MASSACHUSETTS COALITION FOR THE HOMELESS

Committed to ensuring that everyone has a place to call home.

Comparing the Coalition's Fiscal Year 2019 Budget Priorities and the Senate Committee on Ways and Means' Budget Recommendations: Preliminary Analysis
May 10, 2018

1. Increase funding for homelessness prevention, diversion, and re-housing programs.

- **Residential Assistance for Families in Transition Program (RAFT, Line Item 7004-9316):** Increase overall funding to $18.5 million, and maintain the FY'18 expanded definition of family that covers households of all sizes and configurations so as to allow families with dependent children, unaccompanied youth and adults, and families without children in the household to access homelessness prevention resources. At this funding level, the state would be able to prevent homelessness for an estimated 5,685 households, based on the average FY'17 RAFT expenditure of $3,254/household (an average payment of $3,084 plus an administrative fee for each household approved). The program is funded at $15 million for FY'18 and was funded at $13 million for FY'17. According to the FY'17 RAFT report published by the Regional Housing Network of Massachusetts, **the state's RAFT investment saved the Commonwealth an estimated $38,906 for each family that avoided shelter.**
  - **Great news! The Senate Ways and Means (SWM) budget would increase RAFT funding by $3.5 million to the Coalition's requested amount of $18.5 million, while also retaining language that broadens the definition of family. We are working with Senate allies to seek a slight language change through the amendment process so that not less than $3 million be made available for households without children under the age of 21. (SWM language would provide no more than $3 million for individuals, but we are concerned that without a floor, the funds allocated to individuals could be much lower.)**

- **HomeBASE (a.k.a. Massachusetts Short Term Housing Transition Program, Line Item 7004-0108)**:
  - Provide at least $35 million for the HomeBASE program so that the Department of Housing and Community Development (DHCD) will be able to offer HomeBASE household assistance and moving assistance in FY'19 to help families already in the Emergency Assistance (EA) program to exit shelter quicker and to help other families avoid the need to enter shelter ("diversion"). The program is funded at $30.1 million for FY'18, and for the first 6 months of the fiscal year, the program served 1,604 new families.
  - Allow families who are in compliance with HomeBASE requirements to renew their HomeBASE benefits at the end of the first 12-month period, if otherwise facing a return to homelessness.
  - Continue to include language that allows families who have been terminated from the program to receive benefits again after 12 months, instead of the previous, excessive 24-month bar on receiving further assistance, as well as language to provide access to HomeBASE for families in non-EA shelters, including shelters for domestic violence survivors and for families needing substance abuse treatment.
    - **The Senate Ways and Means budget would provide level funding of $30.1 million for HomeBASE, and would require 90 days advance notice before the Administration could reduce benefits or limit eligibility.**
    - **SWM would allow families that have been terminated to re-access benefits after 12 months, and would provide funds for HomeBASE benefits for households in non-EA shelters. The House budget would cap those benefits at $300,000, while the Senate did not include that limit.**
    - **SWM recommended increasing the maximum HomeBASE benefit to $10,000 per family from the current cap of $8,000.**

2. Adequately fund and protect emergency shelter and service programs for families and individuals experiencing homelessness and support key line item provisions.

- **Emergency Assistance Family Shelter and Services (EA, Line Item 7004-0101)**:
  - Provide adequate funding to meet the needs of all eligible families. For FY'18, the anticipated spending level is at least $175.2 million, including a pending request for $19.3 million in supplemental funds. The Governor has requested $160.6 million for FY'19.

- Include language and funding to provide shelter to families who are at "imminent risk of staying in a place not meant for human habitation". Under current EA regulations, otherwise eligible families that are within 24 hours of staying in places not meant for human habitation can be turned away from shelter, even if DHCD believes that the family will be forced to stay in a car, emergency room, or transit station. Massachusetts can and must do better for its most vulnerable families. **Between July 1, 2016 and June 30, 2017 (all of FY'17), 604 families with children were approved for EA only after first staying in a place not meant for human habitation. For the first six months of FY'18, 338 families first stayed in places not meant for human habitation before being approved for shelter (18% of all families approved, an average of 56 families/month).**
- Continue to include FY'18 budget language that the Administration must notify the Legislature at least 90 days before implementing any negative changes to the EA program and language requiring placements of up to 30 days for families who appear eligible but need some more time to get all the requested verifications ("placements pending verification"). Include additional tracking and reporting language to better understand which families are served and which are not served by the program.
  - **Great news! As in recent years, the Senate Ways and Means budget would expand current eligibility language to require DHCD to provide access to otherwise eligible families that have not yet stayed in places not meant for human habitation.**
  - **Like the House, SWM added improved language to allow families that go over the EA income limits for fewer than 90 days to retain their benefits without being subject to the 6-month grace period. SWM also would retain the 90-day advance notice language.**
  - **Senate Ways and Means language would not require DHCD to increase reporting on families denied and the reasons for denial.**
  - **SWM would fund EA at the initial FY'18 funding level of $155.9 million.**

- **<u>Homelessness Assistance for Individuals (Line Item 7004-0102)</u>:** Expand funding to at least $50 million to address increased demand for shelter, housing, and services for unaccompanied adults, an increase over the FY'18 funding level of $45.8 million.
  - **The Senate Ways and Means budget would increase funding for this line item to $46.2 million.**
  - **The Senate did not include a new, related line item to provide $5 million in rapid re-housing support to individuals (line item 7004-0202), as the House did.**

3. Address the needs of unaccompanied youth and young adults who are experiencing homelessness by increasing funding to $4 million for housing/wraparound support services under the Executive Office of Health and Human Services (EOHHS) youth and young adult homelessness program, Line Item 4000-0007.

A $4 million investment would provide deeper funding for the unaccompanied youth homelessness law, M.G.L. Chapter 6A, Sections 16W and 16X, so as to provide more housing and service resources to youth and young adults age 24 and younger. After a slow start in FY'18 due to the Governor's veto and delays in releasing the funds, EOHHS is finalizing performance-based contracts with eight regional consortiums as of February 2018. Additional funds will help bring programs more to scale and to ensure statewide coverage. Currently, the state funds are not available to programs on the South Shore or Cape Cod and the Islands. This would be a $2 million over the Governor's FY'19 funding request and the FY'17 funding level of $2 million, and a $3.3 million increase over the FY'18 funding level.

  - **Great news! The Senate Ways and Means budget would provide $3.3 million for this line item, an increase over the FY'18 funding level of $675,000, the House's recommended funding level of $1 million, and the Governor's recommended funding level of $2 million.**

4. Increase funding for housing programs serving extremely low-income households.

- **<u>Massachusetts Rental Voucher Program (MRVP, Line Item 7004-9024)</u>:** Increase funding to $120 million to maintain existing services and benefits to households currently served by the program and to significantly increase the number of low-income households (including families, elders, and persons with disabilities) struggling with housing instability who could be served by the program. Include language to tie rent subsidy levels to current fair market rents to make the subsidies more useful to households. Currently, households without waivers only can rent units at or below the 2005 FMR. The Governor has requested just under $97.5 million for FY'19, which would be a $4.7 million increase over the final FY'18 funding level of $92.7 million.
  - **Like the Governor's budget, the Senate Ways and Means budget would increase MRVP funding to $97.5 million, a $4.7 million increase over the final FY'18 funding level of $92.7 million. This is less than the House's recommendation of $100 million, and likely would be insufficient to add additional vouchers. We are working with Senate and advocacy allies to file an amendment to increase MRVP funding and make the language changes described above.**

- **Alternative Housing Voucher Program (AHVP, Line Item 7004-9030):** Increase funding to $7.7 million to provide much-need housing subsidies to over 800 individuals under the age of 60 who are living with disabilities. For FY'18, the program is funded at $5 million.
  - **The Senate Ways and Means budget would level fund AHVP funding at the FY'18 level of $5 million. The House recommended increasing AHVP to $6.15 million.**
- **Public Housing Operating Subsidies (Line Item 7004-9005):** Fund state public housing operating subsidies at $72 million to improve affordable housing opportunities for an estimated 45,600 households, including extremely low-income families, elders, and persons with disabilities. This would be a $7.5 million increase over the FY'18 appropriation of $64.5 million to preserve access to public housing. The Coalition also supports $1 million for public housing reform (line item 7004-9007), so as to fund capital improvements, launch a centralized waiting list, help housing authorities manage unit turnover, increase tenant participation, and promote cross-agency partnerships.
  - **The Senate Ways and Means budget would level fund state-funded public housing operating subsidies at the FY'18 level of $64.5 million, and provide $950,000 for public housing reform. The House recommended increasing the operating subsidies to $65.5 million.**
- **Home and Healthy for Good Program for Individuals (Line Item 7004-0104):** Increase funding to at least $2.24 million, up from the FY'18 appropriation of $2.04 million, and continue to provide support to LGBTQ young adults experiencing homelessness.
  - **Great news! The Senate Ways and Means budget would provide $2.3 million and the requested language for Home and Healthy for Good.**

5. Adequately fund and protect key support programs for low-income families and individuals.

- **Emergency Aid to the Elderly, Disabled and Children Program (EAEDC, Line Item 4408-1000):** Appropriate at least $80.2 million to improve eligibility and benefit standards to also provide full benefits for participants experiencing homelessness. Currently, EAEDC participants experiencing homelessness have their monthly grants reduced from an average of $303.70/month to only $92.80/month. Based on data received from DTA, there are an estimated 551 households each month that are subject to the "homelessness penalty". Removing this penalty would cost the state an estimated $1.5 million. Maintain the 75-day advance notice language to allow time for the Legislature to take action to prevent eligibility restrictions and benefit reductions. The program was serving 19,873 households in November 2017, down from 20,660 households at the end of December 2016. The Governor has recommended funding the program at $78.7 million for FY'19.
  - **Unfortunately, the Senate Ways and Means budget did not eliminate the homelessness penalty. We are working with Senate allies to file an amendment to do that and add $1.4 million to pay for those additional benefits for participants experiencing homelessness.**
  - **SWM recommended $74.9 million in funding and would maintain the 75-day advance notice language.**
- **Transitional Aid to Families with Dependent Children (TAFDC, Line Item 4403-2000):** As the number of families participating in the TAFDC program goes down, resources dedicated to the program in FY'18 should be retained in the program for FY'19 so as to provide level or increased benefits to program participants. Maintain the 75-day advance notice language to allow time for the Legislature to take action to prevent eligibility restrictions and benefit reductions, and the $300/child annual clothing allowance. We also are working through the bill and budget process to eliminate the family cap rule ("cap on kids"), which prohibits an estimated 8,700 children from receiving TAFDC benefits because they were born while or shortly after their family received benefits. The program was serving 30,458 households at the end of November 2017, down from 31,377 households at the end of December 2016. For FY'18, the program is funded at $162.9 million, with a $25.6 million supplemental budget request from the Governor still pending. The Governor has recommended funding the program at $194.1 million for FY'19.
  - **Great news! Senate Ways and Means would eliminate the current harmful family cap policies, with a proposed January 1, 2019 implementation date.**
  - **SWM would increase the annual clothing allowance from $300/child to $350 and provide 75-day advance notice language.**
  - **The Senate Ways and Means budget would fund TAFDC at $200.8 million.**

5. Increase funding for the transportation of children and youth experiencing homelessness to decrease the costs to cities and towns (ESE Line Item 7035-0008).

Increase funding in line item 7035-0008 under the Department of Elementary and Secondary Education to reimburse cities and towns for the transportation of students experiencing homelessness, or at least match the FY'17 partial reimbursement level of $8.35 million. The FY'18 funding level is $8.1 million. Provisions in the federal McKinney-Vento Homelessness Assistance Act 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. This line item has helped to mitigate the substantial costs to communities while protecting educational opportunities for children and youth. (The actual 2016/2017 academic year cost to school districts will be available in March, and the 2015/2016 actual cost was approximately $25 million statewide.)

- **The Senate Ways and Means budget would provide level funding of $8.1 million.**

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