grants for three-year cycles under our "Per Diem Only" funding option. Currently, 76 existing community based programs with 1,854 beds are

receiving per diem payments. This represents 49% of the almost 3,800 total beds that have been authorized for per diem only payments through per diem only rounds of funding. We expect that all per diem only funded beds will be operational within a year.

Technical Assistance Grants

With enactment of Public Law 107-95, VA was authorized to provide grants to entities with expertise in preparing grant applications. Under the program, these entities are to provide technical assistance to non-profit community-based groups that have experience in providing assistance to homeless veterans and seek VA grants or other grants relating to serving homeless veterans. Recently, we awarded the first of such grants to the National Coalition for Homeless Veterans (NCHV).

Grants for Homeless Veterans with Special Needs

Public Law 107-95 also authorized VA to provide grants to VA health care facilities and to existing grant and per diem recipients to assist them in serving homeless veterans with special needs (including veterans who have care of dependent children, chronically mentally ill, frail elderly and terminally ill). We will be moving forward with this worthwhile initiative.

Grants to Meet National Fire and Safety Codes

VA has also awarded grants to existing grant recipients to assist them in meeting national fire and safety codes. Because there are still more grantees that could benefit from this special assistance, we intend to publish a Notice of Funding Availability (NOFA) to announce continuation of this program at the $2 million funding level. The grants will be open to all existing transitional housing providers previously funded under the Grant and Per Diem program. VA medical centers' Fire and Safety Engineers will work with existing grant recipients to identify any code violations and estimate the cost of correcting any such deficiencies.

Coordination of Outreach Services for Veterans At-Risk of Homelessness

VA, together with the Department of Labor (DOL) and the Department of Justice (DOJ), has helped to develop a Demonstration Program to determine the costs and benefits of providing referral and counseling services to eligible veterans who are at risk of homelessness upon their release from penal institutions or institutions that provide long-term care for mental illness. One of the demonstration sites will be a penal institution under the jurisdiction of DOJ.

Last year, we addressed the specific steps taken by DOJ, the Department of Labor (DOL), and VA in designing the program component for incarcerated veterans. At this stage, DOL has contracted with entities to carry out the demonstration program, and VA has helped DOL to provide necessary training to those organizations. Representatives from both Veterans Health Administration and the Veterans Benefits Administration will ensure that veterans served at each of the demonstration sites receive information about available VA benefits and services.

Our commitment to this program is strong. We believe that many of these veterans will, with assistance, return to productive lives. While the number of incarcerated veterans is comparatively small (approximately 10-15 percent of the prison population), it is expected that these joint Federal efforts will assist many veterans who would be at risk for homelessness upon their release. Moreover, after their release, we will seek to provide a continuum of services to these veterans, chiefly through the provision of transitional housing made available through the Homeless Providers Grant and Per Diem Program. DOL will also provide funding under its Homeless Veterans Reintegration Programs (HVRP).

VA's Health Care for Homeless Veterans Programs staff continue to conduct outreach to mentally ill veterans who are at risk for homelessness upon discharge from institutional care.

Residential Rehabilitation and Treatment Programs (RRTPs)

VA's Domiciliary Care for Homeless Veterans (DCHV) Program, which has recently been renamed as the "Residential Rehabilitation and Treatment Program," provides a full range of treatment services to many homeless veterans. Over the past 15 years, VA has established 35 DCHV programs with a total of 1,873 beds. In FY 2003, 5,156 homeless veterans were treated in DCHV programs. At present, VA is considering ways to improve the delivery of services in these programs. In particular, we recognize the need to better integrate the provision of mental health and geriatric services.

HUD-VASH

We also want to recognize HUD's long-standing support of the HUD-VASH program. This is a very successful partnership that links the provision of VA clinical care with permanent housing to assist the recovery of homeless chronically mentally ill veterans. HUD and VA have agreed to continue this valuable program, subject to the availability of resources.

Veterans Benefits Administration (VBA) Staffing at Regional Offices

Homeless veterans outreach coordinators (HVOCs) at all VA regional offices work in their communities to identify homeless veterans, advise them of VA benefits and services, and assist them with claims. The coordinators also network with other VA entities, local government, social service agencies and other service providers to the homeless to inform homeless veterans about other benefits and services available to them. In FY 2003, VBA employees assisted homeless veterans in 25,367 instances. They contacted 2,988 shelters, made 3,669 referrals to community agencies, and made 7,793 referrals to VHA and the DOL Homeless Veterans Reintegration programs.

Since the beginning of fiscal year 2003, all regional offices have begun maintaining an active record of all compensation and pension claims received from homeless veterans. Procedures for the special handling and processing of these claims are in place. In FY 2003, VBA received 3,761 claims for compensation and pension

from homeless veterans. Out of this total number, 55 percent were claims for compensation and 45 percent were for pension. Of the compensation claims processed, 45 percent were granted, with an average disability rating of 50 percent. Seven percent were rated at 100 percent disabling. Of the total claims denied, 79 percent were due to the veteran's disability not being service connected. The average processing time for all compensation claims of homeless veterans was 116 days.

Of the pension claims processed, 75 percent were granted. Of the total claims denied, 40 percent were due to the veteran's disability not being permanent and total. The average processing time for all pension claims of homeless veterans was 73 days.

Loan Guaranty for Multifamily Housing for Homeless Veterans Program

This innovative program to provide long-term transitional housing with supportive services for formerly homeless veterans was authorized by Public Law 105-368. Many complex issues, often varying from jurisdiction to jurisdiction, surround implementation of this program. In September 2002, Secretary Principi asked Claude Hutchinson, Director of VA's Asset Enterprise Management Office, to take the lead for the Department in implementing the Loan Guaranty for Multifamily Transitional Housing for Homeless Veterans Program. Implementation has involved working closely with veteran service organizations, veteran-specific housing providers, faith-based organizations, clinical support service programs, VA medical care staff, state, city and county agencies, homeless service providers, and finance and housing experts. We are also using consultants to assist us with our evaluation of potential sites and providers of housing services.

VA has issued conditional commitments for four guaranteed loans for transitional housing projects that would, when completed, provide over 800 new beds for homeless veterans. The sponsors, locations, and projected beds for these projects are:

- Catholic Charities of Chicago, Chicago, Illinois, 141 beds,
- Vietnam Veterans of San Diego, San Diego, California, 144 beds,
- Volunteers of America, Miami, Florida, 116 beds,
- Cloudbreak Houston, Houston, Texas, 440 beds.

VA is continuing to work with these organizations and governmental and private entities that may be providing support for those projects to ensure all conditions for the loans can be met and final financing approved in the near future.

Summary

Since Public Law 107-95 was enacted, VA has made significant progress. Each year we share with you our annual report to the Congress that outlines our activities for homeless veterans. VA is collaborating closely with other Federal agencies, state and local governments and faith-based and other community-based organizations to assure that homeless veterans have access to a full range of health care, benefits and support services. We still have much to do to end chronic homelessness among veterans in America, and we are eager to work with you to meet that challenge.

Mr. Chairman, this concludes my statement, I will now be happy to answer any questions that you or members of the Subcommittee may have.

ORAL TESTIMONY

STATEMENT OF PATRICIA CARLILE

DEPUTY ASSISTANT SECRETARY FOR SPECIAL NEEDS ASSISTANCE PROGRAMS

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

BEFORE THE

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON VETERANS' AFFAIRS

MAY 18, 2004

Chairman Smith, Ranking Member Evans, Distinguished Members of the Committee, I am pleased to be here this morning to represent the Secretary of the Department of Housing and Urban Development. The Secretary recognizes the moral responsibility America has to its veterans. The abiding human value that results from helping homeless veterans, as well as the other homeless subpopulations, to regain the self-esteem they had before falling through the safety nets and to become productive citizens is a worthy goal for all of us.

Homeless veterans represent an estimated 23% of the homeless population. HUD is committed to serving this portion of the homeless population but is charged by Congress to serve all homeless groups. HUD's homeless programs serve singles and families with children. Our programs serve persons who are impaired by substance abuse, mental illness and physical disabilities as well as non-disabled persons. HUD provides an array of housing and supportive services to all homeless groups, including homeless veterans. I would like to take a moment to outline our activities that specifically relate to serving homeless veterans.

Targeted Homeless Assistance

In 2003 we awarded a total of nearly $1.3 billion in targeted homeless assistance It is important to note that veterans are eligible for all of our homeless assistance programs. Out of a total of 147 veteran-specific applications submitted to HUD in 2003, we awarded funds to 122 projects, which is 83% of the veterans-specific projects submitted. We awarded $40million to these projects. In addition to these funds, we awarded $583

million to 1,913 projects that will be serving homeless veterans, among the other homeless groups that they also will be assisting. We estimate in 2003 through our competitive homeless programs that we served approximately 62,000 veterans. Many thousands more were served through HUD's Emergency Shelter Grants programs.

Congress has directed that each community implement a Homeless Management Information System to better understand and serve homeless persons. Once they are implemented across the country, we will be able to even more comprehensively tell how many veterans are being helped in HUD and non-HUD funded programs and what the specific outcomes these projects produce.

Interagency Initiatives

The Administration has set a goal of ending chronic homelessness by 2012. This goal will benefit homeless veterans. Since the chronically homeless is the most challenged homeless group, many of whom are veterans, it is imperative to involve many partners. I represent the Department on VA's Secretary Advisory Committee on Homeless Veterans, and the President's New Freedom Commission on Mental Health. Both of these advisory groups have addressed chronic homelessness in their recommendations.

- In the $35 Million HUD, HHS, and VA **Collaborative Initiative to Help End Chronic Homelessness,** the first program to specifically serve chronically homeless persons, HUD contributed $20 million of the $35 million awarded. These projects are now underway.

- We believe the proposed **Samaritan legislation,** with a $70 million budget, will be an opportunity to double our efforts to be more responsive to this population and will enhance our ability to collaborate more effectively with our Federal partners. Of the $70 million requested for this initiative, $50 million would be for housing provided by HUD, which would be the lead agency in administering the new program.
- Another exciting initiative that is serving homeless veterans is the $13.5 million HUD/DOL five-year chronically homeless demonstration program. HUD provided $10 million to this effort. While this collaboration focuses on housing and employment, the grantees also have to offer other essential wrap-around services, such as health care, education, and life skills. We believe that the combination of housing and jobs will help chronically homeless persons become self-sufficient.
- HUD is an active collaborator with the Departments of Justice, Labor, Health and Human Services, Education and Veterans Affairs for the **Serious and Violent Offenders Reentry Initiative**, helping to educate the grantees, some of whom serve veterans, in accessing housing in their communities. HUD would be a partner with the Departments of Labor and Justice in another reentry prevention program that was proposed by the President mentioned in his State of the Union address earlier this year.
- In collaboration with HHS and VA, HUD has participated in the eight policy academies that have facilitated the development of comprehensive strategic homeless action plans to access mainstream services at the State and local levels.

- We meet regularly with our Federal partners in implementing these initiatives and brainstorming about additional initiatives that might be needed. We also keep each other informed of our various activities at the Interagency Council on Homelessness meetings.

All of the activities that I have mentioned will benefit homeless veterans.

Technical Assistance

- Part of a $2 million Technical Assistance project recently awarded - Permanent Housing and Special Efforts for Subpopulations (PHASES 2) - the Department awarded approximately $350,000 to enhance assistance to providers serving homeless veterans (especially in the areas of accessing mainstream resources), update existing materials, and coordinate with VA's homeless planning networks.
- Because we have been concerned about the lack of veterans-specific homeless project applications, we developed two technical assistance guidebooks for homeless veterans organizations to help grantees apply for our funds. The first guidebook, ***Coordinating Resources and Developing Strategies to Address the Needs of Homeless Veterans***, describes programs serving veterans that are effectively coordinating HUD homeless funding with other resources. The second guidebook, ***A Place at the Table: Homeless Veterans and Local Homeless Assistance Planning Networks***, describes the successful participation of ten veterans organizations in their local Continuum of Cares.
- To underscore our desire to serve veterans, we have highlighted veterans eleven times in the NOFA that was published on May 14. In collaboration with VA, this year for

the first time, we strongly encouraged applicants to use VA CHALENG data in assessing the needs of homeless veterans within their community.

Mainstream Resources

HUD is using its mainstream resources to help house homeless veterans. The HOME program recently awarded $6.7 million to Community Housing Development Organizations (CHDOs) to house chronically homeless people and HUD's Economic Development Office gave extra points in 2003 and 2004 to communities serving homeless people.

Conclusion

Again, we want to reiterate our desire to help our homeless veterans become self-sufficient and will continue to work with our Federal, State and local partners to do so. Mr. Chairman, I will be glad to address any questions the Committee has.

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Statement for the Record
Before the
Committee on Veterans' Affairs
U.S. House of Representatives
on
The Performance of Homeless Assistance Programs for Veterans
May 18, 2004

Introduction

The National Coalition for Homeless Veterans appreciates the opportunity to submit recommendations for developing and strengthening federal homeless assistance programs that serve veterans, including the homeless veteran-specific programs of the U.S. Department of Veterans Affairs (VA), the U.S. Department of Labor (DOL), and the U.S. Department of Housing and Urban Development (HUD) and the targeted homeless assistance and mainstream programs of HUD, DOL, the U.S. Department of Health and Human Services, the U.S. Department of Defense, and the Social Security Administration. Our statement also addresses issues regarding implementation of the provisions of the Homeless Veterans Comprehensive Assistance Act of 2001 (P.L. 107-95).

The **National Coalition for Homeless Veterans** (NCHV), established in 1990, is a **nonprofit organization** with the **mission of ending homelessness among veterans** by shaping public policy, promoting collaboration, and building the capacity of service providers. NCHV's nearly 250 member organizations in 43 states and the District of Columbia provide housing and supportive services to homeless veterans and their families, such as street outreach, drop-in centers, emergency shelter, transitional housing, permanent housing, recuperative care, hospice care, food and clothing, primary health care, addiction and mental health services, employment supports, educational assistance, legal aid and benefit advocacy.

The VA estimates that more than 275,000 veterans are homeless on any given night; more than 500,000 experience homelessness over the course of a year. *Conservatively, one of every three homeless adult males sleeping in a doorway, alley, box, car, barn or other location not fit for human habitation in our urban, suburban, and rural communities has served our nation in the Armed Forces.* Homeless veterans are mostly males (2 percent are females). 54 percent are people of color. The vast majority are single, although service providers are reporting an increased number of veterans with children seeking their assistance. 45 percent have a mental illness. 50 percent have an addiction.

America's homeless veterans have served in World War II, Korea, the Cold War, Vietnam, Grenada, Panama, Lebanon, anti-drug cultivation efforts in South America, Afghanistan, and Iraq. 47 percent of homeless veterans served during the Vietnam Era. More than 67 percent served our nation for at least three years and 33 percent were stationed in a war zone.

Male veterans are twice as likely to become homeless as their non-veteran counterparts, and female veterans are about four times as likely to become homeless as their non-veteran counterparts. *Like their non-veteran counterparts, veterans are at high risk of homelessness due to extremely low or no income, dismal living conditions in cheap hotels or in overcrowded or substandard housing, and lack of access to health care.* **In addition to these shared factors, a large number of at-risk veterans live with post traumatic stress disorders and addictions acquired during or exacerbated by their military service. In addition, their family and social networks are fractured due to lengthy periods away from their communities of origin. These problems are directly traceable to their experience in military service or to their return to civilian society without appropriate transitional supports.**

Contrary to the perceptions that our nation's veterans are well-supported, in fact many go without the services they require and are eligible to receive. One and a half million veterans have incomes that fall below the federal poverty level. **Neither the VA, state or county departments of veteran affairs, nor community-based and faith-based service providers are adequately resourced to respond to these veterans' health, housing, and supportive services needs.** For example, the VA reports that its homeless treatment and community-based assistance network serves 100,000 veterans annually. *With an estimated 500,000 veterans experiencing homelessness at some time during a year and the VA reaching only 20 percent of those in need, 400,000 veterans remain without services from the department responsible for supporting them.* **Likewise, other federal, state, and local public agencies—notably housing and health departments—are not adequately responding to the housing, health care and supportive services needs of veterans.** Indeed, it appears that veterans fail to register as a target group for these agencies.

We urge Congress to make a public commitment *and* take immediate action to ensure access to housing, income, and health security for those who have nobly served our nation.
Our statement is organized in two parts. The first part focuses on implementation of the provisions of the Homeless Veterans Comprehensive Assistance Act (P.L. 107-95) and recommendations for their reauthorization. The second part addresses matters not presently encompassed by P.L. 107-95. We recommend that Congress address these second set of recommendations either during the reauthorization of P.L. 107-95 provisions or through other legislative vehicles as appropriate.

PART I—RECOMMENDATIONS REGARDING THE HOMELESS VETERANS COMPREHENSIVE ASSISTANCE ACT

The landmark Homeless Veterans Comprehensive Assistance Act of 2001 establishes new program authorities and reauthorizes long-standing homeless programs within the VA. We are grateful to Chairman Smith, Representative Evans, other members of the Committee and your counterparts in the Senate for your tireless efforts to secure passage of P.L. 107-95 and your vigorous oversight of the VA since the Act's enactment.

We are pleased that the VA has taken steps to implement some of the provisions of the Act. At the same time, we are disappointed that the Department, in the three budget cycles since passage of P.L. 107-95, has neither implemented all of the Act's provisions nor allocated funds from the VA health care account to the Department's homeless programs at the levels authorized in the statute. **Accordingly, we urge the Committee to continue to press the Department to implement *all* provisions of P.L. 107-95 and to work with your counterparts on the Budget and Appropriations committees to ensure that sufficient funds are included in the VA budget for implementing each of the Department's specialized homeless programs.**

National Goal to End Homelessness among Veterans (38 USC 2001 note)

The National Coalition for Homeless Veterans believes that all Americans, including all of our nation's veterans, deserve the opportunity to secure permanent affordable housing. The homeless condition facing millions of our residents each year, including over 500,000 veterans, sullies our great nation. We further believe that homelessness is preventable and must be eliminated as a social condition of U.S. Society.

Accordingly, we favor public policy goals and approaches that facilitate homeless people's access to programs and services *regardless* of the duration of their homeless spell or their health or disability status, i.e. the factors which the federal government currently uses to classify a homeless person as "chronic." Simply stated, the focus on "chronically homeless" persons, including chronically homeless veterans, leaves too many others behind.

We urge Congress, when reauthorizing the Homeless Veterans Comprehensive Assistance Act, to enlarge the statutory goal of ending chronic homelessness among veterans by 2011 to instead end *all* homelessness among veterans in that same time period.

VA Staffing Requirements (38 USC 2003)

P.L. 107-95 requires the assignment of Homeless Veteran Outreach Coordinators (HVOCs) within each Veterans Benefit Administration (VBA) region. Additionally, the VA has designated a homeless coordinator in each Veterans Integrated Services Network (VISN). We commend the Department for dedicating staff in each region and network specifically to homeless veterans activities.

We are concerned that VBA HVOCs and VISN homeless coordinators are not consistently interpreting federal statutes, regulations, and policies. **We urge the Committee, through report language or through correspondence, to request the Secretary to ensure uniformity in position requirements and training among all VBA HVOCs and all VISN homeless coordinators.**

Homeless Provider Grant and Per Diem Program Authorization (38 USC 2011)

The Homeless Providers Grant and Per Diem (GPD) Program, within the Veterans Health Administration (VHA), provides competitive grants to community-based, faith-based, and public organizations to offer transitional housing or service centers for homeless veterans. The GPD program is an essential component of the VA's continuum of care for homeless veterans, assuring the availability of transitional housing, social services, employment supports, and direct treatment or referral to medical treatment. *The GPD program is set to expire September 30, 2005.* **We urge Congress to reauthorize the Homeless Provider Grant and Per Diem program through September 30, 2011.**

Per Diem Payments (38 USC 2012)

P.L. 107-95 includes a provision requiring the VA to reimburse grantees under the GPD program for services to homeless veterans at the same rate that VA pays states for domiciliary care services provided in State Veterans Homes. The provision is intended to establish fairness in payments among different types of care providers and to simplify reimbursement of GPD grantees. *The VA has implemented the provision in a manner that requires GPD grantees to submit extensive documentation on their services costs, rather than simply reimbursing them at the State Veterans Home rate.* **We urge Congress to amend 38 USC 2012 to clarify that GPD grantees should be reimbursed at the State Veterans Home rate, without requiring documentation.**

Homeless Provider Grant and Per Diem Program Authorization of Appropriations (38 USC 2013)

P.L. 107-95 authorizes the GPD program through September 30, 2005 at the $75 million annual level. *This funding level is simply insufficient to enable VA to meet the demand for transitional housing assistance expressed by homeless veterans.* Data gathered by VA Medical Centers (VAMCs) through the Community Homelessness Assessment, Local Education, and Networking Groups (CHALENGs) processes consistently document that the numbers of homeless veterans in their service areas far exceed the number of GPD beds currently available for them. Accordingly, **we urge Congress to reauthorize the Homeless Provider Grant and Per Diem program through September 30, 2011 at at least the $200 million level annually.**

Chairman Smith and Ranking Member Evans have recently introduced a measure (H.R. 4248) to reauthorize the GPD program for a three-year period at the $100 million level. While we do not oppose this legislation, it does not go far enough to assure long-term stability and resource expansion for this critical program for homeless veterans. An increase of GPD to $100 million will merely sustain the program at its current capacity, not expand the program to the number of beds truly needed.

Homeless Veterans Reintegration Program (38 USC 2021)

The Homeless Veterans Reintegration Program (HVRP), within the Department of Labor's Veterans Employment and Training Service (VETS), provides competitive grants to community-based, faith-based, and public organizations to offer outreach, job placement and supportive services to homeless veterans. HVRP grants are intended to address two objectives: (a) to provide services to assist in reintegrating homeless veterans into meaningful employment within the labor force, and (b) to stimulate the development of effective service delivery systems that will address the complex problems facing homeless veterans.

Homeless veterans have many additional barriers to employment than non-homeless veterans due to their lack of housing. HVRP grantees remove those barriers through specialized supports unavailable through other employment services programs. HVRP grantees are able to place participants into employment for $2,100 per placement, a tiny investment for moving a veteran out of homelessness, and off of dependency on public programs.

HVRP is the primary employment services program accessible by homeless veterans and the only targeted employment program for any homeless subpopulation. In addition, HVRP is being used as the account to fund a joint DOL and VA initiative authorized in P.L. 107-95 to assist veterans incarcerated in their reentry to the community.

P.L. 1070-95 authorizes HVRP at the $50 million level annually through FY 2006. **We urge Congress to reauthorize HVRP at the $50 million level annually through FY 2011.**

We are troubled to learn recently through DOL that if funding is not increased for HVRP in the FY 2005 appropriation, it is unlikely there would be a competition for HVRP new start grants in FY 2005. Given this dire situation, **we urge the Committee leadership and membership to write to their Appropriations Committee counterparts requesting that the full $50 million authorized for HVRP be included in FY 2005 appropriations legislation for the U.S. Department of Labor.**

Coordination of Outreach Services for Veterans at Risk of Homelessness (38 USC 2022)

P.L. 107-95 requires the Department to develop a coordinated plan by the Mental Health Service and the Readjustment Counseling Service for joint outreach to veterans at risk of homelessness and an outreach program to provide information to homeless veterans and veterans at risk of homelessness. *We have not seen evidence that these requirements have been implemented.* **We urge the Committee to instruct the Department to provide the reports on outreach as required by current law.**

Furthermore, **we urge Congress to amend both the outreach plan and outreach program provisions to add the following additional matter as expected outreach content: information on risk factors for homelessness, a self-assessment of risk factors, and contact information for preventative assistance associated with homelessness.**

Domiciliary Care Programs (38 USC 2043)

P.L. 107-95 authorizes appropriations at the $5 million level in each of FY 2003 and FY 2004 for the VA to open ten new domiciliaries for homeless veterans. *Regrettably, the Department has not implemented this provision.* **We urge the Committee to request the Department to provide a progress report and implementation timetable for this provision.**

However, we caution that domiciliaries are theoretically distinct from transitional housing, and should remain so. Domiciliaries assure the availability of biopsychosocial treatment and rehabilitation to homeless veterans in residential settings. They are health care programs, not housing assistance. We have concerns that some VA domiciliaries have moved away from their treatment and rehabilitation functions and instead are mirroring transitional housing. *Domiciliary care is not equivalent to transitional housing.* Community-based organizations, rather than VA, are better suited to provide transitional housing assistance.

We urge the Committee, through legislative report language or correspondence, to instruct the Department to ensure that its network of domiciliary care programs is in fact providing services distinct from transitional housing. We note that homeless veteran service providers could establish or manage domiciliary care services, but they would need substantial additional resources to do so. In addition, we want to ensure that both in-house and contracted-out domiciliary care remains distinct from, and receives funding apart from the GPD program.

Grant Program for Homeless Veterans with Special Needs (38 USC 2061)

P.L. 107-95 requires the Department to carry out a program to make grants available to health care facilities of the Department and to GPD providers to encourage development of programs for homeless veterans with special needs, including women, frail elderly, terminally ill, or chronically mentally ill. *We have not seen evidence that this provision has been implemented.* **We urge the Committee to request the Department to provide a progress report and implementation timetable for this provision.**

Dental Care (38 USC 2062)

P.L. 107-95 establishes a limited dental care benefit for certain homeless veterans. Under the provision, homeless veterans in certain VA homeless programs are eligible for a one-time course of dental treatment which is medically necessary for veterans to gain employment, to alleviate pain, or to treat disease. Early data from the Department indicates that only 1,147 additional homeless veterans have received dental care in FY 2003 as a result of this provision. *We are disappointed that so few additional homeless*

veterans have received access to dental care services. **We urge the Committee to request the Department to provide a progress report on this provision.**

Further, we believe the requirement that a homeless veteran participate in a VA residential program for at least 60 days is a major contributor to the underutilization of this dental care provision. **We urge Congress to amend this provision to eliminate the 60-day enrollment period.**

Technical Assistance Grants for Nonprofit Community-based Groups (38 USC 2064)

P.L. 107-95 authorizes the Department to make competitive grants to organizations with expertise in preparing grant applications to provide technical assistance to nonprofit community-based and faith-based groups with experience in providing assistance to homeless veterans in order to assist such groups in applying for homeless veterans grants and other grants addressing problems of homeless veterans. Community-based and faith-based organizations serving homeless veterans rely on a complex set of funding and service delivery streams with multiple agencies in order to assemble comprehensive housing and supportive services. These providers face a capacity gap around managing this complexity.

We are proud to have successfully competed for funding under this program in FY 2003. We believe we have been effective stewards of the technical assistance funds and look forward to participating in future competitions.

We urge Congress to reauthorize the homeless veteran service provider technical assistance program at the $1 million level annually through September 30, 2011.

Advisory Committee on Homeless Veterans (38 USC 2066)

P.L. 107-95 establishes an Advisory Committee on Homeless Veterans to provide a formal mechanism for the Secretary to gather advice from the homeless veteran service provider field and others with expertise on homeless veteran matters.

We applaud the Secretary of Veterans Affairs for implementing this provision. We are pleased that several committee members are NCHV members. We are grateful to all members of the Committee for their public service on behalf of homeless veterans.

The Committee is set to expire December 31, 2006. **We urge Congress to reauthorize the Advisory Committee on Homeless Veterans through September 30, 2011. Further we urge Congress to add the Executive Director of the Interagency Council on Homelessness or designated representative as an ex-officio member of the Committee.**

Expansion of Other Programs (38 USC 1706, 38 USC 2033, 38 USC 1720A)

P.L. 107-95 requires the Department to ensure that each primary care facility of the Department develops and carries out plans to provide mental health services and substance abuse services. The Act also authorizes the Department to establish additional comprehensive homeless service centers. *Again, we have not seen evidence that these provisions have been implemented.* **We urge the Committee to request the Department to provide progress reports and implementation timetables for these provisions.**

Use of Real Property (38 USC 8122)

P.L. 107-95 included a provision that prohibits the Department from declaring any real property to be excess unless the Secretary determines that the property is no longer needed, *and that it is not suitable for use for the provision of services to homeless veterans by the Department or by another entity under an enhanced-use lease of such property.*

While well-intentioned, this provision may create a disincentive for the Department to use the pre-existing McKinney-Vento Title V program as the principal means for disposing of real property and instead establishes a preference for enhanced-use lease.

Homeless veteran service providers and other organizations supporting people experiencing homelessness clearly benefit from the acquisition of federal capital assets through the Title V program as compared to other property disposition methods, such as the VA's Enhanced Use Lease (EU) authority. The principal advantage is that under Title V, the properties are made available to the nonprofit organization at no cost. Under EU, on the other hand, the receiving organization must negotiate and make lease payments. Thus EU imposes a serious financial burden on organizations whose budgets are already strained, with every available dollar needed to pay for care and support for people with severe needs.

Also advantageous to organizations acquiring properties through Title V is that leased properties are exempt from local zoning ordinances, thus eliminating the threat of community groups unilaterally blocking the siting of homeless facilities based on stereotypes and prejudices about people in extreme poverty (i.e., NIMBYism).

On the other hand, the greatest impediment to homeless service providers' ability to take advantage of VA's EU authority is the very fact that the provider is charged for the use of the leased space. Sometimes these charges are as high as the fair market value of the space, which is quite expensive and far beyond the abilities of nonprofit service provider organizations, as well as their extremely-low income clients. Faced with the prospect of paying fair market value for use of the VA property, the provider is likely better served by acquiring space in the commercial market. Both parties lose out in this situation. The provider is left trying to obtain expensive space in the private market and the VA loses a potential tenant.

Accordingly, **we urge Congress to amend 38 USC 8122 or other appropriate sections of federal law to obligate the Department to make excess property available to organizations and agencies for homeless purposes first using McKinney-Vento Title V, and then to utilize the enhanced-use lease or other disposition processes secondarily.**

An additional capital asset management concern that has been brought to our attention is the VA's practice of establishing excessive charges for use of space for homeless veterans. Currently, the VA enters into space agreements with nonprofit organizations to utilize VA capital assets to offer services to homeless veterans. *Rates for use of the space fluctuate greatly.* **We urge Congress to require VA to ensure that space agreements with homeless service providers are negotiated without charge or at the lowest charge possible, and certainly at a rate not to exceed 30 percent of their tenants' aggregate adjusted monthly incomes.**

More generally, we urge Congress to press the Department to be more strategic in its use of capital assets for homelessness purposes. With an estimated 500,000 veterans homeless at some time during a year and the VA reaching only 20 percent of those in need, 400,000 veterans remain without services from the department responsible for supporting them. *In the meantime, numerous VA properties sit vacant or underutilized.*

Specifically, we urge Congress to require the Department to submit a plan regarding the management of its capital assets for homeless purposes. The plan should include:

- a timetable for issuing a Department-wide directive that articulates that surplus, excess, unutilized or underutilized VA properties shall first be made available on a no-cost or lowest-cost basis to nonprofit or public organizations responding to the human needs of veterans (and low-income persons in general secondarily), with a preference for organizations experienced in serving homeless veterans;
- a Departmental goal the establishment of at least 50,000 additional supportive housing units for homeless veterans on VA property and instruct VISNs to develop concrete action plans for reaching this goal;
- instructions to VISNs to identify and advertise properties currently or potentially suitable and available for disposition under the McKinney-Vento Title V program;
- instructions to VISNs to use the Title V criteria for determining suitability for homeless uses when conducting these property assessments; and
- an analysis of VA property acquisition and disposition statutes, regulations, and policy guidance and their intersection with the Title V program and recommendations for any changes needed in order for the VA to fully participate in the Title V program.

Rental Assistance Vouchers for HUD Veterans Affairs Supported Housing Program (42 USC 1437)

The Housing and Urban Development-Veterans Affairs Supportive Housing (HUD-VASH) program provides permanent housing subsidies and case management services to homeless veterans with mental and addictive disorders. VA screens homeless veterans for program eligibility and provides case management services to enrollees. HUD allocates rental subsidies from its Housing Choice Voucher program to the VA, which then distributes them to the enrollees. Rigorous evaluation of the program conducted by the VA's Northeast Program Evaluation Center (NEPEC) indicates that HUD-VASH significantly reduces days of homelessness for veterans plagued by mental and addictive disorders. HUD currently allocates 1,780 housing choice vouchers under this program.

The Homeless Veterans Comprehensive Assistance Act of 2001 authorizes HUD to allocate 500 additional HUD-VASH vouchers to VA in each of FY 2003 through FY 2006. Congress authorized the additional vouchers because those currently in circulation have been fully utilized by formerly homeless veterans, and only a small number become available each year to veterans who are now ready to resume living in the community. *Inexplicably, HUD has not requested funding for additional HUD-VASH vouchers in any of its past three budget submissions to Congress. This failure is particularly perplexing given that the Administration, with Congressional support, has made a commitment to ending chronic homelessness. Yet, the HUD-VASH program, which addresses the very population addressed by the chronic homeless initiative, remains frozen.*

We urge Congress to amend federal law to require the HUD to allocate at least 5,000 Housing Choice vouchers annually to the HUD-VASH program, regardless of whether the Department requests incremental vouchers.

PART II—RECOMMENDATIONS REGARDING OTHER HOMELESS VETERAN MATTERS

Prevention of Homelessness among Separating Service Members (DOD, DOL)

Individuals leaving the military are at high risk of homelessness due to a lack of job skills transferable to the civilian sector, disrupted or dissolved family and social support networks, and other risk factors that preceded their military service. Separating service members must be made aware of the factors that contribute to homelessness and receive information about sources of preventive assistance before they exit the military.

Congress has established the Transition Assistance Program (TAP) to ease the transition of separating service members to the civilian sector. *Regrettably, unit commanders, rather than the service member himself/herself, make the determination as to whether the service member may participate in TAP. Further, the TAP curriculum does not currently include a component on homelessness.* H.R. 1906, introduced by Representative Evans, addresses these serious weaknesses. **We urge Congress to enact H.R. 1906 this year.**

In addition, **we urge the Committee, through legislative report language or through correspondence, to instruct the Secretary of Defense, Secretary of Labor, and Secretary of Veterans Affairs to include explicit information about homelessness prevention in their outreach materials, pre-release counseling, and transition assistance curriculum for separating service members.**

Samaritan Act of 2004 (HUD, HHS, VA)

We are aware that the Veterans' Affairs Committee is considering legislation (H.R. 4507) introduced by committee member Representative Rick Renzi (R-AZ) to authorize a new, multi-department competitive grant program to address chronic homelessness. **NCHV supports the Samaritan Act of 2004.**

We have communicated to Representative Renzi our interest in strengthening his legislation. **We urge the Committee to request that these changes be made to the legislation as a condition of releasing its jurisdiction over the measure**:

- The $10 million authorized to VA to perform its functions in the multi-departmental collaborative program is set up as an earmark of amounts appropriated to the Department of Veterans Affairs for treatment of homeless veterans under Medical Care, rather than as a distinct authorization. **We recommend a new line-item authorization for Samaritan within VA Medical Care, rather than a $10 million re-direction of existing VA specialized homeless services programs.** The VA component of the Samaritan program should not be funded at the expense of existing (and overstretched and underfunded) programs.
- In terms of the measure's definition of "treatment and supportive services," there is no mention of rehabilitative, prosthetic, and other services that may be especially critical to homeless veterans with service-connected disabilities. **The legislation should be strengthened by inserting the full range of treatment and supportive services needed by veterans with service-connected disabilities.**
- **The list of eligible "treatment and supportive services" should be expanded to include an explicit authorization for assistance to chronically homeless persons in obtaining benefits for which they may be eligible,** including Veteran Disability, Veteran Compensation, Veteran Health Care, Medicaid, Medicare, Social Security Disability Insurance, Supplemental Security Income, Food Stamps, Temporary Assistance for Needy Families, and legal aid.

- **The definition of "alcohol and drug abuse services" should be amended to explicitly include residential treatment and residential rehabilitation services within the listed continuum.**
- **The definition of "mental health and counseling services" should be amended to explicitly include inpatient psychiatric treatment within the listed continuum.**
- Please note that the legislation requires applicants to provide a 25 percent cash or in-kind match in years one and two and a steep 50 percent in year three and beyond. These match levels suggest that this grant program is targeted to already well-funded applicants. *Small community-based and faith-based organizations are unlikely able to generate such a sizable match.*

HUD McKinney-Vento Program Management (HUD)

HUD McKinney-Vento programs are the largest source of federal funding for emergency shelter, transitional and permanent housing, and support services for homeless people. **Despite comprising between one-quarter and one-third of the homeless adult population overall, homeless veterans do not receive nearly that proportion of McKinney-Vento resources.** Homeless veterans are inadequately served by many general homeless assistance organizations because such agencies fail to identify veterans as they enter their programs and thus do not know to refer them to VA programs for which they may eligible or to homeless veteran service providers with specialized expertise. In addition, some regional and local homeless assistance planning bodies are not permitting homeless veteran service providers or VA representatives to participate meaningfully in their planning and priority setting processes.

Our efforts to persuade HUD to take action to ensure fairness in the allocation of resources for and focused attention to veterans experiencing homelessness have fallen on deaf ears. **We urge the Committee, through legislative report language or through correspondence, to instruct the HUD Secretary to issue HUD McKinney-Vento application or program guidance as follows:**

- **require applicants for HUD McKinney-Vento homeless assistance funds to develop specific plans for housing and services to homeless veterans.** The veteran plans should inventory existing and proposed targeted homeless veteran programs in the service area; identify the unique housing and services needs of homeless veterans in the service area; outline a strategy for addressing services gaps; address how homeless assistance providers will screen housing and services users for military service experience; and describe processes for referring homeless veterans to VA or nonprofit homeless veteran service providers in the service area (if any exist).
- **require that continua of care established for the purpose of competing for HUD McKinney-Vento homeless assistance funds include at least one homeless veteran service provider, at least one homeless veteran, and representatives of the VA medical center(s) and Veterans Benefit Administration regional offices within the service area of the continuum.**

Housing Assistance for Low-Income Veterans (HUD)

While the federal government makes a sizeable investment in homeownership opportunities for veterans, there is no parallel national rental housing assistance program targeted to low-income veterans. Veterans are not well-served through existing housing assistance programs due to their program designs. Low-income veterans in and of themselves are not a priority population for subsidized housing assistance. And HUD devotes minimal attention to the housing needs of low-income veterans, as exemplified by the long-standing vacancy in the position of special assistant for veterans programs within the Office of Community Planning and Development. It is imperative that Congress elevate national attention to the housing assistance needs of our nation's low-income veterans. **We urge the Committee, through legislative language, legislative report language, or correspondence, to instruct the HUD Secretary to:**

- **conduct a quantitative and qualitative study of a representative sample of low-income veterans to determine the extent of housing insecurity among this population**, including their barriers to rental housing assistance and homeownership and their past or current homelessness or risk for future homelessness.
- **amend the guidelines for public housing authority plans for public housing and Section 8 and consolidated plans to include veterans sections.** The new sections should identify veteran housing needs, priority veteran housing needs, and articulate a veteran housing strategy. In addition, the guidelines should instruct jurisdictions to include veterans, veterans service organizations, homeless veteran service providers, and VA representatives in the public participation processes used to develop the plans.
- **develop a guide for assisting low-income veterans in accessing federal, state, and local housing assistance resources and services.**
- **develop a guide for assisting veterans service organizations and homeless veteran service providers in accessing federal, state, and local housing assistance funds and housing and community development planning processes.**
- **fill the vacancy in the Special Assistant for Veterans Programs position** within the Office of Community Planning and Development.

Develop Veteran Capability within Health and Human Services (HHS)

Contrary to perception, the VA is not the sole provider of care to veterans with health and supportive services needs. In some cases, the VA does not even have the authority to provide needed services (particularly in the human services realm.) Veteran status in and of itself is not a criteria for prioritizing a person's access to limited community-based health and human services. The Department of Health and Human Services devotes limited attention to veteran issues. **We urge the Committee, through legislative report language or through correspondence, to instruct the HHS Secretary to undertake the following:**

- **ensure that organizations receiving HHS funds screen participants for military service in order to measure the current level of veteran involvement in community-based health and human services systems and to ensure referrals as appropriate to the VA and other veteran service providers.**
- **develop, directly or via contract, a guide for assisting low-income veterans in accessing federal, state, and local health and human services resources and services**, such as primary care, mental health, addiction treatment, HIV/AIDS care, and family assistance services.
- **directly or via contract, a guide for assisting veterans service organizations and homeless veteran service providers in accessing federal, state, and local health and human services programs and planning processes.**
- **develop, directly or via contract, a guide for state and local health and human services authorities and community-based and faith-based providers on the health care and human services needs of veterans, the limitations of the VA system in meeting those needs, and the responsibility of community systems to serve veterans and work with veteran service providers and veterans service organizations.**
- **ensure that preferences and priorities for organizations working with homeless veterans are observed in the administration of the Substance Abuse and Mental Health Services Administration's PATH and GBHI targeted homeless services programs.**

Reentry of Veterans Incarcerated into the Community (DOJ)

Prisoners exiting custody are at high risk of homelessness due to lack of education and job skills, disrupted or dissolved family and social support networks, and other risk factors that preceded their military service. Service-connected veterans who are scheduled for release from prison may be able to resume VA benefits, but must notify the VA of their projected release. **We urge the Committee, through legislative report language or through correspondence, to instruct the Attorney General to undertake the following:**

- **ensure VA, veterans service organization, and homeless veteran service provider involvement in federal and state reentry planning and implementation. For example, VA benefits staff should be allowed to make routine visits to all federal and state prisons to make veterans incarcerated aware of their benefit resumption rights and responsibilities, or pre-release services should be contracted out (with funding) to veterans services organizations and nonprofit homeless veteran service providers.**
- **assure the wide distribution of a guide to veterans incarcerated on services that are available to them upon release. (The National Coalition for Homeless Veterans has developed such a guide with U.S. Department of Labor funds.)**

Ensure Veteran Access to Mainstream Workforce Supports (DOL)

The bulk of federal spending for workforce development flows through DOL's Workforce Investment Act (WIA) system. Veterans in and of themselves are not viewed as a priority population for mainstream WIA services due to the availability of veteran-specific programs through DOL's Veterans Employment and Training Service (VETS). VETS programs alone are not sufficient, however for ensuring the full array of workforce opportunities our nation's veterans deserve. **We urge the Committee, through legislative report language or through correspondence, to instruct the DOL Secretary to undertake the following:**

- **ensure that organizations receiving DOL workforce investment funds screen participants for military service** in order to measure the current level of veteran involvement in mainstream workforce investment systems and to ensure referrals as appropriate to providers that specialize in employment and training services for veterans.
- **develop, directly or via contract, a guide for assisting low-income veterans in accessing workforce investment services.**
- **develop, directly or via contract, a guide for assisting veterans service organizations and homeless veteran service providers in accessing federal, state, and local workforce investment funds and planning processes.**
- **develop, directly or via contract, a guide for state and local workforce investment authorities and community-based and faith-based providers on the workforce investment needs of veterans, the limitations of veteran-specific programs in meeting those needs, and the responsibility of mainstream systems to serve veterans and work with veteran service providers and veterans service organizations.**
- **outstation Disabled Veterans Outreach Program (DVOP) and Local Veterans Employment Representatives (LVER) staff in locations serviced by homeless veteran service providers.**
- **ensure that a module on homelessness prevention is added to the Transition Assistance Program curriculum.**

Improve Coordination between SSA and VA Disability Programs (SSA, VA)

Veterans who are disabled by injury or disease incurred or aggravated during active military service are eligible for VA Disability Compensation, a monthly payment. Veterans are eligible for SSA benefits under the same conditions as any other person. Veterans are often eligible for both benefits. But because the programs themselves and their claims processes are distinct, a veteran must work their way through each one separately. Each process is grueling in and of itself. Navigation through both processes simultaneously merely compounds the complexity. For homeless veterans—all of whom have higher priority needs such as securing a place to live, and some of whom either distrust or wish to avoid dependency on governmental programs—the processes may be insurmountable, without help. **We urge the Committee, through legislative report language or through correspondence, to instruct the Commissioner of Social Security and the VA Secretary to undertake the following:**

- **resume efforts to ensure synchronization between the SSA and VA disability determination processes.**
- **make funding available to homeless veteran service providers to enable them to assist their program participants in navigating both SSA and VA disability determination processes.**

Increase VA Mental Health and Addiction Services (VA)

Access to mental health and addiction services is critical to ending homelessness among veterans. A federally-funded survey of homeless services users published in 1999 found that 76 percent of homeless veterans have a mental health and/or substance abuse issue. With prevalence of mental and addictive disorders so high among homeless veterans, they can least afford an under-capacitated and ill-equipped VA mental health system. Regrettably, VA has not requested and Congress has not provided funds at levels sufficient for implementing Congressional mandates regarding the VA's provision of mental health and addiction services. **We urge Congress to increase funding for VA mental health and addiction services by $500 million above the current level each year for the next four fiscal years.**

Conclusion

The National Coalition for Homeless Veterans looks forward to continuing to work with the Committee on Veterans' Affairs in ensuring that our federal government does everything within its grasp to prevent and end homelessness among our veterans. They have served our nation well. It is beyond time for us to repay the debt.

HOUSE COMMITTEE ON VETERANS AFFAIRS
Witness Disclosure Requirement – "Truth in Testimony"
Required by House Rule XI, Clause 2(g)

Name: **Linda Boone**, **Executive Director**, took over the management of the National Coalition for Homeless Veterans in April 1996. Since then the organization has grown from a handful of members to nearly 250 community-based organizations, government agencies and businesses providing supportive services to more than 150,000 homeless veterans and their families every year.

Boone spent the first 20 years of her career in the high technology manufacturing environment before developing her own consulting and training business, working with multi-million dollar corporations to develop competitive management practices.

Boone's involvement with veteran issues began 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. She went on to serve as the National President of the one million-member American Legion Auxiliary. During her administration, the organization contributed 10 million volunteer hours and $20 million to more than 11,000 communities worldwide.

1. Other than yourself, please list what entity or entities you are representing.
   National Coalition for Homeless Veterans

2. Are you testifying on behalf of a Federal, State, or Local Government entity?
   No

3. Are you testifying on behalf of an entity other than a Government entity?
   Yes

4. Please list any federal grants or contracts (including subgrants or subcontracts) which you have received since October 1, 1999:
   - FY 2001, U.S. Department of Housing and Urban Development, Office of Community Planning and Development, $$399,120.
   - FY 2002, U.S. Department of Labor, Veterans Employment and Training Service, $99,000.
   - FY 2003, U.S. Department of Veterans Affairs, Homeless Provider Grant and Per Diem Technical Assistance Program, $750,000.

5. If you answered "Yes" to question number three, please list any federal grants or contracts (including subgrants or subcontracts) which were received by entities listed under question number 1 since October 1, 1999, which exceed 10 percent of the entities' revenue in the year received, including the source and amount of each grant or contract to be listed:
   - FY 2001, U.S. Department of Housing and Urban Development, Office of Community Planning and Development, $$399,120.
   - FY 2003, U.S. Department of Veterans Affairs, Homeless Provider Grant and Per Diem Technical Assistance Program, $750,000.

6. If you answered "Yes" to question number 3, do any of the entities disclosed in question number 1 have parent organizations, subsidiaries, or partnerships whom you are not representing?
   No

7. f you answered "Yes" to question number 3, please list any offices or elected positions held or briefly describe your representational capacity with the entities disclosed in question number 1:
   Executive Director

Signature: Date: May 14, 2004

The U.S. House of Representatives
Committee on Veterans Affairs

Hearing on May 18, 2004
Implementation of Public Law 107-95
The Homeless Veterans Comprehensive Assistance Act of 2001

Testimony by
William G. D'Arcy
Chief Operating Officer
Catholic Charities Housing Development Corporation
Chicago, Illinois

For the Proposed
St. Leo Residence for Veterans and
Veterans Affairs Clinic
Chicago, Illinois

The Proposed St. Leo Residence for Veterans &
Veterans Affairs Clinic

Executive Summary

Hello, Mr. Chairman, honorable committee members and guests. My name is William D'Arcy. I am employed at Catholic Charities of Chicago as the Chief Operating Officer of the Catholic Charities Housing Development Corporation.

In the context of this hearing about homeless assistance programs for veterans, I am honored to offer testimony about the Proposed St. Leo Residence for Veterans and the Veterans Affairs Clinic that Catholic Charities seeks to develop in the City of Chicago.

St. Leo Residence for Veterans

We at Catholic Charities have been working closely with the U.S. Department of Veterans Affairs for 18 months to develop a pilot project and have made significant progress.

Catholic Charities designed its pilot project to include a residence of 141 studio apartments for homeless veterans, and a nearby outpatient clinic for veterans.

Purposes of the Housing

Supportive housing can help people transform their lives. Following the guidelines from the Department of Veterans Affairs, the purposes of the housing are to:
- House 141 adult veterans;
- Provide supportive services and counseling to veterans with the goal of making them self-sufficient;
- Require each veteran to seek/obtain/maintain employment;
- Charge a reasonable fee for rent; and
- Maintain strict guidelines about sobriety as a condition of occupancy.

We at Catholic Charities of Chicago have been working with people to become more productive individuals and citizens for 87 years. Last year, Catholic Charities served 75 veterans in our overnight shelter program in Chicago.

A Successful Pilot Program

My remarks will focus on 3 components of a successful pilot housing program, namely: funding for construction, supportive services for the veterans, and rental assistance vouchers for veteran tenants.

The Proposed St. Leo Residence for Veterans &
Veterans Affairs Clinic

Regarding the proposed St. Leo Residence for Veterans and Veterans Affairs Clinic, let me report that:

- Catholic Charities has procured commitments for some of the construction funding already; applications for additional funding have been submitted and decisions are pending; and
- Catholic Charities will join the Department of Veterans Affairs and the Department of Labor in providing qualified staff to deliver a range of supportive services to the veterans who live in the St. Leo Residence. These tenants will receive services at the Veterans Affairs Clinic and in the St. Leo Residence.

Rental Assistance Vouchers

Today, I want to speak about the third important component of a viable housing development for homeless veterans, namely, rental assistance vouchers for some of the veterans who will be tenants.

As I read Public Law 107-95, I see that the importance of rental assistance vouchers was anticipated in Section 12 that amended the United States Housing Act of 1937. As enacted, a total of 5,000 vouchers were to be funded in four fiscal years. Such vouchers would guarantee some rental income to a project. Unfortunately, the funds for these vouchers were not appropriated.

Why are rental assistance vouchers important? Simply because housing homeless veterans is a risky business venture. The majority of veterans who move in will not have any income to pay rent. They will need a safety net at first. To operate such a business, a stream of identifiable rental income is critical.

The sponsor of a pilot project to house homeless veterans will assemble a financing package for the construction. In projects using low income housing tax credits, purchasers of the tax credits want assurance that a homeless veteran housing project will be financially viable. A guarantee of rental income provides comfort that there will be operating income and that a loan can be repaid, such as one offered under the Veterans Affairs Loan Guarantee program.

Project Financing

Catholic Charities has structured its construction financing plan with 9 layers of funding. The estimated cost of construction for the St. Leo Residence for Veterans and the nearby Veterans Affairs Clinic is $18.3 million.

The largest sources of funding include: $11 million from Low Income Housing Tax Credits through the State of Illinois; the Department of Veterans Affairs loan of $3.2 million; and Catholic Charities Housing Development Corporation will provide $1.3

million in owner equity. Combined, these sources represent 85% of the totals funds. The remaining funds will be derived from other grants and low interest loans.

Approval from Funding Agencies

As a sponsor of a pilot project for homeless veterans, Catholic Charities wants to offer low rents to the veteran tenants. By requesting rental assistance vouchers for 70 apartments, those veterans would pay only 30% of their income for rent. The rents for the other 71 apartments can be set in the range of $250.00 to $300.00 per month. This will assist veterans to achieve some financial stability.

If the financial analysis shows that the St. Leo Residence will receive sufficient rental income to repay the debt, then the project can be approved by the various funding agencies. In the case of the Catholic Charities pilot project, the guarantee of rental income from rental assistance vouchers is a "deal maker" or a "deal breaker."

Congressional Action Requested

Thus, I ask you to take congressional action to fund the first year of rental assistance vouchers as noted in Public Law 107-95, Section 12. I ask that the 500 vouchers envisioned in the first funding year be allocated to the pilot projects currently being developed by the Department of Veterans Affairs and their partners across the country.

Further, I request that these vouchers be designated as "project based" vouchers that remain with the buildings to serve veterans for a 15 year period that matches the compliance period of the Low Income Housing Tax Credits.

Lastly, I ask that 70 of these project based housing choice vouchers be "earmarked" for the St. Leo Residence for Veterans in Chicago, Illinois.

If these rental assistance voucher requests can be implemented in the federal FY05 budget, the proposed St. Leo Residence for Veterans and the Veterans Affairs Clinic in Chicago will be able to move forward and become a reality within a year or so.

The Proposed St. Leo Residence for Veterans &
Veterans Affairs Clinic

An Invitation to Participate

In November 2002, representatives of the Department of Veterans Affairs invited Catholic Charities of the Archdiocese of Chicago to join in a national pilot program aimed at developing transitional housing for homeless veterans.

Catholic Charities Housing Development Corporation has sponsored, developed and managed affordable housing in Cook County, Illinois since 1985. Catholic Charities presently manages 18 affordable housing properties that serve 1,300 adults daily.

In addition, the Catholic Charities Division of Parish and Family Support currently operates 17 shelters and transitional housing sites that serve more that 700 people daily. Combined, Catholic Charities serves 2,000 low income adults and children each day.

Mission and Vision

The mission of this project is to develop apartments for homeless veterans and provide them medical services, mental health counseling, job training and case management supportive services from the Veterans Affairs Clinic and in the St. Leo Residence.

The vision is to attract veterans from the Chicago area to live in a safe and sober environment while they obtain employment, improve their ability to live independently and attain financial stability. It is assumed that veterans will voluntarily move out when they have opportunities for better jobs and more independent living arrangements.

The Unmet Need

The Department of Veterans Affairs estimates that there are as many as 250,000 homeless veterans in the United States. The six county metropolitan Chicago area has a high concentration of high priority veterans and is estimated to have as many as 18,000 homeless veterans.

The proposed St. Leo Residence for Veterans will serve a tenant population comprised of chronically homeless and mentally ill veterans who are highly eligible and highly connected to veteran's services.

In addition, the Department of Veterans Affairs regional Veterans Integrated Service Network 12 maintains a zip code analysis of Chicago veteran patients that indicates over 8,000 veterans reside on the south and southeast sides of Chicago. The proposed clinic will serve this group and provide the convenience of reduced transportation time to receive care.

The Proposed St. Leo Residence for Veterans &
Veterans Affairs Clinic

Project Summary

Project Description

The veterans will live in 141 studio units and each studio unit will have its own kitchen and full bathroom. The apartment building will have common recreational and meeting areas. There will a front door monitor at the main desk on a 24 hour per day, 7 days per week schedule. There will be off-street parking as required by the zoning ordinance.

Site

The proposed St. Leo Residence for Veterans will be located at 7750 S. Emerald Avenue, Chicago, Illinois 60620. It is the site of a closed Catholic church that the Archdiocese of Chicago made available for this project. The nearby Veterans Affairs Clinic will be located at 7731 S. Halsted Street, one block west.

These sites are located in the Auburn-Gresham neighborhood within the 17th Ward of the City of Chicago and the First Congressional District in Illinois. The nearest public transportation transfer site is at the corner of 79th Street and Halsted Street. There is dependable public transportation on the east- west route as well as the north-south route. In addition, 79th Street offers easy access to many businesses for shopping, banking, grocery stores, pharmacies and restaurants.

Clinic Services

The Department of Veterans Affairs will operate a nearby community based outpatient clinic to serve the large population of veterans who live on the south side of Chicago. The clinic is proposed to have 16,000 square feet. Services on the first floor will include medical health care and mental health counseling. The second floor space would be used for a job training classroom, a computer lab, Veterans Benefits Administration office, Department of Labor offices, meeting rooms and staff offices.

Services in St. Leo Residence

Catholic Charities will provide case managers to work with the resident veterans. There will be a housing locator to assist veterans with the transition to rental housing in the community of their choice. There will also be a community liaison staff person to meet with business and church leaders as well as local officials in the pursuit of employment opportunities.

The Proposed St. Leo Residence for Veterans &
Veterans Affairs Clinic

Cost

The cost of construction is estimated at $18,308,122 for the 141 studio apartments and community based outpatient clinic.

Construction Financing

Source	Amount	Status
Veterans Affairs loan	$3,225,000, 7%, 40 years	Conditionally approved
Illinois Housing Development Authority Trust Fund loan	$750,000, 1%, 40 years	Conditionally approved
McKinney Supportive Housing Program Grant	$400,000	Conditionally approved
Catholic Charities Housing Development Corp. equity	$1,300,000	Committed - Illinois "donation" tax credits
Illinois Low Income Housing Tax Credits	$10,991,267 yield from sale	Decision pending
Illinois Dept. Commerce & Economic Opportunity Energy Grant	$141,855	Decision pending
Federal Home Loan Bank loan	$750,000, 0%, 40 years	Apply in Fall 2004
FY05 HUD/VA grant	$500,000	Illinois delegation request
Chicago Community Trust grant	$250,000	Apply in Fall 2004

Partners

The efforts and resources of four groups are being combined in this project, namely: the Department of Veterans Affairs, the Catholic Charities Housing Development Corporation, the Roman Catholic Archdiocese of Chicago and the Department of Labor.

Other pilot project collaborators will provide funding or in-kind services: Illinois Housing Development Authority, Illinois Department of Commerce & Economic Opportunity, Federal Home Loan Bank, U.S. Department of Housing & Urban Development, Chicago Community Trust, and City of Chicago Department of Housing.

The Proposed St. Leo Residence for Veterans &
Veterans Affairs Clinic

Project Readiness

Sponsor

Catholic Charities Housing Development Corporation will function as the developer of the project and will assemble the financing.

Property Management Firm

Catholic Charities Housing Development Corporation will function as the property manager.

Service Coordination

Catholic Charities case managers from the Division of Family and Parish Support will collaborate with staff from the Department of Veterans Affairs and the Department of Labor to coordinate a continuum of services for the veterans who live in St. Leo Residence.

Site Control

Catholic Charities Housing Development Corporation purchased the land for the proposed residence from the Archdiocese of Chicago in June 2003. In addition, Catholic Charities Housing Development Corporation purchased land for the clinic from private owners in November 2003.

Zoning

The City of Chicago approved zoning for the residence site in November 2003. The proposed clinic site is already zoned correctly.

Rental Assistance Vouchers

Catholic Charities Housing Development Corporation requests that 70 project based rental assistance vouchers be earmarked for the St. Leo Residence for Veterans in the federal FY05 budget.

Local Support

The St. Leo Residence for Veterans and Veterans Affairs Clinic project has received strong support from elected officials, namely: U.S. Representative Bobby L. Rush, State Senator Jacqueline Collins and Alderman Latasha Thomas of the 17th Ward. Letters of support have been received from local clergy and business leaders. In addition, there are 25 linkage agencies that agreed to refer veterans to the St. Leo Residence.

The Proposed St. Leo Residence for Veterans &
Veterans Affairs Clinic

Conclusion

In 2003, Catholic Charities staff served over 800,000 people in Cook and Lake Counties, Illinois. We assist people to achieve self-sufficiency with "wrap-around" services that address the many levels of need causing them to seek help.

We at Catholic Charities believe that it is very important to end chronic homelessness. We support the efforts of the House Committee on Veterans Affairs to remedy this problem among veterans who served our country.

We believe the proposed St. Leo Residence for Veterans and Veterans Affairs Clinic will make a real contribution to the national plan to end homelessness as well as the City of Chicago's efforts to achieve the same goal. It will become a model for assisting homeless veterans that will be replicable in other communities.

Remarks of James W. Manning, Commissioner
Township of Neptune Housing Authority
Monmouth County, New Jersey

Homeless Veterans and Section 8

Good Morning, Mr. Chairman and distinguished Committee Members. My name is James W. Manning, and I'd like to thank the distinguished Chairman for the invitation to testify today. I'd like to add at the out-set, that although I'm a Commissioner of the Neptune Housing Authority, a member of the Veterans of Foreign Wars, the American Legion and the AMETS, I am not representing any organization per se, I'm here as a Veteran's Activist.

I have been a member of the New Jersey Veterans of Foreign Wars Legislative Committee for some seven years, and this year I'm Chief of Staff of the New Jersey State V.F.W., along with being Legislative Agent. (That may sound impressive, but my annual budget is $300.00; that should put it in proper perspective.)

During the years on the Legislative Committee, my interest has been in Veterans' Health Care and Homeless Veterans; and as you are well aware Mr. Chairman, the fight for adequate funding is a yearly knock-down, drag-out struggle, with the Veteran coming up short.

Early in 2002, shortly after President Bush signed your H.R. 2716 into P.L. 107-95, many of us in the Veterans' Community attended your press conference in Trenton, New Jersey which announced the finer points of the new law. I remember asking you how many of the Section 8 vouchers we could expect in our part of New Jersey. You answered the breakdown had not yet been made. I also remember that there were some

homeless Veterans testifying that day as to the merits of the new law. It was truly a happy day for Veterans, especially homeless Veterans.

Since I had been appointed a Commissioner to my local Housing Authority in Neptune, New Jersey, I started asking questions at the seminars that we as Public Housing Authority Commissioners frequently attended. When I mentioned the V.A. in conjunction with Section 8 vouchers, most people looked at me as if I had three heads. In addition, the higher ranking Housing Authority people seemed to brush me off. This surprised me, as I thought that all Housing people worked together for the good of all. Then, it dawned on me: the salaried high ranking Housing Authority people are simply not interested in V.A. vouchers because if the local Authorities don't administer these vouchers, there are no administrative fees. Having struck out in that area, I turned to Henrietta Fischman, up in Bronx, New York, John Kuhns, at Lyons, and of course, John Bradley. I was finally told that there is no funding for the Section 8's in the new law, and furthermore there may never be funding for that part of the law.

Now ready to give up yet, I spoke to the grant writer from the Neptune Housing Authority, who advised me that we may be able to help Homeless Veterans with the 58 new Section 8 vouchers that our Authority will receive on January 1, 2003. With this gentleman's help, we proposed a resolution giving Veterans preference on our Section 8 waiting list. Our resolution passed, and we were on our way, we thought.

A short time later, New Jersey Governor McGreevey issued a command call, and the New Jersey Department of Military Affairs, the National Guard, the Adjutant General, etc. along with service organizations met, for the purposes of discussing the needs of New Jersey's Veteran population. I gave a short presentation on homeless vets, including Section 8's, during the program. Afterward, a young woman approached me, who described herself as a resident of Veterans' Haven, who was a single Mom, and would be graduating from Veterans' Haven in a couple of months. The next question was about a Section 8 voucher, and how she would go about getting one. She told me that she had a sister who lived in Neptune, and since the Medical Center is right there, she felt that she could get employment at the hospital, since she was some kind of nurse. I thought that was great; it sounded like a win-win situation.

Backing up a little, I'd like to explain that Veterans' Haven is a transitional housing facility, whose residents have mainly drug and alcohol problems (97% to 98%). The maximum stay is 24 months, and the average stay is 11 months.

The next problem with using the Neptune Section 8's is that an applicant must be drug and alcohol free for a period of seven years. To illustrate, if a person is convicted of a drug or alcohol violation of the law, and winds up on probation for five years, the seven year period to qualify for a Neptune Township Section 8 begins at the termination of the probation; that effectively makes the waiting period twelve years. So, the first two names of Veterans whose names that I submitted to the Neptune Housing Authority were

disqualified almost immediately. The young woman that I described earlier never submitted an application, and sad to say, I heard last week, that she has relapsed. Because of privacy considerations, I still don't know what her problem was.

The point that I'm trying to make is that I believe that our Veterans need a special way of their own to obtain these housing vouchers. The civilian Commissioners on Housing Authorities across our nation have rules and regulations for the normal civilian population. I think that special consideration, and special tailoring is needed in helping our homeless Veterans who have been exposed to the rigors of combat stress and other stressful factors involved in military service. Consider the suicide problem in Iraq, for an example. The last figures that I heard are in the upper teens. Our military people are special people, and in some cases, need special treatment as concerns housing.

On May 3, 2004, I attended a meeting of a committee on which I serve, which is making an effort to create a Veterans Haven - Jersey Shore. It is to be patterned after the original Veterans' Haven in Winslow Township. One of the sites being considered is the old Fort Hancock area at Sandy Hook. There are some major renovations going on at this time, mainly to house schools and colleges. The Committee also felt that the prospective homeless residents could also work for the National Park Service during their rehabilitation. The Park Service, I understand has already been contacted in this regard. The draw back here, is that the NIMBYs are already at work, so we are being forced to look at alternate spots. The project is still in the beginning stage, and we are now seeking

financing for the project. The preparation will cost approximately $200,000. Then, there is the expense of professionals, insurance, etc. I'm now getting to the point: Section 8's. If we are successful with this program, we'll still need housing when the prospective homeless Veterans graduate, or are ready to re-join the regular population. I'm typing this report on May 13, 2004, and a homeless Vet called our V.F.W. Post this morning asking for me by name, and asking for help with a Section 8 voucher. I referred him to the Neptune Township Housing Authority for an application, but I also cautioned him not to get his hopes up, because I believe our Authority has stopped taking applications in order to get their waiting list in order, after a recent review by H.U.D. The man was referred to me at the unemployment office in Neptune.

These types of stories are commonplace around our area in Neptune, New Jersey. Now that summer is coming, we'll see more homeless people on the beaches and under the boardwalks.

In conclusion, I'd like to say I don't believe that the Section 8 program is the cure-all, or for everyone. A dormitory setting may be good for some people. But for those Veterans who suffer from PTSD, for example, and those who turn to drugs and alcohol due to their military service, I think, that the Section 8 program for Veterans can be the difference between success and failure in their attempt to make their recoveries from substance abuse, with the help of their families, in a home setting.

To give an idea of the worth of a Section 8 voucher in dollars: In Neptune, New Jersey, a one bedroom apartment is fair marketed at $878.00. If a person makes $20,000.00, $480.00 is deducted from the $20,000.00 for the dependent, next, 30% of the balance is $5,856.00, divided by 12, equals $488.00 which would be the renter's share of the rent. The Housing Authority's share is $878.00 minus $488.00, which equals $390.00. This obviously is a great help when the price of food and utilities is considered.

In closing, I believe that the Veteran's Administration should make Section 8 vouchers available as soon as possible, by providing the necessary funding needed for the program, especially in light of the many men and women now in the Mid-East who eventually will be home and in need of housing.

Thank you for your time and patience.

STATEMENT

by

Carlos Martinez
President and CEO
American GI Forum National Veterans Outreach Program, Inc.

Before the

COMMITTEE ON VETERANS AFFAIRS
United States House of Representatives

Tuesday, May 18, 2004
Washington, D.C.

Mr. Chairman, Honorable Members of the Veterans Affairs Committee, it is my pleasure to come before you today to speak on the vitally important issue of homelessness among veterans, and the ambitious objective of ending chronic homelessness by the year 2011. Homeless veterans are clients our organization has dealt with since its founding in 1972, and because I have the perspective of those 31 years of service with the American GI Forum NVOP, I can appreciate the focus and coordination for services to the homeless veterans promoted by Public Law 107-95.

Let me take a moment to explain the background of the American GI Forum National Veterans Outreach Program, so that my remarks can be held in context of the experience we hold. The American GI Forum "NVOP" as we call it, takes great pride in providing a very comprehensive system of service in its home city of San Antonio, and I believe that this wholistic approach has been very effective in dealing with the myriad of problems inherent to the homeless veterans. This comprehensive system has been built piece by piece over the years, and each year it is a new challenge to keep this collection of services together.

The American GI Forum acquired a building in 1995 with partial funding from the VA's Grant and Per Diem program, to establish what we believe is the first Veterans Service Center under that program in the country. The Veterans Service Center quickly became a hub of activity for veteran's services, and today it houses the DOL funded Veterans Workforce Investment Act program, the Homeless Veterans Reintegration Program, and a HUD funded Veterans Integration Program, for job placement services. The Center also offers in-house services for Basic Skills Upgrade, a Clothing Closet, a Food Bank, aptitude and interests Assessment, resume

writing, internet job sites access center, a full-time Disabled Veterans Outreach Program representative fully connected on-line with the Texas Workforce Commission's statewide job bank, and visiting representatives from the local Vet Center and the VA's Health Care for Homeless Veterans office.

Additionally, the American GI Forum NVOP provides transitional housing for homeless veterans in three single-family homes it has converted for this use. This transitional housing is prioritized for clients enrolled in the job-training programs. Originally leased from the VA, all three homes were eventually purchased by the organization at the VA's discounted price. The latest undertaking by the organization is acquisition and rehabilitation of a downtown San Antonio building that will provide 80 transitional beds and 30 single room occupancy apartments primarily for homeless veterans. The $2 million dollar venture is partially funded by a Grant and Per Diem award, partially by a HUD SHP grant, and a third from American GI Forum NVOP investment. The project is expected to be ready for occupancy by October, 2004, at which time the single-family homes now used for transitional quarters will be converted for use by homeless families.

Finally, the American GI Forum NVOP was very creative in enhancing the continuum of care by adding an economic development package. In 1997, the organization founded two income-generating and job-creating companies: the Veterans Enterprises of Texas which is a box manufacturing plant, and the American GI Forum Weatherization Company which is a specialty company that makes houses or apartments occupied by low-income individuals more energy efficient by adding insulation, replacing doors or windows, and some appliances that are energy saving models. The two companies serve two primary objectives: to generate income that the organization uses to fill "gaps" in the continuum, and secondly, to create job opportunities for homeless and disabled veterans. The two companies created approximately thirty new permanent jobs, and during peak loads additional temporary jobs are created, which are perfect for getting some of the homeless veterans into a case managed job environment while continuing recovery into the mainstream.

Although a forerunner to Public Law 107-95, I believe the NVOP is a community-based model that illustrates the coordination between VA, HUD, and DOL programs that the legislation promotes. This comprehensive continuum of care has proven very effective in serving over 600 homeless veterans annually, and we expect that number to increase significantly with the addition of the new Residential Center. The fact that Public Law 107-95 acknowledged the integral service provided by community-based organizations, and wisely included support for technical assistance to expand the rolls of community-based groups, is a factor that will generate much positive return in helping address the homeless veterans problem. I commend the U.S. Department of Labor for introducing a new category of HVRP funding for "intermediary" agencies, which must be experienced entities in serving homeless veterans, that can apply for funding to subsequently granting a significant portion of the funds to a new trainee agency that they can mentor. Expanding the rolls of agencies serving veterans is applauded, however, it does reduce the amount of money that is available for existing providers since the new category comes from the same level of funding for HVRP. I would suggest that this new idea is very worthy, and it needs to be supported by this committee by adding funds specifically for this to the HVRP, so as not to hamper the existing level of critical service.

Public Law 107-95 has also facilitated the relationships between the community-based groups and the Departments of VA, HUD, and DOL. In the past, the relationships were sometimes distant because the general sense was that the community groups were always out for money, while the opposing view was that government funding sources had to be pressured to listen to the community views. Now, with Public Law 107-95 as a common denominator, both sides are more open to the idea of working together to best serve the objectives.

Public Law 107-95 also set in place most of the elements that I believe are necessary and adequate for addressing the problem of the Homeless veterans with one exception, permanent housing. Those organizations that work on a day-to-day basis with homeless veterans realize that some of the more acute cases will probably always be on the fringe of recidivism. A permanent housing option like the HUD funded Single Room Occupancy (SRO) apartments provide a critical next step in the recovery for some, that need to stay connected to a community of peers. Eventually, and on their own, they will make the transition to other permanent housing

of their own. Although I cite the HUD SHP funds as an example, I do have a suggestion for this grant category. One of the difficult barriers to the use of these funds by many smaller agencies is that HUD requires a $1 for $1 match from non-federal dollars for new construction or rehabilitation construction. This is a very difficult challenge for many community agencies that cannot generate that type of match from non-federal sources. I would suggest re-consideration by HUD to allow other government funds as a match or at the very least to reduce the match requirement portion, and I would encourage this committee to consider increasing the grant and per diem program to allow for permanent housing also. In fact the Grant and Per Diem is one of the most critical programs for treating the homeless veterans, and strong consideration must be given to increasing the funding for this project to allow for more critical housing projects in communities currently not participating.

As an organization that has prospered better than some others, I would like to stress that it is still a challenge for us to survive every year. A criticism that is not necessarily aimed solely at Public Law 107-95, is that sometimes the grants that are supposed to help the organizations deliver the services, are so poorly timed that the service organizations wind up experiencing gaps in their operations. Like any other business, non-profits must first survive as a business, before they can help anyone. Therefore, I would encourage lawmakers to be sensitive to the fact that compatible timelines for grants are very important at our end of the spectrum. When grant cycles are changed, usually without forewarning, the organizations suffer considerable damage, and the gap in services is very disruptive to the homeless clients that may be in process. For some smaller entities, a gap in funding means that their program doors will literally close.

Another related issue is the minimal consideration made for successful grant service providers at the grassroots level. Successful programs should be placed on some special review process to confirm their performance, and be allowed to qualify for renewal of their grant without having to disrupt the services to clients. Every time a program is coming up for grant renewal, service operations have to be scaled down to the point of almost coming to a complete stop. This is counter-productive when the agencies are faced with very challenging timeline of ending chronic homelessness by 2011. I commend DOL for amending their HVRP solicitation to allow for a three-year contract, provisional, of course, on the service provider's successful performance. I

would suggest to this Committee, that future authorizations of the grant programs under Public Law 107-95 be made through the target year of 2011, assuring everyone that the coordination of all grants necessary for this effort is in place.

In closing I would like to reiterate that the model our organization has used for serving both veterans and homeless veterans is a comprehensive system that can best be described as a "one-stop" center for veterans. I would encourage others to follow this model, and ask this committee to consider apportioning WIA funds for Veterans One-Stop Centers. There is good reason for this suggestion; Veterans have a different perspective and expectations when entering a place for services. They see "entitlements" while civilian employees see them as social services. Also, the work of providing veterans with solutions to their problems, means the Case Managers must understand two worlds: the world of veterans benefits and entitlements, and the civilian world that has many other vital services that can be accessed for the veteran. And, thirdly, because veterans always react best to peers. I believe that our model in San Antonio, and other similar models at the community-based level using fellow veterans in Case Management positions, have demonstrated that peer service is an integral element in successful service to homeless veterans. The service that community based organizations are providing will be a major factor in helping us reach the goal of ending chronic homelessness by 2011.

I thank you for this wonderful personal opportunity to present my views to this committee, and I sincerely thank all of you for your dedicated service to our veterans.

(Curriculum Vitae on the following page)

Curriculum Vitae

Mr. Carlos Martinez, President and CEO of the American GI Forum National Veterans Outreach Program is based at 206 San Pedro, Suite 200, San Antonio, Texas, 78205-1133. He may be reached by phone at (210) 223-4088, email at cmartinez@agif-nvop.org or fax at (210) 223-4970.

Mr. Martinez does not serve in any governmental capacity, and it should be recorded that the American GI Forum National Veterans Outreach Program, Inc., a duly chartered non-profit corporation, received federal funding from the Homeless Veterans Reintegration Program in the amount of $250,000 for the performance year ending June 30, 2004; $593,000 for operation of the Veterans Workforce Investment Program through the State of Texas; $619,000 from the VA's Grant and Per Diem Program awarded October, 2003; and $1,198,052 in HUD grants for acquisition, rehabilitation and operation of transitional and permanent housing for homeless individuals in San Antonio. The previous year the organization received the same amount of funding for the Homeless Veterans Reintegration Program and the Veterans Workforce Investment Program.

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STATEMENT

OF THE

AMERICAN PSYCHIATRIC ASSOCIATION

TO THE

HOUSE VETERANS' AFFAIRS

COMMITTEE

ON

HOMELES ASSISTANCE PROGRAMS FOR

VETERANS

May 18, 2004

The American Psychiatric Association (APA) is a national medical specialty society, founded in 1844, whose over 36,000 psychiatric physician members specialize in the diagnosis and treatment of mental and emotional illness and substance use disorders. As a major medical association, the care and treatment of our nation's veterans is a significant concern of ours. We feel compelled to be advocates for these heroes that stood in the forefront to protect our freedoms and way of life. It is our turn to look after their needs.

Two years after the beginning of the war in Iraq, there are nearly 150,000 American men and women serving in the war zone, and another 16,000 serving in Afghanistan. Rotations of troops returning home from Iraq are now a common occurrence. Military analysts and government sources say the deployments and repatriation of combat veterans is unlike anything the nation has experienced since the end of the Vietnam War. They also say the deployments are likely to continue for several years. The signs of an impending crisis are clearly seen in the VA's own numbers. Under considerable pressure to stretch dollars, the VA estimates it can provide assistance to about 100,000 homeless veterans each year, only 20 percent of the more than 500,000 who will need supportive services.

The United States Department of Veterans Affairs (VA) estimates that on a given night some 250,000 veterans are homeless nationwide, and that as many as half a million veterans experience homeless in the course of a year; this represents around two percent of all living American veterans. All but 3 percent of homeless veterans are men, and 56 percent are African American or Latino. Approximately 45 percent suffer from mental illness, and more than two-thirds suffer from substance abuse disorders. More than two-thirds of homeless veterans served in the armed forces for at least three years, and 47 percent served in the Vietnam War.

According to a 1996 nationwide survey of homeless people and service providers, 33 percent of the male homeless population is comprised of veterans, and 23 percent of the

total homeless population is made up of veterans. The VA offers an array of programs to help homeless veterans live as self-sufficiently and as independently as possible and provides the largest integrated network of homeless treatment and assistance services in the country.

Homeless Veterans Mental Illness

With the large number of homeless veterans, it follows that these veterans typically suffer the same mental illnesses as found in the general homeless populations. These illnesses include schizophrenia, schizo-affective disorder, bipolar disorder, and major depression. All these illnesses differ in their causes, course, and treatment. Frequently, those in need of protection and services the most are the chronically mentally ill individuals who suffer from the cognitive and social deficits of their illnesses. As a result of their illnesses, these individuals are left to fend for themselves in the community. As noted in a federal task force report, their symptoms may differ dramatically. Symptoms may range from exhaustion and severe depression to displaying delusional or suspicious behavior. They may be withdrawn from any human contact or become possibly hostile and dangerously aggressive. Symptoms that, by officials not trained to diagnose mental illnesses, may be interpreted to be criminal in nature.

These symptoms often occur because homeless individuals are not receiving the necessary psychotropic medications or have resisted treatment. Or, there may have been a breakdown within the familial and social network, the mental health and criminal justice systems, or societal polices ranging from housing availability to legal definitions of dangerousness to self.

Housing

Most individuals with severe mental illnesses can live in their communities with the appropriate supportive housing options. However, all too often, the suggested solution is

temporary shelter residencies. Although temporary shelters may be necessary as an emergency resource, they do not offer solutions to a mentally ill person's problem. Temporary shelters even offered as solutions for the mentally ill implies that society has accepted the notion that mentally ill individuals should be permitted to refuse treatment and live on the streets.

However, based on both clinical observation and research data, the reality is quite the opposite. Life on the streets is generally characterized by dysphoria and extreme deprivation. Studies suggest that the mentally ill often reject the housing opportunities presented to them because of expectations placed upon them to enter into unrealistic or inappropriate treatments or placements.

The lack of low cost housing is one example for the high number of homeless mentally ill. Single-room-occupancy hotels have sharply declined over the years and for the most part are no longer an option for the homeless mentally ill. Without this housing option and with no other suggested options to fill the void, mentally ill individuals are left with few choices.

The APA Task Force on Homelessness advocates the following:

- The care, treatment, and rehabilitation of chronically mentally ill individuals must be made the highest priority in public mental health and receive the first priority for public funding;
- Comprehensive and coordinated community-based mental health systems to engage homeless mentally ill individuals and help them to accept treatment and suitable living arrangements, while serving this mentally ill population immediately;
- A full complement of research efforts to identify subgroups of the homeless mentally ill population, assess their service needs, study alternative clinical interventions, and evaluate those outcomes;
- Professionals serving the mentally ill must be provided to the appropriate training to assess both functional strengths and dangerous degrees of disability;

- Residential and treatment standards for homeless mentally ill individuals should measure up fully to the standards of care needed for severely disabled individuals and that they should be capable of being monitored; and
- The provision of housing opportunities, the provision of psychotropic medications, and the provision of structure, in varying amounts, are each important and interrelated matters in serving the homeless mentally ill.

President Bush's Veterans Health Care Task Force

APA commends the President for convening a Veterans Health Care Task Force composed of officials and clinicians from the Department of Veterans' Affairs (VA) and Department of Defense (DOD), leaders of veterans and military service organizations, and leaders in health care quality to make recommendations for improvements in the VA. The VA will focus its attention on treating disabled and low-income veterans. The APA hopes the task force will address the workplace shortages of psychiatrists and psychiatric nurses in looking at quality of care.

VA Homeless Programs

Mental Illness Research, Education and Clinical Centers

An important VA program, Mental Illness Research, Education and Clinical Centers (MIRECCs), began in October 1997 with establishment of three new Centers. These Centers bring together research, education and clinical care to provide advanced scientific knowledge on evaluation and treatment of mental illness. MIRECCs demonstrate that coordinating research and training of healthcare personnel in an environment that provides care and values the synergism of bringing all three elements together results in improved models of clinical services for individuals suffering from mental illness. Further, they generate new knowledge about the causes and treatments of mental disorders.

MIRECCs were designed to deal with mental health problems that impact America's veterans. These include schizophrenia, post-traumatic stress disorders (PTSD), and dementia. In addition, MIRECCs focus on complex disorders including serious psychiatric issues complicated by homelessness, substance abuse and alcoholism. The funding of additional MIRECCs, which would provide research for these complex medical disorders, is vital.

Alcohol and other substance use disorders continue to be a major national healthcare problem. Numerous studies show that rates of alcohol and other substance abuse are high among veterans within VA healthcare system. To its credit, VHA made significant progress during the past three years in screening all primary care patients for alcohol misuse. Which has resulted in identifying additional patients in need of specialized treatment services.

VHA should reinvest savings from closing inpatient mental health programs to develop an outpatient continuum of care that includes case management, psychosocial rehabilitation, housing alternatives, and other support services for severely and chronically mentally ill veterans.

Again, we thank the Committee for the opportunity to deliver this statement on mental health, substance-use disorders and homelessness programs in the VA. Please do not hesitate to call on the APA as a resource, should there be any way in which we might be able to assist in working with you to provide the best health care possible to the veteran community.

WRITTEN COMMITTEE QUESTIONS AND THEIR RESPONSES

CHAIRMAN SMITH TO DEPARTMENT OF VETERANS AFFAIRS

Questions for the Record
Honorable Christopher H. Smith, Chairman
House Committee on Veterans' Affairs
Hearing on Homeless Assistance Programs for Veterans
May 18, 2004

Question 1: In addition to the existing initiative among the Department of Veterans Affairs (VA), the Department of Housing and Urban Development (HUD), and the Department of Health and Human Services (HHS) to establish 400 beds for homeless veterans in a joint project, what other initiatives are the three departments now pursuing to reduce homelessness in the veteran population?

Response: Under the leadership of VA Secretary Principi, the Interagency Council on Homelessness has instituted a program to make its staff knowledgeable about VA and its programs and to incorporate a veteran-oriented focus in all planning efforts to end chronic homelessness.

The Department of Housing and Urban Development (HUD) has agreed to our suggestion to allow VA community homelessness assessment (commonly called "CHALENG for Veterans") to be used to demonstrate the need for veteran-specific and veteran-focused projects. We are hopeful that this new approach will effectively demonstrate the need for housing and services for homeless veterans in communities.

In addition, HUD has called upon communities receiving funding to use a standard common identifier, such as social security numbers for all homeless individuals including homeless veterans, under its Homeless Management Information System (HMIS). VA has encouraged and supported this effort and believes that, if used by communities, it will allow VA to better identify and serve homeless veterans in HUD-funded programs across the nation.

We have had discussions with the Department of Health and Human Services (HHS) and are developing a plan to increase access to community-based health care and social service programs funded by HHS for all family members of homeless veterans and specifically for children.

The Department of Labor (DOL) and VA have developed pilot projects for veterans who are returning from incarceration. VA is coordinating with DOL-funded community-based programs in Los Angeles, CA; San Pedro, CA; Denver, CO; Hammond, LA; Louisville, KY; and Rochester, NY to assure that veterans being released from incarceration have access to VA benefits and services.

With HUD and HHS, we participated in the development of the Collaborative Initiative on Chronic Homelessness. Under this initiative, funding is available for the provision of

both housing and wrap around services. A total of $35 million was distributed to 11 local grantees in September of 2003.

Question 2: Is the Interagency Council, currently chaired by Secretary Principi, developing any recommendations for VA, HHS or HUD, or other agencies, addressing homelessness in the veteran population, and what are they? Has any new funding been identified by the three agencies, and if so, how will it be used?

Response: The Interagency Council on Homelessness has supported legislation for the Samaritan Initiative and the Administration's proposed FY 2005 budget supports funding for the program. This initiative would allow VA to work collaboratively with HUD and HHS on long-term housing with supportive services for chronically homeless individuals, including chronically homeless veterans. Funding is proposed at $70 million, which includes $50 million from HUD, $10 million from HHS, and $10 million from VA. VA would provide dedicated case managers to assure veterans access to a full range of health services and benefits assistance. VA's Northeast Program Evaluation Center (NEPEC) would contribute program monitoring and evaluation services to this effort.

Question 3: In VA's response to post-hearing questions from the Subcommittee on Health oversight hearing on homelessness a year ago May, VA described a collaborative initiative with HUD and HHS to bring state-level decision makers together at policy academy sessions. Describe this initiative in more detail and tell us about the session held in Chicago, IL, last May. Have the three additional state academies been held and what has been the net result of these efforts?

Response: VA, HUD, and HHS have participated in six policy academies, (in four of which DOL also participated), including three that occurred after the May 20-22, 2003, academy in Chicago. Like all seven of the Policy Academies, the Policy Academy in Chicago brought together teams of policy officials from several states to determine ways to assure that homeless individuals in each state have access to mainstream programs such as Medicaid, Food stamps, Temporary Aid to Needy Families (TANF) and others. As of December of 2003, 45 States had attended policy academies and 33 have documented action plans. The academies have been helpful in forging new federal-state relationships. The academies have also provided the impetus for nearly all states and more than 120 local governments to create interagency councils on homelessness and to develop 10-year plans to end chronic homelessness. Following the Chicago Policy Academy in May 2003, the Department of Labor joined HUD, HHS, and VA as a sponsoring agency of the Policy Academies.

Question 4: You discussed the VA HUD-VASH program but make no mention of whether it will be expanded, when it may be expanded, or whether VA supports an expansion of HUD-VASH. What is VA's position on expanding HUD-VASH by an additional 2,000 vouchers? If the HUD-VASH program (housing vouchers with associated case management) is described as highly successful by those who know it best, why haven't HUD and VA caused it to be expanded?

Response: VA has reported on the success of the HUD-VASH program in helping homeless veteran's secure permanent housing. Dedicated Section 8 Vouchers for homeless veterans from HUD, coupled with ongoing VA case management services, have proven to be a very successful collaborative program. Since the program began in 1992, 1,753 Section 8 Vouchers have been dedicated for use by homeless veterans. In some locations, these vouchers are reaching the 5-year expiration date and are being returned to the general pool of Section 8 Vouchers managed by local Public Housing Authorities. VA supports continued dedication of the original 1,753 Section 8 Vouchers for homeless veterans.

VA also supports the expansion of the HUD-VASH program through an additional commitment of 2,000 Section 8 Vouchers. Public Law 107-95 called for a phased-in expansion of 500 vouchers per year over a four-year period. VA supports this incremental expansion of the HUD-VASH program. Key staff in HUD and VA continue to work toward expansion of the program.

Question 5: What actions is VA taking, in addition to ongoing communication with HUD, to increase the number of managed vouchers made available to VA case managers?

Response: There are no programs in which Section 8 vouchers are made available to VA case managers. In the HUD-VASH Program, local Public Housing Authorities set aside Section 8 Housing Vouchers for homeless veterans and make them available to homeless veterans who are referred by VA case managers in the HUD-VASH program. VA also maintains a program called Supported Housing at 22 VA medical centers. This program provides long-term case management of homeless veterans, with the goal of aiding the transition to permanent housing. Although there are no "set-aside" HUD Section 8 vouchers in the Supported Housing program, approximately 35 percent of the 1,500 veterans who participate in the program receive HUD Section 8 housing assistance. The majority of that HUD assistance comes through VA collaboration with community Shelter Plus Care programs.

Question 6: Last year, VA advised the Health Subcommittee that it was charging the VA Northeast Program Evaluation Center to review the dental benefit Congress authorized for homeless veterans. Was that evaluation completed, what are its results and what steps are you taking in response to the review?

Response: VA's Northeast Program Evaluation Center (NEPEC) has recently completed an analysis of national data from the Outpatient Treatment File to determine if homeless veterans in VA-supported residential programs during FY 2002 and FY 2003 had better access to dental care following enactment of Public Law 107-95.

Findings from NEPEC's review indicate that homeless veterans who had been involved in 60 or more days of residential care in the CWT/TR programs, HCHV contract residential treatment programs, or grant and per diem-funded programs had increased access to dental care in FY 2003, following enactment of the legislation, than homeless

veterans with similar lengths of stay in FY 2002. The relative increases from FY 2002 to FY 2003 in initiation of dental services for homeless veterans were 67 percent in CWT/TR; 118 percent in HCHV contract residential care; and 93 percent in grant and per diem-funded programs. This suggests that the law and VA's implementing directive have had some positive influence in getting additional homeless veterans into VA dental care.

NEPEC's report has been made available to all VA medical centers. We are reviewing the study further to determine any additional actions that may be warranted.

Question 7: Assuming VA homeless domiciliaries are effectively doing their job of providing both sheltered living and a rehabilitative environment, and given that VA has been studying ways of using vacant space in VA buildings for the past several years, what are VA's primary reasons for failing to expand the homeless domiciliary programs beyond the current 35 sites.

Response: Data from the NEPEC indicate that veterans in DCHV programs have better outcomes than veterans who received care in other residential programs, based on measures such as housing, employment, successful completion of treatment, and improvements in mental health, other medical conditions, alcohol abuse, and drug abuse.

Because of the extensive review of VA facilities and health care delivery service in the CARES process, we had delayed consideration of expanding our homeless domiciliary programs. Now that the CARES process has been completed and the mental health and long-term care planning processes are nearing completion, it is appropriate to look again to see if there are gaps in the continuum of care to decide if there is a need for additional DRRTP-DCHV programs.

Question 8: One provision in Public Law 107-95 requires VA to initiate a pilot program in six penal institutions that would contact incarcerated veterans in an effort to prevent their future homelessness. What is the status of the pilot program? Are there any other efforts underway to address this highly at-risk population?

Response: DOL has taken the lead in activating the 6 pilot initiatives, and VA has been working closely with DOL. Pilot sites have been identified and a post award conference for community-based programs funded by DOL was held in April 2004. All pilot programs have initiated services to incarcerated veterans. Staff of the Veterans Health Administration and the Veterans Benefits Administration and VA transitional housing partners who have been funded under the Grant and Per Diem program are expected to aid in this effort.

We are also aware that HUD is working on a proposal to create a prisoner re-entry program. Designed as a multi-agency effort, this program is intended as a program of job training, placement services, transitional housing, and mentoring. This program will

assist in the rehabilitation process for ex-offenders and serve to reduce the recidivism rate by removing recidivism's contributory factors, including homelessness.

Question 9: VA is under a Congressional mandate to have mental health services available, or a plan to provide them, in every health facility. Yet the CARES Commission indicated in 2004 that only approximately 30 percent of VA's community-based outpatient clinics currently have this service in place. What are VA's plans to introduce mental health services in the remaining 70 percent of CBOCs without these services?

Response: Veterans with a primary psychiatric diagnosis are currently receiving treatment for that disorder in all CBOCs by either primary care physicians or mental health specialists. Of the 636 active CBOCs, 76 percent provide some mental health specialty services. Of those 194 CBOCs that see over 3,000 veterans annually, 93 percent provide specialty mental health services.

Under the Mental Health Strategic Plan now under development, we are studying the most effective way to require new access to specialty mental health services in all CBOCs. Plans under consideration to extend specialty mental health services to those CBOCs that do not now provide them and to expand services to those that provide insufficient services include the following:

- expanding health services provided through VA's telehealth programs beyond the 48 CBOCs now receiving such services;
- contracting with mental health providers in the local community;
- initiating a new performance measure, updated monthly, that reveals the percent of CBOCs in each VISN that have at least 10% of visits to a mental health professional, with an acceptable level of 85 percent.
- developing new outcome measures that the Under Secretary's Action Agenda Steering Committee will monitor regarding the status of the program expansion.

Question 10: Living a sober life is key to remaining a member of society. Given this truth, I note that one of our most heard complaints from mental health professionals in VA is adequacy of detoxification and residential substance abuse beds. What are you doing about this problem?

Response: One recommendation of the VA Mental Health Task Force on the Availability of and Access to Mental Health and Substance and Abuse Services for Veterans mandates that VA medical centers restore specialized substance abuse treatment programs. It is expected that the actions taken to comply with this recommendation will begin to restore both detoxification and residential treatment capacity within VA's health care system. The Secretary supports this recommendation and has instructed the Under Secretary for Health to include specific action steps in VHA's Mental Health Strategic Plan to assure that facilities in the lowest quartile restore services to at least the national average by the end of FY 2005. The VHA Mental Health Strategic Plan is scheduled for completion in July 2004. The plan is considering the use of VHA's Clinical Practice Guidelines for Substance Abuse Treatment as the

primary guides in re-establishing services. VA is planning to reallocate VISN resources to accomplish the plan's objectives.

Question 11: Mr. Mansfield, your written statement discussed in general terms the prison and other institutions outreach authority we passed, but most emphasis was on actions taken by the Department of Justice, not VA. It was VA's innovations with the Los Angeles County Jail that prompted us to add that authority to the law. What has been VA's role in the Justice initiative, and do you plan other approaches for VA outreach with state prisons and local jails? Please describe those and give us a sense of their timelines.

Response: On June 3, 2004, Secretary Principi issued a decision memorandum in response to the task force he appointed to review access to mental health and substance abuse services for veterans. Among other things, the Secretary stated: "all VISNs should address the transition needs of incarcerated veterans and develop a plan that will be implemented in FY 2004." Secretary Principi requested that the task force recommendation be included in the VHA Mental Health Strategic Plan by July 15, 2004. A copy of the decision memorandum is attached.

Question 12: The Secretary told us in February that "200,000" veterans are homeless. He suggested that the number of homeless is coming down. What is the basis for that conclusion?

Response: The number of homeless veterans in the United States is not known with certainty. However, several estimates have been formed, based on similar surveys of individuals who use homeless services programs. The best and most recent of these surveys was the Urban Institute's 1996 National Survey of Homeless Assistance Providers and Clients (NSHAPC).

An Urban Institute estimate of the proportion of veterans among homeless men in 1987 was 44 percent. A similar estimate based on 1996 NSHAPC data was 33 percent. Thus, we believe that the proportion of veterans among the homeless has declined. While the two studies were similar they were not comparison reviews. We further believe that approximately half of that decrease is due to the decrease in the number of veterans in the general population.

From the estimates of all homeless individuals based on NSHAPC data, both VA and the Urban Institute estimate that there are approximately 184,000 homeless veterans on any given day. The number of veterans experiencing homelessness over the course of a year is estimated to be between 600,000 and 750,000. Approximately 23% of all homeless adults and 33% of all adult males who were homeless at the time of that survey were veterans.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-1000

ASSISTANT SECRETARY FOR CONGRESSIONAL
AND INTERGOVERNMENTAL RELATIONS

JUL 16 2004

The Honorable Christopher H. Smith
U.S. House of Representatives
Washington, DC 20515-6335

Dear Representative Smith:

On behalf of Secretary Jackson, thank you for your letter of June 16, 2004, regarding additional questions from the Committee on Veterans' Affairs. Enclosed is the Department of Housing and Urban Development's response to the three additional questions for the record.

Thank you for your interest in the Department's homeless assistance programs. Please let me know if I can be of further assistance.

Sincerely,

Steven B. Nesmith
Assistant Secretary for Congressional and
Intergovernmental Relations

Enclosure

Questions for the Record
Honorable Christopher H. Smith, Chairman
Committee on Veterans' Affairs
May 18, 2004

Question - In addition to the existing initiative among the Department of Veterans Affairs (VA), the Department of Housing and Urban Development (HUD), and the Department of Health and Human Services (HHS) to establish 400 beds for homeless veterans in a joint project, what other initiatives are the three departments now pursuing to reduce homelessness in the veteran population?

Response – There are several Federal interagency initiatives that HUD, HHS, VA and other Federal agencies are pursuing to reduce homelessness in the veteran population. First, HHS, HUD, VA and the Department of Labor (DOL) conduct Policy Academies for state and local policymakers to increase access to mainstream services for people who are homeless.

Second, the multi-agency Samaritan initiative would be the first Federal program dedicated to the chronically homeless population. The program's unique design of having a joint collaboration between HUD, HHS and VA will demonstrate that agencies, including those locally, can pool resources to effectively end chronic homelessness. The Samaritan Initiative Act of 2004 (HR 4057) was introduced on March 30, 2004 by Congressman Rick Renzi (R-AZ).

Third, the $13.5m HUD/DOL five-year demonstration initiative (HUD's contribution is $10.2m) focuses on housing and employment for chronically homeless persons. This first ever HUD/DOL joint homeless program will enable persons who are chronically homeless to achieve employment and self-sufficiency through placement in permanent housing units, supplemented by "customized employment" strategies through local Workforce Investment Boards (WIBs). It is expected that nearly 300 chronically homeless individuals will receive permanent housing and employment opportunities in five major cities. Many chronically homeless veterans will be included in this population.

Finally, in his 2004 State of the Union address, the President announced a four-year, $300m initiative to reduce recidivism and the societal costs of re-incarceration by helping returning inmates to more effectively contribute to society. The President's initiative will harness the resources and experience of faith-based and community organizations. Working together, DOL, HUD and the Department of Justice (DOJ) will help ex-offenders find and keep employment, obtain transitional housing, and receive mentoring. Along with these key ingredients, HHS will provide access to substance abuse and mental health treatment for this initiative.

Question – Is the Interagency Council, currently chaired by Secretary Principi, developing any recommendations for VA, HHS or HUD, or other agencies, addressing homelessness in the veteran population, and what are they? Has any new funding been identified by the three agencies, and if so, how will it be used?

Response – The 20 ICH members, which includes the three departments mentioned in your question, meet regularly to address the numerous issues relating to homelessness and the different homeless populations, such as veterans. Recently, the Council established several working groups to look at potential reentry issues of veterans returning from Iraq and Afghanistan and surplus property that can be accessed by homeless veterans organizations, among others.

The Samaritan Initiative Act of 2004 proposes a $70m authorization for FY 2005: $50m for HUD; $10m for HHS; and $10m for VA to help house and provide supportive services for chronically homeless people, including homeless veterans. The President's FY 2005 budget request for the Prisoner Reentry Initiative $300m demonstration grant includes $25m for HUD's portion of this initiative; $35m for DOL; and $15M for DOJ. HUD's total contribution will be $100m over four years. Both of these initiatives will address homeless veterans.

Question – What is HUD's position on expanding HUD-VASH by an additional 2,000 vouchers? If the HUD-VASH program (housing vouchers with associated case management) is described as highly successful by those how know it best, why haven't HUD and VA caused it to be expanded?

Response – HUD's funds support all homeless populations, including veterans. The HUD-VASH interagency housing program combines resources of HUD and VA to provide homeless veterans with permanent, subsidized supportive housing. Veterans are required to pay a portion of their income for rent. Those without income receive fully subsidized housing.

Approximately 1,750 Housing Choice Vouchers have been set aside and distributed to homeless veterans by Public Housing Authorities (PHAs) in communities across the country. These vouchers provide about $9m annually in rental assistance to veterans. Section 12 of the Homeless Veterans Comprehensive Assistance Act of 2001 authorized a set-aside of 500 vouchers for HUD-VASH in 2001, 2002 and 2003 each, subject to appropriations. However, to date the appropriations have not been made. As a result, PHAs have not been able to expand the program as originally envisioned. PHAs continue to serve homeless veterans through their current allocations.

While we recognize that the HUD-VASH program has helped homeless veterans, the larger regular voucher program continues to provide substantial resources to homeless veterans. Expanding HUD-VASH is dependent on identifying new incremental vouchers, which has not occurred.

HHS Responses to Questions for the Record from
Honorable Christopher Smith, Chairman
Committee on Veterans' Affairs
May 18, 2004 Hearing

Question 1: In addition to the existing initiative among the Department of Veterans Affairs (VA), the Department of Housing and Urban Development (HUD), and the Department of Health and Human Services (HHS) to establish 400 beds for homeless veterans in a joint project, what other initiatives are the three departments now pursuing to reduce homelessness in the veteran population?

Response:

HHS is currently the largest funding partner in the Collaborative Initiative on Chronic Homelessness, cosponsored with HUD and VA. HHS is contributing to support psychiatric, substance abuse, and primary care treatments to homeless persons placed in permanent housing, technical assistance to the grantees, and evaluation of the Initiative. In addition to beds for homeless veterans, it is expected that over 1,000 homeless persons will be assisted in these projects.

The Collaborative Initiative was the foundation for the Samaritan Initiative, currently before the House as H.R. 4057. The Samaritan Initiative proposes the establishment of a new subtitle of the McKinney Act and $70 million in appropriations for FY 2005 that would allow HHS, HUD, and VA to work more collaboratively to assist local and State responses to chronic homelessness, including veterans.

Finally, through January of 2004, we have completed seven technical assistance interventions with State agencies that were collaboratively funded by HHS, HUD, VA and the Department of Labor (DOL). Referred to as Homeless Policy Academies, the seven academies reached virtually every State and supported an internal State team to develop new partnerships and policies to respond to homelessness. Thirty-five States that participated in these academies have submitted plans that have been vetted and approved within their States. The seven academies led to a doubling of States that have State Interagency Councils on Homelessness (currently standing at 45), and reinforced the development of plans by over 115 cities to address homelessness. HHS is currently providing follow up assistance to each State to help with the implementation of the plans.

Question 2: Is the Interagency Council, currently chaired by Secretary Principi, developing any recommendations for VA, HHS, or HUD or other agencies, addressing homelessness in the veteran population, and what are they? Has any new funding been identified by the three agencies, and if so, how will it be used?

Response:

The major collaborative development involving HHS, HUD, and VA is the Samaritan Initiative,

noted above. The "Samaritan Initiative Act of 2004" was introduced as H.R. 4057 by Rep. Rick Renzi, with bipartisan support. The Samaritan Initiative would create a new subtitle under the McKinney Act that provides authority for HHS, HUD, and VA to utilize a single application, review, and award process to make competitive awards to support community efforts to integrate permanent housing with supportive services, including primary and behavioral health care, for chronically homeless persons, including veterans. Working flexibly with a requested authorization level of $70 million, the Departments would assist communities to integrate housing and treatment for chronically homeless persons, including veterans.

The policy representatives of the Secretaries have recently agreed to have the Council establish a work group that will focus on the prevention of homelessness among returning service members. The group will give consideration to activities intended to prevent the incidence of homelessness by focusing on economic, housing, and psychosocial responses. The work group met earlier this month, and included representatives from a number of agencies, including DoD, HHS, HUD, Labor, and VA.

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