



MASSACHUSETTS COALITION FOR THE HOMELESS

Committed to ensuring that everyone has a place to call home

April 12, 2012

## Looking Ahead to Fiscal Year 2013: The House Ways and Means Committee Has Released Its Budget Recommendations for the Upcoming Year

See below for a preliminary analysis and actions you can take to support housing, homelessness, and safety net programs!

### Quick Links

- [Coalition's home page](#)
- [House Ways and Means FY'13 budget proposal](#)
- [HWM FY'13 budget presentation](#)
- [Amendments already filed](#)
- [Coalition's budget priorities for FY'13](#)
- [Governor's FY'13 budget proposal](#)
- [Overview of budget process](#)

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Dear Kelly,

Yesterday, the House of Representative's Committee on Ways and Means ("House Ways and Means" or "HWM") unveiled its fiscal year 2013 budget recommendations for the Commonwealth. This \$32.3 billion proposed budget marks the next step on the path to developing the final state budget for the fiscal year that will begin on July 1st.

The House Ways and Means budget proposal includes major eligibility restrictions and benefits reductions in the family shelter and short-term housing subsidy programs, while also including much-needed renewed investments in long-term housing and homelessness prevention programs and new funding for the transportation of students experiencing homelessness.

Please see the sections below for an analysis of the HWM budget proposals for housing, shelter, homelessness prevention, and cash assistance programs, as well as preliminary information about known, relevant amendments.

As the House Ways and Means budget proposal is only the second of many proposals on the way to the final FY'13 budget, your voice will be critical in helping to protect housing, homelessness, and safety net programs for both families and individuals. **We will be calling on you to take action in the days and weeks ahead to weigh in with your State Representative, as House members file amendments to the HWM budget (due by tomorrow afternoon), co-sponsor amendments, and debate the budget the week of April 23rd.**

To learn more about the Coalition's FY'13 budget priorities, please [click here](#).

### The House Ways and Means Committee's FY'13 Budget Recommendations for Housing, Shelter, Homelessness Prevention, and Cash Assistance Programs

To access the House Ways and Means Committee's complete budget recommendations, please [click here](#).

### A Quick Look at Selected Department of Housing and Community Development (DHCD) Line Items

1. The House Ways and Means budget would decrease funding for the **Emergency Assistance family shelter and services program (line item 7004-0101)** from the current FY'12 appropriation level of \$118.8 million to \$88.9 million for FY'13. However, a new line item (7004-0103) for the amount of \$16.6 million has been added to designate funds specifically for costs related to housing families in motels/hotels when shelter beds are not available. Combined, the line items total \$105.5 million. While this is still a decrease from the FY'12 final appropriation level, it is an increase from the Governor's recommendation of \$100.4 million.

Through the House 2 budget, the Administration proposed new limitations on shelter eligibility for children and families who are experiencing homelessness. The House Ways and Means budget modifies that proposal and only would expressly provide shelter to certain families that:

- Are at risk of domestic violence in their current housing situation
- Lost their housing due to fire, flood, or natural disaster
- "... are homeless due to eviction from their most recent housing through no fault of the members of the family seeking shelter due to foreclosure or condemnation or nonpayment of rent or conduct by a guest or former household member who is not part of the household seeking emergency shelter or conduct attributable to a disability caused by a documented loss of income within the past 12 months directly as a result of a job loss or medical condition"
- Are not primary lease holders and are living in situations (such as a double-up situation) where there are "material health and safety risk that would likely result in a significant detriment" if the families continue to stay there.

We believe that many thousands of children and families would be excluded from accessing the safety net of shelter if this new restrictive language is adopted. As written, DHCD could deny access to shelter to families such as those who are now homeless because they had an increase in expenses or a reduction of benefits and could no longer afford the rent; families who simply have been kicked out of double-up situations and have nowhere to go; families who previously fled a domestic violence situation and are no longer in imminent danger by the abuser, but have nowhere to stay; families who have been unemployed for more than one year and now are losing their housing; and families whose private housing always has been unaffordable and have struggled with chronic housing instability before now needing shelter.

Unlike last year, families falling outside of these four categories also would be barred from accessing HomeBASE assistance (see below).

In addition, House Ways and Means adopted the Governor's proposal to impose a strict 8-month time limit for shelter on families (without the Administration's good cause exception for families with a member who has a disability.) Such a time limit could be imposed whether or not a family has found safe alternative housing.

HWM also included new language that would reduce the grace period for families who are able to increase their incomes above 115% of the federal poverty guidelines to a maximum of 3 additional months in shelter (or less if a family reaches the overall 8 month time limit.) Currently, families who exceed the income limit can stay in shelter for up to 6 more months while they search for housing.

We are opposed to these proposed changes as we strongly believe that the EA program should provide immediate and ongoing shelter and services (including meaningful housing search services) to all families with nowhere else to go who meet the current eligibility standards. Simultaneously, we encourage the Commonwealth to redouble its efforts to quickly move families from shelter into permanent housing and, when possible, help families to avoid homelessness and shelter stays by providing timely housing assistance.

On a positive note, HWM included critical language that would require the Administration to give the Legislature 60 days advance notice before implementing any negative eligibility changes or benefits reductions in the line item.

**FY'12 funding level: Currently, \$118.8 million (including supplemental appropriations)**

**FY'13 House 2 funding level: \$100.4 million**

**FY'13 HWM funding level: Combined line items, \$105.5 million**

**FY'13 MCH funding request: \$118.8 million or adequate funding so as to avoid the need for eligibility changes**

**Amendment to support:** Representatives Alice Wolf and Byron Rushing are filing an amendment that would:

- Remove the 8-month time limit
- Add language to expand the four named categories to include "families who do not have access to any feasible alternative housing and are staying in or are at imminent risk of having to stay in a situation not meant for human habitation, such as a car, emergency room, or on the streets"
- Prohibit DHCD from moving forward with negative eligibility changes before 1/1/13, so as to allow time to see the impact of any increased prevention and housing resources (such as RAFT and MRVP) on demand for shelter
- [Click here](#) for a fact sheet.

**2. The House Ways and Means budget would increase funding**

**for the HomeBASE program (line item 7004-0108) to \$83.4 million. This program provides short-term transitional subsidies, diversion, and moving assistance for certain EA-eligible families.**

Under this proposal, most of the FY'13 appropriation would be used to continue funding short-term housing subsidies for families enrolled in the program in FY'12 (including families transitioning from other short-term subsidy programs such as Flex Funds). No new families would be approved for ongoing rental subsidies in FY'13. (Currently, only families who entered EA shelter before October 28, 2011 or are in another short-term subsidy program are being approved for ongoing HomeBASE rental assistance.) As is the current practice, new applicants to the EA program would be eligible for up to \$4,000 in HomeBASE funds to allow the family to avoid the need for shelter, and families already in shelter would be eligible to receive up to \$4,000 to exit shelter.

While the HomeBASE rental assistance component originally was designed as a three-year subsidy program, HWM, like the Governor, would limit families to two years of assistance.

HWM, fortunately, did not include language that would bar families who time out of HomeBASE from accessing resources through the EA or RAFT programs for 12 months.

**FY'12 funding level: Currently \$56.8 million (including supplemental appropriations)**

**FY'13 House 2 funding level: \$83.4 million**

**FY'13 HWM funding level: \$83.4 million**

**FY'13 MCH funding request: Adequate funding to continue serving current participants and to be able to offer rental assistance, household assistance, and moving assistance to new families in FY'13**

**Amendment to Support:** Representative Carl Sciortino will be filing an amendment to clarify language that requires DHCD to ensure that households in HomeBASE and other short-term subsidy programs retain any existing priorities for long-term affordable housing resources.

**3. The House Ways and Means budget would appropriate funding for the line item that provides funding for shelter and services for unaccompanied individuals at-risk and experiencing homelessness (line item 7004-0102) in the amount of \$38 million.**

**FY'12 funding level: \$37.7 million**

**FY'13 House 2 funding level: \$38.9 million**

**FY'13 HWM funding level: \$38 million**

**FY'13 MCH funding request: \$38.9 million**

**4. The House Ways and Means budget would fund the Massachusetts Rental Voucher Program (MRVP, line item 7004-9024) at \$46 million, a \$10 million increase from the FY'12 allocation of \$36 million. This funding level is supportive of the Governor's funding recommendation.**

The Coalition and other advocacy and provider groups, most notably the Housing Solutions Campaign, have emphasized the need for a bold reinvestment in MRVP and other housing and homelessness prevention programs. We are grateful that HWM has responded positively.

The language would target the 923 vouchers to be created to families living in motels through the EA program as of 1/1/12. Targeting MRVP subsidies to families in motels (and shelters) will provide much needed exit strategies for families in need of long-term affordable housing options.

The House Ways and Means budget eliminates the Governor's recommendation that the income eligibility limit be 50% of the area median income, as opposed to 200% of the federal poverty guidelines. The Governor's language would bring MRVP income eligibility in line with other housing programs.

**FY'12 funding level: \$36 million**

**FY'13 House 2 funding level: \$46 million**

**FY'13 HWM funding level: \$46 million**

**FY'13 MCH funding request: \$46 million**

**5. The House Ways and Means budget would provide a dramatic increase in funding for the Residential Assistance for Families in Transition Program (RAFT, line item 7004-9316), at the level of \$8.8 million, which is supportive of the Governor's funding recommendation.**

As with MRVP, we are grateful that HWM has responded to the call to support reinvestment in the broader spectrum of housing and homelessness programs. We are similarly pleased that the HWM budget echoes the Governor's budget by proposing a redesign of RAFT so that the lowest income families can be served by the program. HWM proposes deep targeting of funds to lowest income families: not less than 65% of the funds would go to families with incomes at or below 15% of the area median income (AMI), not less than 25% for families with incomes between 15% and 30% AMI, and not more than 10% for families above 30% but below 50% AMI. Families could be eligible for up to \$4,000 in RAFT assistance during a 12-month period.

HWM would require administering agencies to determine that a family "has secured new income or a change in circumstances and that the payment will enable the family to retain its current housing, obtain new housing, or otherwise avoid homelessness", which would make it difficult for many families to access the RAFT funds.

**FY'12 funding level: \$260,000**

**FY'13 House 2 funding level: \$8.8 million**

**FY'13 HWM funding level: \$8.8 million**

**FY'13 MCH funding request: \$8.8 million**

**6. The House Ways and Means budget would level fund the public housing authority operating subsidies (line item 7004-9005) at the FY'12 final appropriations level of \$62.5 million.**

HWM did not include the much needed \$4 million reinvestment proposed by the Governor to support state-aided public housing, an important resource for the Commonwealth's lowest income residents.

**FY'12 funding level: \$62.5 million**

**FY'13 House 2 funding level: \$66.5 million**

**FY'13 HWM funding level: \$62.5 million**

**FY'13 MCH funding request: \$71 million**

**7.) The House Ways and Means budget would level fund the Home and Healthy for Good Program (line item 7004-0104) at the FY'12 final appropriations level of \$1.2 million.**

This is a decrease of \$1 million from the Governor's recommendation of \$2.2 million. This program employs a Housing First model to provide housing and services to unaccompanied adults who have experienced chronic homelessness.

**FY'12 funding level: \$1.2 million**

**FY'13 House 2 funding level: \$2.2 million**

**FY'13 HWM funding level: \$1.2 million**

**FY'13 MCH funding request: \$2.2 million**

**Amendment to Support:** Representative Marty Walsh is working with the Massachusetts Housing and Shelter Alliance to file an amendment to increase funding for this important program by \$1 million.

**A Quick Look at Selected Department of Transitional Assistance (DTA) Line Items**

**1. The House Ways and Means budget would provide \$88.3 million in funding to the Emergency Aid to the Elderly, Disabled and Children Program (EAEDC, line item 4408-1000).**

This is a decrease from the final FY'12 funding level of \$89 million, but may be enough based on current DTA caseload projections. The House Ways and Means budget restores critical language absent from the Governor's budget; the language would require the

Administration to give the Legislature 60 days advance notice before implementing any eligibility changes in the line item.

**FY'12 funding level: \$89 million**

**FY'13 House 2 funding level: \$88.3 million**

**FY'13 HWM funding level: \$88.3 million**

**FY'13 MCH funding request: \$89 million**

**2. The House Ways and Means budget would slightly decrease funding for the Transitional Aid to Families with Dependent Children grants (TAFDC, line item 4403-2000) to \$322.8 million for FY'13.**

DTA is predicting a smaller caseload in FY'13, which may allow DTA to fully fund the program at the amount recommended by HWM.

The HWM budget would continue to fund the annual clothing allowance that provides families with extra assistance in September to help offset increased costs when children are heading back to school. Unfortunately, the House budget decreases the amount from \$150/child to \$75/child. Last year, the Governor initially proposed eliminating this benefit, but that change was rejected by the Legislature.

The House Ways and Means budget eliminates the long-standing \$40/month rental allowance for families living in private market apartments, and does not include a proposal from the Governor's budget to provide \$40/month transportation allowance to parents who are meeting their work participation requirement. This benefit currently is provided to some families through the Employment Services Program line item, 4401-1000.

As with EAEDC, the House Ways and Means budget does include critical language that would require the Administration to give the Legislature 60 days advance notice before implementing any eligibility changes in the line item.

**FY'12 funding level: \$324.2 million (with supplemental appropriation)**

**FY'13 House 2 funding level: \$318.9 million**

**FY'13 HWM funding level: \$322.8 million**

**MCH funding request: Adequate funding to at least maintain current eligibility standards and benefit levels**

**Amendment to Support:** Representative Kay Khan will be filing an amendment that would:

- o Restore the \$40 rent allowance
- o Provide for a \$40/month transportation allowance for work-related activities
- o Restore the children's clothing allowance to \$150/child/year
- o Restore reporting language connected to the advance notice provisions

**Outside Section 35 of the HWM budget is related to the current debate about the use of Electronic Benefit Transfer (EBT) cards by participants in DTA's cash assistance and food stamps programs.** The Coalition is working with key legislators and Massachusetts Law Reform Institute, Homes for Families, National Association of Social Workers- MA Chapter, Neighbor to Neighbor, and many others to protect program participants from unreasonable/intrusive and perhaps, in some cases, unintended requirements and limitations. We want to ensure that efforts to root out fraud and abuse focus on those goals, and do not curtail families and individuals' abilities to meet basic needs, such as paying for rent, public transportation, basic hygiene products like toothpaste and shampoo, and school activity fees, to name a few. Stay tuned for more details.

Also of note, the **Teen Living Program account (line item 4403-2119)**, which provides shelter and services to pregnant and parenting teens and their children, would see its FY'13 funding slightly increased to \$7.7 million under the HWM proposal.

**Other Coalition Budget Priorities**

**1.) The Coalition is thrilled that the House Ways and Means budget includes a new \$11.3 million line item under the Department of Elementary and Secondary Education to help**

**reimburse cities and towns for the transportation of children and youth experiencing homelessness.**

As homelessness rates increase, school districts across the Commonwealth are faced with more students experiencing homelessness than ever before. The educational rights of these students are protected under the federal McKinney-Vento Homelessness Assistance Act, in which Massachusetts participates. Provisions in McKinney-Vento allow students experiencing homelessness and temporarily living outside of their original school district to either attend school in the town where they are currently residing, or to attend their original school (known as the "school-of-origin"). The municipality where the student is residing and the municipality that houses the student's school-of-origin are jointly responsible for costs associated with the transportation of the student.

The costs to communities can be substantial, and municipalities are unable to sustain the additional financial strain on their budgets. A small amount of federal funding is given to Massachusetts and is distributed among a handful of the school districts most affected by homelessness. The school districts that do receive the federal monies do not receive enough to offset the costs associated with educating students experiencing homelessness, and the school districts who do not receive the federal funds are left without any relief for their municipal budgets.

The Coalition has been working tirelessly with key stakeholders from the Legislature (notably Representatives Ted Speliotis, Tom Stanley, Jim O'Day, Alice Peisch and Senator Sonia Chang-Diaz), the Administration, the State Auditor's office, cities and towns, and advocacy groups to determine how to increase state assistance to cities and towns to reimburse them for such transportation costs. We are grateful to HWM for recognizing the importance of ensuring educational stability for students experiencing homelessness.

**2.) The Coalition is working with other furniture bank programs around the state to secure \$200,000 in funding to help support a statewide network of furniture banks to assist low-income households transitioning from homelessness into housing (through Line Item 7004-0099).**

Furniture banks are a crucial resource in helping families and individuals achieve housing stability. Currently, none of the furniture bank programs in Massachusetts receive state funding. With limited resources, furniture banks are unable to operate at full capacity, leaving many people on the verge of achieving housing stability without the basic household necessities that make a house a home. To ensure that all furniture banks have the opportunity to benefit from state resources, we are asking that the any funding be put out for bid and distributed in grants, administered by DHCD.

**Amendment to Support:** While this funding was not included in either the HWM or Governor's budget, Representative Jim O'Day (D-West Boylston) will introduce an amendment to try and secure this funding. The amendment will be brought up during the upcoming budget debate and, if adopted, would recommend \$200,000 in funding for furniture bank programs throughout the state. [Click here](#) for a fact sheet.

**3.) The House Ways and Means budget did not include language that would establish a special commission focused on the needs of unaccompanied youth and young adults who are experiencing homelessness.**

The Coalition is asking the Governor and the Legislature to support the creation of a special commission focused on the needs of unaccompanied youth and young adults who are experiencing homelessness. Language that would create the special commission also is contained within [House Bill 3838](#) (formerly House Bill 1862), *An Act Providing Housing and Support Services for Unaccompanied Homeless Youth*, a top priority of the Coalition. This bill currently is at HWM, so we are hopeful that its exclusion from the budget is a sign that the Committee plans to report the entire bill out shortly.

The commission would study and make recommendations on improving access to housing and services for unaccompanied youth ages 14-22, with the goal of ensuring a comprehensive and effective response to the unique needs of this population. The members of this commission would consist of representatives from key executive branch offices/departments (such as the Departments of Children and Families, Youth Services, and Housing and Community Development), as well as members of the Legislature, youth affected by the issue, representatives of statewide non-profit agencies, and three appointees of the Governor's choice.

**Take Action!**

**Please contact your State Representative to ask her/him to co-sponsor the amendments listed above. Encourage your Representative to support housing, homelessness prevention, and safety net programs and protect the rights of the Commonwealth's lowest income residents throughout the budget debate.**

State Representatives can be reached through the State House switchboard: 617-722-2000, or directly through the numbers listed here: [Directory of Representatives](#).

To search for your elected officials based on your address, please [click here](#).

We hope you will join us as the Coalition continues to push for the protection of housing and homelessness programs for FY'13. We will keep you informed of the progress as the state's budget makes it way through the next stages in the months ahead.

**For more information, please contact [Kelly Turley](#) at 781-595-7570 x17.**

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Massachusetts Coalition for the Homeless



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