S. HRG. 110–784

HOUSING OUR HEROES, ADDRESSING THE ISSUE OF HOMELESS VETERANS IN AMERICA

JOINT HEARING

BEFORE THE

SUBCOMMITTEE ON TRANSPORTATION AND HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES

AND THE

SUBCOMMITTEE ON MILITARY CONSTRUCTION AND VETERANS AFFAIRS, AND RELATED AGENCIES

OF THE

COMMITTEE ON APPROPRIATIONS
UNITED STATES SENATE

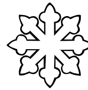
ONE HUNDRED TENTH CONGRESS

SECOND SESSION

SPECIAL HEARING

MAY 1, 2008—WASHINGTON, DC

Printed for the use of the Committee on Appropriations



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U.S. GOVERNMENT PRINTING OFFICE

46–090 PDF WASHINGTON : 2009

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HOUSING OUR HEROES, ADDRESSING THE ISSUE OF HOMELESS VETERANS IN AMERICA

THURSDAY, MAY 1, 2008

U.S. SENATE, SUBCOMMITTEE ON TRANSPORTATION AND HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES; AND SUBCOMMITTEE ON MILITARY CONSTRUCTION AND VETERANS AFFAIRS, AND RELATED AGENCIES,

Washington, DC.

The subcommittee met at 10:01 a.m., in room SD–138, Dirksen Senate Office Building, Hon. Patty Murray (chairman) presiding.

Present: Senators Murray, Johnson, Reed, Bond, Hutchison, and Allard.

OPENING STATEMENT OF SENATOR PATTY MURRAY

Senator MURRAY. Good morning. This subcommittee will come to order.

I want to begin today by recognizing that this is a joint hearing of the Transportation and Housing and Urban Development and Military Construction and Veterans Affairs Subcommittees. And I want to say a warm welcome to Chairman Johnson and Ranking Member Hutchison from MILCON–VA, who is with us today, as well as my own ranking member, Senator Bond.

We are now in the 6th year of the war in Iraq and each month thousands of service members are returning home to civilian life. As with veterans from each of our Nation's previous conflicts, many of these men and women suffer from serious psychological and physical health conditions. It is our duty to repay their sacrifice with the excellent quality of care they have earned.

Yet, as we speak today, our Nation is struggling to meet the needs of our veterans from all conflicts. We know all too well that when our country fails to live up to our obligations to our veterans, the consequences are high rates of drug and alcohol abuse, as well as chronic unemployment and relationship problems. All of these are contributing factors to homelessness.

The problem of homelessness among veterans is staggering and it is a national tragedy. Experts estimate that one in four of all the Nation's homeless are veterans. Each night, as many as 200,000 of our veterans will go to sleep without a roof over their head and more than 300,000 veterans will experience homelessness in a year. Veterans from the Vietnam era are the most likely to be homeless. In fact, according to the VA, the number of homeless veterans from the Vietnam era is greater today than the number of service members who died during that war. But advocates are also

reporting that more and more veterans from Iraq and Afghanistan are appearing in their shelters, and we have begun seeing a new trend in which more women who have seen combat are seeking help in shelters as well.

Our veterans are heroes who risk their lives for our country, and we must ensure that they are getting the services and benefits they have earned to help ensure they never reach the point of homelessness.

As I have said countless times, I believe that how we treat our veterans when they come home is an indication of the character of our Nation. We have to find a way to make the transition from soldier to civilian a smoother one. This joint hearing is a reflection that tackling the issue of homelessness among veterans will require collaboration and cooperation, and it will take the hard work of our Government agencies, veterans groups, public and private partnerships, and many others nationwide.

So I am pleased today to welcome our panel of distinguished witnesses to talk to us about the services that are available for today's homeless veterans and about what we can do to better address the challenges faced by our current and future veterans. All of our witnesses are experts in their fields.

But I do want to extend a special welcome to Paul Lambros who has traveled all the way here from my home State of Washington. Paul's organization, Plymouth Housing Group, has been serving the homeless in our State for over 25 years. Plymouth has opened a great facility in Seattle that serves homeless veterans, and Paul hosted a roundtable discussion on homelessness among veterans that I held recently in the State. So I look forward to hearing from him and all of you sharing your experiences with us today.

But while private organizations across the country are taking important steps to get our veterans off the street and into housing, they cannot and should not bear this burden alone. The Federal Government must be a strong partner.

Last year, Senator Bond, my ranking member, and I, along with Senator Johnson and Senator Hutchison, worked together on a bipartisan basis to provide real help to our homeless veterans. We revitalized a joint program between the VA and the Department of Housing and Urban Development that will ensure that more than 10,000 homeless veterans will receive a housing voucher and case management services. The program will get them safe and stable housing and enable them to get important services. It had been almost 15 years since new HUD–VA supportive housing vouchers, known as HUD–VASH vouchers were issued. So this was a step that was long overdue.

Since then, the President has also recognized its value, and I am pleased that the administration has now requested funding for 10,000 additional vouchers in fiscal year 2009. These vouchers will give communities important tools to help end homelessness for the many veterans who are now living on our streets and in our shelters.

But as several of our witnesses will tell us today, we have a long way to go to address the needs of our current veterans, and we face new challenges as troops from Iraq and Afghanistan return in larger numbers. The current war is taking a tremendous toll on our

service members. Many of our troops are serving longer tours with shorter breaks, and multiple redeployments are common.

A study by the RAND Corporation suggests that one in five service members from the wars in Iraq and Afghanistan suffers from post-traumatic stress disorder or major depression, and even more experienced a traumatic brain injury. But the same report found that only about half of those veterans sought help, and of that number, only half received even "minimally adequate care." (Information on Rand study entitled "Invisible Wounds of War" can be found at www.rand.org/pubs.)

The face of our military is also changing. Today women are serving in greater numbers than ever before, and alarmingly, they are also the fastest growing group of homeless veterans. Tragically many of these women veterans have also been victims of military sexual trauma. One study of women receiving health care services from the VA found that 23 percent had experienced at least one sexual trauma while in the military. Without treatment and resources, each of these challenges and conditions can contribute to homelessness, and the impact is much worse when the economy is in a downturn.

Clearly, we have an urgent need to ensure that the programs and resources are in place to treat all of our veterans before the number of homeless veterans grows. If we are sitting here again years from now talking about beginning to address the staggering number of homeless veterans from the wars in Iraq and Afghanistan, we will have failed them. We must apply the lessons we have learned so far. We must ensure that the VA evolves along with the needs of the veterans it serves, and we must give the VA the resources to meet their needs.

But the VA does not bear all of the responsibility. While it must take the lead, HUD must also be a significant player. HUD must work to reintegrate its programs with those of the VA, and it must take steps to promote affordable housing and ensure veterans are informed about its programs.

I know that ending homelessness among veterans is a huge responsibility, but we have got to make it a priority and we have to make progress now. By funding HUD–VASH vouchers last year, Congress took one step toward addressing this problem. Today, I am pleased that we are continuing the discussion so that we can understand what other steps must be taken. When these service members took the oath to serve this Nation, they did not take it lightly, and it is the responsibility of this Government to provide them the support and the care they have earned. That is a promise we made to these service members, and I intend to ensure that we fulfill it.

With that, I would like to turn to Senator Johnson and thank him again for doing this joint hearing with us.

OPENING STATEMENT OF SENATOR TIM JOHNSON

Senator JOHNSON. Thank you, Chairman Murray. As chairman of the MILCON–VA Subcommittee, let me start by thanking you for chairing this joint hearing.

I also want to welcome and thank all the witnesses appearing today. It is truly a tragedy that we even have to hold the hearing

to address homelessness among a population that has sacrificed to keep this country safe.

However, according to the VA, on any given night, about 154,000 vets are homeless. We have a variety of programs spread across several agencies that are all attempting to tackle this problem. I look forward to hearing from each of you on how we can make these homeless programs more effective.

Thank you, Madam Chairman.

Senator MURRAY. Thank you very much, Mr. Chairman.

And I will turn to my ranking member, Senator Bond, and thank him for his work on this as well.

OPENING STATEMENT OF SENATOR CHRISTOPHER S. BOND

Senator BOND. Thank you very much, Madam Chair, for calling the important hearing. I welcome the witnesses today and look forward to their testimony.

Looking back in history a little bit, since I became chairman of the VA–HUD Appropriations Subcommittee in 1994, I focused on Federal housing programs as an important safety net for very low income families, for veterans, for seniors, and the disabled, especially under programs like section 8 public housing, section 202 elderly, section 811 housing for the disabled, and homeless assistance. Unfortunately, veterans compose a very significant part of the underserved homeless population, and that is something that is of great concern to me, as it is to the chair.

The administration has set a goal of ending homelessness in 10 years. That goal is unrealistic, but at least it gives us a target and an inspiration toward which we must strive. I remain committed to eliminating homelessness with a funding commitment of some $1.6 billion in fiscal year 2008.

Unfortunately, we have not made adequate progress towards meeting the needs of homeless persons and families. I am very much disappointed over the failure and much of the problems which come from the inadequate budgets recommended from OMB for section 8, public housing, and other programs that are designed to meet low income needs. These are the stepladders to permanent housing.

Moreover, the problem has been compounded by the subprime crisis. Both homeownership and rental housing are the basis of communities which support jobs, churches, schools, hospitals, supermarkets, and other retail establishments, as well as the tax base for the communities in which they are located. Without stable housing, there is little opportunity to solve the problem of homelessness.

It is absolutely critical that the States, communities, and the Federal Government, as well as the advocacy groups, work together to meet the subprime crisis, as well as ensure successful growth and the continued investment in our communities. Now, these are partnerships which are critical to the success of our Nation and the communities in it, and I hope that we can maintain the basic needs for housing and build on them to assure the safety net.

While a number of homeless improvements as well as increased funding assistance have been made over time, there continue to be enough inconsistencies between homeless programs and the actions

of jurisdictions which undermine the success of these homeless assistance programs, including the transition from shelters to permanent housing. Without a seamless transition and consistent rules, the overall program will continue to under-perform in meeting the long-term needs of both homeless persons and families.

Now, compounding the homeless problem this year was lots more freezing weather, threatening the lives of many homeless program participants. Moreover, the homeless population has a large segment of its population that is troubled with mental illness. These people have some very special needs and can be disruptive, demanding, and even violent. Often there are related associated problems of drug and substance abuse.

And one of the unique challenges facing any provider is to ensure that the homeless population being served is well integrated, has a properly trained staff, including medical staff, and appropriate facilities suited to the population. This is a challenge that changes throughout the years as the population and the needs change. This can be very costly, including the cost of insurance and related needs, as well as medical and staffing costs.

And another related item, despite more tolerance than in recent years, continues to be antipathy and frustration from the local populations. Both crime and violence can rise, resulting in a backlash and a drop in property values. While things have improved in recent years, fear and frustration always remain substantial risks to the success of any homeless program.

The bottom line is that well-integrated homeless veteran populations managed by professional and committed staff, as well as programs tied to the needs of the homeless population and community, are critical to the success of the programs, their acceptance into the local community, and the kind of care and treatment we need to provide to our veterans.

Unfortunately, this all costs money, as well as a commitment, which in many areas can be a difficult problem that cannot always be met with Federal and local resources. Unfortunately, funds and staff are too often inconsistent, leaving many programs with good track records, while others are clearly inadequate. This is not a criticism of the many homeless programs. It is recognition of the human quality of the many programs, as well as their costs, including the expense of staff and the real costs associated with the maintenance of buildings and programs.

Moreover, there has been an almost hidden cost to homelessness. CNN recently reported some 32 percent of the men who stay in homeless shelters served in the U.S. military during the Korean, Vietnam, and gulf wars, where as many as 42 percent served in Vietnam. It is estimated that some 200,000 vets are homeless, of which some 80,000 served in Vietnam. That phenomenon highlights that the majority served the Nation honorably but are troubled by the transition to civilian life, and many especially need help in dealing with guilt and forgiveness.

While many have a variety of health problems, many also suffer from post-traumatic stress disorder, one of the many problems that the military has found itself ill-equipped to deal with, but for which it has a commitment to these veterans, including an opportunity to reintegrate these veterans into society and rejoin their commu-

nities. I believe that these veterans are owed more than a blanket and a hot meal. We must provide them with a means of integrating back into their communities and their former lives. It is the least we owe those who fought to defend and protect our freedom.

I believe that part of the problem is the lack of a viable transition program that addresses the medical problems of veterans while providing a transition with local support groups and follow-up counseling that will assist in a real transition to civilian life, however long that takes. For some, homelessness may be as debilitating an illness as any other problem they face, and it is an obligation, like any other military-related problem, that must be faced by the military as an ongoing commitment.

Senator Murray and I have already taken some first steps to help these vets. While a number of VA or DOD programs already exist for these types of issues, there seems to be a lack of real information or access for many vets as to available programs. I hope that we have found a pragmatic and programmatic first step to the problems faced by veterans. As my friend and chair, Senator Murray, has already noted, we included $75 million in the VASH program, which combines section 8 assistance in the fiscal year 2008 THUD appropriations bill for use in a program to be administered jointly by HUD and VA. This way vets can use section 8 to pay for housing, while VA can provide the needed programs that we hope and expect will offer a return to and reintegration into civilian life.

We all know there is no simple answer to homelessness. There are many challenges and problems associated with it, many different cases. The problems are different for each person. There is no quick fix to be found in any time table. Clearly, permanent housing is a primary tool. Permanent housing represents a stable base for a job, education, and neighborhood integration. But it takes a person to make this work.

I share with Senator Johnson the fact that we both are fathers of veterans who have returned from service, and I can tell you that the young men and women who come back are very much concerned about the plight of those they have served with and those who have served before. I only wish their commitment was replicated and seen throughout the country as a whole because I can tell you these young men and women coming back know what sacrifices have been made by veterans and why we owe them the highest quality of care.

Thank you, Madam Chair.

Senator MURRAY. Thank you very much, Senator Bond.

Senator Allard.

STATEMENT OF SENATOR WAYNE ALLARD

Senator ALLARD. Thank you, Madam Chair. First, I would like to thank you, Chairman Murray and Chairman Johnson, for holding this hearing, along with our ranking member Senator Bond from Missouri on housing our heroes, addressing the issues of homeless veterans in America.

While every member of the Senate has veteran constituents, this is particularly important for Colorado. The 5th congressional district located in the Colorado Springs area has the Nation's highest concentration of veterans.

Veterans embody some of America's highest ideals, including duty, honor, courage, commitment, and self-sacrifice. In recognition of their service to our Nation, we have provided them with certain benefits such as education and home ownership opportunities. These benefits have been important for veterans and their families. Many families might not own a home today had it not been for the VA Home Loan Guarantee Program.

The Federal Government also operates programs designed to meet the housing needs of homeless veterans. While these programs were not created specifically as a benefit for military service, they have evolved as a more effective and efficient way to prevent and end homelessness among veterans. Homelessness is tragic, but particularly so among those who have so nobly served this country.

As former chairman of the authorizing Housing Subcommittee, I have had a longstanding interest in finding ways to prevent and end homelessness, principally among our veterans. I have been working for a number of years to reauthorize the McKinney-Vento Act. Currently the Federal Government devotes some resources to the homeless. Yet, despite the enormous Federal resources directed towards homelessness, the problem persists. We need to bring more accountability to homeless assistance, increasing funding for successful programs and initiatives, and replacing those that are ineffective. There seems to be consensus that the McKinney-Vento Act has been an important tool to help some of society's most vulnerable members and that the first step should be reauthorization of the act.

There also seems to be consensus that the second step should be consolidation of the existing programs. I originally introduced consolidation legislation in 2000, and Senator Jack Reed offered a proposal in 2002. HUD has also advocated for a consolidated program for several years now. While we differed in some of the details, including the funding distribution mechanism for a new program, these proposals offered consensus on the important starting point of consolidation.

After extensive discussions, Senator Reed and I introduced the Community Partnership to End Homelessness Act. The bill will consolidate the existing programs to eliminate administrative burdens, multiple applications, and conflicting requirements. The streamlined approach will combine the efficiencies of a block grant with the accountability of a competitive system. Localities will submit applications outlining the priority projects for the area based on outcomes and results. I am especially supportive of approaches such as this one that focus on results rather than processes.

The Community Partnership to End Homelessness Act also attempts to acknowledge that homelessness is not confined to urban areas, although the solution in rural areas will be different for rural areas. This is important to States like Colorado which have both urban and rural homelessness challenges. This flexible approach will allow localities to meet the needs of homeless people in their specific area, be they veterans, families, teenagers, chronically homeless, or others.

I am pleased to welcome our witnesses today, many of whom I have had the pleasure to work with on a number of occasions. Mr. Johnston, Mr. Dougherty, Mr. Berg, and Ms. Beversdorf have all

previously testified before me on this issue. Their previous comments were enlightening and helpful, and I am sure their remarks here today will be as well.

While I have not had the opportunity to work with Mr. Weidman and Mr. Lambros, I know that they have excellent credentials, and I am certain that they will contribute a great deal to our understanding of the challenges confronting homeless veterans.

Before I conclude, I would like to make one final note regarding one of our witnesses. As I mentioned, Senator Reed and I have been working for a number of years on legislation to consolidate HUD's homeless programs. I would like to acknowledge the technical assistance provided by Mark Johnston on numerous occasions. His expertise has been extremely helpful to me and my staff. I would like to publicly thank him for his efforts.

I look forward to this hearing as it will help us better understand the existing programs for meeting veterans' housing needs as well as ways in which these programs might be improved.

Thank you, Madam Chairman.

Senator MURRAY. Thank you very much.

We have been joined by Senator Reed. Would you care to do an opening statement?

STATEMENT OF SENATOR JACK REED

Senator REED. Well, Madam Chairman, thank you for holding this very important hearing. I also want to thank the panelists not only for being here today but for helping Senator Allard and I on the legislation that we have proposed with respect to the issue of homelessness overall. And I look forward to the questioning. Thank you, Madam.

Senator MURRAY. Senator Durbin has submitted a statement for inclusion in the record.

[The statement follows:]

PREPARED STATEMENT OF SENATOR RICHARD J. DURBIN

Chairman Murray and Chairman Johnson, thank you for your leadership in addressing an issue that's too often overlooked—our homeless veterans.

COUNTS OF HOMELESS VETERANS

Many veterans return from war and are able to transition successfully back to civilian life. But too many can't and end up homeless. We don't have an exact count of the number of homeless veterans in the United States, but we know it is well into the hundreds of thousands. In 2006, as many as 336,000 veterans experienced homelessness over the course of the year. That includes more than 2,200 in Illinois. As many as 64,000 veterans are chronically homeless—homeless for an entire year. Veterans also make up a greater percentage of the homeless population than the general population. One out of every four homeless persons is a veteran, even though veterans represent only one in nine adults.

LINK BETWEEN HOMELESSNESS AND TBI/PTSD

These numbers are inexcusable. What's even more alarming is that the numbers will grow worse. Veterans from Iraq and Afghanistan are coming home with higher rates of traumatic brain injuries (TBI), post-traumatic stress disorder (PTSD), and depression, among other physical and mental wounds. One in five suffers from TBI. One in five suffers from PTSD. These returning veterans want to rebuild their lives. Unfortunately, leaving the war zone is no guarantee of leaving the war behind. Coming home with TBI or PTSD makes the transition to civilian life that much harder. It's harder to reconnect with family and friends. It's harder to find work. It's harder to keep stable housing.

This is why Congress has taken a number of steps to help. I introduced TBI legislation last year that was enacted as part of the Wounded Warriors title in the fiscal year 2008 Defense Authorization Act.

We are trying to help veterans by: improving coordination between the Department of Defense and the VA; requiring routine brain injury screening tests for military personnel; increasing TBI patient benefits; and improving case management and TBI research.

We've increased funding for veterans health care and benefits above and beyond the administration's requests, including an $11.8 billion increase in 2007 and a $6.6 billion increase in 2008. And we've expanded the VA's polytrauma capabilities to help veterans suffering from multiple traumas, such as traumatic brain injuries, hearing loss, fractures, amputations, burns, and visual impairments.

These injuries are not always obvious or easy to identify, and once they are identified they will require a lifetime of care. But we owe our men and women in uniform at least that much. We're starting to see what happens when we skimp on diagnosing and treating these wounds. They contribute to unemployment, substance abuse, the breakdown of a family, or a life on the streets.

PERMANENT SUPPORTIVE HOUSING

Illinois is doing much to repay its debt to its homeless veterans. The Prince Home at Manteno is a pilot program that provides permanent housing, advocacy, therapeutic and supportive services for 15 homeless and disabled veterans, including those who suffer from PTSD. It's the first of its kind in the Nation. And last week I had the opportunity to see for myself St. Leo's Residence for Veterans, the product of a successful partnership between AMVETS and Catholic Charities.

St. Leo's combines 141 furnished studio apartments for homeless and disabled veterans with a network of supportive services, such as job training, health care, and case management. By combining a roof over their heads with wraparound supportive services, St. Leo's helps formerly homeless veterans rebuild their lives.

Let me tell you about Caesar Hill. He was one of St. Leo's first residents. He came to St. Leo's after 6 years in the Navy as a commissioned officer and then 3 years homeless. Because St. Leo's gave him the time, shelter, and skills to help him get back on his feet, he will be moving out soon to allow another homeless veteran the opportunity to rebuild his life. Prince Home and St. Leo's are only two examples of an innovative, cost-effective solution to chronic homelessness: permanent supportive housing.

Permanent supportive housing provides housing with support services like mental health, employment, education, and case management services. It's a solution that recognizes you have to treat the reasons that led to the person becoming homeless in the first place, whether that means a war injury or stress disorder. This makes permanent supportive housing an especially effective tool in helping our homeless veterans.

CONCLUSION

As we prepare to debate the Iraq war supplemental, it's time we start having an honest and candid dialogue about the true cost of this war—not just the cost of fighting it abroad, but the cost of taking care of our veterans when they come home. It's a cost we need to be prepared to pay, as our dedication to our veterans should match their dedication to our country.

I look forward to learning what more we can do.

Senator MURRAY. With that, we will turn to our witnesses for their opening statements. I want all of you to know your statements will be submitted for the record, and we have allocated to each of you 5 minutes for your testimony this morning.

We are going to hear from Mark Johnston, Deputy Assistant Secretary, Office of Special Needs Assistance Programs in HUD; Peter Dougherty, Director, Office of Homeless Veterans Programs from the VA; Cheryl Beversdorf, president and CEO of the National Coalition for Homeless Veterans; Steve Berg, vice president for Programs and Policy, National Alliance to End Homelessness; Rick Weidman, executive director for Policy and Government Affairs from Vietnam Veterans of America; and Paul Lambros, executive director, Plymouth Housing Group from Seattle, Washington.

Mr. Johnston, we will begin with you.

STATEMENT OF MARK JOHNSTON, DEPUTY ASSISTANT SECRETARY FOR SPECIAL NEEDS, OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mr. JOHNSTON. Chairwoman Murray, Chairman Johnson, Ranking Member Bond, and members of the committees, I am pleased to be here today to represent the U.S. Department of Housing and Urban Development. I oversee the Department's efforts to provide housing and services to homeless persons. This includes addressing the needs of one of our most vulnerable populations, that is, homeless veterans and their families. As you have already indicated, it is a tragedy that some of these men and women, who have risked their lives for us abroad, now sleep on our streets at home.

I would like to take a moment to highlight some of our activities that specifically relate to HUD's efforts to serve homeless veterans.

HUD administers an array of targeted programs that Senator Allard referred to. We allow local applicants to design both veteran-specific projects, as well as more general purpose projects that serve veterans among other groups. In 2007, we awarded over 2,800 different project awards, representing both targeted programs and non-targeted projects that will serve homeless veterans this year.

To underscore our continued commitment to serve homeless veterans, we highlight veterans in our annual Continuum of Care competition and grant application process. Approximately $1.3 billion is available in 2008. Over 3,900 cities and counties across the country representing about 95 percent of the U.S. population, participate in this HUD process. In the grant application, we encourage organizations that represent homeless veterans to be at the planning table. This attention to veterans is reflected in the score that we give each Continuum of Care application.

Because people who are homeless face many challenges, it is imperative to involve many partners. HUD, the VA, HHS, Labor, and other members of the U.S. Interagency Council on Homelessness work together on a regular basis to achieve the goal that has been referred to already today, ending chronic homelessness. Many of those who are chronically homeless are, in fact, veterans.

With the sustained effort since 2002, we are starting to see results. HUD just recently announced in our second annual homeless assessment report to Congress, issued about 3 weeks ago, an 11.5 percent reduction in chronic homelessness between 2005 and 2006. This is the first time since the Federal programs were created, the McKinney programs of 1987, that we have ever seen a reduction in homelessness of any kind in this Nation. We anticipate having the 2007 figure by June and expect to see an even further reduction.

To help achieve these results, HUD partnered with the VA and other agencies on a number of specific grant initiatives that are demonstration projects to target the chronically homeless, including those who are veterans. In these initiatives, HUD has provided permanent housing and the partnering agencies have provided their critical support of services. These demonstration efforts have resulted in providing a permanent solution for several thousand

persons, including veterans, who used to call the streets their home.

With your initiative and action in providing $75 million in HUD–VASH, we are now beginning to roll this program out. The program combines HUD's housing choice vouchers, which is rental assistance administered through our local public housing agencies, with case management and clinical services provided through the VA in the local community. Through this partnership, HUD and VA expect to provide permanent housing and support services to approximately 10,000 homeless veterans and their families, including veterans who become homeless after serving in Iraq and Afghanistan.

In the fiscal year 2009 request, as you have referred to—we have requested $75 million in additional HUD–VASH funding for approximately 10,000 additional vouchers.

In addition to requesting funding for HUD–VASH in 2009, the administration has again requested record-level funding for HUD's targeted homeless assistance programs to better serve veterans and other homeless persons. The 2009 request for HUD homeless assistance, including HUD–VASH, is a little bit more than $1.7 billion, which is well over a 50 percent increase from the level of 2001.

The opportunities to help homeless veterans extend beyond working with other Federal agencies, for instance, we work regularly with the National Coalition for Homeless Veterans. The opportunities to work with other organizations at all levels we find are very helpful as we continue to make progress in solving homelessness among veterans.

PREPARED STATEMENT

Finally, I want to reiterate my and HUD's commitment to help our veterans, including those who are homeless. We will continue to work with our Federal, State, and local partners to do so. Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF MARK JOHNSTON

INTRODUCTION

Chairwoman Murray, Chairman Johnson, ranking members, I am pleased to be here today to represent the Department of Housing and Urban Development. My name is Mark Johnston and I oversee the Department's efforts to confront the housing and service needs of homeless persons. This effort includes addressing the needs of one of our most vulnerable populations—homeless veterans and their families. It is a tragedy that some of those who risked their lives for each of us now sleep on the streets of this great Nation. These veterans may be homeless due to physical or mental disability, or economic distress. HUD provides housing and services to homeless veterans through HUD's targeted programs for special needs populations, as well as through other mainstream HUD resources.

The Department administers a variety of housing programs that can assist veterans. These include the Housing Choice Voucher Program, Public Housing, HOME Investment Partnerships, and the Community Development Block Grant (CDBG) program. These programs, by statute, provide great flexibility so that communities can use these Federal resources to meet their particular local needs, including the needs of their veterans. In addition to these programs, Congress has authorized a variety of targeted programs for special needs populations, including homeless persons.

Unfortunately, veterans are too often represented in the homeless population. HUD is committed to serving homeless veterans and recognizes that Congress charges HUD to serve all homeless groups. HUD's homeless assistance programs

serve single individuals as well as 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 HUD HOMELESS GRANT ASSISTANCE

In December 2007, HUD competitively awarded a total of nearly $1.3 billion in targeted homeless assistance. A record 5,911 projects, up from 5,288 in fiscal year 2006, received awards. It is important to note that veterans are eligible for all of our homeless assistance programs and HUD emphasizes the importance of serving veterans in our Continuum of Care (CoC) Homeless Assistance programs grant application. A total of 154 applications were submitted in 2007 that stated that at least 70 percent of their proposed clients would be veterans. Of that number, we awarded funds to 149 projects, which represents 97 percent of the veteran-specific projects submitted. We awarded just over $31.67 million to these targeted projects. In addition, we awarded over $698.4 million to 2,674 projects where at least 10 percent of those to be served will be homeless veterans. When you combine all projects that will be serving veterans—targeted and non-targeted—we awarded a total of 2,823 projects for over $730.07 million in 2007. HUD has been tracking the funding of veteran specific projects for the past decade. Much progress in serving this population has been made. In 1998, 36 projects that primarily serve veterans received funding through the annual CoC competition, compared to 149 projects in 2007. As the overall CoC competition grew in the number of projects both submitted and funded, HUD was able to increasingly fund projects to assist our Nation's homeless veterans.

To underscore our continued commitment to serve homeless veterans, we have highlighted veterans in our annual planning and grant application process. Approximately $1.3 billion is available in the 2008 Continuum of Care homeless grants competition. In the grant application we encourage organizations that represent homeless veterans to be at the planning table. Because of this Departmental emphasis, over 90 percent of all communities nationwide have active homeless veteran representation. We also require that communities identify the number of homeless persons who are veterans so that each community can more effectively address their needs. To that end, in collaboration with the Department of Veterans Affairs (VA), we also strongly encourage that communities use VA's CHALENG or Community Homelessness Assessment, Local Education and Networking Groups data in assessing the needs of their homeless veterans when preparing their HUD grant application.

INTERAGENCY INITIATIVES

The administration's goal to end chronic homelessness is helping to meet the needs of homeless veterans. Because the chronically homeless face many challenges, it is imperative to involve many partners. HUD, VA, the Department of Health and Human Services, the Department of Labor and the other agencies that make up the U.S. Interagency Council on Homelessness (ICH) have worked to achieve this goal at the Federal level. With a sustained effort since 2002, we are starting to see results. HUD just recently announced, in our Second Annual Homeless Assessment Report to Congress, published in March 2008, an 11.5 percent reduction in chronic homelessness nationwide between 2005 and 2006. This is the first time since the Federal homelessness programs were created through the McKinney-Vento Act in 1987 that this country has seen a reduction in homelessness of any kind. We anticipate having the chronic homeless figure for 2007 by June and expect to see an even further reduction.

I represent HUD on VA Secretary Peake's Advisory Committee on Homeless Veterans. This important advisory group has specifically addressed chronic homelessness among veterans. Additionally, there are a number of initiatives that HUD has been involved in that focus on ending chronic homelessness in this country. I'd like to highlight several of them.

The first is a joint initiative among three Federal departments of the U.S. Interagency Council on Homelessness—HUD, VA, HHS. Called the Collaborative Initiative to Help End Chronic Homelessness, this was the first demonstration program to specifically focus on chronically homeless persons. HUD contributed $20 million of the initial $35 million awarded. HUD's funds provided the housing needed by this population. VA and HHS provided the needed supportive services to help persons stabilize their lives. Hundreds of people, including veterans, who formerly called the

streets their home, are now living in stable housing and taking advantage of substance abuse treatment and other needed services. HUD has also provided almost $4.9 million in renewal funding through HUD's annual Continuum of Care competition for continued housing assistance for this special initiative. A preliminary evaluation report from VA through the Northeast Program Evaluation Center (NEPEC) shows that over 1,200 chronically homeless persons have received housing and services at these 11 sites. Furthermore, 30 percent of the evaluation participants for this initiative were chronically homeless veterans.

HUD and the Department of Labor joined forces and awarded $13.5 million to five grantees nationwide to provide permanent supportive housing and employment assistance to chronically homeless persons, including veterans. The local partners provided additional needed services such as health care, education, and life skills. We believe that the combination of housing and jobs has helped chronically homeless persons change their lives and become more self-sufficient. HUD has provided $1.47 million in subsequent renewal funding through HUD's annual Continuum of Care competition for continued housing assistance to these grantees. Over 400 chronically homeless individuals have been provided with housing and services, of whom approximately 15 percent are chronically homeless veterans.

HUD also developed, in consultation with the Interagency Council on Homelessness, a third initiative to assist chronically homeless persons with a long-term addiction to alcohol. Called the Housing for People who are Homeless and Addicted to Alcohol (HHAA) initiative, HUD provided $10 million in initial funding to 12 programs in 11 cities. Subsequently, HUD has awarded approximately $4.66 million in additional funding through HUD's annual Continuum of Care competition to sustain this effort. HUD provided funding for permanent housing and the community partners provided needed supportive services for these chronically inebriated individuals. This initiative is serving approximately 550 persons with permanent supportive housing, of whom approximately 21 percent are veterans.

HUD regularly works with other Federal program partners to address the needs of homeless persons, including homeless veterans. For example, this past August, HUD participated in the Department of Labor's DOL–VETS Grantees Training Conference held in Denver, Colorado. HUD was able to provide information on our homeless funding process to over 300 DOL grantees who received awards to help veterans overcome employment barriers.

VA STAND DOWN

In January 2008, HUD participated in VA's Stand Down at the Washington, DC VA Medical Center. Unique to this event was a pilot HUD/EITC program—Earned Income Tax Credit counseling for homeless veterans. HUD and the IRS partnered to reach out to homeless veterans at the Stand Down. As a result of this pilot, of the 256 total taxpayers at the event, 41 tax returns were prepared. The largest refund was $1,117, and the average refund was $351. Based on this initial success, VA and the IRS are looking to expand the initiative to other Stand Downs around the country.

HUD'S HOMELESSNESS RESOURCE EXCHANGE

The new Homelessness Resource Exchange (located at www.HUDHRE.info) is HUD's one-stop shop for information and resources for people and organizations who want to help persons who are homeless or at risk of becoming homeless. It provides an overview of HUD homeless and mainstream housing programs, our national homeless assistance competition, technical assistance information, and more.

The HUDHRE has a number of materials that address homeless veterans' issues. For example, HUD dedicated approximately $350,000 to enhance the capacity of organizations that do or want to specifically focus on serving homeless veterans, update existing technical assistance materials, and coordinate with VA's homeless planning networks. As a result, we developed two technical assistance guidebooks. 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 10 veterans' organizations in their local Continuums of Care. Additionally, we have held national conference calls and workshops to provide training and assistance to organizations that are serving, or planning to serve, homeless veterans. All of this information is available on the HUDHRE website.

HUD–VASH AND TARGETED HOMELESS FUNDING

With the initiative and action of these committees and the support of the administration, HUD is starting to roll out the HUD-Veterans Affairs Supportive Housing Program, called HUD–VASH. The 2008 Consolidated Appropriations Act (Public Law 110–161), enacted December 26, 2007, provided $75 million for HUD–VASH vouchers for 2008 funding. The HUD–VASH program combines HUD Housing Choice Voucher rental assistance (administered through HUD's Office of Public and Indian Housing through local Public Housing Agencies) for homeless veterans, with case management and clinical services provided by VA at its medical centers in the community. Through this partnership, HUD and VA expect to provide permanent housing and services to approximately 10,000 homeless veterans and their family members, including veterans who have become homeless after serving in Iraq and Afghanistan.

The President has requested $75 million for fiscal year 2009 for HUD–VASH. This will provide approximately 10,000 additional vouchers to those being awarded this year. HUD–VASH will make a significant impact on those who bravely served this great Nation and who have returned to live on our streets and in our emergency shelters. In addition to requesting funding for HUD–VASH in 2009, the administration has again requested record-level funding for HUD's homeless assistance grants programs to better serve veterans and others who become homeless. The fiscal year 2009 requested level, including HUD–VASH, is $1.711 billion, which is a 56 percent increase over the $1.1 billion targeted homeless funding appropriated in 2001.

OTHER HUD VETERANS INITIATIVES

The opportunities to focus on issues involving homeless veterans extend beyond the Federal agencies. For instance, HUD regularly works with the National Coalition for Homeless Veterans and actively participates in their conferences. These opportunities to work with organizations at all levels are very helpful as we continue to make progress in serving homeless veterans.

To coordinate veterans' efforts within HUD, to reach out to veterans organizations, and to help individual veterans, HUD established the HUD Veterans Resource Center. The Center has a 1–800 number to take calls from veterans and to help address their individual needs. The Center takes well over one thousand calls each year. The Resource Center works with each veteran to connect them to resources in their own community. Finally, the Center also provides information within the Department and with other agencies and veterans organizations to better address the needs of veterans.

CONCLUSION

Again, I want to reiterate my and HUD's desire and commitment to help our veterans, including those who are homeless. We will continue to work with our Federal, State and local partners to do so. I will be glad to address any questions you may have.

Senator MURRAY. Thank you very much, Mr. Johnston.

Mr. Dougherty.

STATEMENT OF PETER H. DOUGHERTY, DIRECTOR, HOMELESS VETERANS PROGRAMS, DEPARTMENT OF VETERANS AFFAIRS

Mr. DOUGHERTY. Chairwoman Murray, Chairman Johnson, members of the subcommittees, let me start out by telling you how much we appreciate what you have done to provide the funding to create more than 10,000 units of housing for veterans under the HUD–VASH program. It is the most significant action taken in resolving this problem in many years.

As you know, the VA is the largest single health care system, providing health care to more than 100,000 veterans who are homeless each year. With your help, we are making unprecedented strides in expanding current and creating new services in partnership with others.

We aggressively reach out to veterans. We engage them in shelters, in soup kitchens, on the streets, under the bridges, in both rural and urban America. We connect them with a complement of

VA health care and benefits, as well as connect them to other programs and services that we do not run and control. Our objective is to help these veterans receive coordinated care with VA benefits, which in turn furthers their chances to obtaining and maintaining independent housing and gainful employment. This year we expect to spend over $2 billion for homeless veterans, both in our specific programs geared to those veterans and the general health care services for those veterans.

Besides health care, benefits are very important. The Veterans Benefits Administration has expedited over 21,000 homeless veterans' claims in the past 4 years. This has allowed many veterans who are homeless to get an economic system of support which helps them move on.

We engage in outreach activity in a variety of ways and partnerships. We do that through stand downs. That is an effort that has been out there for more than 20 years. Last year, the Department participated in 143 of those events. We saw over 27,000 veterans and 3,500 spouses and children of veterans in a community activity that engaged more than 18,000 volunteers at 143 events.

We believe the best strategy with this new generation of veterans is to get to them and reach them early. You created an eligibility for them to get health care for a period of 5 years. We believe that that is very important because it allows our clinical staff, when that veteran comes in and receives a health care visit for something that was not necessarily considered to be a homeless problem to ask questions, we think are leading many of these men and women to services that they need that will prevent them from being homeless. We believe the best option is to reach these veterans early so that we do not have more acute problems later.

Last year we had over 9,000 people come to meetings across the country to talk about the met and unmet needs of homeless veterans. Those are called our CHALENG meetings. Besides giving us that kind of information, it also helps us to determine how many homeless veterans are out there. At the current time, we believe that on any given night there are approximately 154,000 veterans. That is a significant reduction, but it is still, as you know, way too many. We are confident that with your support we will continue to achieve the goal of ending chronic homelessness among veterans.

Last year you set funding for HUD that is creating more than 10,000 dedicated units of permanent housing under the section 8 program. That law requires that VA provide dedicated case managers. We have worked very closely with our colleagues at HUD, and I want to compliment Mark Johnston and others at that Department. We are in the process of hiring and have already started a process to hire 290 dedicated case managers who will work specifically with those veterans who will be housed in programs in communities, all across the country, everywhere in the country.

We complement that effort with our Grant and Per Diem Program. We have more than 9,000 beds that are operating today. We have a review going on today that will create more than 2,200 additional units of housing.

We have done some other homeless activities with the Department of Labor where we have done a joint outreach to veterans who are coming out of incarceration. We think those are the kinds

of things that are good for homeless prevention and good for our society.

PREPARED STATEMENT

We appreciate what you have done to help us improve our services.

This would conclude my formal statement, and I look forward to answering any questions you and the committee may have.

[The statement follows:]

PREPARED STATEMENT OF PETER H. DOUGHERTY

Chairman Murray and Chairman Johnson, Ranking Members Bond and Hutchison, and members of the subcommittees, I am pleased to be here today to discuss programs and services of the Department of Veterans Affairs (VA) that help homeless veterans achieve self-sufficiency. Thank you for inviting us to testify today.

Homelessness for any person is unacceptable; however, for those who have honorably served our nation in the military, homelessness should be inconceivable. VA's commitment to end chronic homelessness among veterans gains strength every day. To meet that goal, VA is making unprecedented strides to create opportunities to bring together veterans in need of assistance with the wide range of services and treatment VA provides directly as well as those services we offer in partnership with others.

As the largest integrated health care system in the United States and, as such, the largest provider of homeless treatment and assistance services to homeless veterans in the Nation, VA provides health care and services to more than 100,000 homeless veterans each year. We do this by aggressively reaching out and engaging veterans in shelters and in soup kitchens, on the streets and under bridges. By not waiting for veterans to contact us and by proactively offering services, VA helps some 70,000 of these veterans each year who would not otherwise know of their eligibility for assistance. We connect homeless veterans to a full complement of VA health care and benefits, including compensation and pension, vocational rehabilitation, loan guaranty, and education services.

We continuously work to reach and identify homeless veterans and encourage their utilization of VA's health care system. Once they are enrolled, we furnish timely access to quality primary health care, as well as psychiatric evaluations and treatment and engagement in treatment programs for substance-related problems. In addition, it is extremely important that these veterans are seen by mental health specialists and a case manager. Our objective is to help these veterans receive coordinated needed care and other VA benefits, which in turn, furthers their chances of obtaining and maintaining independent housing and gainful employment. The provision of such VA assistance should enable most veterans to live as independently as possible given their individual circumstances.

We work very closely with our Federal partners at the Departments of Housing and Urban Development (HUD), Health and Human Services (HHS) and Labor (DOL), specifically DOL's Veterans' Employment and Training Service, to ensure those homeless veterans who want and need housing, alternative access to health care, and supportive services and employment have an opportunity to become productive, tax-paying members of society. Housing and employment are very important because we understand from many formerly homeless veterans that having opportunities for gainful employment were vital to their being able to overcome psychological barriers that contributed to their homelessness.

With the support of Congress, VA continues to make a significant investment in the provision of services for homeless veterans. We expect to spend over $300 million this year in programs to assist homeless veterans and an additional $1.8 billion in medical care treatment costs.

Services and treatment for mental health and substance-related problems are essential both to the already homeless veteran and to those at risk for homelessness. VA's overall mental health funding increased by nearly $300 million this year, and we use those funds to enhance access to mental health services and substance use treatment programs. Increasing access and availability to mental health and substance use treatment services are critical to ensure that those veterans who live far away from VA health care facilities are able to live successfully in their communities.

Equally important is the work of the Veterans Benefits Administration (VBA). VBA's loan guarantee program allows non-profit entities to purchase VA foreclosed properties. More than 200 homes have been sold to non-profit and faith-based organizations that are helping to provide thousands of nights of shelter to homeless veterans and other homeless individuals. I also want to note that VBA's Compensation and Pension Service strives to provide timely processing and payment of benefits claims to homeless veterans. As a result of VBA's efforts, 21,000 veterans' claims were expedited to allow these veterans to receive the benefits to which they are entitled.

As part of VA's efforts to eradicate homelessness among veterans, we work in a variety of venues with multiple partners at the Federal, State, territorial, tribal, and local government levels. We have hundreds of community non-profit and faith-based service providers working in tandem with our health care and benefits staff to improve the lives of tens of thousands of homeless veterans each night. We have about 2,000 beds for homeless veterans specifically available under our domiciliary care and other VA-operated residential rehabilitation programs.

A year-long follow-up study of 1,350 veterans discharged from VA's residential care programs indicates that we are achieving long-term success for the well-being of these veterans. Four out of five veterans who completed these programs remain appropriately housed 1 year after discharge. Through such effective, innovative, and extensive collaboration, VA is able to maximize opportunities for success.

We firmly believe that the best strategy to prevent homelessness is early intervention. As the subcommittee knows, combat-theater veterans returning from the present conflicts in Iraq and Afghanistan have, depending on their date of discharge, enhanced enrollment priority for up to 5 years in VA's health care system and extended eligibility for VA health care at no cost for conditions possibly related to their combat-service. We believe that this eligibility allows our clinical staff to identify additional health problems that may, if otherwise left untreated, contribute to future homelessness among those veterans. During the past 2 years, 556 returning veterans have needed VA residential services either in VA-operated programs or in the community transitional housing programs under our Homeless Grant and Per Diem Program. The best option is to reach out and treat those in need who are willing to seek services today to prevent more acute problems later.

INTERAGENCY COUNCIL ON HOMELESSNESS (ICH), INTERGOVERNMENTAL AND LOCAL RELATIONSHIPS

VA has always been an active partner with nearly all Federal departments and agencies that provide services to homeless veterans. In March, Secretary Peake was elected to chair the Interagency Council on Homelessness (ICH), demonstrating his and VA's commitment to working collaboratively. We participate in a variety of interagency efforts to assist homeless veterans. During Secretary Peake's tenure as ICH Chair, VA will continue an initiative we started several years ago of hosting regular meetings of the ICH Senior Policy Group. These efforts have brought VA to an unprecedented involvement in State and local plans to end chronic homelessness.

In the past, VA has worked closely with HUD and HHS to assist the chronically homeless with housing, health care, and benefits coordination. Under this initiative, funding was provided to 11 communities that developed quality plans to house and provide wraparound services. As a result of our collaboration, nearly 1,200 individuals were enrolled in the program during the first year of the project, and nearly 600 were housed. Thirty percent of those receiving services under this initiative are veterans. This effort is based on the premise that housing and treating those who are chronically homeless will decrease total costs for health care, emergency housing, related social services, and the court system. VA is pleased to be a partner in this effort. We are also pleased to lead the effort to evaluate this project, in partnership with HUD and HHS, and look forward to sharing with you our findings regarding the subsequent year of the project when they become available.

VA has a long tradition of engaging and working with local providers in their communities. VA collaborates annually with 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 faith-based and community homeless service providers, representatives of Federal, State, territorial, tribal, and local governments, and homeless veterans themselves. Our meetings and annual reports are designed to identify met and unmet needs for homeless veterans, aid in the community effort to aid homeless veterans, and develop local action plans to address those identified needs.

Last year our CHALENG meetings had over 9,000 participants, including nearly 5,000 current or formerly homeless veterans at meetings sponsored by VA medical centers and supported by regional offices 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. It shows us what is being done effectively and what pressing unmet needs remain.

This process also helps us establish, as part of local needs, an estimate of the number of veterans who are homeless on any given night. You should be pleased to know that, based on the most recently available data, the number of homeless veterans appears to be going down. Two years ago we estimated there were approximately 195,000 homeless veterans on any given night. Last year we believe that number dropped to 154,000, a 21 percent reduction. While there are still far too many veterans among the homeless, we are making progress, and their numbers are coming down. This progress demonstrates to us that this scourge is not unmanageable and that our collective efforts are realizing success. We are confident that our continued efforts will achieve our goal of ending chronic homelessness among veterans.

VA INVOLVEMENT IN STAND DOWNS

VA's involvement in stand downs began more than 20 years ago when the first stand down for homeless veterans was held in San Diego. Stand downs are typically 1 to 3-day events and bring a wide range of specialized resources together to provide homeless veterans with comprehensive medical and psychosocial services. We have participated in over 2,000 events since then. Participating in stand downs for homeless veterans is another avenue by which VA continues its collaborative outreach at the local level through coordination of our programs with other departments, agencies, and private sector programs. In calendar year 2007, VA, along with hundreds of veterans service organization representatives, community homeless service providers, State and local government offices, faith-based organizations, and health and social service providers, provided assistance to more than 27,000 veterans. The latest information shows that more than 3,500 spouses and children attended these events. Nearly 18,000 volunteers and VA employees participated in last year's stand downs.

HOMELESS PROVIDERS GRANT AND PER DIEM PROGRAM

VA's largest program involving local communities remains our Homeless Providers Grant and Per Diem Program. As you are aware, this highly successful program allows VA to provide grants to State and local governments, as well as faith-based and other non-profit organizations, to develop supportive transitional housing programs and supportive service centers for homeless veterans. The current Notices of Funding Availability (NOFA) has $37 million available: $12 million for per diem only programs and $25 million for new grant programs. Organizations may also use VA grants to purchase vans to conduct outreach and provide transportation for homeless veterans to receive health care and employment services.

Since the Grant and Per Diem Program was authorized in 1992, VA has fostered the development of nearly 500 programs with more than 9,000 operational beds today and with plans already approved or in process to develop more than 14,000 transitional housing beds. We already have 23 independent service centers and provided funding for 200 vans to provide transportation for outreach and connections with services.

We accepted applications pursuant to two NOFAs that we believe will create 2,200 new transitional housing beds. We have begun our review of the applications and anticipate announcing the awards by the end of this fiscal year.

TECHNICAL ASSISTANCE GRANTS

With the enactment of Public Law 107–95, VA was authorized to provide grants to entities with expertise in preparing grant applications. We have awarded funding to two entities that are providing technical assistance to non-profit community and faith-based groups that are interested in seeking VA and other grants relating to serving homeless veterans. Grants were awarded to the National Coalition for Homeless Veterans, Public Resources, Inc., and the North Carolina Governor's Institute on Alcohol and Substance Abuse, Inc. to aid us in this effort. VA will continue to expand and improve services to connect veteran-specific service providers to other government and non-government resources.

GRANTS FOR HOMELESS VETERANS WITH SPECIAL NEEDS

VA also provides grants to its health care facilities and existing grant and per diem recipients to assist them to serve homeless veterans with special needs, including women, women who care for dependent children, the chronically mentally ill, frail elderly, and the terminally ill. We initiated this program in fiscal year 2004 and have provided special needs funding totaling $15.7 million to 29 organizations. We issued two NOFAs on February 22, 2007. That call resulted in $8.8 million to continue to fund both existing special needs grants and new awards.

RESIDENTIAL REHABILITATION AND TREATMENT PROGRAMS (RRTPS)

VA's Domiciliary Care for Homeless Veterans (DCHV) Program, which was recently renamed the Residential Rehabilitation and Treatment Program, provides a full range of treatment and rehabilitation services to many homeless veterans. Over the past 17 years, VA has established 34 DCHV programs providing 1,873 beds. There have been over 71,000 episodes of treatment in the DCHV program since 1987. VA continues to improve access to the services offered through these programs. In fiscal year 2007, DCHV programs treated 5,905 homeless veterans, while VA funded the development of 9 new DCHV programs offering a total of 400 new beds. In fiscal year 2006, VA funded the development of 2 additional DCHV programs totaling 100 beds. In addition to the DCHV program, homeless veterans receive treatment and rehabilitation services in the Psychosocial Residential Rehabilitation Treatment Program (PRRTP). Currently there are 72 PRRTP programs with a total of 2,020 beds.

STAFFING AT VBA REGIONAL OFFICES

Homeless Veterans Outreach Coordinators at all VBA regional offices work in their communities to identify eligible homeless veterans, advise them of VA benefits and services, and assist them with claims. The coordinators also network with other VA entities, veterans service organizations, local governments, social service agencies, and other service providers to inform homeless veterans about other benefits and services available to them. In fiscal year 2007, VBA staff assisted homeless veterans in 28,962 instances. They contacted 4,434 shelters, made 5,053 referrals to community agencies, and made 4,006 referrals to VHA and DOL's Homeless Veterans Reintegration Programs.

Since the beginning of fiscal year 2003, regional offices have maintained 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. From fiscal year 2003 through fiscal year 2007, VBA received 21,366 claims for compensation and pension from homeless veterans. Of those claims, 59 percent were for compensation and 41 percent were for pension. Of the compensation claims processed, 42 percent were granted, with an average disability rating of 45 percent, and 15 percent of claimants were rated 100 percent disabled. Of the total claims denied, 43 percent were due to the veteran's disability not being service connected. The average processing time for all compensation claims of homeless veterans was 155 days. Of the pension claims processed, 77 percent were granted. Nine percent of the claims denied were due to the veteran's disability not being permanent and total. The average processing time for all pension claims of homeless veterans was 123 days.

MULTIFAMILY TRANSITIONAL HOUSING LOAN GUARANTY PROGRAM

Public Law 105–368 authorized VA to establish a pilot program to guarantee up to 15 loans, up to an aggregate loan amount of $100 million, for multifamily transitional housing. Many complex issues, often varying from jurisdiction to jurisdiction, surround implementation, and VA has worked closely with veterans 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 issued an award under this program for a project to provide 144 new beds for homeless veterans through the Catholic Charities of Chicago. The Catholic Charities' project opened in January 2007 and was full within a week. One loan has been approved to date. No other loans are expected to be closed within the foreseeable future.

COORDINATION OF OUTREACH SERVICES FOR VETERANS AT RISK OF HOMELESSNESS

VA, together with DOL and with additional assistance from the Department of Justice (DOJ), has helped develop demonstration projects providing referral and counseling services for veterans who are at risk of homelessness and are currently incarcerated. Currently, VA and DOL have seven sites that provide referral and counseling services to eligible veterans at risk of homelessness upon their release from correctional institutions. Local staffs from VHA and VBA provide veterans at each demonstration site with information about available VA benefits and services.

DOL also provided funding under its Homeless Veterans Reintegration Programs for the Incarcerated Veterans' Transition Program. VA and DOL are reviewing this program carefully and will provide a report on its effectiveness.

HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD–VASH)

VA recognizes HUD's long-standing support of the HUD–VASH program. This very successful partnership links the provision of VA case management services with permanent housing in order to assist homeless veterans. In addition, we very much appreciate Congress appropriating additional funds in fiscal year 2008 to make available nearly 10,000 permanent housing units for homeless veterans. We will continue to work closely with our colleagues at HUD to implement this program and expect that thousands of veterans will be able to use these vouchers to move into housing this summer. We are starting to hire nearly 300 case managers who will provide case management services to those veterans who are eligible for VA health care to ensure that they have access to all needed health care and services.

The administration has proposed in HUD's budget providing approximately 10,000 additional units of permanent housing next year. If that occurs, we will make sure these additional veterans receive the appropriate case management services.

RECENTLY DISCHARGED VETERANS (OPERATION ENDURING FREEDOM/OPERATION IRAQI FREEDOM, OEF/OIF, VETERANS)

During the past 3 fiscal years, 556 veterans who served in Iraq and Afghanistan have been treated in one of VA's homeless-specific residential treatment programs. Currently, there are approximately 90 OEF/OIF veterans in homeless-specific residential treatment programs. It is clear to us that there is a strong need for VA to be extremely diligent in ensuring that these veterans get immediate attention. VA, with a host of external partners, seeks out these veterans. I want to be abundantly clear that our mission is to serve all eligible veterans who need our services.

I should note that these veterans, like all veterans who enter VA's homeless-specific services, get access to primary care, but also as needed, to appropriate mental health and substance abuse services. Our efforts to reach out, find, and appropriately serve these veterans will do nothing but increase in the months and years ahead.

SUMMARY

VA continues to make progress to prevent homelessness and treat our homeless veterans. Each year, we provide an annual report to Congress that outlines our activities for homeless veterans. VA collaborates closely with other Federal agencies, State and local governments, and community and faith-based organizations to ensure 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. Developing appropriate links to health care, housing, benefits assistance, employment, and transportation are all components that help bring these veterans out of despair and homelessness. We appreciate all of the assistance the Congress gives us to aid in this noble effort.

Chairman Murray and Chairman Johnson, that concludes my statement. I am pleased to respond to any questions you or the subcommittee members may have.

Senator MURRAY. Thank you very much, Mr. Dougherty.

Ms. Beversdorf.

STATEMENT OF CHERYL BEVERSDORF, PRESIDENT AND CEO, NATIONAL COALITION FOR HOMELESS VETERANS

Ms. BEVERSDORF. Chairman Murray, Chairman Johnson, Ranking Member Bond, and members of the subcommittee, the National Coalition for Homeless Veterans appreciates the opportunity to

present testimony before you this morning regarding homelessness among veterans in America.

The homeless veteran assistance movement NCHV represents began in 1990, but it has taken time to build the momentum that has turned the battle in our favor. In partnership with VA, the Department of Labor, and HUD, and supported by funding measures the Senate Housing and the Senate Veterans Affairs Subcommittees have championed, our community veteran service providers have helped reduce the number of homeless veterans on any given night in America by 38 percent in the last 6 years.

At this time, only two non-government veteran-specific homeless assistance programs serve the men and women who represent nearly a quarter of the Nation's homeless population. These include the Grant and Per Diem Program and the Department of Labor Homeless Veterans Reintegration Program.

The Grant and Per Diem Program is the foundation of the VA and community partnership and currently funds nearly 10,000 service beds in non-VA facilities in every State. Under this program, veterans receive supportive services such as health care, substance abuse, and mental health counseling, employment assistance, in addition to transitional housing.

In September 2007, despite the commendable growth and success of this program and its role in reducing the incidence of veteran homelessness, the GAO reported the VA needs an additional 9,600 beds to adequately address the current need for assistance by the homeless veteran population.

Last year, Public Law 110–161 provided $130 million, the fully authorized level, to be expended for the Grant and Per Diem Program in fiscal year 2008. We greatly appreciate the leadership of the Veterans Affairs Appropriations Subcommittee to ensure that that amount was included in the budget last year.

However, while it is true the projected $137 million in the President's fiscal year 2009 budget request will allow for expansion of the Grant and Per Diem Program, it is not nearly enough to address the needs called for in the GAO report and needed by community-based providers to provide more services to homeless veterans. NCHV recommends the annual appropriation of the Grant and Per Diem Program be increased to $200 million.

The HVRP program is a grant program that provides employment preparation and placement assistance to homeless veterans. HVRP is authorized at $50 million through fiscal year 2009. Yet, the annual appropriation has been less than half that amount. For fiscal year 2009, the proposed funding level of $25.6 million would fund only 11 percent of the overall homeless veteran population. Based on the program's success and effectiveness, NCHV believes in fiscal year 2009 HVRP should be funded at its full $50 million authorization level.

So how can homelessness among veterans be prevented?

The lack of affordable, permanent housing is cited as the number one unmet need of America's veterans according to the VA CHALENG report. We too want to express our sincere gratitude to the Housing Appropriations Subcommittee for its approval of $75 million in fiscal year 2008 for the HUD–VASH program, which allowed HUD and VA to make up to 10,000 HUD–VA supportive in-

cremental housing vouchers available to veterans with chronic health and disability challenges. We urge the subcommittee to support HUD's request for $75 million in fiscal year 2009.

NCHV believes the issue of permanent, affordable housing for veterans must be addressed on two levels: those veterans who need supportive services beyond the 2-year eligibility for Grant and Per Diem and those who are cost-burdened by fair market rents in their communities. We support three initiatives that would address this issue.

First, NCHV hopes the Senate will soon consider and pass S. 1233, the Veterans Traumatic Brain Injury Rehabilitation Act of 2007, which includes a provision that would offer grants to government and community agents to provide supportive services to low income veterans in permanent housing.

The second measure calls for improving the disposition of VA real property to homeless veteran service providers. Congress has provided the VA the option to use enhanced use leases as a surplus property disposition method. NCHV recommends Congress consider introducing legislation to require VA to enter into lease agreements to rent space to homeless providers at no charge.

The third measure would make funds available to Government agencies, community organizations, and developers to increase the availability of affordable housing units for low income veterans and their families. Enactment of S. 1084, the Homes for Heroes Act of 2007, would address this issue.

Finally, with respect to implementing a homelessness preventive strategy targeted to veterans returning from OIF/OEF, NCHV believes the first line of engagement is the strong partnership between the VA and community health centers in areas underserved by the Veterans Health Administration. Protocols should be developed to allow VA and community clinics to process a veteran's request for assistance directly and immediately without requiring the patient to first go to a VA medical facility.

PREPARED STATEMENT

In summary, I sincerely thank both subcommittees for their service to America's veterans in crisis. I will be happy to answer any questions.

[The statement follows:]

PREPARED STATEMENT OF CHERYL BEVERSDORF

Chairman Murray, Chairman Johnson, Ranking Member Bond, Ranking Member Hutchison, and members of the subcommittees, the National Coalition for Homeless Veterans (NCHV) appreciates the opportunity to submit testimony to the Senate Appropriations Subcommittee on Transportation, Housing and Urban Development and the Subcommittee on Military Construction and Veterans Affairs, which includes comments on issues impacting our Nation's homeless veterans.

The homeless veteran assistance movement NCHV represents began in earnest in 1990, but like a locomotive it took time to build the momentum that has turned the battle in our favor. In partnership with the Departments of Veterans Affairs (VA), Labor (DOL), and Housing and Urban Development (HUD)—and supported by funding measures the Senate Subcommittees on Veterans Affairs and on Housing and Urban Development have championed—our community veteran service providers have helped reduce the number of homeless veterans on any given night in America by 38 percent in the last 6 years.

This assessment is not based on the biases of advocates and service providers, but by the Federal agencies charged with identifying and addressing the needs of the Nation's most vulnerable citizens.

To its credit, the VA has presented to Congress an annual estimate of the number of homeless veterans every year since 1994. It is called the CHALENG project, which stands for Community Homelessness Assessment, and Local Education Networking Groups. In 2003 the VA CHALENG report estimate of the number of homeless veterans on any given day stood at more than 314,000; in 2006 that number had dropped to about 194,000. We have been advised the estimate in the soon-to-be published 2007 CHALENG Report shows a continued decline, to about 154,000.

Part of that reduction can be attributed to better data collection and efforts to avoid multiple counts of homeless clients who receive assistance from more than one service provider in a given service area. But in testimony before the House Committee on Veterans Affairs in the summer of 2005, VA officials affirmed the number of homeless veterans was on the decline, and credited the agency's partnership with community-based and faith-based organizations for making that downturn possible.

Though estimates are not as reliable as comprehensive "point-in-time" counts, the positive trends noted in the CHALENG reports since 2003 are impressive. The number of contacts reporting data included in the assessments is increasing, while the number of identified and estimated homeless veterans is decreasing.

Other Federal assessments of veteran homelessness that support our testimony are found in HUD's 2007 "Annual Homelessness Assessment Report" (AHAR)—which reported that 18 percent of clients in HUD-funded homeless assistance programs are veterans—and the 2000 U.S. Census, which reported about 1.5 million veteran families are living below the Federal poverty level. Earlier this year, the National Alliance to End Homelessness (NAEH) published a report, based on information from these resources, that estimated approximately 46,000 veterans meet the criteria to be considered as "chronically homeless."

According to the VA, in urban, suburban and rural communities throughout America, one of every three homeless adult males sleeping under bridges, in alleys and in abandoned buildings or living in shelters or other community based organizations has served our Nation in the Armed Forces. Homeless veterans are mostly males (4 percent are females). Fifty-four percent are people of color. The vast majority are single, although service providers are reporting an increased number of veterans, both women and men, with children seeking their assistance. Forty-five percent have a mental illness. Fifty percent have an addiction.

HOMELESS VETERAN ASSISTANCE PROGRAMS

There are only two non-government veteran-specific homeless assistance programs serving the men and women who represent nearly a quarter of the Nation's homeless population. The over-representation of veterans among the homeless that is well documented and continues to this day is the result of several influences, most notably limited resources in communities with a heavy demand for assistance by single parents and families with dependent children, the elderly and the disabled.

The DOL Homeless Veterans Reintegration Program (HVRP) and the VA Homeless Providers Grant and Per Diem (GPD) program were created in the late 1980s to provide access to services for veterans who were unable to get into local, federally funded, "mainstream" homeless assistance programs.

These programs are largely responsible for the downturn in veteran homelessness reported during the last 6 years, and must be advanced as essential components in any national strategy to prevent future veteran homelessness. We will touch on each separately, and briefly comment on how each may be enhanced.

HOMELESS PROVIDERS GRANT AND PER DIEM PROGRAM (GPD)

Despite significant challenges and budgetary strains, the VA has quadrupled the capacity of community-based service providers to serve veterans in crisis since 2002, a noteworthy and commendable expansion that includes, at its very core, access to transitional housing, health care, mental health services and suicide prevention.

GPD is the foundation of the VA and community partnership, and currently funds nearly 10,000 service beds in non-VA facilities in every State. Under this program veterans receive a multitude of services that include housing, access to health care and dental services, substance abuse and mental health supports, personal and family counseling, education and employment assistance, and access to legal aid.

The purpose of the program is to provide the supportive services necessary to help homeless veterans achieve self sufficiency to the highest degree possible. Clients are eligible for this assistance for up to 2 years. Most veterans are able to move out of the program before the 2-year threshold; some will need supportive housing long

after they complete the eligibility period. Client progress and participant outcomes must be reported to the VA GPD office quarterly, and all programs are required to conduct financial and performance audits annually.

In September 2007, despite the commendable growth and success of this program and its role in reducing the incidence of veteran homelessness, the Government Accountability Office (GAO) reported the VA needs an additional 9,600 beds to adequately address the current need for assistance by the homeless veteran population. That finding was based on information provided by the VA, the GAO's in-depth review of the GPD program, and interviews with service providers. The VA concurred with the GAO findings.

Recommendation

Increase the annual appropriation of the GPD program to $200 million.—For fiscal year 2008 Public Law 110–161 provided for $130 million, the fully authorized level, to be expended for the GPD program. We greatly appreciated the leadership of the Senate VA Appropriations Subcommittee to ensure that amount was included in the fiscal year 2008 budget. However, while it is true the projected $137 million in the President's fiscal year 2009 budget request will allow for expansion of the GPD program, it is not nearly enough to address the needs called for in the GAO report. While some VA officials may be concerned about the administrative capacity to handle such a large infusion of funds into the program, we believe the documented need to do so should drive the debate on this issue.

In 2006, the VA created the position of GPD Liaisons at each medical center to provide additional administrative support for the GPD office and grantees. The VA published a comprehensive program guide to better instruct grantees on funding and grant compliance issues, and expects to provide more intense training of GPD Liaisons. This represents a considerable and continual investment in the administrative oversight of the program that should translate into increased capacity to serve veterans in crisis.

Additional funding would increase the number of operational beds in the program, but under current law it could also enhance the level of other services that have been limited due to budget constraints. GPD funding for homeless veteran service centers—which has not been available in recent grant competitions—could be increased. These drop-in centers provide food, hygienic necessities, informal social supports and access to assistance that would otherwise be unavailable to men and women not yet ready to enter a residential program. They also could serve as the initial gateway for veterans in crisis who are threatened with homelessness or dealing with issues that may result in homelessness if not resolved. For Operation Iraqi Freedom and Enduring Freedom (OIF/OEF) veterans in particular, this is a critical opportunity to prevent future veteran homelessness.

Additional funding could also be used under current law to increase the number of special needs grants awarded under the GPD program. The program awards these grants to reflect the changing demographics of the homeless veteran population. One grant targets women veterans, including those with dependent children—the fasted growing segment of the homeless veteran population. Women now account for more than 14 percent of the forces deployed to Iraq and Afghanistan, yet there are only eight GPD programs receiving special needs grants for women in the country.

Other focuses include the frail elderly, increasingly important to serve aging Vietnam-era veterans—still the largest subgroup of homeless veterans; veterans who are terminally ill; and veterans with chronic mental illness. These grants provide transitional housing and supports for veteran clients as organizations work to find longer-term supportive housing options in their communities.

HOMELESS VETERANS REINTEGRATION PROGRAM (HVRP)

HVRP is a grant program that awards funding to government agencies, private service agencies and community-based nonprofits that provide employment preparation and placement assistance to homeless veterans. It is the only Federal employment assistance program targeted to this special needs population. The grants are competitive, which means applicants must qualify for funding based on their proven record of success at helping clients with significant barriers to employment to enter the work force and to remain employed. In September 2007 this program was judged by the GAO as one of the most successful and efficient programs in the Department of Labor portfolio.

HVRP is unique and so highly successful because it doesn't fund employment services per se, rather it rewards organizations that guarantee job placement. DOL estimates HVRP will serve approximately 17,066 homeless veterans ($1,500 average cost per participant) and approximately 10,240 homeless veterans will be placed into

employment ($2,500 average cost per placement) at the fiscal year 2009 budgeted level of $25.62 million. These costs represent a tiny investment for moving a veteran out of homelessness, and off of dependency on public programs. For Program Year 2006 (the most recent data available), the program's entered employment rate was 65.3 percent and the 90-day retained employment rate was 79.1 percent of the 65.3 percent who entered employment. Those numbers meet or exceed the results produced by most other DOL programs.

Recommendation

HVRP is authorized at $50 million through fiscal year 2009, yet the annual appropriation has been less than half that amount. For fiscal year 2009, the proposed funding level of $25.6 million would fund only 11 percent of the overall homeless veteran population. Based on the program's success and effectiveness in terms of employment outcomes for one of the most difficult populations to serve and its cost effectiveness as compared to other employment placement programs, NCHV believes in fiscal year 2009 HVRP should be funded at its full $50 million authorization level. We believe the proven outcomes and efficiency of HVRP warrants this consideration, and DOL–VETS has the administrative capacity, will and desire to expand the program. Employment is the key to transition from homelessness to self sufficiency—this program is critical to the campaign to end and prevent veteran homelessness.

ADDRESSING PREVENTION OF VETERAN HOMELESSNESS

The reduction in the number of homeless veterans on the streets of America each night proves the partnership of Federal agencies and community organizations—with the leadership and oversight of Congress—has succeeded in building an intervention network that is effective and efficient. That network must continue its work for the foreseeable future, but its impact is commendable and offers hope that we can, indeed, triumph in the campaign to end veteran homelessness.

However, the lessons we have learned and the knowledge we have gained during the last 2 decades must also guide our Nation's leaders and policy makers in their efforts to prevent future homelessness among veterans who are still at risk due to health and economic pressures, and the newest generation of combat veterans returning from Operations Iraqi Freedom and Enduring Freedom.

Again, NCHV bases its recommendations in this regard to the published findings of the Federal agencies already mentioned.

The lack of affordable permanent housing is cited as the No. 1 unmet need of America's veterans, according to the VA CHALENG report. We want to express our sincere gratitude to the Senate Housing Appropriations Subcommittee for its leadership last year in the campaign to end and prevent homelessness among this Nation's military veterans. The subcommittee's approval of $75 million in fiscal year 2008 for the joint HUD–VA Supported Housing Program (HUD–VASH) allowed HUD and VA to make up to 10,000 HUD–VA supportive incremental housing vouchers available to veterans with chronic health and disability challenges. NCHV is pleased HUD has requested another increase in equal measure in fiscal year 2009 and we urge the subcommittee to support this amount in its legislation. Acquiring 20,000 new HUD–VASH vouchers in less than 2 years is a historic achievement.

The affordable housing crisis, however, extends far beyond the realm of the VA system and its community partners. Once veterans successfully complete their GPD programs, many formerly homeless veterans still cannot afford fair market rents, nor will most of them qualify for mortgages even with the VA home loan guarantee. They are, essentially, still at risk of homelessness. With another 1.5 million veteran families living below the Federal poverty level (2000 U.S. Census), this is an issue that requires immediate attention and proactive engagement.

NCHV believes the issue of affordable permanent housing for veterans must be addressed on two levels—those veterans who need supportive services beyond the 2-year eligibility for GPD; and those who are cost-burdened by fair market rents in their communities.

Veterans who graduate from GPD programs often need supportive services while they continue to build toward economic stability and social reintegration into mainstream society. Those who will need permanent supportive housing—the chronically mentally ill, those with functional disabilities, families impacted by poverty—may be served by the HUD–VASH program. But the majority of GPD graduates need access to affordable housing with some level of follow-up services for up to 2 to 3 years to ensure their success.

Many community-based organizations are already providing that kind of "bridge housing," but resources for this purpose are scarce. NCHV supports three initiatives that would address this issue.

The first is a measure to provide grants to government and community agencies to provide supportive services to low-income veterans in permanent housing. Funds would be used to provide continuing case management, counseling, job training, transportation and child care needs. This is the intent of section 406 of title IV of Senate bill S. 1233, the Veterans Traumatic Brain Injury Rehabilitation Act of 2007. NCHV hopes the Senate will soon consider and pass this legislation.

The second measure calls for improving the disposition of VA real property to homeless veteran service providers. Congress has provided the VA the option to use "enhanced use leases" as a surplus property disposition method. The enhanced-use lease statute allows the VA to lease undeveloped or underutilized property for compensation in the form of cash or in-kind consideration. The law requires enhanced use leases "contribute to the VA's mission, enhance the use of VA property, and provide VA with fair compensation." Currently, VA may enter into space agreements with nonprofit organizations to utilize VA capital assets for services to homeless veterans. However, the rates the Department negotiates with nonprofit organizations may fluctuate greatly, and are sometimes above fair market rental rates or at rates that are cost-prohibitive to nonprofit organizations. NCHV recommends the two subcommittees consider introducing legislation to require VA to enter into lease agreements to rent space to homeless providers at no charge.

The third measure would make funds available to government agencies, community organizations and developers to increase the availability of affordable housing units for low-income veterans and their families. The "Homes for Heroes Act"—introduced in both the Senate (S. 1084) and the House (H.R. 3329)—addresses this issue and NCHV has worked with staff in both houses in recognition and support of congressional action on this historic veteran homelessness prevention initiative.

With respect to implementing a homelessness preventive strategy targeted to veterans returning from OIF/OEF, NCHV believes the first line of engagement is a strong partnership between the VA and community health centers in areas underserved by the Veterans Health Administration. While current practice allows a veteran to access services at non-VA facilities, the process is often frustrating and problematic, particularly for a veteran in crisis. Protocols should be developed to allow VA and community clinics to process a veteran's request for assistance directly and immediately without requiring the patient to first go to a VA medical facility.

Beyond that, we believe VA Readjustment Counseling Centers, known as VA Vet Centers, must serve as the clearinghouse for information that steers combat veterans in crisis to appropriate assistance in their communities, not just to VA services. Housing assistance referrals, financial counseling, access to legal aid, family counseling, identifying educational and employment opportunities—all of these are critical in any campaign to prevent homelessness. We know that is the goal of VA Vet Centers, but some serve better than others. This is where the battle to prevent homelessness among OIF/OEF veterans will be won, and we encourage the VA and Congress to ensure adequate funding and training to guarantee their success.

IN SUMMATION

The homeless veteran assistance movement is now 20 years old, but most of the historic achievements of the broad coalition now engaged in the campaign to end veteran homelessness have occurred in just the last 6 years. The partnership between the VA, DOL, HUD, and the community-based organizations we represent has exceeded the most ambitious expectations of our founders, many of whom are still serving military veterans in crisis.

NCHV believes it is now time to take the next step in the campaign to end veteran homelessness. Developing a strategy that addresses the health and economic challenges of OIF/OEF veterans—before they are threatened with homelessness—and providing the necessary funding should be a national priority. Never before in U.S. history has this Nation, during a time of war, concerned itself with preventing veteran homelessness. For all our collective accomplishments, this may yet be our finest moment.

Senator MURRAY. Thank you very much, Ms. Beversdorf.

And Mr. Berg.

STATEMENT OF STEVEN R. BERG, VICE PRESIDENT FOR PROGRAMS AND POLICY, NATIONAL ALLIANCE TO END HOMELESSNESS

Mr. BERG. Thank you. Around the country people are beginning to get a glimmer of hope after 25 years since the emergence of widespread homelessness that we actually have new ways to deal

with this problem and that we can actually solve the problem of homelessness. And I want to start by saying that for the last 10 years, continuing right up to the present day, the most important policy initiatives that have helped people have that hope have first taken root in the Senate Appropriations Committee. So I am very pleased to have been invited here and thank you very much for holding this hearing.

Despite heartfelt and sincere commitment around the country to treat our veterans right, the fact remains that veterans in the United States are more likely to be homeless than people who are not veterans. About 150,000 to 200,000 on any given night, over 300,000 veterans over the course of a year are experiencing homelessness. Our veterans are living in shelters. They are living in cars. They are camping out in the woods, some of them for years and years on end. I think this is an indication that we as a society made a mistake with the previous generation of veterans by deciding to tolerate this.

The good news is that I think there is very strong support for doing whatever is necessary to not make that mistake with people who are leaving the military now, although I have to say that the jury is still out on whether we will, in fact, succeed in that. Part of the reason there is support is because there is a growing feeling that we know what to do to solve this problem.

I think these subcommittees have made a big start in that direction in last year's appropriations bill by reviving the HUD–VASH program. So I want to start there. HUD–VASH is exactly what is needed to make sure that supportive housing is available for homeless veterans who have the most severe disabilities, who have been homeless the longest, who have the most problems and are not going to be able to stay housed long-term without that level of help. The addition of 10,000 vouchers has been welcomed around the country. The prospect that there will be 10,000 more coming in the 2009 bill is generating increasing excitement, not just for the 10,000 vouchers, but also for the sense in communities that Congress understands what is going on. Congress is listening and Congress knows what is needed and is doing the right thing.

Another program I want to mention again is the Grant and Per Diem Program. This is a program that we know works very well for maybe an intermediate level of people, the veterans who we know can beat homelessness and become self-sufficient, but need an intensive 2-year period of work in order to do that. It has shown to work particularly well for people with chronic substance abuse addictions and alcoholism. The providers who take this money have shown a lot of willingness and even enthusiasm to find veterans who have very serious problems and take on the challenge that they present and get very good results for that. And the committee has been increasing the amount of funding for that in recent years.

So those are two pieces that are already in place where funding is increasing. We need to bring them to a higher scale, but these committees have shown some willingness to do that and for that I congratulate you.

The main missing piece right now is for a much larger group of homeless veterans and veterans who are at risk of homelessness who maybe do not need that intensive level of intervention. What

is missing is someone in communities around the country who can take responsibility for finding out when a veteran is homeless or when a veteran is about to become homeless and treat that as an individual crisis that will be solved immediately by working with landlords in the community, by getting services in place. Those people need to have flexible funding behind them. This is an approach that in the general homeless system, communities have started to adopt. It is known as rapid rehousing. I know there was a demonstration in last year's THUD bill that is going to bring a lot more attention to that. And it could be used in the veterans system to great effect.

PREPARED STATEMENT

We have answers to solve these problems. That is becoming more and more apparent. We can end the acceptance of our veterans living on the streets. The answers are cost effective, and we look forward to working with these subcommittees in the future to put that into place.

[The statement follows:]

PREPARED STATEMENT OF STEVEN R. BERG

Chairmen Johnson and Murray, Ranking Members Hutchison and Bond, and members of the subcommittees, on behalf of our Board of Directors, our President Nan Roman, and our thousands of partners across the country, I am honored that you have invited the National Alliance to End Homelessness to testify before you today on addressing the issues of homeless veterans in America. We are grateful to you for holding this hearing.

Certainly our Nation devotes substantial Federal resources to the support of veterans, and most veterans are comfortably housed. This is as it should be. But there is a group of veterans that have serious housing problems, and tragically there is a large group of veterans that is homeless. For too long we have tolerated what most everyone agrees should be an intolerable situation. With veterans now returning from the Middle East, we are in grave danger of making the same mistakes we made with an earlier generation. Fortunately, this is a solvable problem and with good Federal policy and appropriate resources, we can address it to scale. We owe our veterans no less.

The National Alliance to End Homelessness is a nonpartisan, nonprofit organization that was founded in 1983 by a group of leaders deeply disturbed by the appearance of thousands of Americans living on the streets of our Nation. We have committed ourselves to finding permanent solutions to homelessness. Our bipartisan Board of Directors and our 5,000 nonprofit, faith-based, private and public sector partners across the country devote ourselves to the affordable housing, access to services, and livable incomes that will end homelessness. The Alliance is recognized for its organization and dissemination of evidence-based research to encourage best practices and high standards in the field of homelessness prevention and intervention and we wish to share our insights with you today.

As our name implies, our primary focus is ending homelessness, not simply making it easier to live with. We take this idea very seriously. There is nothing inevitable about homelessness among veterans in the United States. We know more about veteran homelessness and how to address it than we ever have before, thanks in part to extensive research. We know a great deal about the pathways into homelessness, the characteristics of veterans who experience homelessness and the interventions and program models which are effective in offering reconnection to community, and stable housing.

This testimony will summarize the research available on homelessness among veterans and on the housing needs of the lowest income veterans, as well as on the most promising strategies for solving this problem.

HOMELESSNESS AMONG VETERANS

Far too many veterans are homeless in America. The Department of Veterans Affairs asks local communities to estimate the number of homeless veterans in each locality. Their most recent count indicated more than 150,000 veterans homeless at

a given time in early 2007. All the details from the 2007 count are not yet available to the public, but analysis of the 2006 counts allowed the Homelessness Research Institute of the National Alliance to End Homelessness to issue a report on housing and homelessness among veterans entitled Vital Mission: Ending Homelessness among Veterans (Homelessness Research Institute, November, 2007).

We began this research by using VA data to examine the extent of homelessness among veterans. We found that:

—On any given night, between one in five and one in four homeless people is a veteran.

—More veterans experience homelessness over the course of the year. We estimate that 336,627 spent some time homeless over the course of 2006.

—Veterans make up a disproportionate share of homeless people. In 2006 they represented roughly 26 percent of homeless people, but only 11 percent of the civilian population 18 years and older. This is true despite the fact that veterans are better educated, more likely to be employed, and have a lower poverty rate than the general population.

—In 2005 approximately 44,000 to 64,000 veterans were chronically homeless (i.e., homeless for long periods or repeatedly and with a disability).

Homeless veterans can be found in every State across the country and live in rural, suburban, and urban communities. Many have lived on the streets for years. Other veterans live on the edge of homelessness, struggling to pay their rent. Serious health problems and disabilities are both a cause and an effect of homelessness, and as is true of veterans generally, the homeless veteran population is aging.

HOUSING STATUS OF VETERANS

What all homeless people have in common is the lack of a place to live—homelessness is at base a problem of housing availability and affordability. When we first analyzed this data, we assumed that the disproportionate representation of veterans in the homeless population must be due to the fact that veterans have housing problems. So we looked at the housing situation of veterans more generally, examining the American Community Survey data (for 2005—the most recent data available at the time of the research). In fact, we found that, when viewed as a group, veterans can typically afford their monthly housing costs.

—Only 4 percent of veterans pay more than 50 percent of their income for housing (compared to 8 percent of the general population).

—Veterans are more likely than the general population to be homeowners (80 percent of veterans are homeowners versus 69 percent of the general population).

—Of those with mortgages, about 2.4 percent are paying more than 50 percent of their income toward their monthly payment.

—Nearly half of veteran homeowners (42 percent) have paid off their mortgages and own their homes free and clear.

—Ten percent of veteran renters pay more than 50 percent of their income for housing.

But while the average veteran is well housed, there is a subset of veterans who rent housing and have severe housing cost burdens. Those that are most vulnerable and/or face the worst crises lose their housing, have no other help available, and become homeless.

—In 2005, 467,877 veterans were severely rent burdened and were paying more than 50 percent of their income for rent.

—Not surprisingly, many of these veterans were poor. More than half (55 percent) of veterans with severe housing cost burden fell below the poverty level and 43 percent were receiving foods stamps.

—California, Nevada, Rhode Island and Hawaii were the States with the highest percentage of veterans with severe housing cost burden. The District of Columbia had the highest rate, with 6.5 percent of veterans devoting more than 50 percent of their income to rent.

We examined the characteristics of this group of veterans paying too much for housing and we found the following.

—Veterans with a disability are more likely to have severe housing cost burden. They are twice as likely to have a work disability as other veterans (18 percent versus 9 percent). Similarly, they are twice as likely to have a disability that limits their mobility (20 percent versus 10 percent).

—Female veterans are more likely to have housing cost burdens. Although women are only 7 percent of veterans, they represent 13.5 percent of veterans with housing cost burdens. And while 13 percent of them have housing cost burdens, only 10 percent of male veterans have such burdens.

—Unmarried veterans are more likely to have cost burdens by a factor of nearly two. Thirteen percent of veterans who do not have a spouse have severe housing cost burden versus 7 percent of those who are married.
—Period of service seems to matter. Veterans who left the military between 1980 and 2003 are less likely than earlier veterans to have housing cost burden. Somewhat surprisingly, older veterans from the Korean War and World War II are more likely to have housing cost burdens. These are comparisons of rate. By sheer size, Vietnam War veterans make up the largest group of those with housing cost burdens.
—In 2005, approximately 89,553 to 467,877 veterans were at risk of homelessness. The lower estimate is renters with housing cost burden, living below the poverty level, disabled, living alone, and not in the labor force. The upper estimate is all renters with housing cost burden.

Communities are working to end homelessness among veterans. Across the country, thousands of stakeholders—policymakers, advocates, researchers, practitioners, former and currently homeless people, community leaders, and concerned citizens—have joined together to create 10-year plans to end homelessness. While most plans are geared toward ending homelessness among all people, including homeless veterans, about 20 percent of the plans have strategies specifically targeted to this group. These strategies include more aggressive outreach targeted to veterans, greater coordination between local VA and homeless service agencies, targeted rental subsidies for veterans who are chronically homeless, permanent supportive housing that is linked to mental health services, and other supports. While some communities are making progress, challenges remain daunting.

THE CURRENT FEDERAL POLICY RESPONSE

So for nearly half a million veterans, current Federal efforts are not creating a situation where housing is safe and affordable. The primary responses of the Federal Government to the housing situation of veterans are or have been the following programs targeted to veterans.
—Homeownership loan guarantees and retrofitting loans (for disabled veterans) through the GI Bill of Rights. It should be noted that these are relatively shallow forms of assistance and are not generally adequate to assist lower income veterans to become homeowners.
—Homeless programs providing temporary housing including shelter and 2-year transitional housing (funded through the Grant and Per Diem Program, Domiciliary Care for Homeless Veterans Program, Compensated Work Therapy/Veterans Industries program). These programs do not currently meet need. For example, Grant and Per Diem only funds 8,000 beds.
—HUD–VASH program providing permanent supportive housing with the housing subsidy provided via the U.S. Department of Housing and Urban Development (HUD) (this is the only HUD program targeted directly to veterans) and the services provided by the VA. Until last year this program funded fewer than 1,800 units, far below need. The addition of 10,000 subsidies in the fiscal year 2008 appropriations act is a large and crucially important step forward.

In addition, veterans are eligible for assistance through programs not targeted to them specifically. Many veterans are served by the homeless assistance programs, for example. However, these resources are inadequate to meet the need. A recent analysis of HUD data (Homelessness Counts, National Alliance to End Homelessness, January 2007) found that of the 744,313 people who were homeless in January 2005, an estimated 44 percent were unsheltered. Similarly, mainstream housing subsidy programs at HUD, such as the public housing and section 8 Housing Choice Voucher programs, serve veterans. They are, as the subcommittees are well aware, extremely over-subscribed and meet only a fraction of the need.

The GI Bill homeownership and loan programs are available to all who qualify for them. Of the remaining temporary and permanent housing programs, none is funded adequately to meet the housing needs of all low income or homeless veterans. Further, if a veteran is not able or willing to become a homeowner, or is not homeless, there is no Federal housing assistance targeted specifically to him or her.

NEEDED FEDERAL POLICY RESPONSE

Of all the population groups impacted disproportionately by homelessness, veterans are the one where the Federal Government has taken direct responsibility for the well-being of the entire group, as it should be. The Federal Government, through the VA, is in a position to set an example for how to safeguard a vulnerable population from homelessness. At present, however, this is not being accomplished, despite the programmatic initiatives above, and despite the fact that sufficient un-

derstanding exists regarding the nature of homelessness and the programmatic and policy responses needed to end it. The rest of this testimony describes what is needed in order to complete this response, and to reach a point where homelessness among veterans is not only said to be intolerable, but is in fact not tolerated.

We know from research on homelessness that housing subsidy solves the housing problem (and ends homelessness) for the majority of people, notwithstanding that they may have service needs. For veterans who are disabled or disabled and elderly, another part of the solution is services designed to ensure housing stability. Housing affordability and housing/services linkages can be addressed either piecemeal through a variety of VA and HUD programs, or in a more comprehensive way by ensuring veterans a housing benefit of some type.

The National Alliance to End Homelessness proposes the following steps that the Federal Government could take to end the housing and homelessness crisis among veterans.

A Mission of Ending Homelessness Among Veterans.—In order to truly end homelessness among veterans and prevent its reoccurrence, there must be people working in each community who regard it as their mission to find every veteran who is homeless or about to become homeless, and to do whatever is necessary immediately to find housing for that individual or family. This sense of urgency, of immediate top-priority crisis response, is lacking. The policy responses discussed below will only have the desired effect if they are implemented locally with that sense, with a clear designation of responsibility. The VA is well positioned to take on this responsibility, should it be clearly allocated by Congress.

Rapid Re-housing of Homeless Veterans.—Procedures should be established within the VA to ensure its ability to rapidly re-house veterans who have become homeless or are experiencing a housing crisis that could lead to homelessness. For many homeless veterans, a rapid re-housing approach will be all that is needed. Others may need interim housing to address treatment or other needs, but re-housing assistance should be available at discharge from these temporary housing programs. VA should be funded to go to scale with these approaches.

—*Rapid Re-housing.*—VA caseworkers need to have control over flexible resources to intervene when veterans are on the verge of homelessness or when they are already homeless and do not need intensive treatment or other services. Payment of back rent, help with employment and benefits to improve incomes, mediation with property owners or roommates, or assistance with searching for new living options are among the services that need to be available. Outreach to veterans needs to take place to ensure that they know about available resources. This model is increasingly used by homeless service providers, with strong results obtained at costs of around $2,000 (one-time) per household.

—*Temporary Housing/Services and Re-housing.*—For veterans whose disabilities are not so severe that they need permanent supportive housing, but who do need a stable living situation combined with supportive services for a period of time up to 2 years, transitional housing is a successful model. It is especially effective for homeless veterans who are working to overcome addiction. The Homeless Grant and Per Diem program provides VA funds to nonprofits to run transitional housing for homeless veterans. The program has achieved positive results. It is not, however, funded at a level sufficient to meet the need, as demonstrated in a recent GAO study. Congress should increase funding to $200 million for fiscal year 2009.

—*Recommendation.*—Ensure that VA has the resources to rapidly re-house veterans who are at risk of homelessness or actually homeless, either immediately or after transition, by providing them with adequate resources to meet this need. Increase funding for the Homeless Grant and Per Diem program to meet the need.

Assess Housing Status at Discharge and Thereafter, and Respond if There is a Problem.—Our analysis shows that a high number of veterans are at risk of homelessness. As part of the process of exiting the military, addressing housing status will help to smooth the transition to stable housing, and prevent homelessness.

Everyone leaving active duty should be assessed as to their housing status, including their risk of homelessness. All should receive basic information about housing and the resources available through the VA. The VA, in turn, should have housing relocation assistance available, including housing locator services and flexible financial resources (see rapid re-housing above). For those veterans who have characteristics associated with risk of homelessness (disability, previous homelessness experience, lack of discharge address, lack of income, etc.), more extensive discharge planning should be provided, including the ability to link veterans to housing subsidy programs, procure placements in supportive housing, and/or link to local VA offices with the capacity to ensure follow-up support for stable housing.

This needs to be repeated when low-income veterans seek medical or other services from the VA. In addition, the VA should continue and expand efforts to publicize these resources in communities, so that wherever a veteran experiencing a housing crisis may appear, he or she will be directed to homelessness prevention programs at the VA.

—*Recommendation.*—All veterans exiting service and at key point thereafter should be assessed as to their housing status, and the VA should have well-publicized resources to assist veterans to access housing.

Permanent Supportive Housing.—For disabled low income veterans who require on-going services in order to stay stably housed, permanent supportive housing is a proven solution. This strategy combines affordability with decent housing and services designed to ensure stability. There are many models of permanent supportive housing, both scattered-site and single-site. Some focus only on veterans; others mix veteran and non-veteran populations. Veterans should be able to choose among different models.

Permanent supportive housing can provide a housing solution for disabled veterans regardless of income. However, its success in ending homelessness for people (including veterans) who have been chronically homeless has been particularly well documented. Our report estimates that there were 44,000 to 66,000 chronically homeless veterans in 2005. Research indicates that they could be cost effectively served with permanent supportive housing, and that the investment in such housing would be offset by reduced medical and treatment costs. Supportive housing for homeless and low income veterans requires funding for operating costs, services, and capital costs.

—*Operating Costs.*—The existing HUD–VA Supportive Housing program (HUD–VASH) provides rent vouchers from HUD for homeless veterans, combined with treatment, case management and supportive services from the VA. This program has demonstrated housing stability for veterans with the most severe disabilities. The fiscal year 2008 T–HUD appropriation bill provided $75 million for this purpose, enough to house approximately 10,000 veterans. The President's budget for fiscal year 2009 called for an additional $75 million next year. HUD–VASH is an ideal vehicle for funding operating costs, either in dedicated buildings or in scattered-site approaches renting from private landlords. A continued commitment to increasing funding will have a substantial impact on homelessness among veterans with severe disabilities.

—*Services.*—The HUD–VASH program requires that the VA have resources available to provide the case management, treatment and support services that are a key part of this intervention. Funded through VA Health Care, an amount approximately equal to the appropriation from HUD will be necessary.

Additionally, a number of bills over the past two years have sought to authorize the VA to provide grants to nonprofit community-based organizations to provide supportive services to veterans with the lowest income who are now in permanent housing (including those who have been homeless). Finally, the Services for Ending Long-Term Homelessness Act, S. 593, would provide funding for this purpose for all homeless people including veterans. VA mainstream and other service resources will be required to go to scale with this strategy.

—*Capital Costs.*—To the extent that supportive housing for veterans requires the production of new housing stock or the rehabilitation of existing buildings that are not fit for habitation, there is a need for an authorized program to provide capital funds. Programs such as the National Affordable Housing Trust Fund might provide resources in this regard.

—*Recommendation.*—Provide the 44,000 to 66,000 permanent supportive housing units that are needed to meet the housing needs of chronically disabled, chronically homeless veterans. Additional permanent supportive housing units should be provided to meet the needs of disabled veterans more broadly, including those who are serving in Iraq and Afghanistan at present. Operating subsidies, services funding and capital are required to provide these units. Over the next 5 years, 10,000 units per year could provide housing for every veteran who has been on the streets for years.

More Housing Options.—It is crucial that Federal resources focus on veterans who are homeless now, and on those who are on the brink of falling into homelessness. At the same time, this problem requires a commitment that decent housing will be something that all veterans can count on. Access to permanent housing is consistently the number one service need identified by those concerned with homeless veteran issues (VA staff, community providers, local government agencies, public officials, and former and currently homeless veterans themselves). Further, reports indicate that veterans returning from Iraq and Afghanistan are seeking help with housing sooner than past cohorts of veterans.

While the strategies above are workable, they are essentially piecemeal in nature; deliver assistance in some part by setting aside resources in current HUD or VA programs, running the risk of assisting homeless veterans at the expense of other needy groups; and are subject to annual appropriations, sometimes from various sources.

Congress could cut to the heart of the problem and provide comprehensive housing assistance to all veterans who need it, or to some subset of veterans such as those with disabilities. Such assistance could be provided through the VA or through HUD. It could be used for either rental housing or homeownership.

—*Recommendation.*—Provide all low income veterans with a means-tested housing benefit. Alternatively, provide all disabled veterans with a housing benefit.

CONCLUSION

I am not happy to report that our Nation now has some 20 years of experience on the issue of homeless veterans. We know that while some veterans become homeless immediately after discharge, for many more their difficulties may take years to emerge. We know that post-traumatic stress disorder, traumatic brain injuries and other factors of war may make them vulnerable to increasing poverty and housing problems. And we know that housing and supportive housing are a solution to these problems.

Tens of thousands of veterans will be returning from Iraq and Afghanistan. As we would expect, they have not yet begun to become homeless in large numbers, probably due to the delayed impact of combat service on homelessness. So while even one homeless veteran is too many, the VA reports that several hundred veterans from the current conflicts have used VA homeless services, and that just over 1,800 such veterans are at risk of homelessness. Hopefully, these numbers will remain small, but we fear that they will not. If we do not take advantage of all that we have learned about solutions to homelessness, in the future we can expect to see thousands more veterans on our streets and in our shelters.

We have a tremendous opportunity before us, and one that these subcommittees have begun to seize. There is unprecedented public will that we not make the same mistakes with the veterans of the current conflicts as we did with veterans from the Vietnam era and after, and that we do whatever is necessary to prevent these veterans being consigned to the streets. That same public will gives us an opportunity as well to rectify those previous mistakes, and house veterans who have lived in the street for years. Now is the time to be bold. We can prevent veterans from becoming homeless. We can house those veterans who are already homeless. And we can ensure that all veterans, including those with low incomes, have stable, decent and affordable housing. This is our vital mission.

Thank you for inviting us to testify before you today on this critical issue.

Senator MURRAY. Thank you very much, Mr. Berg.

Mr. Weidman.

STATEMENT OF RICHARD WEIDMAN, EXECUTIVE DIRECTOR FOR POLICY AND GOVERNMENT AFFAIRS, VIETNAM VETERANS OF AMERICA

Mr. WEIDMAN. Thank you very much, Madam Chair, Senator Bond, Chairman Johnson, Senator Reed, for the opportunity to testify here today.

Many of us feel that we know what needs to be done and have felt that way for a long time. It will be 22 years this year since the first hearing on homeless veterans on Capitol Hill that was chaired by Tom Daschle in his last official act as a Member of the House on the House Veterans Affairs Committee, Subcommittee on Memorial Affairs and Housing. And it has basically not changed. Basically you have one-third of the homeless veterans who have organic mental illness or PTSD as a predominant problem, roughly one-third who have substance abuse that may involve some other kind of mental illness as the dominant problem, and about one-third who are basically just disenfranchised and may be part of the working poor. They lost a slim purchase on the lower middle class and they were out on the street. It is really hard to find a job when

you are on the street without assistance. And that is where a number of these other programs come in.

VVA, as a member of the National Coalition for Homeless Veterans, would like to associate ourselves with the eloquent remarks of Ms. Beversdorf, and we also favor strongly raising the homeless Grant and Per Diem Program to $200 million next year and perhaps beyond that, as need dictates, in the future. Obviously, the authorization will have to increase in order to increase the appropriation.

Similarly, the Homeless Veterans Reintegration Program is the most cost effective, cost efficient program administered by the U.S. Department of Labor. It works. It works to get veterans back on the tax roll, and it continues to be a puzzlement why the HVRP program is not funded at the full $50 million because it is an extremely effective use of our funds to help veterans, particularly that last third I mentioned before, get off the street and stay off the street.

Similarly, the VWIP, or the Veterans Workforce Improvement Program that is a non-statutorily authorized program, we believe needs to be authorized and funded, and similarly, the Disabled Veterans Lifeline Program that was an administrative initiative that is a tiny program needs to be authorized and funded and have adequate oversight.

In regard to the Homeless Grant and Per Diem, we need prospective payments for the community-based organizations. Right now it is set up on a retrospective reimbursement, and very few community-based organizations have the money up front to work to receive the full $33 in reimbursement that they can receive. And so how do you get there if you do not have the up-front money? And that is a significant problem for the community-based organizations that are usually far and away the most prepared to serve this population in a cost efficient manner.

We also need staffing money for HUD's Shelter Plus Grants, and that may be somewhat alleviated by S. 2273 introduced by Senator Akaka that would provide operational dollars for permanent housing. We are not certain whether or not that does include the Shelter Plus program as one of the target programs that would be covered by that, but it needs to happen.

Expansion of the vet center staff, Senator Bond, we are grateful to you for your efforts to open up the vet centers to active duty, but they need more staff. In many areas, particularly those who are not near a VA medical center, the only homeless program operated by VA in those areas, in rural areas of Missouri or Washington or whichever State, certainly in South Dakota, the vet center is it, and they need more staff to serve the population base that they are already serving. While we would favor them serving the active duty people, they need more staff in order to serve who they have got now.

Veterans need to be defined as a special needs program, and in regard to the consolidation program that, Senator Reed, that you and Senator Allard talked about, if you do not write veterans in specifically, I can assure you they will be read specifically out at the local and State level. That has proven true of all employment programs right across the country and has remained true for the

last 20 years. So we encourage you to write it in specifically that proportional dollars need to go to veteran assistance programs.

I am out of time, and I want to thank you, Senator Murray, for your women veterans bill because that will help significantly. As you stated in your opening statement, the fastest rising subset is the homeless women veterans.

But we would ask that this committee join with the authorizers to require the tracking and reporting of veteran status. Much has been made of the 154,000 estimate, but that is just a guess. This is just a best guess, and nobody really knows because homeless veterans move around, and we do not even know for sure how many veterans are utilizing Federal or federally funded programs, so better tracking and reporting is absolutely necessary.

PREPARED STATEMENT

Last, I want to thank you, Senator Murray and Senator Bond, for increasing the HUD–VASH certificates to the $75 million, and last—hopefully we can talk about this in the questions—we need permanent housing because you cannot transition—it is supposed to be just that, transitional housing. And you have to have something to transition to. Without permanent housing for these low income veterans, they cannot transition anywhere. So I hope we deal with that in the questions.

Thank you all very much.

[The statement follows:]

PREPARED STATEMENT OF RICHARD WEIDMAN

Good morning Madam Chairwoman Murray, Ranking Member Bond, and distinguished members of this subcommittee. Thank you for giving Vietnam Veterans of America (VVA) the opportunity to offer our comments on Housing Our Heroes, Addressing the Issues of Homeless Veterans in America.

Homelessness continues to be a significant problem for veterans especially men and women veterans who served during the Vietnam era. The VA estimates about one-third of the adult homeless population have served their country in the Armed Services. Current population estimates suggest that about 154,000 veterans are homeless on any given night and perhaps twice as many experience homelessness at some point during the course of a year. Of that number about 4–5 percent are women veterans with VA reporting that of the new homeless veterans this is as high as 11 percent for woman veterans.

Homelessness has varied definitions and many contributing factors. Among these are PTSD, a lack of job skills and education, substance abuse and mental-health problems. The homeless require far more than just a home. A comprehensive, individualized assessment and a rehabilitation/treatment program are necessary, utilizing the "continuum of care" concept. Assistance in obtaining economic stability for a successful self-sufficient transition back into the community is vital. Although many need help with permanent housing, some require housing with supportive services, and others need long-term residential care.

VA HOMELESS GRANT & PER DIEM PROGRAM

The VA's Homeless Grant & Per Diem Program has been in existence since 1994. Since then, thousands of homeless veterans have availed themselves of the programs provided by community-based service providers. In some areas of this country, the VA and community-based service providers work successfully in a collaborative effort to actively address homelessness among veterans. The community-based service providers are able to supply much needed services in a cost-effective and efficient manner. The VA recognizes this and encourages residential and service center programs in areas where homeless veterans would most benefit. The VA HGPD program offers funding in a highly competitive grant round. VA credits HGPD and VA outreach for the drop on the number of homeless veterans from 250,000 a few years ago to the recent suggestion this statistic could be as low as

154,000. VVA also believes that the expansion of the Homeless Veterans Reintegration Program (HVRP), used in tandem with the above cited programs, has helped homeless veterans and formerly homeless veterans get and keep employment, thus stabilizing their financial and emotional situation, enabling them to keep off the street.

However, VVA and providers are concerned that the impact of homelessness on our new generation of veterans could cause this to increase significantly, as could the rising unemployment rate. Because financial resources available to HGPD are limited, the number of grants awarded and the dollars granted are greatly restricted by inadequate resources, and hence many geographic areas in need suffer a loss that HGPD could address if it were funded at a higher level.

It has been VVA's position that VA Homeless Grant and Per Diem funding must be considered a payment rather than a reimbursement for expenses, an important distinction that will enable the community-based organizations that deliver the majority of these services to operate more effectively. Not all non-profit agency homeless veteran programs receive full per diem which is now at $33.01/day/veteran. They must justify the need for per diem reimbursement based on the program expenses. Since justification of for an increased per diem request is based on the last annual audit of the program expenses, the non-profit must over spend money, which it does not have in order to increase the program expense in order to get the increased per diem to actually fund their programs adequately and with appropriate staffing levels.

Per diem dollars received by homeless veteran services centers is so low that these centers cannot obtain or retain appropriately skilled staffing to provide services to properly support the special needs of the veterans seeking assistance. Per diem for service centers is provided on an hourly rate, currently only $4.12 per hour. The reality is that most city and municipality social services do not have the knowledge or capacity to provide appropriate supportive services that directly involve the treatment, care, and entitlements of veterans. Lost HUD funding via its "Supportive Services Only" grants have increased the urgency of these service centers to find alternate funding. VVA believes that it is possible to create "Service Center Staffing" grants, much like the VA "Special Needs" grants, already in existence. The VA's Grant and Per Diem program is effective in creating and aiding local shelters by providing transitional housing, vocational rehabilitation, and referrals for clinical services.

VVA is recommending that Congress go above the authorizing level for the Homeless Grant and Per Diem program and fund the program at $200 million and not the $138 million currently authorized. Additionally, VVA supports and seeks legislation to establish Supportive Services Assistance Grants for VA Homeless Grant and Per Diem Service Center Grant awardees.

VA HOMELESS DOMICILIARY PROGRAMS

Domiciliary programs located within various medical centers throughout the VA system have proven costly. As stand-alone programs, many do not display a high rate of long-term success. Additionally, not all VISNs have Homeless Domiciliary programs.

Programs assisting homeless veterans need to show a cost/benefit ratio in order to survive. Due to the Federal pay scales and other indirect cost factors, VA Homeless Domiciliary programs generally cost twice as much per homeless veteran participant (often over $100 per day per veteran) as compared to the cost of the similar programs of community-based organizations. If the operational cost of the VA Homeless Domiciliary program is to be justified, then an assurance of success, including a diminished rate of recidivism, should be expected. This is not always the case, and is especially true if the veteran has no linked transitional residential placement at time of discharge. A linkage with non-profit community programs will enhance outcomes in a cost-effective manner and openly speak to the belief in the "continuum of care" concept embraced by the VA. HGPD has increased transitional placement possibilities in a number of areas, but more are desperately needed. Hence, the restatement of the need for increased funding for HGPD.

Where no VA Homeless Veteran Domiciliary exists, VVA urges the VA to form an active linkage with community-based organizations for extended homeless veteran transitional services at the conclusion of VA Homeless Domiciliary care.

HOMELESS VETERANS SPECIAL NEEDS

Veterans are disproportionately represented among the homeless population, accounting, according to most estimates, for one in three homeless adult persons on any given night—and roughly 400,000 veterans over the course of a year. Federal

agencies that have the responsibility of addressing this situation, particularly the Departments of Veterans Affairs, Labor, and Housing and Urban Development must work in concert, and should be held accountable for achieving clearly defined results. In some cases, Federal agencies deal inappropriately, without sensitivity to the particular needs and issues of the homeless and because homeless veterans have unique issues surrounding their military experiences, we consider them a "Special Needs Population". Until homeless veterans achieve status as a "Special Needs Population" through legislative action, monies earmarked by Congress to combat homelessness will fail to reach programs specifically designated for these veterans.

VVA urges the Presidential Interagency Council on Homeless to recognize homeless veterans as a Special Needs Population. Further, we urge Congress to require all entities/agencies, including non-profit and governmental, that receive Federal program funding dollars, to specifically track and report statistics on the number of veterans they serve, their residential status, and the services needed and provided. Without this cooperation and requirement, how does anyone "guess" at the number of veterans in the homeless population? Additionally, VVA supports legislation that would incorporate a "fair share" dollar approach for the Federal funding of all homeless programs and services to specifically target homeless veterans.

WOMEN VETERANS AND HOMELESS WOMEN VETERANS

Women comprise a growing segment of the Armed Forces, and thousands have been deployed to Iraq and Afghanistan. This has particularly serious implications for the VA healthcare system because the VA itself projects that by 2010, over 14 percent of all veterans utilizing its services will be women.

Women's health care is not evenly distributed or available throughout the VA system. Although women veterans are the fastest growing population within the VA, there remains a need for an increased focus on health care and its delivery for women, particularly the new women veterans of today. Although VA Central Office may interpret women's health services as preventive, primary, and gender-specific care, this comprehensive concept remains ambiguous and splintered in its delivery throughout all the VA medical centers. Many at the VHA appear (unfortunately and wrongly) to view women's health as only a GYN clinic. It certainly involves more than gynecological care. In reality, women's health is viewed as a specialty unto itself as demonstrated in every University Medical School in the country.

Furthermore, some women continue to report a less than "accepting," "friendly," or "knowledgeable" attitude or environment both within the VA and/or by third party vendors. This may be the result, at least in part, of a system that has evolved principally (or exclusively) to address the medical needs of male veterans. But reports also indicate that in mixed gender residential programs, women remain fearful and unsafe.

The nature of the combat in Iraq and Afghanistan is putting service members at an increased risk for PTSD. In these wars without fronts, "combat support troops" are just as likely to be affected by the same traumas as infantry personnel. They are clearly in the midst of the "combat setting". No matter how you look at it, Iraq is a chaotic war in which an unprecedented number of women have been exposed to high levels of violence and stress as more than 160,000 female soldiers have been deployed to Iraq and Afghanistan . . . This compared to the 7,500 who served in Vietnam and the 41,000 who were dispatched to the Gulf War in the early 1990s. Today, nearly 1 of every 20 U.S. soldiers in Iraq/Afghanistan is female. The death and casualty rates reflect this increased exposure.

With 15–18 percent of America's active-duty military being female (20 percent of all new recruits) and nearly half of them have been deployed to Iraq and/or Afghanistan, there are particularly serious implications for the VA healthcare system because the VA itself projects that by 2010, more than 14 percent of all its veterans will be women, compared with just 2 percent in 1997. Although the VA has made vast improvements in treating women since 1992, returning female OIF and OEF veterans in particular face a variety of co-occurring ailments and traumas heretofore unseen by the VA healthcare system.

There have been few large-scale studies done on the particular psychiatric effects of combat on female soldiers in the United States, mostly because the sample size has heretofore been small. More than one-quarter of female veterans of Vietnam developed PTSD at some point in their lives, according to the National Vietnam Veterans Readjustment Survey conducted in the mid-1980s, which included 432 women, most of whom were nurses. (The PTSD rate for women was 4 percent below that of the men.) Two years after deployment to the Gulf War, where combat exposure was relatively low, Army data showed that 16 percent of a sample of female soldiers studied met diagnostic criteria for PTSD, as opposed to 8 percent of their male coun-

terparts. The data reflect a larger finding, supported by other research that women are more likely to be given diagnoses of PTSD, in some cases at twice the rate of men. Matthew Friedman, Executive Director of the National Center for PTSD, a research-and-education program financed by the Department of Veterans Affairs, points out that some traumatic experiences have been shown to be more psychologically "toxic" than others. Rape, in particular, is thought to be the most likely to lead to PTSD in women (and in men, where it occurs). Participation in combat, though, he says, is not far behind.

Much of what we know about trauma comes primarily from research on two distinct populations—civilian women who have been raped and male combat veterans. But taking into account the large number of women serving in dangerous conditions in Iraq and reports suggesting that women in the military bear a higher risk than civilian women of having been sexually assaulted either before or during their service, it's conceivable that this war may well generate an unfortunate new group to study—women who have experienced sexual assault and combat, many of them before they turn 25.

Returning female OIF and OEF troops also face other crises. For example, studies conducted at the Durham, North Carolina Comprehensive Women's Health Center by VA researchers have demonstrated higher rates of suicidal tendencies among women veterans suffering depression with co-morbid PTSD. And according to a Pentagon study released in March 2006, more female soldiers report mental health concerns than their male comrades: 24 percent compared to 19 percent.

VA data showed that 25,960 of the 69,861 women separated from the military during fiscal years 2002–2006 sought VA services. Of this number approximately 35.8 percent requested assistance for "mental disorders" (i.e., based on VA ICD–9 categories) of which 21 percent was for post traumatic stress disorder or PTSD, with older female vets showing higher PTSD rates. Also, as of early May 2007, 14.5 percent of female OEF/OIF veterans reported having endured military sexual trauma (MST). Although all VA medical centers are required to have MST clinicians, very few clinicians within the VA are prepared to treat co-occurring combat-induced PTSD and MST. These issues singly are ones that need address, but concomitantly create a unique set of circumstances that demonstrates another of the challenges facing the VA. The VA will need to directly identify its ability and capacity to address these issues along with providing oversight and accountability to the delivery of services in this regard. All of these issues, traumas, stress, and crises have a direct effect on the women veterans who find themselves homeless. Early enactment of Senator Murray's bill on women veterans currently pending in the Senate will do much to rectify this situation, and VVA commends her for her leadership in this and other matters of vital interest to veterans.

Although veterans make up about 11 percent of the adult population, they make up 26 percent of the homeless population. Of the 154,000 homeless veterans estimated by the VA, women make up 4 percent of that population. Striking, however, is the fact that the VA also reports that of the new homeless veterans more than 11 percent of these are women. It is believed that this dramatic increase is directly related to the increased number of women now in the military (15 percent–18 percent). About half of all homeless veterans have a mental illness and more than three out of four suffer from alcohol or other substance abuse problems. Nearly 40 percent have both psychiatric and substance abuse disorders. Homeless veterans in some respects make use of the entire VA as do any other eligible group of veterans. Therefore all delivery systems and services offered by the VA have an impact on homeless veterans. Further, the failure of the Department of Labor system to provide needed employment assistance in a nationwide accountable manner to many veterans means they lose their slim purchase on the lower middle class, and therefore end up homeless. Once homeless, it becomes very difficult for these veterans to find employment for a multiplicity of reasons.

The VA must be prepared to provide services to these former servicemembers in appropriate settings.

One of the confounding factors with homeless women veterans is the sexual trauma many of them suffered during their service to our Nation. Few of us can know the dark places in which those who have suffered as the result of rape and physical abuse must live every day. It is a very long road to find the path that leads them to some semblance of "normalcy" and helps them escape from the secluded, lonely, fearful, angry corner in which they have been hiding.

Not all residential programs are designed to treat mental health problems of this very vulnerable population. In light of the high incidence of past sexual trauma, rape, and domestic violence, many of these women find it difficult, if not impossible, to share residential programs with their male counterparts. They openly discuss their concern for a safe treatment setting, especially where the treatment unit lay-

out does not provide them with a physically segregated, secured area. In light of the nature of some of their personal and trauma issues, they also discuss the need for gender-specific group sessions, The VA requests that all residential treatment areas be evaluated for the ability to provide and facilitate these services, and that medical centers develop plans to ensure this accommodation.

While some facilities have found innovative solutions to meet the unique needs of women veterans, others are still lagging behind. VVA believes that to adequately serve this growing population of women veterans, before it overpowers the "women veteran challenged" system that already exists, more funding is required. We recommend a minimum of an additional $10 million in funding over fiscal year 2008.

HUD–VASH

In 1992, the VA joined with HUD to launch the HUD–VASH program. HUD funded almost 600 vouchers for this program. Through the end of fiscal year 2002, 4,300 veterans had been served by the program, and had participated for an average of 4.1 years. Of veterans enrolled in the program, 90 percent successfully obtained vouchers and 87 percent moved into an apartment of their own. This partnership highlights the success of linking ongoing clinical care to permanent housing to assist homeless chronically mentally ill veterans. This program was given additional HUD–VASH vouchers with the passage of Public Law 107–95, which authorized 500 HUD/VASH vouchers in fiscal year 2003, 1,000 in fiscal year 2004, 1,500 in fiscal year 2005, and 2,000 in fiscal year 2006. The program was reauthorized under section 710, Rental Assistance Vouchers for Veterans Affairs Supported Housing Program, with the passage of Public Law 109–461, which authorized 500 vouchers for fiscal year 2007, 1,000 vouchers for fiscal year 2008, 1,500 vouchers for fiscal year 2009, 2,000 vouchers for fiscal year 2010 and 2,500 vouchers for fiscal year 2011.

VVA applauds the Senate Appropriations Committee for having funded $75 million for the HUD–VASH Program in Public Law 110–161. The vouchers created by this funding will prove paramount in addressing the permanent housing needs of our less fortunate veterans. By allocating this funding, Congress has given providers the greatest tool possible in our fight to end homelessness among our veterans. VVA supports the fiscal year 2009 appropriations request from the Department of Housing and Urban Development for $75 million, which will provide an additional 10,000 vouchers. If enacted into law, some 20,000 vouchers will now be available to assist homeless veterans. VVA urges this subcommittee to reach out to your colleagues and request their support of these vouchers.

HOMELESS VETERAN HUD TRANSITIONAL AND SUPPORTIVE SERVICES ONLY FUNDING

There continues to exist today, limited, if any, access to transitional residential and supportive service only dollars within the HUD Super NOFA grant proposal process. Supportive services are vital in the successful reintegration of our homeless veterans back to the community. There are currently no staffing dollars allocated for the provision of supportive services, to include case management, to those individuals in Shelter-Plus Care programs, for example. These case management services are key in providing the veterans with a support system to assist them with working into and through the system.

HUD is silently (but effectively) discouraging McKinney-Vento funding for transitional housing and "supportive services only" programs with the request to city and municipalities continuum of care for a 30 percent set aside of the grant dollars going for permanent housing only. In the national competition for the McKinney-Vento funding, many cities are requesting and accepting only new proposals for permanent housing, renewals on some transitional housing programs, and the elimination of "Supportive Services Only" programs altogether, in order to remain HUD NOFA competitive. This situation adversely affects those seeking funding for new transitional housing. An additional effect of this situation is to also eliminate a potential match for VA Homeless Grant and Per Diem (HGPD) grant proposals. VA will lose a financially effective and efficient resource for providing assistance to veterans who are homeless if non-profit agencies lose the ability to obtain HUD McKinney-Vento grants for transitional programs. This has significant impact in light of the lack of fair-share Federal funding for homeless veterans. These successful non-profit agencies have reduced recidivism, shortened the length of VA in-patient stay, hence reducing the cost of treatment programs.

The decreasing desire of HUD to fund Supportive Services programs; the disincentives placed by HUD on cities to renew the McKinney-Vento "Supportive Services Only" programs; the impact that lost supportive service programs will have on the local social service system is creating the slow but inevitable demise of front line

service centers. This will ultimately have a domino effect on the continuum of care model.

Drop-in centers are one type of program that utilize homeless grants for what is known as "Supportive Services Only" (SSO) funding. HUD funds these SSO programs via the local agency's inclusion on their city's priority list for its annual HUD McKinney-Vento submission. When originally funded, an agency was required to commit to a 20-year operational program. SSO programs targeting homeless veterans are included in this evolving funding atmosphere. Our question is: To what extent are the cities responsible for the continued renewals of programs that were previously vital to the local continuum? Or what consideration should be given by Federal agencies to make up for this forced local change initiated by them?

Non-profit agencies were required to make long term commitments when they were originally funded. Many received building construction rehab funding. They were led to believe they are a crucial component and partner to the comprehensive approach to the elimination of homelessness. To suggest the non-profits find alternate funding in order to continue and satisfy a commitment of 20 years seems unrealistic in light of the very limited grant funding available for these types of programs. Many, though successful in meeting all goal and benchmarks, have been sliced from city McKinney-Vento funding, thereby being left with a huge (for them) program commitment, no continuing funding stream, and a large debt to HUD for funds awarded on the original grant because they can't meet the 20 year commitment. Most will lose staff. Some may even lose their property or be forced to close their doors due to this circumstance. These non-profit agency programs are the lifeline of not only the agency's homeless clients, but also some of the city social service agencies that depend on the agency to assist with clients in an already over-burdened local service system.

At a time when the big push is on permanent housing for the homeless, with wraparound supportive services, is it logical to eliminate these programs on the community level? In light of this situation, and as a logical fit, in addition to the earlier suggestion of "Special Service Center" grants from the HGPD program, VVA believes it is time for the Department of Health and Human Services (HHS) to enter this arena. We urge this subcommittee to encourage HHS to work with the VA in establishing a unique partnership, creating a joint program in an effort to provide enhanced opportunities to homeless veterans. VVA urges a continuing dialogue between these two agencies to reach a viable option to the situation that is facing the non-profits gravely concerned about their own potential demise. What a terrible loss this would be to the structure of community involvement that has been so encouraged.

SHELTER PLUS CARE (S + C)

The Shelter Plus Care (S + C) program is authorized under subtitle F of the McKinney-Vento Homeless Assistance Act. Since 1992, HUD has awarded Shelter Plus Care (S + C) funds to serve a population that has been traditionally hard to reach—homeless persons with disabilities such as serious mental illness, chronic substance abuse, and/or AIDS and related diseases. The S + C program was built on the premise that housing and services need to be connected in order to ensure the stability of housing for this population. Consequently, S + C provides rental assistance that local grantees must match with an equal value of supportive services appropriate to the target population. The purpose of the program is to provide permanent housing in connection with supportive services to homeless people with disabilities and their families. The primary target populations are homeless people who have: serious mental illness; and/or chronic problems with alcohol, drugs or both; and/or acquired immunodeficiency syndrome (AIDS) or related diseases. The goals of the Shelter Plus Care Program are to assist homeless individuals and their families to: increase their housing stability; increase their skills and/or income; and obtain greater self-sufficiency. Funding for new S + C projects is awarded competitively through HUD's Continuum of Care process to eligible applicants: States, units of local government and public housing authorities (PHAs). Successful applicants become "grantees" once the S + C grant agreement is fully executed. The program provides rental assistance for a variety of housing choices and minimal administrative dollars.

While shelter plus Care is a program of great advantage for dual diagnosed individuals because of the wrap-around services that it requires, it does not provide any resources for these services. In terms of its history, it is well over 16 years old when one takes into account the time prior to 1992 when its guidelines, policies, and criteria were formulated. It is a fairly aged program and not much has changed over time . . . except much has changed.

The reporting, tracking, oversight, Annual Progress Reports (APR), and audit requirements that HUD has placed on the non-profit agencies, who have been awarded S+C programs, have grown over time. To some extent this is due to the oversight that Congress rightly demands of Federal agencies to ensure that those placed in these programs are being assisted in an appropriate fashion with positive outcomes. The dilemma for non-profits is not that the case management, reporting, tracking and audits must be done, it rests with the fact that with no program operational funding the non-profit agency is burdened with the labor intensive organizational HUD program requirements of oversight, tracking and reporting, not to mention the case management of all those in the program. Case management alone is challenging due to the dual diagnosed client base that is served by this essential permanent housing program. For many of these clients it is the only permanent independent housing program in which they will ever be able to survive. Case management is an essential element to the success of these individuals, not to mention the program itself. But the staffs of non-profit agencies are salaried through program grants and donations. With no S+C operational program funding these non-profits must utilize already over taxed staff in order to satisfy the case management requirements of its S+C programs. They are being slowly strangled.

What is unusual about this shortfall in S+C program operational funding is that when one investigates the HUD Supported Housing Program (SHP) Leasing grants one finds that for the client base in a program that essentially functions the same way as S+C, the non-profit is able to receive operational funding. This for a program whose client eligibility is less dependent and less challenged than that of the dual diagnosed, disabled S+C program clients.

It is the sense of Vietnam Veterans of America that this subcommittee should review the S+C program and determine if it is not reasonable to infuse program operational funding into the format of this necessary and vital housing program that is for some the only permanent housing in which they may ever be capable of living . . . the only place they can call home . . . a place they hold precious . . . a place that they don't have to share with anyone else. Without operational funding assistance to the non-profit agencies that strive to keep S+C alive this program will soon die due to the burden that is being placed on them. VVA realizes that S+C is not specific to veterans.

However, homeless veterans comprise up to one quarter of the homeless population, which draws one to conclude that veterans certainly are among those in S+C programs. It is also known that in some areas, especially in larger cities, there are non-profits that operate S+C exclusively for veterans. Again, VVA urges this subcommittee to readdress the confines of this supportive housing program to allow operational funding for HUD Shelter Plus Care programs in order to keep this essential program alive. Without this additional assistance and program alteration, thousands will lose the only permanent housing they may ever have, and again be forced to return to the state of homelessness. S+C is their salvation. In these times when affordable permanent housing is so critical and at a minimum . . . in these times when the emphasis of HUD and homeless advocates is on permanent housing . . . in these times when so many of the homeless are chronic and disabled are dependent on this program . . . it is crucial that you investigate this matter and bring relief to the not for profit agencies who are drowning in an attempt to do the right thing.

PERMANENT HOUSING NEEDS FOR LOW-INCOME VETERANS

Although 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. (This is despite the fact that most of these programs were created after World War II with veterans as the primary target population!) And HUD devotes minimal (if any other than slight lip service) attention to the housing needs of low-income veterans. This has been made abundantly clear by the long-standing vacancy for 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.

Public Law 105–276, The Quality Housing and Work Responsibility Act of 1998 under title III, permanently repealed Federal preferences for public housing and allowed the Public Housing Authority to establish preference for low-income veterans applying for public housing. In accordance with the GAO report, "Rental Housing Information on Low-Income Veterans Housing Condition and Participation in HUD's

Programs," only a few of the PHAs surveyed were using veterans' preference criteria to assist low income veterans with housing. VVA has found no mention of these guidelines in any of the 5-year plans issued by the PHAs since the law was passed in 1998, which means HUD is once again creating homeless veterans by overlooking laws mandated by Congress.

VVA is requesting that this subcommittee support S. 1084 the Homes for Heroes Act 2007 introduced by Senator Barrack Obama, (D-IL) which would repeal the 1998 decision and provide additional benefits and services to low income homeless veterans.

VVA urges full funding to the authorized level of $50 million for the Homeless Veterans Reintegration Program (HVRP) administered by the Department of Labor. This training/employment program has long suffered the consequences of limited funding. HVRP is the most cost effective and most cost efficient program that is administered through the USDOL, and it is one of the few that has full accountability built into the program design. How can the Secretary of Labor and DOL extol a commitment to the training of homeless veterans and then deny them the full funding under Public Law 107–95 and Public Law 109–233 that has been requested and urged by the veterans' service organizations and other keenly interested parties? Is there a part of helping homeless veterans get and keep a job, thereby paying taxes, becoming self-sufficient, and contributing to our communities that is bad and VVA missed it? Perhaps DOL can explain, as we are at a loss.

The late Senator Paul Wellstone, in a 1998 speech before the Veterans of Foreign Wars, said, "listen to the homeless veteran who's living on the streets in our cities. Here we are in the United States of America today at our peak economic performance doing so well economically, and we're still being told that we don't have the resources to help homeless veterans. One-third of homeless people in our country today are veterans. That's a national disgrace."

VVA strongly believes that homeless veterans have perhaps the best possibility for achieving rehabilitation because at an earlier point in their lives they did have a steady, responsible job and lifestyle in the military. We hope to recoup these individuals in the most efficient manner, thereby saving Federal resources. And we must do so with bi-partisan support from our Congressional leaders.

In closing VVA would like to personally thank you, Senator Murray for securing $75 million for the HUD–VASH program, of which VVA has been a strong advocated for since passage of Public Law 107–95, the Homeless Veterans Comprehensive Assistance Act of 2001. VVA and its National Women Veterans Committee wish to additionally thank Senator Murray and her Senate colleagues who sponsored S. 2799, The Women Veterans Comprehensive Health Care Act of 2008. VVA would respectfully request the opportunity to discuss this bill with you in order to provide our thoughts on its comprehensive nature. VVA would also like to thank Pete Dougherty, Director, VA Homeless Veterans Programs, and his staff for their tireless work on behalf of our homeless veterans. Often it is a thankless job, and for that reason VVA extends a special thanks to Mr. Dougherty for a job well done.

This concludes my testimony. I will be pleased to answer any questions you may have at this time.

Senator MURRAY. Thank you very much, Mr. Weidman.

Mr. Lambros?

STATEMENT OF PAUL LAMBROS, EXECUTIVE DIRECTOR, PLYMOUTH HOUSING GROUP

Mr. LAMBROS. Thank you, Senators, for allowing me to be here today.

Plymouth Housing Group is a nonprofit provider of supportive housing for formerly homeless people. We were established in 1980 in response to people sleeping on the streets of Seattle. Today we own and manage 12 buildings that provide 1,000 units of housing in downtown Seattle. We also operate King County Shelter Plus Care Program. Our model is to move people directly off the streets into permanent supportive housing. We provide housing for homeless clients of agencies serving people with mental health issues, alcohol/drug issues, and AIDS. We have developed programs to move medically compromised homeless people off the streets into

supportive housing, dramatically reducing the cost of community services such as emergency rooms.

We house well over 100 veterans currently, but have housed many more in the past. Our newest building, the Simons Building that Senator Murray came to—we set aside 25 apartments, permanent apartments for homeless veterans. It opened in January.

Our goal is to stabilize long-term, chronically homeless people in permanent housing with the services that they need to successfully remain in housing and stop the cycle of homelessness. We work extensively with the Veterans Administration and other veteran service providers.

I would like to touch on a couple of programs that we have talked about already, but I will give my comments.

The HUD–VASH program is very important and the new vouchers will help immensely. I think it is important to try to look at that program to look at the people that are in transitional housing and using those vouchers possibly with an exit strategy as some other members have talked about. The fact is that after that 24-month transition, some of them have nowhere to go. Many who complete the transitional program still, again, need a long-term subsidy.

The VA's Homeless Providers Grant and Per Diem Program is an effective program but needs to be more flexible. It imposes restrictions on the type of housing it will support. It supports capital and service funding and transitional housing for 24 months. In many cases it is better to move homeless veterans directly into permanent supportive housing rather than through transitional programs. Veterans we are working with have multiple issues that need lifelong attention.

Another issue, capital funding of the Grant and Per Diem Program is restricted to nonprofit organizations. However, to develop high quality supportive housing, we use the Federal Low Income Tax Credit Program. Tax credit projects require the formation of for-profit partnerships, and thus are not eligible to receive Grant and Per Diem funding, and technically because the nonprofits do not have site control. The fact is if the nonprofit partner does take control of the building, it becomes part of the nonprofit after the 15-year compliance period of the tax credit program. When developing a project along with the tax credit program, we use city, county, and State dollars. All of those funding sources have recognized the importance of the tax credit program and have made their funding more flexible. Highly effective projects are excluded from using the Grant and Per Diem Program to serve homeless veterans, and this should change.

Thanks to the leadership of Senator Murray, the challenges faced by homeless veterans have received elevated attention in the State of Washington. We recently passed the Veterans and Human Services Levy in King County. I mentioned our newest building that just opened in January. We received capital and service funding from the Vets and Human Services Levy for the project. That is why we have 25 apartments for homeless veterans. When we get capital funding, we are committing to funders that we will provide that housing for 40 years. This is a great opportunity to have housing for veterans permanently in that building for 40 years. If it was

not for the levy, the county would have probably used their capital dollars around mental health and those units would have been set aside for people with mental illness.

We, along with many agencies across the country, are committed to providing housing to homeless vets. The more flexible the funding can be, the more we can do. So I want to talk about what is working for us right now.

Our partnership with the VA, in the process of opening the Simons Senior Apartments, we developed an effective partnership with the VA. The success of this partnership is largely because we worked together with the VA from the very beginning of the project to develop a model for rapidly housing homeless veterans. Our model is one of collaborative case management. We maintain communication, share resources, and provide mutual training with the VA. The VA provides on-site visits by the VA staff that serves to broker and enhance veterans' connections to VA services in the hospital. On-site Plymouth Housing Group staff work with veterans to follow through on their appointments. They also encourage and support recovery and encourage building relationships with other veterans in the buildings.

Let me touch on some of the challenges we are seeing around homeless veterans. Homeless veterans who do not have access to support systems will find other ways to survive. Some use alcohol or drugs to cope with the effects of mental health issues. This type of self-medicating compounds mental health issues with substance disorders. The stresses of life on the street and the lack of security, the day-to-day struggle to survive makes a goal of abstinence, for instance, unattainable. Getting them into housing first and then working on these issues is key. Once they are in housing, they are in a better position to develop a goal for recovery, and we see achievement every day in the veterans that we are serving.

I attached to my testimony four short stories of our veterans. The one that really struck me is a vet that moved into our housing most recently. He took one of the last spots in the Simons Building. Albert is 70 years old, a Korean War veteran, who had cycled in and out of housing for years. The day before he was going to move in, he got kicked out of the shelter because he was intoxicated. It was freezing that night in Seattle. I am very proud of our staff, and the shelter staff actually went out and found him so he could be housed. Albert's story stuck in my head and keeps me wondering why. How is it after all these years a 70-year-old veteran is still homeless?

All of you and VA's around the country are doing good work to help, especially by making more funding available. Community-based organizations like Plymouth Housing Group are partners ready, willing, and able to get our homeless veterans off the streets and into supportive housing. Key to that is to make the funding as flexible as possible, such as what I talked about with the tax credit program. In Seattle and King County, we have been working toward the goals of our 10-year plan to end homelessness. As more and more communities across the country are undertaking their plans, they will develop and tailor those plans to local conditions. Capital and service funding must respond to local needs and be available to fill the gaps that those areas think they have.

PREPARED STATEMENT

I want to thank Senator Murray for her great leadership. We are very proud of her, those of us in Washington State. And thank you, Senators, for allowing me to speak today.

[The statement follows:]

PREPARED STATEMENT OF PAUL LAMBROS

Plymouth Housing Group is a nonprofit low-income housing provider in Seattle, Washington. We were established in 1980 in response to the increasing numbers of homeless people living on Seattle streets. Today, we own and manage 12 buildings that provide 1,000 units of permanent supportive housing. Our model is to move homeless people directly off the streets and into permanent supportive housing. We house well over 100 veterans, and our newest building, the Langdon and Anne Simons Senior Apartments, reserves 25 apartments for homeless veterans.

We work extensively with the Veterans Administration and other veterans service providers, as well as agencies that provide services in such areas as mental health, chemical dependency, jail diversion, HIV–AIDS, and others. In working with community partners, our common goal is to stabilize long-term chronically homeless people in permanent housing with the services tenants need to successfully remain in housing.

HOUSING OPTIONS FOR HOMELESS VETERANS

The VA's Homeless Providers Grant and Per Diem Program provides supportive housing and services to veterans in transitional housing programs (up to 24 months).

The HUD-Veterans Affairs Supportive Housing (HUD–VASH) program, which provides both subsidy and support services, is effective for veterans who are ready to accept support and treatment services, are relatively stable, and can successfully maintain their housing. HUD–VASH vouchers to our area were cut under the current administration, but we expect to see an allocation of another 105 vouchers.

Both programs provide important services to homeless veterans, but they are not flexible enough to meet real needs at the local level. To close the gaps, we rely on other sources of funding, such as King County Housing Authority's Housing Access and Services Program, and King County's Veterans and Human Services Levy.

Some key changes would make the Federal programs more responsive to our local need.

The Homeless Providers Grant and Per Diem Program imposes restrictions on the type of housing it will support. It is more effective to move homeless veterans directly into permanent supportive housing, rather through transitional programs. Capital funding under the Grant and Per Diem Program is restricted to nonprofit organizations. However, to develop high-quality permanent supportive housing, we must use the Federal Low Income Housing Tax Credit Program. Tax credit projects require the formation of for-profit partnerships, and thus are not eligible to receive Grant and Per Diem funding because technically the nonprofits do not have site control. Highly effective projects are excluded from using this funding source to serve homeless veterans.

Further, the Per Diem component of the program is restricted to services provided to veterans in transitional programs—funds may not be used for services to veterans living in permanent supportive housing. We have found that formerly homeless tenants are most vulnerable during the period of transition from homelessness to stable, permanent housing. This is when they are most likely to need intensive support services, and we have seen tenants become increasingly self-reliant as they remain in their housing. Senate bill 2273, to fund support services for formerly homeless veterans in permanent housing, is needed.

Thanks to the leadership of Senator Murray, the challenges faced by homeless veterans have received elevated attention in our State. This has made it possible to pass a Veterans and Human Services Levy in King County.

In Seattle and King County, we have been working toward the goals of the Ten Year Plan to End Homelessness. As more and more communities across the Nation undertake similar initiatives, they will develop plans tailored to local conditions. Capital and services funding must be flexible and responsive to local needs and be available to fill gaps in those areas.

WHAT WORKS

In the process of opening the Simons Senior Apartments, we developed an effective partnership with the VA. The success of this partnership is largely because of the following factors:

—We worked together with the VA from the very beginning of program development to develop a model for rapid housing of eligible veterans.
—We exchanged information and training with VA staff. They taught us about the complexities of veterans systems. We taught them how to complete housing and subsidy applications.
—At the Simons Senior Apartments, we have four onsite case managers and a nurse. Three of the housing case managers have specialties: chemical dependency, geriatrics and veterans.
—Our model is one of collaborative case management: we maintain communication, share resources, provide mutual training (e.g., about veterans issues and housing issues).
—Onsite visits by VA staff serve to broker and enhance veterans' connections with the VA hospital.
—Onsite Plymouth Housing Group staff work with veterans to follow through on appointments. They also encourage and support recovery, and building community with other veterans in the building.

CHALLENGES FACED BY HOMELESS VETERANS

Discharge Status.—Veterans who have received other than honorable discharges are refused all services by veterans programs. Other than honorable discharges can often stem from unidentified mental health or substance-use disorders that result in violent or unacceptable behaviors. Veterans who know the system and have resources can contest these discharges and have them overturned, but veterans who do not have resources and cannot contest discharge status become truly impoverished. They are sleeping on our streets, and they identify themselves to the public as veterans.

Level of Functioning.—Homeless veterans who don't have access to support systems will find other ways to survive. Some use alcohol or drugs to cope with the effects of mental illness. This type of "self-medicating" compounds mental health issues with substance abuse disorders. The stresses of life on the street, and the lack of security—the day-to-day struggle to survive—makes the goal of abstinence seem unrealistic and out of reach. Until veterans find the support, safety and counseling they need, they are simply not yet in a position to make abstinence a goal in their lives.

Abstinence is not a goal we can choose for another person. To be an effective and lasting goal, it must be identified by the individual. The Federal Substance Abuse and Mental Health Services Administration (SAMHSA) makes this point in its National Consensus Statement on Mental Health Recovery—it is equally applicable to recovery from substance abuse disorders:

—"There are multiple pathways to recovery based on an individual's unique strengths and resiliencies as well as his or her needs, preferences, experiences (including past trauma), and cultural background in all of its diverse representations."
—"Recovery is not a step-by-step process but one based on continual growth, occasional setbacks, and learning from experience. Recovery begins with an initial state of awareness in which a person recognizes that positive change is possible."

Staff at the Simons Senior Apartments note that the veterans living in the building all share a distrust and a sense of fatalism about their housing. They seem to expect that their housing can't last—that somehow it will all fall through or fail. Because these veterans are not abstinent, they seem to have fallen through the cracks, rather than having the opportunity for secure housing. Once they are in housing, they are in a better position to develop a goal for recovery.

It is far more effective to acknowledge and support the veterans who still struggle with mental health or substance abuse issues—to get them into housing as quickly as possible. Once they are housed, we can support them in their housing, and be available to help as they begin to realize that positive change is possible.

ATTACHMENT—VETERANS' STORIES

These are all veterans who live in Plymouth Housing Group buildings.

For more information, see the spring edition of Plymouth News at www.plymouthhousing.org.

Albert, a Korean War veteran, was referred for housing in the Simons Senior Apartments and completed the documentation necessary to move in. However, when staff tried to locate him to let him know that his application was approved, they learned that he had been asked to leave the transitional shelter where he'd been staying because he was intoxicated. He would be sleeping on the streets that night.

Staff from PHG's rental office, the Simons building manager and the social services program manager worked with the transitional shelter to locate Albert. They were able to find him and get him moved in. It was just in time—the temperature dropped below freezing that night. With the amount of alcohol in his system, we believe that Albert might not have survived until morning.

Gunnar, a Vietnam-era Army veteran, spent 8 years living on the street off and on when he could not pay his rent. He struggled with alcohol and heroin addiction as well as the physical toll of homelessness and addiction (he suffered severe head trauma when he was intoxicated and fell from a parking garage). He would sometimes shoplift in order to be jailed on cold nights. While he was in jail, VA staff began to work with Gunnar, and he connected with support and recovery services.

When Gunnar moved into the Pacific Apartments in September 2002, he was clean and sober, and has maintained his sobriety. Staff at the Pacific are impressed with his high standards of cleanliness in his unit and in his personal appearance. With the Pacific as home, Gunnar is able to maintain contact with VA support services and with his family. He maintains a monthly budget, pays his bills and effectively plans and sets goals. He is happy at the Pacific.

Joe, a Vietnam veteran, stopped drinking in 1993 and has maintained his sobriety. However, he suffered cardiac arrest and developed other severe health problems, and ultimately became homeless, sleeping in shelters, in the woods or on public transportation. Life on the street took a further toll on Joe's health. He suffered a collapsed lung and frostbite so severe that it threatened his ability to walk. He needed ongoing medical care, but very often did not get help until he required emergency treatment or hospitalization.

Joe moved into Plymouth on Stewart where he received intensive, round-the-clock support required to care for himself and get the regular primary medical care he needed to regain his health. He visits a nearby medical clinic for regular appointments and is now able to walk without a cane. These days, Joe describes himself as "optimistic."

Richard, a Vietnam veteran, spent several years in Houston, caring for his elderly mother and working part-time jobs. After his mother died in 2006, he took a bus to Seattle where his brother was living. Richard found hotels too expensive, so he slept in homeless shelters and did odd jobs to save money for an apartment. But after he developed pneumonia, his health went downhill and he was diagnosed with diabetes. Health problems notwithstanding, Richard volunteered in the kitchen at one shelter and the staff there helped him look for housing.

Richard moved into the Simons Senior Apartments when it opened in early 2008. Supportive services there include assistance with economic and health issues—including an onsite nurse to help Richard monitor his diabetes and keep it under control. That's now easier to do because he has a kitchen and can cook for himself—something he missed when he was homeless.

Senator MURRAY. Thank you very much to all of you for excellent testimony today, I think it was very interesting and challenging to all of us. You have offered a lot of numbers and statistics in your data, the number of homeless veterans, the percentage that are struggling with mental illness, the number that are chronically homeless.

And so I think I wanted to start by asking a question that everyone in America ought to be asking. How did we get here? How did we get to the point where every year over 300,000 of our Nation's veterans are experiencing homelessness? Anybody have a thought? Ms. Beversdorf?

Ms. BEVERSDORF. I often get that question from the media, and what I usually share is that there are three primary issues that we have to deal with, and you have heard all of them in one degree or another. The first, of course, is the health issues. I mean, let us face it. War changes individuals, and when they come back, they are suffering from issues such as post-traumatic stress disorder.

Traumatic brain injury is a new issue now that is very much a result of this particular war, but other kinds of health issues have certainly been in the past. Substance abuse issues, mental health issues. So that is the first aspect.

The second is the employment issues. Many of those who go into the service may be only 18. They just got out of high school. And so when they go into the military, sometimes the activities that they are involved with, the skills that they have acquired are not necessarily transferable once they get out of the military. They may not have gone to college. They do not have a college education. They do not have any wherewithal in terms of getting a job. They are not understanding of like writing a resume or dressing for an interview or getting the proper certification that is needed in order to get a job back in the civilian sector.

And the third is what we have been all talking about here, affordable housing.

What also happens is that when individuals first anticipate getting out of the service, first of all, the Department of Defense does not necessarily ask the right questions. Do you have a job when you get out? Do you have a home to go to? And as these young people are anticipating getting out of the service, they often think that perhaps things are going to be just the way they were when they left, and we all know that that does not happen. I mean, we have also talked about the social and economic activities in terms of divorce rates skyrocketing. The person has changed after he or she returns from the service, and the families that they are returning to have also changed because of multiple deployments. They have really had to get along on their own. So it is all these factors that come together that make a person very different and have very unique characteristics.

And finally, I would also say that even when you are in the military, well, we have all these common communications now in terms of e-mail and video. They still do not necessarily have the support system that they need, and they may not have it when they return. There are not always necessarily families that are going to be with them. And so it is these kinds of issues that come together and focus and make homelessness among veterans a very unique issue.

Senator MURRAY. Mr. Weidman?

Mr. WEIDMAN. Senator Murray, I am reminded that when they became a national press phenomenon about trip-wire vets in the Olympic Mountains in the early 1980s, people would call us up and say, what about trip-wire vets? And we were astonished because both Bobby Moeller and I and John Trazano and all the early people in VVA in the national office said, they are all around you. You do not have to go to the Olympic Mountains. It is easier to hide in the cities and in the small towns than it is in the Olympic Mountains. And you have people who are basically there because their psychosocial readjustment problems were not dealt with effectively by anybody when they came home and certainly not by the VA.

So we are doing a much better job of dealing with those. It is just they are behind the curve in terms of catching up with the number of mental health staff and particularly those who are qualified in PTSD at the VA. Certainly that would be one of the reasons how

we ended up here because we lost ground in the 1990s and because of the flat-lining of the VA budget and actually we were losing ground even before that with the in-patient PTSD programs. That bleeding has now been stanched for some years, but it is going to take a while. And there are still some without an in-patient PTSD program. So that is part of it.

Part of it also has to do with a real change in the effectiveness of the publicly funded labor exchange which has been starved for the last 25 years for funds. As a result, the DVOPs and LVERs are a larger percentage, ever-growing percentage of the folks devoted to that, and less and less accountable not because there are not great people as DVOPs and LVERs, but because the system—the State workforce development agencies see them as cash cows. So it is not very effective on a nationwide basis, not an accountable procedure.

And that is one of the reasons why we are so high on the Homeless Veterans Reintegration Program because it is the most accountable of all those programs. You know what you are getting for the $50 million, and it is a heck of a bang for the buck. The cost per permanent placement is the best of any program at DOL.

So it is a combination of those, and the other thing that Cheryl pointed out is the increasing lack of affordable housing which is the highest aspect of inflation in this country. And many times cities get excited and small towns about the reinvigoration of downtown, but what happens is that is where the flop houses were, that is where cheap housing was. It might have been terrible housing, but it was not the street. And when that is rejuvenated, if you will, what happens is they simply run off the poor people. It is not that they have a place to go. They just do a run-off drill. So those that have no other place to go will go to the street, and that is part of what has happened in the last 25 years.

Senator MURRAY. So it is a very complex problem. Yet, there are some solutions that are working. Mr. Lambros, you just talked about finding a vet and bringing him in, a 70-year-old vet I think you said.

What are the examples of success? What do you think is most effective?

Mr. LAMBROS. Well, I think most effective is the housing, but not just the housing, but the type of housing I think is very important.

And for so many homeless vets—I wanted to add one thing about the causes, lack of community. I mean, we have these long-term homeless vets. They are on their own. So maybe they had family at one time. Maybe they had friendships, but because of the issues they have been dealing with, they have lost those. And so without that community, how are they going to get help? They need to get help from nonprofit providers, from the VA, and others. So that is the main part we are trying to deal with.

But moving people in and putting them in supportive housing has been very effective. We have a great success rate—many nonprofits do around the country—of keeping people stable and in housing. And again, these are long-term effects that they need to deal with. So we need more of that.

I want to add one thing. I think there is a missed opportunity here. Right now I mentioned the 10-year plan on homelessness. In

King County, our county, United Way has stepped up to say they are going to raise $25 million for support services for those of us developing housing for homeless people. That is happening around the country, and we have an opportunity here to get more capital dollars and service dollars for homeless veterans, especially capital, into all of these projects being developed so that those can be long-term. So when the vets issue is not the biggest issue on the table 10 years from now maybe, those housing units are still there and we do not have to worry about it as much as we do today.

Senator MURRAY. Senator Bond?

Senator BOND. Thank you very much, Madam Chair.

I would note, again editorially, for the last 14 years, I have worked on a bipartisan basis with Senator Murray and Senator Mikulski, and we fought very hard to get the funding we need for veterans and to end homelessness. It has been truly bipartisan in Congress.

And OMB has been at the same time truly bipartisan. Under both Democratic and Republican administrations, it has short-changed both HUD and VA. Now, you talk about bipartisanship, man, we have got it right here. But we are fighting an uphill battle.

And I would say that we have made progress. We have done a lot of things. We have not done as much as we should, as much as we would like to, or with your help and guidance, what we are going to be able to do from here on.

Now, having gotten that off my chest let me direct a couple of easy questions before I ask all of you the tough one.

First, Mr. Dougherty, you claim VA is the largest provider of homeless treatment and assistance to veterans in the Nation. I would like to know how much you have, how many programs do you manage, and how many homeless vets you care for.

Mr. DOUGHERTY. Senator, we see more than 100,000 homeless veterans through the VA health care system. We also know that at least 40,000 veterans who have been identified as being homeless are in receipt of VA benefits. What that does, as Paul and Rick talked about, for many of those veterans, if you get yourself back into a position where you can get back into the regular society. All of us want to be there. The ability to get a service-connected disability, or an income support, as I am a non-service-connected veteran, gives some an ability to both help make a contribution to that housing, but gives me some money upon which to live.

Senator BOND. So most of this work is not homeless-specific. You are saying that since you give veterans benefits and you provide veterans health care, a portion of that population that you are serving under those programs are homeless. Is that correct?

Mr. DOUGHERTY. What we are attempting to do is not to be the Department of Homeless Services. What we are attempting to do is to make the wide array of services that are available to veterans available to these veterans. That is why we started out many years ago by doing outreach specifically to find those veterans and to get those veterans into health care services.

Senator BOND. And I realize you need the broad service, but I was asking you what percent. Do you have any idea of how many of the homeless veterans you are reaching out to for this discus-

sion? How do you integrate with the homelessness problem in those broader programs?

Mr. DOUGHERTY. Given what are estimated the numbers of homeless veterans are on any given night, we are seeing about half of them in the VA health care system.

Senator BOND. And I would ask Mr. Johnston. You provide, obviously, more homeless funding than any others, but I would like to know, number one, what is your relationship with other agencies assisting homeless vets? How does that work? And what are the programs that you think are most successful? I know that is a half-hour question, but maybe you can give me an answer in a couple of minutes.

Mr. JOHNSTON. Surely. In terms of relationships with other Federal agencies, we have, I think, very great relationships with a number of key Federal agencies. Pete Dougherty and I are either on the phone or on the e-mail three or four times every day, and I really mean that, not just because of HUD–VASH. We have had a longstanding relationship between these two agencies. The HUD–VASH original program was an initiative of people at HUD and people at VA sitting down saying let us just create this thing and then go to Congress to try to get it funded.

So as one example, in our Continuum of Care funding, which is about $1.3 billion, which is most of our homeless funding, we actively encourage every community to use their CHALENG data from VA to link up with the data they are getting for HUD so they have a better competitive application locally, but more importantly, that the various parties at the local level are looking at all the data they have. And in the long term, I think that is very valuable.

We have great relationships also with HHS and Labor. We have done a number of grant initiatives with these different agencies over the last couple of years where we provide the housing and they provide their very tailored services. For the VA, it was, for instance, case management to veterans. For HHS, it was mental health treatment and case management. And for Labor, it was job training.

Senator BOND. Let me go to what I think is the most difficult question and may be difficult for Mr. Johnston and Mr. Dougherty to answer, but I imagine our other panelists will answer it.

We have got a whole range of programs somehow somewhere targeted at homeless vets. There are so many different areas it is tough to keep up with all of them. I believe, if it is possible, to fold those programs into a much smaller number of larger programs and increase the money going into the larger programs to assure the continuum of care, what would you say very quickly from your standpoints are the best vehicles? What are the less good vehicles that might be combined into it? I would like to ask you to answer that quickly, and the rest of you perhaps to give us—what do we fold in and what programs into which we fold them—if that grammar works. Where do we put them?

Mr. JOHNSTON. Well, I think Senator Reed's leadership on greatly simplifying, consolidating, and making more flexible the homeless programs at HUD would be a huge step forward. He and Senator Allard for a number of years have been crafting, I think, a great piece of legislation that has many positive aspects of it. We

have our own legislation. We do not mean to be competing with their bill because the bills are very, very similar, as was referenced earlier. It would eliminate all of HUD's competitive programs for homelessness and make it a single, simple program, with one match requirement, and one set of eligible activities.

Senator BOND. That is an oxymoron, a simple HUD program, but I share your——

Mr. JOHNSTON. This would be one. Right now in the statute, every one of our programs has a different match requirement. Every one has a different set of eligible applicants and eligible activities.

Senator BOND. Let me try to get quick answers. I apologize, Madam Chair. The time has run out, Mr. Dougherty then Ms. Beversdorf, and down the line.

Mr. DOUGHERTY. Senator, I think that the HUD–VASH program is a perfect example of how not to give us permanent housing authority, but to link us with the Department of Housing and Urban Development which does have permanent housing authority. It links up the best of both of us. They have the ability to get housing, we have the best ability, I think, to provide the needed health care services and a comprehensive way to do that. So I would say that this is a perfect example.

Senator BOND. Ms. Beversdorf.

Ms. BEVERSDORF. I would say that we need to be real careful because when we go back and look at the transitional program, the Grant and Per Diem Program, and the Homeless Veteran Reintegration Program, the uniqueness about that is the fact that it is veterans helping veterans. I think we need to go back to the idea that veterans have very unique characteristics and issues that need to be dealt with and the people who are best able to serve them are those who understand the issues. That is what I was covering when Senator Murray asked me about why veterans are homeless.

Senator BOND. I agree with that.

Ms. BEVERSDORF. So at least in terms of Grant and Per Diem, I think it needs to be a separate program. I think HVRP—and frankly, that is why HUD–VASH is so good because it was new vouchers specifically for veterans. And I think as we go on, in terms of permanent supportive housing for low income veterans, we have to again be careful not to put too many things together because I readily admit, there are other homeless populations that need to be addressed, but when 25 percent of the homeless population are veterans, that is an important point.

Senator BOND. Mr. Berg.

Mr. BERG. I would say we have been very supportive of Senator Reed and Senator Allard's bill to consolidate the HUD programs. I do think that if we are going to say veterans should not be homeless, that the VA needs to continue to have a very strong role in that. The VA is where veterans come in communities to get help, and we need to encourage that and provide some more kinds of help like housing.

Senator BOND. Mr. Weidman.

Mr. WEIDMAN. Veteran-specific programs work for the reasons that Cheryl outlined. And the other thing is careful on consolida-

tion because if you do not write veterans specifically in, in many cases they are going to be specifically read out at the local level.

I would mention that the veterans helping veterans model works. It is why in St. Louis, as an example, the St. Louis Veterans Assistance Center run by Bill Elmore in the 1970s was the most effective place for Vietnam veterans to get comprehensive help. It is now morphed into the Center for Small Business Development by Pat Heevy. And you want to allow for that, veterans helping veterans. It is not only cost efficient, but you can bring lots of volunteer resources to it.

So while consolidation in many cases is seductive and may even make some sense, what has happened at the Department of Labor has rebounded and meant that there are many fewer services or in some cases no services at all for veterans, particularly disabled vets, in employment.

Senator BOND. Mr. Lambros.

Mr. LAMBROS. Well, as a provider, consolidation scares us because often it means reduction. So I would be cautious about that.

I think the word I use versus "consolidation" is "flexibility." I think to look at the funding sources available to veterans and make sure again they are flexible enough to work with local initiatives. The tax credit program is an example that I mentioned. I know some States are using the tax credit program with for-profits to do low cost housing. In Washington State and many other States, we are using it for the homeless. We are prioritizing the homeless. It is a perfect opportunity to make vets capital dollars work in those projects. I think it is just about flexibility.

We have, like I said, a great relationship with the VA, but when we opened this new project and we knew we had 25 set-aside units for homeless veterans, we have four case management staff on site. We made sure we did not steal one from the VA, but we hired one that has a lot of experience with veteran issues because we knew that was important. But that is being funded out of a totally different funding source.

Senator BOND. Thank you very much. I apologize to my colleagues, but I thank you. That is really the kind of guidance that we needed.

Senator MURRAY. Thank you very much.

Chairman Johnson?

Senator JOHNSON. Thank you all for your testimony. Before I begin with questions, I would like to thank the VA and HUD and other organizations for their ongoing efforts in regard to homeless vets. I know many of our vets in clinics in South Dakota appreciate the assistance and cooperation they have received from your agencies. Thank you for that.

Mr. Dougherty, you said in your statement that the VA works continuously to reach out and identify homeless vets and encourage their utilization of VA's health care system. As you may know, South Dakota is a very rural State. Outreach in rural areas must be particularly challenging. Have you identified significant challenges to rural outreach, and how do you propose to overcome the challenges to help those veterans who have little access to your programs and facilities?

Mr. DOUGHERTY. Mr. Chairman, I appreciate your question because many years ago when I worked on the staff here for the Congress, I worked for a member who was the chair of the Rural Caucus. When the Grant and Per Diem Program was created, it did not set any minimum amounts of numbers of beds because we wanted that program to work both for rural areas as well as urban areas.

What we have done in the HUD–VASH program is to fund those positions and also fund them with vehicles and with adequate resources so those case managers can get out. I mean, it does not do us any good to have a good dedicated case manager if they are going to sit in their office and they do not have any travel money to get out and go to those places. If you are in New York City or somewhere like that and you have a public transportation system, you can move around fairly quickly, but if you are in rural South Dakota, and you are going to do that kind of work, you have to have resources to do it.

We have several hundred staff under our Health Care for Homeless Veterans Program, and that is what they do. They go to those places. They work with veterans in those places. They talk to city and county and State people. When folks call us, county veterans service officers and others contact us and say there is a homeless veteran who needs some assistance, we try to get both the Benefits Administration and health care folks out to them. One thing we do try to do is resource that staff so they have the ability to go out and not just sit in the hospital.

This is a program—I can tell you 20 years ago that people would ask us all the time, what do you mean you are going to have staff that is going to work out in the community? How does this medical center monitor and oversee what that person does? That attitude has changed dramatically now because they recognize that you cannot do this kind of work by sitting in the hospital and waiting for someone to come see us. We have to go out into the community and find them there.

Senator JOHNSON. South Dakota also has a large population of Native Americans, many of whom are vets. Can you tell us what the VA does to reach out to that unique population of vets? And also, what is the level of cooperation with the IHS?

Mr. DOUGHERTY. Mr. Chairman, we have made and targeted in the last several notices of funding availability under the Grant and Per Diem Program that programs that will operate on tribal lands would have a preference in the application. We have three programs that were authorized in South Dakota on tribal lands. We at one time made it that you had to be the tribal government in order to be considered. But now we simply say that if another entity, a nonprofit organization for example, is working with you, we will allow you to be funded. That Notice of Funding Availability and that provision to have tribal governments as part of that housing and services is in the current notice of funding availability, and we are hopeful that we will get some additional resources.

I know a little bit about the Indian health care services because I am the acting Deputy Assistant Secretary for Intergovernmental Affairs, and we have been engaged in a number of conversations with tribal governments about the health care services between VA and the Indian Health Service. And it is somewhat challenging;

somewhat difficult, but I think there is a commitment on the Department. I think our rural outreach office that is going on will help us continue because most of those tribal nations are in rural areas. I think that we will more and more be able to provide veteran-specific services to those veterans who are on tribal lands in the future.

Senator JOHNSON. Transportation is a critical issue when dealing with vets in rural areas. When discussing homeless vets, the issue is even more challenging. Let us say that you have a homeless vet on the Pine Ridge Reservation that needs to get to Minnesota or Omaha for specialized treatment. Utilizing the normal process, the vet would pay for his or her own transportation and then be reimbursed. I have heard from shelters in South Dakota that this process is the same for homeless vets. I think it is pretty safe to say that this population of vets is not going to be able to pay for the transportation up front. How is the VA working to overcome this challenge?

Mr. DOUGHERTY. Mr. Chairman, if the veteran had come into the VA health care system and we were seeing them and they were a homeless veteran and they needed to go to some other location for health care services, we would not be providing transportation support for that veteran to get to that location. But if he was specifically a homeless veteran, once he came in and we were identifying him and working with him, in that situation we should provide the transportation for him to go somewhere else. We are certainly happy to look into the situation you are talking about and see if we can be more helpful.

Senator JOHNSON. I am out of time.

Senator MURRAY. Thank you very much, Mr. Chairman.

Senator Reed.

Senator REED. Thank you very much, Senator Murray. Thank you for holding the hearing and thank you all for not only your testimony but your support and your assistance in drafting the legislation that Senator Allard and I are cosponsoring. We hope that we can get it through the floor of the Senate because I think it would be signed and it would be effective in helping many Americans, including our veteran population.

I wanted to pick up on a point that Mr. Weidman made, which is that not much has changed, unfortunately, over 20-plus years. A third of homeless veterans have mental health issues. A third have substance abuse issues, and a third have sort of disengaged for one reason or another from the mainstream, if you will.

I wonder your impression of whether those statistics vary given this discrete veteran population in age—the newer veterans, the Vietnam era, Korean War, World War II. And then I will ask Mr. Dougherty if he could comment from the VA's perspective.

Mr. WEIDMAN. Well, the World War II and Korean veterans'—many of them are dead because it is hard living out on the street.

Senator REED. Right. Then you hear about the 70-year-old veteran.

Mr. WEIDMAN. Right.

Vietnam veteran's—it is probably about the same I think and it still pretty much holds true. But it holds true among the young

people coming home also. Now, the substance abuse may have occurred when something happened in their life.

Let me give you an example of somebody who is just disenfranchised. A friend is a sergeant 1st class with a unit in the local National Guard that was deployed to Iraq, and when he came home—and it was the second tour that this individual had been on. And the spouse said, hey, I did not sign up for this. And so when they came home, they had no place to go and on an E–3 salary did not have the wherewithal to get their own housing and therefore ended up sleeping in their car for about 8 months until we were able to get him out of—I heard about it and we were able to connect him up with some people. But that is the kind of thing which is just—once you are out on the street, how do you get out of that situation? And so that has not changed.

And I think that a better transition that Senator Bond talked about would help a great deal. VVA hates the term "seamless transition" because it is news speak. You know, how about we have a real transition first before you start calling it seamless? I mean, it is a worthy goal, but it does not work very well particularly for disabled vets. The DTAP program is on paper more than it is in actuality.

Insofar as the mental health and substance abuse services, substance abuse is also in the process of rebuilding at VA and it is very uneven area to area. Some areas are pretty good. Other areas are not. And it really reflects back to that period in the 1990s when substance abuse services in some of the 21 networks was virtually wiped out.

And it is not as easy as just turning on the faucet when they are finally getting more resources. We are a difficult population, Senator Reed. We are not necessarily warm and fuzzy, those of us who served in combat. And our stories are hard for people to take. It is a very special kind of person for a therapist who not only has empathy and understands what we are talking about but can put up with that day after day after day for months and weeks and years and yet keep coming back with the empathy and the skills to help people get better. So it is a rebuilding process.

That is one of the reasons why we were so upset that the organizational capacity at the vet centers has not been expanded to keep up with the overwhelming demand out there.

Senator REED. Thank you.

Mr. Dougherty, your comments from the VA perspective.

Mr. DOUGHERTY. Yes, Senator. One of the smartest things the Department of Veterans Affairs ever did when we first started working specifically with the homeless program is do a program monitoring and evaluation of every veteran that we have seen. We know every veteran who we have seen in the homeless-specific program since 1987.

What we can tell you is generally among all those veterans—and that percentage has changed but changed slightly over the years—is that about 45 percent of the veterans we see in homeless programs have a diagnosable mental illness, and about 90 percent have a substance abuse problem, and about 35 percent are dually diagnosed, which makes that level a little bit higher.

I can tell you we do specific program monitoring and evaluation of those veterans who we have seen from Iraq and Afghanistan in the last 3 years. The difference among that group is the substance abuse problem is less than it is among these other veterans, but the mental health issue particularly around combat-related PTSD is much higher.

Senator Murray—when she asked a question before, I wanted to jump in about what the difference is societally because this is the thing that sort of haunts those of us who do this all the time. And one of the differences is we simply live in a different society than we did in World War II. My family lived in the same area of New York State for 250 years and basically nobody ever moved away from there. None of us live in that area any longer. We live in a different society. My grandfather was one of 11 boys. My father was an only child. We do not have the extended families. The social service network that comes out today did not exist back then.

The other is in the Department. We never even recognized PTSD, until many years after Vietnam was over. There are lots of things that we are doing differently.

Senator REED. Thank you very much.

This raises a question, Mr. Johnston. First, thank you for your kind comments about the Allard-Reed legislation and for your assistance. I really appreciate it very much.

But it points to the link between supportive services and housing. I think we recognize that now, but the question I would have is how can we target these services to be more effective, or are we thinking along those lines, because we do have a finite amount of money. And sometimes what stops a project or undermines a project is not that you do not have the structure. You just do not have the supportive services to complement it.

Mr. JOHNSTON. The unique opportunity that HUD has with its current homeless programs—and it would continue in your consolidated program—is that you can use HUD funds to do anything to solve homelessness. You can use them for all sorts of housing activities, as well as any imaginable supportive service. So if they need drug treatment, mental health treatment, substance abuse treatment, child care, job training, et cetera, you can use that. So a link between housing and services, as Plymouth does—they have one of our grants where you can use our supportive housing program both for the housing and for the services—that is really vital.

We realize that we do have limited resources, and so we have been encouraging communities over the last 5 or 6 years to use more of our money for housing and try to fund their services elsewhere. But we still fund a lot. We fund about $500 million a year in services.

Senator REED. Thank you.

And Ms. Beversdorf and Mr. Berg, thank you so much for all the assistance you have given to myself, my staff.

I have just a few seconds left, but one of the issues, obviously, is to try to stop this from happening, and when you have a population of new veterans coming out of active military service, there is a chance for the Department of Defense and VA to coordinate. We hope that is happening. But then you have veterans who have at least been able to support themselves into their mid-life and now

they are having problems. I wonder if you could just quickly comment on that topic.

Ms. BEVERSDORF. Well, I think sometimes there is difficulty in terms of knowing where to go when you decide you need help. I always keep saying as long as I am with the National Coalition for Homeless Veterans, if there could be some kind of sustained national public awareness effort to get to these people at a time when they need the services, I think that that would be really helpful because we get many calls. NCHV gets as many as 300 calls a month, but a lot of people do not even know where NCHV is.

The good news is there are more points of contact out there, more community-based organizations, and more people who are interested. But somebody has to tell them about that. They have to urge them to go to the VA. Some people are reluctant to go to the VA.

And the other important thing is that these young people who are returning now—homelessness takes a long time. I mean, when you talk about the Vietnam era, it sometimes took 5 to 7 years before they exhausted all the possible resources. So each situation is different, but at least we are trying to do a better job of getting the word out. And we have more points of contact out there, but we still have a long ways to go.

Senator REED. Mr. Berg, just quickly.

Mr. BERG. I would just add if the help that is needed is housing, if people are homeless or about to become homeless, that is still not necessarily there in communities. Things like HUD–VASH will help, but finding housing, using the private market, using other programs, that is something that does not really exist as much as it should.

Senator REED. Thank you.

Let me just follow up on something I think Ms. Beversdorf said. I think this is a developing problem for these new veterans because the resources—your parents eventually go away and your friend's couch goes away when he or she gets married and has their own family. So we might have a bigger population of new veterans that are confronting this issue of homelessness than we anticipate at the moment or statistics suggest.

Ms. BEVERSDORF. And many more also have families now too. I mean, that is the thing that is so difficult, that the VA by law is only supposed to treat the veteran. Yet, if you think about ending homelessness, you need that support system and child care. Senator Murray is talking about more women, a lot more men too. So what do we do about the child care and the family issues?

Senator REED. Thank you.

Senator MURRAY. Senator Reed, thank you so much for your commitment and work on this as well. We appreciate it.

Let me go back. Mr. Dougherty, I want to ask you. It seems like we are hearing a lot that some of the predictors of homelessness are mental illness, substance abuse, financial instability, lack of community, and all those things. Does the VA currently do any kind of individual comprehensive assessment of each service member entering the VA system to evaluate those that may be at risk for homelessness?

Mr. DOUGHERTY. When we find a veteran and we engage that veteran at the bridge or in the park or out in the woods, we do a very extensive——

Senator MURRAY. When they are homeless, but what about all of the veterans who are returning. Is there any kind of evaluation to look at this?

Mr. DOUGHERTY. No, we do not do the same kind of evaluation that I am referring to unless we have some reason to believe that veteran is homeless or at risk.

Senator MURRAY. So we wait until they are homeless.

Ms. Beversdorf, maybe you could comment. Would it be helpful if we were evaluating those veterans to sort of have a yellow flashing light this veteran may be at risk of homelessness so we can deal with those issues sooner than that?

Ms. BEVERSDORF. Absolutely. Again, when people get back and they begin to realize maybe they have more problems than they thought and they did not anticipate. That is the time when they should be going for services.

Now, I could actually step back a little bit. I think it is still regrettable that when individuals get out of the service that there is not a good transition. As I said, I am a veteran as well and nobody certainly asked me if I had a home to go to or I had a job. And yet, these are the major features. Do you have health issues and employment issues and housing issues? And if you could find those things out before someone is discharged, that would certainly be a start. But again, sometimes young people are so anxious to get back and they think everything is going to be okay, and that is when things start happening.

And I would also say, because I wanted to address what Senator Johnson was talking about, I think we need to think about the non-VA facilities, particularly in rural areas. They need to be more attuned to the fact that there are going to be veterans coming to their facilities like these mental health centers or community health centers. We need to make sure that we do not say, well, gee, you are a veteran, so you will have to go 300 miles up the road to a VA medical center when this person might be in crisis and need that assistance right away.

Senator MURRAY. We have a lot that we could do. We are, unfortunately, running out of time, and I want to ask one last question that I focused on a little bit on in my opening statement and that I have heard mentioned several times, and that is the issue of female veterans. You know, the VA was designed in large part to deal with men, and the fact is that we have a growing number of women who are serving us honorably and when they get out, there is not the same ability for them to access VA or they often do not even think of themselves as veterans. And we know that the sexual trauma issue is growing and needs to be addressed.

Mr. Weidman, you testified about some of the challenges within the VA system that could limit the VA's ability to meet the needs of female veterans. Can you talk a little bit about what steps you think we need to address that population in particular?

Mr. WEIDMAN. Theoretically every hospital has a woman veteran's coordinator and in some cases that is only theoretically. There are only about 40 of the 156 medical centers that have free-

standing women's clinics. It is our view that we need a free-standing women's clinic in every VA medical center, certainly in the tertiary facilities. That would be number one.

The second thing is the CBOCs. Of the 800 community-based outreach clinics, their goal is 80 percent of them have mental health services. But what they are calling mental health services is a part-time psychologist or clinical social worker who may or may not know PTSD from ABCD and much less be skilled in meeting the needs of military sexual trauma, particularly complicated by those young women who have been exposed to both hostile fire and military sexual trauma. These are going to be very complicated cases.

So you need free-standing women's clinics at most of the VA hospitals, which they currently do not have, and you need also to ensure that within the vet center system, there are enough female veterans who are staffers who have the clinical skills to provide the military sexual trauma. Although the vet center has many fine counselors, by and large women who have been subject to military sexual trauma are not going to open up to men, one.

And two, you also need, just in general across the system—and this is something VVA has been asking VA to get geared up for now for 5 years. You cannot take women veterans who have been exposed to hostile fire and throw them into a group therapy session with the guys. Just think about the nature of PTSD. Women are not going to open about the problems they have with intimacy in front of the guys and the guys, sure as the dickens, are not going to open up to the problems that they have in front of the women. So in this case, you really need separate but equal treatment and focus on the needs of women when it comes to PTSD as well as other care.

One last point, if I may. By having a free-standing women's clinic, nobody knows why any woman goes there, and she is much more likely to see a psychologist and talk about the sexual trauma if nobody knows why she goes there. She could be going in there for physiological reasons.

Senator MURRAY. Sure.

Mr. WEIDMAN. And so that is why having a free-standing women's clinic is so important, one of the many reasons.

Senator MURRAY. Thank you.

Mr. Dougherty, do you have any thoughts on that?

Mr. DOUGHERTY. Yes, I would. There are several things, Madam Chairman.

The Department has recognized the need for sort of some safety and security issues in residential treatment programs on VA property. And so we have moved so that the women, if you will, are not sort of at the end of the hallway where the men are located and so on. All of our programs are now moving to separate areas so that the women have their own environment in which to be housed and placed.

Under our community programs, we have women-only programs under the Grant and Per Diem Program. And we also have programs for women veterans, including those who have children, as special needs funding so we can fund some of those additional services that those women need.

But under the HUD–VASH program, we think one of the great advantages this is giving us is that for many of those women who have children or have families, this will give them a place to have that place in the community where they can then go and access VA health care services, where before they would be reluctant to come and get services from us. So we think this will be a great addition to particularly those younger women veterans coming back from service in Iraq and Afghanistan.

Senator MURRAY. Thank you very much.

Chairman Johnson, do you have any additional questions?

Senator JOHNSON. No.

ADDITIONAL COMMITTEE QUESTIONS

Senator MURRAY. We do have some additional questions from other members of the committee. Our time has run out. We will submit those and ask all of you to respond for the record.

But let me just personally thank each and every one of you for your commitment to this critically important issue and your time and energy on working on it and coming before us and giving us a lot to ponder as we move forward to try and meet this tremendous need. So thank you very much to all of you.

[The following questions were not asked at the hearing, but were submitted to the witnesses for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO MARK JOHNSTON

QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

THE HUD–VASH PROGRAM

Question. Our Nation now has approximately 20 years of experience with the issue of homeless veterans. We know that veterans are over-represented among the homeless population. Every night as many as one out of every four homeless people on the street is a veteran.

This past year, I worked with Senator Bond, as well as our colleagues on the Military Construction VA Subcommittee to help tackle this problem. For the first time since 1994, we provided new HUD-Veterans Affairs Supportive Housing or HUD–VASH vouchers to get over 10,000 homeless veterans into permanent housing and provide them with the services they need.

HUD and VA recently announced the $75 million that Congress provided last year to fund these vouchers. Sites were selected in every State. Among the factors that VA and HUD considered in determining what communities received vouchers, were the homeless population of the area and proximity to VA medical centers. Mr. Johnston, can you provide more details on how the sites were selected?

Answer. The sites that received HUD–VASH vouchers across the country were selected through a collaborative, two-step process between the VA and HUD. The VA distributed the first approximately 7,500 vouchers in blocks of 35 (per the case management ratio) based on need data and on ensuring equitable geographic distribution. HUD then reviewed data on the number of homeless veterans reported by Continuums of Care (CoC) in 2006 and 2007, and cross referenced the geographic areas covered by VA Medical Centers and CoCs. HUD then supplemented with additional vouchers (also in blocks of 35) in those areas with high numbers of reported homeless veterans. PHA administrative performance was also taken into account.

Question. How do you address the concerns of communities that weren't selected, but that have homeless veterans who need services, particularly those in rural areas?

Answer. The VA believes that there will be many additional sites that will be specifically identified and that can be addressed in the next round of funding. The VA has suggested having communities that are interested in securing new HUD–VASH vouchers for their community contact their nearest VA Medical Center and talk with the local VA homeless coordinator. The VA believes this contact will help address the need for HUD–VASH services in these areas. The VA expects this addi-

tional contact will enhance the penetration of this program in smaller and more rural areas of the country.

Question. If additional funding was provided in 2009, will you use a similar selection process, and what advice would you give communities that you would like to receive vouchers that weren't selected?

Answer. We believe that there will be many additional sites that can be specifically addressed in a next round of funding. Matching resources with total geographic need and concentrations of need is a complex undertaking. The program is working through all VA-Medical Centers and therefore provides significant coverage across the country. Additional funding will allow the program to achieve growth depth of coverage. The VA has specifically suggested having communities that are interested in securing new HUD–VASH vouchers for their community contact their nearest VA Medical Center and talk with the local VA homeless coordinator. We believe this contact will help address the need for HUD–VASH services in these areas. It is expected that this enhanced contact will enhance the penetration of this program in smaller and more rural areas of the country.

Question. I have heard in my community that there is a desire to make these vouchers project-based. So, instead of tying the vouchers to tenants who may move around, the vouchers would be tied to a particular building. This would help communities finance permanent housing facilities for veterans. Mr. Johnston, is HUD planning to allow PHAs to project-base these vouchers in 2008?

Answer. Yes. Section j of the Implementation of the HUD–VA Supportive Housing Program (HUD–VASH Operating Requirements) published in the Federal Register on May 6, 2008, states that HUD will consider, on a case-by-case basis, requests from the PHA (with the support of the VA Medical Center) to project-base these vouchers in accordance with 24 CFR section 983.

RAPID RE-HOUSING

Question. As you know, I included a rapid re-housing program for families in last year's Transportation and Housing Appropriation's bill. This approach helps families who are in need of short-term assistance get the resources they need—such as rental assistance and other support services—to help prevent them from falling into homelessness. Mr. Berg's testimony suggests a similar approach could work for veterans. Based on what we know about prevention, do you think that a similar program would be effective in helping veterans at risk of homelessness?

Answer. HUD is in the early stages of implementing the Rapid Re-Housing for Families Demonstration Program (RRH) through the 2008 CoC NOFA. HUD anticipates that some of the families to be served through this demonstration will be families with veteran head of households. In addition, many veteran families currently living in shelters or on the streets will be eligible to receive permanent, rather than transitional, housing and services through HUD–VASH. The lessons learned through both the HUD–VASH and the Rapid Re-Housing Demonstration will help to inform HUD on how to proceed to serve veterans effectively.

COORDINATION BETWEEN HUD AND THE VA

Question. We have created many programs to address the needs of homeless veterans. Programs range from housing to health care to job training, and they are scattered among various Federal agencies, including HUD, the VA and the Department of Labor. I held a roundtable on the issue of homeless veterans in Seattle in February and I heard from some at the event that there was little coordination between HUD and the VA on the ground level. Mr. Johnston, how can be we sure that coordination between HUD and the VA is occurring in the field?

Answer. Ensuring effective coordination of the HUD–VASH program at the local level has been a priority of both HUD and the VA in implementing the HUD–VASH program. Some of the actions to ensure coordination include:

—As soon as participating VA medical centers and Public Housing Agencies (PHAs) were identified, the VA directed its homeless network coordinators to make contact with the participating PHAs so local planning and coordination could begin. HUD field office staff helped establish these local connections between PHAs and VA staff.

—On May 8, 2008, HUD and the VA held a joint video broadcast to explain the HUD–VASH operating requirements to PHAs and the VA homeless network staff and to give them the opportunity to ask questions.

—On-going HUD and VA teleconferences with the HUD–VASH sites are planned to monitor progress and to identify problems that need attention.

—Regular HUD teleconference calls with our field offices relating to HUD–VASH program operations as well as VA coordination at the national and local levels will enable HUD to identify potential problems and propose solutions.
—An additional tool, a joint VA–HUD tracking system, is being developed to enable HUD and the VA to identify sites that need extra technical assistance.

THE ROLE OF THE U.S. INTERAGENCY COUNCIL ON HOMELESSNESS

Question. The Interagency Council on Homelessness is charged with coordinating the Federal response to homelessness. Members of ICH represent various departments and agencies within the Federal Government, including HUD, the VA, the Department of Defense and the Department of Labor. I think it is noteworthy that Secretary Peake is currently chairing the ICH. I hope that he will take this opportunity to promote better coordination and a greater commitment by Federal agencies to ending homelessness for veterans. Mr. Johnston, what can the ICH do to improve coordination among Federal agencies?

Answer. The Interagency Council on Homelessness (ICH) has had success with program initiatives involving HHS, VA and HUD, and has learned lessons about how those types of collaborative initiatives could work better given the statutory and regulatory framework of each agency's programs. The ICH could use the lessons learned to explore the possibility of future joint initiatives that address emerging needs of homeless families and individuals.

QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

CHRONICALLY HOMELESS VETERANS

Question. Studies show that permanent supportive housing is an effective, cost-efficient way to address the issue of the chronically homeless. Your written testimony cites a number of ways HUD is working to support these initiatives, including the Collaborative Initiative to Help End Chronic Homelessness, the Continuum of Care competition, and initiatives with the Department of Labor. In sum, these programs have served fewer than 1,000 chronically homeless veterans—out of the 64,000 veterans who were chronically homeless in 2005. How does HUD plan on reaching the other 63,000+ chronically homeless veterans?

Answer. HUD expects that many chronically homeless veterans will be provided permanent housing through the HUD–VASH program. In addition to those served in HUD–VASH, HUD estimates that at least 10 percent of adult participants served through HUD's homeless programs are veterans. In addition to targeted homeless programs, a significant number of Public Housing Authorities around the country have implemented preferences for either persons who are homeless or veterans, or both.

HUD–VASH

Question. HUD–VA Supported Housing (HUD–VASH) combines section 8 vouchers with VA case management and clinical services for homeless veterans with severe psychiatric or substance abuse disorders. In your testimony, you said that HUD and VA expect to provide housing and services to about 10,000 homeless veterans through the HUD–VASH using the $75 million provided in the fiscal year 2008 omnibus. You also said that the agencies expect to serve an additional 10,000 homeless veterans through the President's fiscal year 2009 request of $75 million. Given the fact that there are hundreds of thousands of homeless veterans, why is the administration requesting flat funding?

Answer. The administration is not requesting flat funding. The administration's fiscal year 2009 budget request for the Homeless Assistance Grants account includes an increase of over $50 million above the 2008 appropriation. In addition to the increased request for homeless programs, the administration included a request for an additional $75 million for HUD–VASH, which will fund up to 10,000 additional units of permanent housing vouchers for homeless veterans.

QUESTIONS SUBMITTED BY SENATOR DIANNE FEINSTEIN

WEST LA VA CAMPUS

Question. Several months ago, I was told that the VA would coordinate with HUD to come up with a plan for supportive, long-term therapeutic housing at buildings 205, 208 and 209 on the West LA VA campus. The goal of this strategy was to begin

the McKinney-Vento process leading to the formal Federal Register notice requesting letters of interest. Are you aware of the West LA VA designation of three buildings for homeless services?

Answer. Yes. HUD and HHS staff have been briefed by a representative of the VA on this issue and HUD is prepared to work with the VA as they move forward.

Question. To what extent have you worked with the VA to provide vouchers for supportive housing at these buildings?

Answer. These buildings have not been submitted for screening through the McKinney title V process, and have not received funding (title V provides no funding).

Question. What sources of funds are available to rehabilitate these historic buildings for use as homeless programs for veterans?

Answer. Funds for rehabilitation of buildings can come from a variety of Federal, State and local sources. Some potential HUD sources include the Community Development Block Grants, the HOME Program, and Homeless Assistance Grants.

MC KINNEY-VENTO PROCESS

Question. Has the multi-agency McKinney process been used successfully recently for housing programs? What are some examples?

Answer. Yes. The title V program has been used successfully. While HUD makes the suitability determinations, HHS must process and approve the particular applications for homeless use. Three examples of successful title V applications include:

—VA parcel, Los Angeles CA: Salvation Army used as transitional housing;

—Homestead AFB, FL: Used for transitional housing; and

—Boyett Village, Albany, GA: Used for transitional housing.

HUD–VASH

Question. As you note in your testimony, in fiscal year 2008, the Federal Government authorized 10,000 permanent housing units for homeless veterans, including 800 housing vouchers for Southern California under HUD's Veterans Affairs Supportive Housing Program (HUD–VASH) to provide rental assistance and supportive services to veterans. While the city of Los Angeles received the vouchers, neither the county nor any other city within the county was awarded vouchers.

Given the large number of homeless veterans spread throughout the County of Los Angeles, how will the HUD–VA supportive housing rental assistance vouchers and supportive services program be implemented to allow homeless veterans the choice to move into homes throughout the 88 cities within the County of Los Angeles?

Answer. Normal portability provisions of the HCV program will allow the family to live within or outside the jurisdiction of the issuing (or initial) PHA as long as the family is able to receive case management services from the VAMC as determined by that entity. In other words, families issued vouchers by the Housing Authority of the city of Los Angeles may move under portability throughout Los Angeles County and elsewhere as long as the family can receive case management services from the Greater Los Angeles VA Medical Center.

QUESTION SUBMITTED BY SENATOR MITCH MCCONNELL

PROGRAM COORDINATION

Question. What is HUD doing to improve coordination between its substance abuse counseling, mental health counseling and homelessness programs?

Answer. Through its Homeless Assistance programs, HUD funds housing as well as many types of supportive services necessary to assist homeless families and individuals obtain and remain in their housing. These services are funded through the comprehensive "Continuum of Care" approach and are coordinated at the local level by grantees and homeless planning groups. In order to maximize the housing resources provided through HUD's competitive programs, programs often leverage services provided through other Federal agencies such as HHS and the VA.

QUESTIONS SUBMITTED TO PETER H. DOUGHERTY

QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

RAPID RE-HOUSING MODEL FOR HOMELESS VETERANS

Question. One of the major reasons that veterans fall into homelessness is that they are struggling economically, and more specifically, they have difficulty maintaining or finding safe and affordable housing. Often, these veterans find themselves in a difficult situation, and if provided some temporary housing assistance they might be able to avoid homelessness. Mr. Berg's testimony suggests that one of the missing pieces in the assistance that we provide to our veterans is some sort of housing assistance. He further suggests some sort of temporary assistance program that could help prevent homelessness.

Mr. Dougherty, if given the resources, do you think that the VA could implement, or assist in implementing, such a program?

Answer. VA does not have the statutory authority or the resources to provide temporary housing assistance to at risk veterans. We provide health care and benefits to eligible veterans struggling economically and having difficulty maintaining and finding affordable housing. Early and preventive intervention with the VA health care system and our benefits assistance could be very helpful in preventing some veterans from becoming chronically homeless.

COORDINATION BETWEEN FEDERAL AGENCIES IN THE FIELD

Question. We have created many programs to address the needs of homeless veterans. Programs range from housing to health care to job training, and they are scattered among various Federal agencies, including HUD, the VA and the Department of Labor. I held a roundtable on the issue of homeless veterans in Seattle in February and I heard from some at the event that there was little coordination between HUD and the VA on the ground level.

Mr. Dougherty, are you concerned that poor coordination in the field could be keeping veterans from getting all of the services that are available to them?

Answer. Nationally VA works very closely with the field to coordinate health care and benefits for veterans with other Federal, State, and local agencies as well as with non profit service providers. We have a major focus in improving our local relationships. This is a major priority of mine in my roles as National Director Homeless Veterans Programs and Acting Deputy Assistant Secretary for Intergovernmental Affairs.

Question. How can we sure that coordination between HUD and the VA, and other Federal agencies, is occurring in the field?

Answer. I am in contact with one or more HUD offices daily. VA will be holding a national conference in August 2008 to improve collaboration between HUD and VA specifically on HUD–VASH. Secretary Peake is the Chair of the U.S. Interagency Council on Homelessness (ICH). I am the designated Senior Policy Representative for the ICH and there is a major focus to improve coordination and planning of services and initiatives among Federal partners. Last year VA hosted more than 9,000 individuals and organizations at more than 100 community homeless assessment meetings.

Question. Mr. Dougherty, does the VA have any similar incentives that promote coordination?

Answer. Under VA's Homeless Providers Grant and Per Diem Program, applications that show coordination have a rating factor that will improve their score. VA looks specifically for coordination and planning of services at the local level.

THE ROLE OF THE U.S. INTERAGENCY COUNCIL ON HOMELESSNESS

Question. The Interagency Council on Homelessness is charged with coordinating the Federal response to homelessness. Members of ICH represent various departments and agencies within the Federal Government, including HUD, the VA, the Department of Defense and the Department of Labor. I think it is noteworthy that Secretary Peake is currently chairing the ICH. I hope that he will take this opportunity to promote better coordination and a greater commitment by Federal agencies to ending homelessness for veterans.

Mr. Dougherty, what can the ICH do to improve coordination among Federal agencies?

Answer. VA has participated in every ICH meeting since the council reorganized. In addition we have regular (normally monthly) meetings as a Senior Policy Group. Those efforts led to a coordinated response to Chronic Homelessness both by defining the term and funding the Chronic Homeless Initiative. That effort also caused

a change in policy regarding availability of property under McKinney-Vento. These efforts re-enforced our efforts that led to several successful multi-departmental efforts including the Incarcerated Veterans Transition Program with the Departments of Labor and Justice.

TRANSITIONAL HOUSING VERSUS PERMANENT HOUSING

Question. The HUD–VASH program is the only program that the VA participates in that provides for permanent housing instead of temporary transitional housing.

Mr. Dougherty, has the VA considered providing resources for permanent housing for veterans? If not, why not?

Answer. VA has submitted a draft bill to Congress that would permit VA to carry out a pilot program to make grants to public and nonprofit (including faith-based and community) organizations to coordinate the provision of supportive services available in the local community to very low income, formerly homeless veterans residing in permanent housing. We look forward to working with Congress to enact this legislative proposal.

THE VA'S GRANT AND PER DIEM PROGRAM

Question. The Grant and Per Diem Program is an essential tool that communities use to address the issue of homelessness among our veterans. It allows communities to provide the housing and services to our Nation's veterans who might otherwise be sleeping on the street. It has been credited with helping to reduce the number of homeless veterans over the past several years. However, we have also heard testimony from our witnesses here today that funding for this program needs to be increased.

There are also concerns about the structure of the program. Community-based organizations contend that the rate at which these organizations are compensated, and the fact that it is done on a reimbursable basis makes it difficult for them to provide veterans with the services that they need.

Mr. Dougherty, do you think there are legislative or administrative changes that should be made to improve this program?

Answer. VA has testified in support of certain amendments proposed in S. 1384 to VA's Homeless Providers Grant and Per Diem Program. In particular, section 1 of that legislation would eliminate the existing requirement to adjust the rate of per diem paid to a provider under VA's Homeless Providers Grant and Per diem Program by excluding other sources of income the provider receives for furnishing services to homeless veterans through other programs. Such other sources of income would include payments and grants furnished to the provider by other departments or agencies at the Federal, State, and local level as well by private entities. VA supports this provision with the following caveat. As currently worded, section 1 could permit a grantee-provider to receive more than 100 per cent of its costs for furnishing services to homeless veterans. For purposes of accountability, we recommend that Congress amend the provision to ensure that the potential for such an occurrence is prevented. There are no costs associated with this provision.

QUESTIONS SUBMITTED BY SENATOR DIANNE FEINSTEIN

Question. In my January 31 meeting with you and Secretary Peake, you indicated that you would work under the McKinney-Vento process to make available three buildings designated by Secretary Nicholson to serve homeless veterans, given the 21,000 homeless veterans in Los Angeles County.

At that meeting, I was told that the Department would hold a public meeting within a month to discuss a future notice for supportive, long-term therapeutic housing at buildings 205, 208 and 209 on the West LA VA campus. The goal of this strategy was to begin the McKinney-Vento process leading to the formal Federal Register notice requesting letters of interest.

During the meeting, you assured me that you would be able to use the McKinney-Vento process to make buildings available to serve homeless veterans and that the process would get underway within a month.

Since that meeting, you have expressed concerns to my staff about using McKinney-Vento for this project and mentioned that you may investigate other options. My understanding is that you have placed the McKinney-Vento process on hold.

My staff followed up with you on several occasions, but since that meeting over 3 months ago, it appears that the VA has made little to no progress on moving forward with a plan. In my view, we certainly have lost precious time since the VA's designation of use for these buildings in August 2007.

What progress have you made for the three buildings that have been designated for use for homeless veterans programs?

Answer. VA has completed a full assessment of all programs and activities within the 3 buildings. There are numerous program related activities in those buildings to help veterans including a Patient Wellness Clinic, occupational therapy, and Mental Health intensive case management.

Question. Why have you put McKinney Vento on hold?

Answer. As expressed in my first meeting with you and in subsequent meetings with you and your staff there appears to be an expectation of the type of programs and services to be housed in those three buildings that I am convinced will be difficult to achieve by using McKinney-Vento. We have every intention of following the Secretary's decision last year to make them available for homeless services and we continue to work with you achieve the type of housing with services that are appropriate.

Question. Have you changed the plan for these buildings that we all agreed would be used in our January 31 meeting?

Answer. At each meeting and conversations with you and your staff I have stated that our hope is to insure that the buildings can be used to provide high quality housing and services for homeless veterans. That has not changed.

Question. Do you think the process laid-out in the January 31 meeting is not the best way to ensure sufficient proposals for long-term homeless housing? If so, please provide your proposed alternatives.

Answer. VA wants to ensure that each building is used appropriately. We are exploring enhanced sharing and declaring the buildings as underutilized buildings and are making them available under McKinney-Vento. In both cases we will only proceed after holding extensive meetings that would allow potential applicants for long-term housing plenty of notice to get prepared before any notice is published.

Question. Can you explain to me why you are reluctant to use the McKinney-Vento process to seek to provide long-term homeless housing?

Answer. We have no control over the type of services or use for the buildings under McKinney-Vento process. We think this could achieve the desired result, but it is far more complicated.

Question. Although we have yet to see action in over 3 months, do you have a proposed timeline for implementation of a plan to provide this housing?

Answer. A formal letter outlining our action is forthcoming.

Question. If you have not made progress, what is your current proposal for a way forward?

Answer. A plan to proceed is underway.

Question. As you note in your testimony, in fiscal year 2008, the Federal Government authorized 10,000 permanent housing units for homeless veterans, including 800 housing vouchers for Southern California under HUD's Veterans Affairs Supportive Housing Program (HUD–VASH) to provide rental assistance and supportive services to veterans. While the city of Los Angeles received the vouchers, neither the county nor any other city within the county was awarded vouchers.

Given the large number of homeless veterans spread throughout the County of Los Angeles, how will the HUD–VA supportive housing rental assistance vouchers and supportive services program be implemented to allow homeless veterans the choice to move into homes throughout the 88 cities within the County of Los Angeles?

Answer. The decision to use a specific housing authority is made by the Department of Housing and Urban Development. I would defer to HUD to respond to this question.

Question. In a document prepared by Dr. John Nakashima of the VA Greater Los Angeles Healthcare System in March 2007, he noted some trends that are important for consideration of the future of the VA system. Specifically, he noted that Southern California VA centers are seeing an increase in the number of homeless veteran families at homeless centers. I have previously raised the idea of the VA providing supportive family housing for veteran families, and personally believe the West LA VA campus presents a terrific opportunity to pilot a supportive family housing program.

Do you concur with Dr. Nakashima's assessment that homeless family housing needs have increased in recent years?

Answer. Dr. Nakashima's review concluded that our outreach efforts continue to show that there is a slight increase in the percentage of homeless veterans with families.

Question. Have you explored the need for this type of housing and the possibility of the VA assisting veteran families with supportive housing, especially for homeless

families and families of veterans returning from combat with multiple amputations, post-traumatic stress disorder, and traumatic brain injury?

Answer. Patients with severe disability from the war are case managed, and rarely are homeless. The office of Care Coordination insures that the war injured veterans receive case management services and appropriate follow-up services. VA conducts an individualized assessment of all incoming patients and places them in residential treatment setting or housing alternatives that can accommodate and provide care for their disabilities.

Question. Do you believe the VA is capable of providing supportive family housing, both in general and specifically at the West LA VA campus?

Answer. VA has some legal limitation regarding services to non-veterans.

QUESTIONS SUBMITTED BY SENATOR MITCH MCCONNELL

Question. What additional legislative authorities does the VA need to improve its efforts towards reducing homelessness among the veteran population?

Answer. VA has submitted a draft bill to Congress that would permit the Department to carry out a pilot program to make grants to public and nonprofit (including faith-based and community) organizations to coordinate the provision of supportive services available in the local community to very low income, formerly homeless veterans residing in permanent housing. We look forward to working with Congress to enact this legislative proposal.

Question. How can the VA better target initiatives or programming to assist homeless veterans in rural areas, such as in my home State of Kentucky?

Answer. The Community Homelessness Assessment, Local Education and Networking Groups (CHALENG) For Veterans meetings is one mechanism to identify the unmet homeless veterans' needs, develop an inventory of existing services, and identify gaps in services. This planning is completed at the local VA level with input and collaboration from other Federal, State, and local community providers. VA can better target homeless veterans' needs through participation in the local HUD CoC planning process and development of your State plan to End Chronic Homelessness.

Question. How can the VA better target certain populations more likely to become homeless, such as incarcerated veterans or those with substance abuse problems?

Answer. Collaborations with the U.S. Departments of Labor (DOL) and Justice to assist in a coordinated approach to the delivery of services to incarcerated veterans are reducing homelessness in the incarcerated veteran population. The Incarcerated Veterans Transition Program (IVTP) grantee Volunteers of America in Kentucky reported a less than 10 percent recidivism rate for veterans transitioning from incarceration to community re-entry. VA has approved 39 Incarcerated Veteran Outreach Specialists to coordinate pre-release planning from a State or Federal prison. Each VA Network has at least one specialist assigned to assist with pre-release planning and coordination of services.

Question. What is the VA doing to improve coordination between its substance abuse counseling, mental health counseling and homelessness programs?

Answer. VA outreach and case management staff refer homeless veterans to appropriate mental health and substance abuse services and ensure appropriate follow-up services. The 2007 Northeast Program Evaluation Center (NEPEC) data indicate an average of 75 percent fewer substance abuse and mental health problems for homeless veterans at time of discharge from a Grant and Per Diem transitional housing program. VA hired 30 substance abuse counselors to provide on site services to veterans residing in transitional housing provided by a grantee under the VA Grant and Per Diem Program.

Question. Is the VA cooperating with non-profit agencies in local communities to help address problems associated with homelessness?

Answer. Nationally VA works very closely with the field to coordinate health care and benefits for veterans with other community and faith-based community organizations. We have a major focus in improving and strengthening our relationships with local community non-profit and faith based organizations. This is a major priority of mine in my roles as National Director Homeless Veterans Programs and Acting Deputy Assistant Secretary for Intergovernmental Affairs. Last year, VA hosted more than 9,000 individuals and organizations at more than 100 community assessment meetings to identify unmet homeless veterans needs, gaps in services, and develop plans of action in collaboration with local community partners to address the local needs.

Question. What is the VA's optimal staffing level for case management in Kentucky?

Answer. There are 8 operational Grant and Per Diem Programs (GPD) with 189 beds in the State of Kentucky. VA has authorized 3 GPD liaisons to provide oversight and coordination of services for veterans placed in transitional housing. VA has a designated Coordinator for Homeless Veterans Program at each VA Medical Center. The case management staff veteran ratio for the HUD–VASH Program is one case manager to 35 veterans. Kentucky received 70 section 8 housing vouchers and VA will hire two staff to provide required case management services.

Question. What is the optimal staffing level at each community-based outpatient clinic (CBOC) in Kentucky? Is each properly staffed?

Answer. Each Kentucky CBOC is staffed at the optimal level in accordance with VA guidelines:

—One full time provider for 1,000 to 1,400 patients.

—At least two support staff (i.e. nurse) for each provider.

Question. What is the average wait time for an appointment at a Kentucky CBOC?

Answer. The average wait time for an appointment at a Kentucky CBOC is less than 30 days from the date of the initial request.

Question. How could the VA increase utilization of CBOC's by rural veterans, particularly those in Kentucky?

Answer. To increase rural veterans' utilization of CBOCs in Kentucky, VA plans to open six new clinics before the end of fiscal year 2008 and one in fiscal year 2009. These CBOCs will service rural areas and improve access for rural veterans in Kentucky. VHA recognizes that delivering health care closer to the veterans' place of residence is one way to increase utilization of CBOCs and to better achieve our mission of being a patient-centered and integrated health care organization.

Question. What are the transportation options available to rural veterans and how can access to transportation be improved?

Answer. Private organizations and public institutions provide different transportation options to rural veterans. Veteran Service Organizations (VSO) provides van service to VA clinics and medical centers in many areas. County and State governments may provide public transportation to or near VA clinics. In some instances, local community resources that offer transportation may offer it at low cost or no cost to low income veterans. Low income and service-connected veterans may be eligible for beneficiary travel reimbursement through VA.

Increasing the availability of VSO van service and county or State transportation resources could improve access to transportation for Kentucky's veterans.

Question. What is the policy on mental health screenings for veterans seeking or receiving care at CBOCs?

Answer. VA's CBOC policy on mental health screening is that all patients are screened for mental health issues by their primary care provider during their initial primary care visit and annually thereafter. If an initial screening suggests that treatment or further evaluation is needed, the veteran is seen by a CBOC mental health provider or, if a higher level of care is required, referred to the CBOC's parent facility. All veterans in a CBOC are also screened annually for depression, PTSD, alcohol misuse and suicide risk.

Question. What avenues do patients have to report problems or complaints with care at CBOCs?

Answer. VA tracks patient satisfaction for all medical centers and CBOCs through national patient satisfaction surveys. Each CBOC has a service-level representative who is trained to receive and address complaints. Each VA medical center (parent facility) has seasoned patient advocates who are available to the CBOCs.

Veterans are encouraged to report specific problems or complaints that are not resolved at the service-level to the Patient Advocate's Office. These complaints are tracked through the Patient Advocate Tracking System. All complaints and concerns are tracked in a national data base allowing for analysis of trends and benchmarking.

Question. Please provide a list of operational CBOCs in Kentucky and an update on the status of those pending.

Answer.

CBOC Name	CBOC Status	Parent Facility	State (where CBOC is located)	County	Date Opened
Prestonburg	Open	Huntington	KY	Floyd	07/21/91
Somerset	Open	Lexington	KY	Pulaski	10/01/00
Morehead	Open	Lexington	KY	Rowan	03/17/08
Fort Knox	Open	Louisville	KY	Hardin	01/05/98
Shively	Open	Louisville	KY	Jefferson	07/24/00
Dupont	Open	Louisville	KY	Jefferson	10/19/04
Newburg	Open	Louisville	KY	Jefferson	10/28/04
Bowling Green	Open	Tennessee Valley HS	KY	Warren	06/01/97
Ft. Campbell	Open	Tennessee Valley HS	KY	Christian	07/01/01
Paducah	Open	Marion, IL	KY	McCracken	03/01/98
Hanson	Open	Marion, IL	KY	Hopkins	08/19/05
Florence	Open	Cincinnati	KY	Boone	09/26/06
Bellevue	Open	Cincinnati	KY	Campbell	06/21/99
Community Based Clinics approved and scheduled to open by the end of the fiscal year 2008 or fiscal year 2009 are:					
Berea	Approved	Lexington	KY	Madison	9/08 [1]
Hazard	Approved	Lexington	KY	Perry	6/23/08
Leitchfield	Approved	Louisville	KY	Grayson	9/08 [1]
Carollton	Approved	Louisville	KY	Carroll	9/08 [1]
Hopkinsville	Approved	Tennessee Valley HS	KY	Christian	9/08 [1]
Owensboro	Approved	Marion, IL	KY	Daviess	9/08 [1]
Mayfield	Approved	Marion, IL	KY	Graves	12/08 [2]

[1] On schedule to open September, 2008.
[2] This CBOC was approved for fiscal year 2009, it is expected to be operational by the end of the first quarter of fiscal year 2009.

Question. Of the operational CBOCs in Kentucky, please list which ones provide services from contracted health care.

Answer. Bowling Green is the only CBOC in Kentucky that provides services from contracted health care. All others are staffed by VA employees.

QUESTIONS SUBMITTED TO CHERYL BEVERSDORF

QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

THE HUD–VASH PROGRAM

Question. In providing funding and developing the legislative language for HUD–VASH last year, we took great care to ensure that the program had enough flexibility to serve the most vulnerable veterans. We asked HUD and VA to consider the nearness to VA Medical Centers to ensure that services would be delivered efficiently. But many veterans are located in rural areas—far from a VA Medical Center—perhaps making them even more vulnerable to homelessness.

How can the VA better serve homeless veterans in need of permanent supportive housing that aren't near a VA medical center?

Answer. The new HUD–VASH voucher program goes a long way towards making section 8 permanent housing available to veterans in rural areas. Rural homeless tend to be much less visible as "on the street" homeless and more likely to be living in cars, on friend's couches, or in substandard spaces. VA case managers will monitor these veterans and they will avail themselves of services provided by both VA and the community. One of the VA Advisory Committee on Homeless Veterans major recommendations last year was for VA to develop programs for supportive services for permanent housing, including rural homeless.

Additionally, for all veterans at risk of homelessness, the first line of engagement should be a strong partnership between VA and community health centers, especially in rural areas underserved by the VA. While current practice allows a veteran to access services at non-VA facilities, the process is often frustrating and problematic, particularly for a veteran in crisis. Protocols should be developed to allow VA and community clinics to process a veteran's request for assistance directly and immediately without requiring the patient to first go to a VA medical facility.

PREVENTING HOMELESSNESS

Question. In addition to all of the physical and mental challenges that our veterans face, they are also facing a declining economy. Gas and food prices are rising, affordable housing is getting harder to find and jobs are scarce. Addressing the economic challenges that many veterans face will be important in preventing more veterans from becoming homeless.

Ms. Beversdorf, how can we get veterans better job training to help them achieve greater economic stability?

Answer. Make the Transition Assistance Program (TAP) mandatory for all separating troops and provide enough employment and training assistance staff to develop a separation plan for each new veteran. The Warrior Transition Unit (WTU) at Fort Drum, NY could serve as a prototype for getting this done—the combination of case management and resources including education, career preparation, and employment assistance is very successful.

Additionally, last year the U.S. Department of Labor Veterans' Employment and Training Service established the Advisory Committee on Veterans' Employment and Training and Employer Outreach (ACVETEO), which is responsible for assessing the employment and training needs of the Nation's veterans. Such needs may include transition assistance, protection of employment and reemployment rights, education, skills training, and integration into the workforce, among others. Not later than December 31 of each year ACVETEO is required to submit a report to the Secretary of Labor and the Senate and House Committees on Veterans Affairs on the employment and training needs of veterans for the previous fiscal year with a special emphasis on disabled veterans.

HOMELESS VETERANS WITH FAMILIES

Question. The number of female veterans is increasing. We are also seeing an increasing number of families with dependent children homeless or at-risk of homelessness. Most of the programs at the VA, however, are not designed to meet the needs of veterans with families.

Ms. Beversdorf, what are your thoughts on the challenge of serving female veterans, including those with children?

Answer. In-patient PTSD for returning women veterans is a need and some may also have been sexually harassed or abused. Currently, lack of day care prevents many female veterans from accessing VA services; female veterans without other family support for childcare often forego VA services rather than risk losing custody of minor children. Congress needs to grant authority to VA to provide for services to minor children of veterans male and female.

VA needs to continue to expand programs and services for women, the fastest growing segment of the homeless veteran population. Additional funding could be used under current law to increase the number of special needs grants awarded under the GPD program. The program awards these grants to reflect the changing demographics of the homeless veteran population. One grant targets women veterans, including those with dependent children. Women now account for more than 14 percent of the forces deployed to Iraq and Afghanistan, yet there are only eight GPD programs receiving special needs grants for women in the country.

TRANSITIONAL HOUSING PROGRAMS

Question. Many homeless veterans struggle with mental illness and substance abuse. It is critical for them to get into stable housing so they can concentrate on getting well instead of worrying about where they are going to sleep that night. The VA has many transitional housing programs, but this assistance is limited to 2 years. Many veterans will continue to need housing or supportive services after they must leave these programs.

Ms. Beversdorf, what happens to veterans who hit the time limit, but are not yet ready to transition into housing on their own?

Answer. There is flexibility in the VA program that allows extension of transitional services beyond 2 years if clinically appropriate. Those veterans who cannot "graduate" from transitional programs are candidates for permanent supportive housing and one of the main reasons for creating the new section 8, HUD–VASH program. This is currently only available through non-VA channels (HHS) but VA has been encouraged to develop veteran specific supportive services by the Advisory Committee on Homeless Veterans.

The Senate recently passed S. 2162, the Veterans' Mental Health and Other Care Improvements Act of 2008, which contains a measure that would provide grants to government and community agencies to provide supportive services to low-income veterans in permanent housing. Funds would be used to provide continuing case management, counseling, job training, transportation and child care needs. Similar legislation was included in H.R. 2874, which the House passed last year. Another bill, S. 2273, the Enhanced Opportunities for Formerly Homeless Veterans Residing in Permanent Housing Act of 2007, was recently considered by the Senate Veterans Affairs Committee and, if enacted, would provide supportive services to very low income, formerly homeless veterans residing in permanent housing.

Question. Do we have any data on the number or percentage of veterans that benefit from transitional housing assistance but then end up homeless because the 2-year period of eligibility expires?

Answer. The Northeast Program Evaluation Center (NEPEC) at the West Haven VAMC collects outcome data from VA Grant and Per Diem program operators.

THE VA'S GRANT AND PER DIEM PROGRAM

Question. The Grant and Per Diem Program is an essential tool that communities use to address the issue of homelessness among our veterans. It allows communities to provide the housing and services to our Nation's veterans who might otherwise be sleeping on the street. It has been credited with helping to reduce the number of homeless veterans over the past several years. However, we have also heard testimony from our witnesses here today that funding for this program needs to be increased.

Ms. Beversdorf, you have both testified that you would like to see the program funded at $200 million. Can you explain how you arrived at this number?

Answer. In September 2007, despite the commendable growth and success of the Grant and Per Diem Program and its role in reducing the incidence of veteran homelessness, the Government Accountability Office (GAO) reported the VA needs an additional 9,600 beds to adequately address the current need for assistance by the homeless veteran population. That finding was based on information provided by the VA, the GAO's in-depth review of the GPD program, and interviews with service providers. The VA concurred with the GAO findings.

The projected $137 million in the President's fiscal year 2009 budget request will allow for expansion of the GPD program, but it is not nearly enough to address the needs called for in the GAO report. For example in 2006, the VA created the posi-

tion of GPD Liaisons at each medical center to provide additional administrative support for the GPD office and grantees. The VA published a comprehensive program guide to better instruct grantees on funding and grant compliance issues, and expects to provide more intense training of GPD Liaisons. This represents a considerable and continual investment in the administrative oversight of the program that should translate into increased capacity to serve veterans in crisis.

Additional funding would increase the number of operational beds in the program, but under current law it could also enhance the level of other services that have been limited due to budget constraints. GPD funding for homeless veteran service centers—which has not been available in recent grant competitions—could be increased. These drop-in centers provide food, hygienic necessities, informal social supports and access to assistance that would otherwise be unavailable to men and women not yet ready to enter a residential program. They also could serve as the initial gateway for veterans in crisis who are threatened with homelessness or dealing with issues that may result in homelessness if not resolved. For Operation Iraqi Freedom and Enduring Freedom (OIF/OEF) veterans in particular, this is a critical opportunity to prevent future veteran homelessness.

Additional funding could also be used under current law to increase the number of special needs grants awarded under the GPD program. In addition to the need for more programs for women veterans, other focuses include the frail elderly, increasingly important to serve aging Vietnam-era veterans—still the largest subgroup of homeless veterans; veterans who are terminally ill; and veterans with chronic mental illness. These grants provide transitional housing and supports for veteran clients as organizations work to find longer-term supportive housing options in their communities.

Question. There are also concerns about the structure of the program. Community-based organizations contend that the rate at which these organizations are compensated, and the fact that it is done on a reimbursable basis makes it difficult for them to provide veterans with the services that they need.

Ms. Beversdorf, do you think that changes should be made to the program in order to better serve homeless veterans?

Answer. Yes. Currently the reimbursement an organization receives under the Grant and Per Diem Program (GPD) is based on the State veterans' home rate—which is generally custodial care—and limited to about $31 per day. That rate is then discounted based on additional Federal funding an organization receives. The original intent of the GPD program was to provide beds in a safe, substance-free environment for veterans transitioning out of homelessness. Experience has shown this transition also requires intense case management; counseling for substance abuse and behavioral problems; treatment for physical and mental illnesses; employment preparation, placement and follow-up services; life skills training; legal assistance; family reunification services, child care assistance. Access to these services is vital to successful transition out of homelessness; and these all represent additional costs to the service provider.

Many organizations receive grants from the Departments of Housing and Urban Development, Labor, Justice, Health and Human Services, and Education to provide specialized services for their homeless clients, but the amount of reimbursement under the GPD program is reduced if homeless veteran programs receive other Federal funding. The guidelines of the GPD program make it clear that successfully competing for funds requires links to other community-based and local government agencies, yet penalize organizations that receive Federal funds to do so.

A payment system based on the scope of services available at a facility rather than simply a daily amount for a veteran in a bed would allow VA to better coordinate and regulate the GPD program. VA would, as it does now, continue to monitor activities at GPD providers and audit their annual reports. However, organizations that provide on-site case management, 24-hour emergency psychiatric assistance, on-site employment preparation and placement services, on-site kitchen and meals, transportation assistance, child care facilities for dependent children and other supportive services would be able to incorporate those necessary costs in their grant applications as "allowable" costs chargeable to the VA under the Grant and Per Diem Program.

The list of supportive services allowable under the grant would have to be revised, but not the application process. Organizations would have to clearly indicate the number of veterans their programs would serve, acceptable housing and employment "placement targets," as they do now, but also an estimation of the cost and reach of their supportive services offerings. Annual audits would validate reported expenses and certify program outcomes. The audits are currently required, and GPD liaisons at all VA Medical Centers are responsible for completing these oversight functions, so there would be no significant increase in administrative burden for the

program. Applicants would be evaluated on the number of veterans they help, the breadth of services they provide, and success reaching or exceeding their goals.

While the prime objective of this recommendation is to help organizations provide the best level of care and continuity of services possible, it would also provide more financial stability to organizations—mostly nonprofits—focusing on service gaps that the Government needs help to fill. That is the fundamental purpose of the Grant and Per Diem Program, and we now have an appreciable body of evidence that supports revising the payment system.

THE ROLE OF THE U.S. INTERAGENCY COUNCIL ON HOMELESSNESS

Question. The Interagency Council on Homelessness is charged with coordinating the Federal response to homelessness. Members of ICH represent various departments and agencies within the Federal Government, including HUD, the VA, the Department of Defense and the Department of Labor. I think it is noteworthy that Secretary Peake is currently chairing the ICH. I hope that he will take this opportunity to promote better coordination and a greater commitment by Federal agencies to ending homelessness for veterans.

Ms. Beversdorf, what can the ICH do to improve coordination among Federal agencies?

Answer. There needs to be greater effort among non-VA agencies to identify those clients who are veterans and receiving services, but may not be accessing VA services for which they are eligible. There is no way to know today how many veterans these non-VA providers are serving. The ICH should encourage increased visibility in 10-year plans to the work being done by communities in their work with veterans.

QUESTIONS SUBMITTED TO STEVEN R. BERG

QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

FEMALE VETERANS

Question. The VA has also reported that while females currently make up 4 percent of the homeless population, they make up 11 percent of new homeless veterans. More female veterans are also under greater economic pressure than their male counterparts. Mr. Berg, an assessment conducted by your organization found that many female veterans are spending too much of their income on housing, putting them at greater risk of homelessness.

How is the lack of affordable housing affecting veterans and especially female veterans?

Answer. As stated in our report, Vital Mission: Ending Homelessness Among Veterans, about 4 percent of veterans pay more than 50 percent of their income for housing. This kind of "severe housing cost burden" is actually rarer among veterans than among non-veteran Americans, but this is small comfort for those veterans who experience it. Among veterans who are women, severe housing cost burden is more common—the rate is approximately 6 percent. For veterans who rent, the rate is higher: approximately 10 percent for all veterans and 13 percent for women.

The effects of high housing cost burdens are well known. Homelessness is the most obvious and debilitating. Even for those who never experience homelessness, however, many move frequently, establishing a pattern of getting behind in rent, scraping together enough money move into a new apartment before being evicted from the old one, and starting the process over again. This pattern, often involving three or four moves each year, has a bad impact on the ability to be part of a community, and makes it particularly difficult for children to achieve in school, since in many cases a move means a new school and resulting challenges. In extreme cases, severe housing cost burdens can place families in the position of choosing between rent/heat and food.

RAPID RE-HOUSING MODEL FOR HOMELESS VETERANS

Question. Lack of affordable housing is a major risk factor for homelessness. In addition, we know that many people, including veterans, can suddenly find themselves homeless due to a sudden or temporary economic hardship. The solution for these veterans may be short-term rental assistance, or perhaps help with the first and last month's rent to find a home. This idea is similar to the rapid re-housing demonstration program that I included in last year's bill.

Mr. Berg, how effective would this type of assistance be in helping veterans avoid homelessness? And how could HUD and the VA partner on such an initiative?

Answer. Very helpful. Many veterans end up homeless after losing housing that had the potential to be stable. Emergency prevention and rapid rehousing programs deal with financial issues using short-term or one-time assistance for back rent and/or security deposits. They deal with longer term financial issues by using community-based resources to help increase earnings and access cash benefits for which people are eligible—veterans have enhanced opportunities in this regard due to programs like the Homeless Veterans Reintegration Program at DOL, and the system of veterans benefits. Rapid rehousing and emergency prevention programs also deal with other kinds of issues such as mental health, substance abuse, resulting conflicts with family members, through case management and use of community-based programs. For veterans, the availability of help through the VA for addressing issues such as PTSD would be a huge advantage. This would allow more expensive resources, such as slots in transitional housing or permanent supportive housing, to be reserved for veterans with the most severe problems.

The key challenges in implementing this model more broadly for veterans who are homeless or at risk of homelessness are:

—Having designated people at the local level who can perform the "real estate function," developing relationships with local landlords and helping veterans find housing.

—Making the flexible funding available to pay for back rent, security deposits, credit checks, and other costs related to securing or maintaining housing.

—Ensuring broad availability of VA resources to address PTSD—anecdotal reports indicate a repeat for recent veterans of a common pattern from the Viet Nam era, with veterans who originally moved in with family losing that housing because of increased household conflict due in part to the effects of PTSD.

TRANSITIONAL HOUSING VERSUS PERMANENT HOUSING

Queston. The HUD–VASH program is the only program that the VA participates in that provides for permanent housing instead of temporary transitional housing. Over in the HUD budget, we are emphasizing permanent housing and setting aside 30 percent of the homeless funding available for permanent housing.

Mr. Berg, how effective has the 30 percent set-aside within the HUD budget been?

Answer. The 30 percent set-aside has been the device used by Congress to ensure that a substantial percentage of the new money that Congress has put into the HUD McKinney-Vento programs goes for permanent supportive housing. It was adopted after a period when spending by local communities on permanent supportive housing dropped precipitously, despite evidence that PSH was a very effective intervention. It has had its intended effect—since its adoption, 60,000 units of PSH have been funded across the country, with many communities reporting substantial reductions in street homelessness as a result. At the same time, spending on other kinds of homeless programs has also increased, although not to the same extent.

Question. Do you think that permanent housing should be an eligible purpose for some of the VA's housing programs, such as the Grant and Per Diem Program?

Answer. In order to end homelessness among veterans, more permanent supportive housing needs to be available. The Grant and Per Diem Program has historically been a temporary intervention, which works well for veterans with temporary barriers. For those with permanent disabilities, however, a permanent solution is needed. One simple way to achieve this would be to expand eligible activities under GPD to include permanent housing for those who need it, but of course this will only be effective if accompanied by an expansion in funding to avoid negatively impacting the number of transitional beds.

THE ROLE OF THE U.S. INTERAGENCY COUNCIL ON HOMELESSNESS

Question. The Interagency Council on Homelessness is charged with coordinating the Federal response to homelessness. Members of ICH represent various departments and agencies within the Federal Government, including HUD, the VA, the Department of Defense and the Department of Labor. I think it is noteworthy that Secretary Peake is currently chairing the ICH. I hope that he will take this opportunity to promote better coordination and a greater commitment by Federal agencies to ending homelessness for veterans.

Mr. Berg, what can the ICH do to improve coordination among Federal agencies?

Answer. One fruitful area for coordination would be in the collection of data about homelessness. The VA Health Care system has made great strides in documenting the housing status of people it serves. Through the ICH this practice should be incorporated by other Federal "mainstream" agencies. This would help in targeting interventions to those who are using the most expensive taxpayer-funded services.

Another important undertaking would be to complete the process of developing a plan for the Federal Government fulfilling its role in ending homelessness. This kind of strategic planning has had a positive impact at the local and State level. Various attempts have been made over the years to develop such a plan, but they have never been completed.

A third important undertaking would be an ongoing identification of gaps in the system of Federal supports. For example, veterans become homeless despite the expenditure of billions of dollars for services to needy veterans, in part because of the lack of a relatively inexpensive system to help veterans with housing crises. The ICH should maintain a comprehensive list of services available and, more importantly, a clear assessment of where services are lacking.

QUESTION SUBMITTED BY SENATOR RICHARD J. DURBIN

Question. One of your policy recommendations includes providing permanent supportive housing units to meet the needs of the as many as 66,000 chronically disabled, chronically homeless veterans in the country.

What steps can Congress take to implement this recommendation?

Answer. Funding of additional HUD–VASH vouchers or some other form of support for the operating costs of permanent supportive housing. Targeting of these resources to chronically homeless veterans will increase the rate at which this problem is resolved.

Creation of a program to fund capital development for permanent supportive housing for veterans.

Allow the VA to contract with nonprofit providers to provide support services to veterans who have moved from the streets into supportive housing.

(As an alternative, making permanent housing an allowable activity under the Grants and Per Diem Program, accompanied by a sufficient increase in funding for that program, would have the same effect as the previous items.)

Through oversight, encouragement of a management agenda at the VA that encourages local VA officials to identify chronically homeless veterans and prioritize them for inclusion in VA-funded housing programs such as Grant and Per Diem and HUD–VASH, and also encourages them to coordinate on the local level with HUD-funded homelessness programs to ensure that these veterans have a fair opportunity to use HUD-funded programs for permanent supportive housing for homeless people.

QUESTIONS SUBMITTED TO PAUL LAMBROS

QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

THE VA'S GRANT AND PER DIEM PROGRAM

Question. Mr. Lambros, your organization provides permanent housing to homeless veterans in Seattle, and I understand that your organization is currently unable to use the VA's Grant and Per Diem Program.

Is the Grant and Per Diem Program something that would help you better serve homeless veterans and can you help us understand the restrictions that limit your ability to use this funding?

Answer. Yes. This VA program, particularly the Per Diem aspect, would go a long way towards offering veterans the type of on-site supportive case management which we have consistently proven helps formerly homeless people with complex issues and disabilities remain safe and secure in housing. This effective model calls for a Housing Case Manager to client ratio of 1:25, as well as a front desk at the building which is staffed 24/7. While this remains a highly cost effective approach (in that the evidence points to the fact that it prevents the types of crises that result in frequent, costly Emergency Room visits, ambulance services, jail bookings, and detox admissions) the services still require funds.

The Per Diem Program would be a cost-efficient use of funds, yet the VA imposes restrictions on the type of housing it will support with the funds—they can only be used in transitional housing projects.

Plymouth Housing Group has posited, for over 15 years, that permanent supportive housing (PSH), with attached services, is the best path for homeless single adults. In the last few years, PSH has become nationally acclaimed as the most humane, clinically sound, and cost-efficient model for ending homelessness for this adult population in which veterans are highly represented.

Without hesitation, I can say that more veterans in our State would be safely and stably housed if the VA's Grant and Per Diem program could expend its funds on permanent, support-enriched housing.

Another issue that prevents agencies such as Plymouth Housing Group from utilizing the Grant and Per Diem funds relates to another example of inflexibility in the program. Capital funding under the Grant Program is restricted to non-profit organizations. However, to develop high-quality supportive housing, agencies in our State use the Federal Low Income Housing Tax Credit Program. Tax credit projects require the formation of for-profit partnerships, and thus are not eligible to receive the VA Grant capital funding because technically the non-profits do not have site control. However, non-profit partner does take control after the 15 year compliance period of the tax credit program. When developing a project along with the tax credit program we use city, county and State capital funding—all vital to make a project work. Those funding sources have recognized the importance of the tax credit program and have made their funding more flexible in response.

Again, agencies such as Plymouth Housing Group would be able to work harder at ending homelessness for our veterans if we could access these funds within our current funding structures.

COORDINATION BETWEEN FEDERAL AGENCIES IN THE FIELD

Question. We have created many programs to address the needs of homeless veterans. Programs range from housing to health care to job training, and they are scattered among various Federal agencies, including HUD, the VA and the Department of Labor. I held a roundtable on the issue of homeless veterans in Seattle in February and I heard from some at the event that there was little coordination between HUD and the VA on the ground level.

Mr. Lambros, as a provider who interacts with veterans every day, what has been your experience with various Federal agencies and their coordination?

Answer. When I hear people speak of poor coordination, they are usually referring to the policy-makers and administrators in those Federal agencies. For instance, one agency may be admirably developing a means to securing more rental subsidies for veterans, and yet the agency who actually serves homeless veterans may be excluded from those discussions or indeed the actual subsidy grant-process until the last minute. So it seems like the decisionmaking entities in Washington, DC may not be accessing the rich information and experiences that local VA agencies have gleaned from serving veterans. Senator Murray's round table was an excellent model for hearing about the real issues occurring in our State.

Plymouth Housing Group's partnership with the Department of Veterans Affairs, via the VA Puget Sound Healthcare System has been developed an enhanced by committed and intelligent staff at that facility. These professionals have built solid bridges with Plymouth Housing Group staff in order to bring the best services possible to the veteran clients we share. Coordination is maintained through regular communication and case conferencing.

Plymouth tenants tell us that, within the large VA itself, the various structures are not well-connected. For instance, the Health Administration is a completely different body from the Benefits Administration, often causing confusion to clients who cannot understand why staff at one facility cannot process problems, and that these need to be directed to another facility. It seems that the concept of "one-stop" services is not available to veterans. Without the professional support of case managers in the community, I do not know how veterans can negotiate these large systems.

QUESTION SUBMITTED BY SENATOR RICHARD J. DURBIN

Question. In your prepared testimony, you mention that your focus is to transition homeless people from the streets directly to permanent housing.

What brought you to the conclusion that this is the best approach, say as an alternative to transitional housing?

Answer. Plymouth Housing Group strives to provide a milieu that is stabilizing for the long term, and our experience has informed us that helping people to move directly into permanent supportive housing is a good way to ensure long-term stability.

This is particularly true for the population we serve—people who have been labeled "hard to house" by more conventional housing projects—people who do not "fit" anywhere else. We have always believed that everyone deserves housing and that people, particularly the poor and vulnerable, should not have to negotiate endless barriers and meet a slew of conditions in order to earn the right to be housed. Our goal is to get them off the streets, into a safe environment and, once housed,

offer them all the services and support they need to turn their lives around. It fits our mission and it works!

This model of homeless housing has gained huge popularity nationally—you may have heard it referred to as Housing First: http://www.endhomelessness.org/content/article/detail/1423/.

It is a growing movement that recognizes the financial and health-related value of getting people off the streets and into the place they can call "home"—rapidly and permanently. The evidence-basis of this national movement is that the more quickly people are moved into a place that feels permanent for them, the more wiling and able they are to work on their life-improvement goals.

For single adults, transitional housing is simply a place for someone to make life changes in order to "prove" that they are "housing-ready". When the program duration is up, the person needs to move into a new home. At Plymouth and other similar permanent supportive housing programs, people do not have to move as a consequence of doing well. They are home, and do not need to have their lives disrupted once again in response to program mandate adherence.

I have heard good arguments for transitional housing being a component for family homelessness and for domestic violence survivors. So when I make this argument for a direct move from homelessness into permanent housing, I need to qualify that our experiences and evidence come from our practices with the single adult homeless population.

CONCLUSION OF HEARING

Senator MURRAY. With that, this subcommittee is recessed, subject to the call of the Chair. Thank you.

[Whereupon, at 11:45 a.m., Thursday, May 1, the hearing was concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]

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