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H.R. 2716, HOMELESS VETERANS ASSISTANCE ACT OF 2001; AND H.R. 936, HEATHER FRENCH HENRY HOMELESS VETERANS ASSISTANCE ACT

HEARING

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS

HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTH CONGRESS

FIRST SESSION

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H.R. 2716, HOMELESS VETERANS ASSISTANCE ACT OF 2001; AND H.R. 936, HEATHER FRENCH HENRY HOMELESS VETERANS ASSISTANCE ACT

THURSDAY, SEPTEMBER 20, 2001

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

The committee met, pursuant to call, at 1:35 p.m., in room 334, Cannon House Office Building, Hon. Christopher H. Smith (chairman of the committee) presiding.

Present: Representatives Smith of New Jersey, Moran, Simpson, Simmons, Brown of South Carolina, Evans, Filner, Carson, Snyder, Rodriguez and Berkley.

OPENING STATEMENT OF CHAIRMAN SMITH OF NEW JERSEY

The CHAIRMAN. The hearing will come to order; and good afternoon, ladies and gentlemen.

The events of September 11 in New York City and the Pentagon demonstrate the true character of our Nation. We are a great Nation. Although we have been stunned by the ferocity and viciousness of our enemies, it is not the attack itself or the death, destruction, anger or sorrow that will define our national character. The important thing, I would respectfully submit, is how we respond as a free Nation to acts of terror. And we will indeed respond.

As I said on the floor of the House last week, those who wish us harm should know that American is strong, determined, and resilient. America is united and is not to be underestimated. With God's guidance and blessing, we will recover, and we will prevail.

This hearing this afternoon is intended to illuminate what we, as a Congress, need to do to assist our homeless veterans. The hearing was scheduled before our country was attacked September 11. Given the current circumstances and the likelihood that America will once again rely on our men and women in uniform to defend our freedom, it is more important than ever that our government stands with our current and our future veterans.

Before going any further, I would like to ask all present for a moment of silence for prayer or reflection on the innocent and heroic Americans who have borne the burden on behalf of our country over these last 10 days. If you wouldn't mind taking a moment of silence.

Thank you for observing that. I am, ladies and gentlemen, very honored to be the chairman of this committee; and with Mr. Evans, the ranking member, we intend to fulfill our obligations that this committee do the right and responsible thing for all of our veterans.

Our goal here is to promote healing, it is to promote restoration, and it is to promote recovery of those who have fallen on the hardest of times; and these are the veteran whose are homeless in America.

While providence smiles on this country, a few are left behind. A large number of veterans are counted among them. Estimates vary, but we believe that at least 225,000 American veterans are homeless on any given night. The *Independent Budget* suggested the number is closer to 275,000 who are homeless on any given night.

According to Secretary Bernardi, who will testify today, approximately 80 percent of those homeless are disabled. For these veterans, access to VA benefits, specialized services and housing alternatives are vital components to improvement of their prospects.

It is important to create and keep programs that give veterans the opportunity to become self-sufficient and to concentrate resources on programs that work. Some part of our government's homeless assistance programs ought to stress prevention. That is made again and again in the system that has been submitted to us as a strategy to help the homeless. Both bills before the committee today were drafted with a number of these goals in mind.

We know a majority of veterans who are homeless suffer from serious mental illness, and drug and alcohol abuse complicates their situations.

Many homeless veterans have been in jail. Absence of important anchors to society—like a job, family and housing—leads to increased utilization of medical resources in emergency rooms, VA and other public hospitals and, unfortunately, our country's police departments, jails, prisons and courtrooms. Thus, society pays for homelessness one way or the other; and this needs to change.

A full array of services may be available to veterans through VA medical facilities, but without coordination relief is temporary because veterans released from VA health care frequently are exposed to the same conditions that created the problems in the first place. That is why prevention and accountability are two important priorities for us. We need to find ways to prevent veterans from spiraling down to homelessness. But to be responsible we should also provide for them and their caregivers a sense of accountability.

I would like to review some of the important proposals of the bill, H.R. 2716.

(The attachment appears on p. 90.)

The CHAIRMAN. First, it would raise accountability of the three Federal departments most directly involved in homeless assistance to veterans: the VA, the Department of Labor and HUD.

It would improve and expand VA's homeless grant and per diem program and would authorize higher funding for the program. It also provides new mechanisms for setting and adjustment per diem payments and eliminates red tape.

The bill includes a small demonstration program to test a prevention hypotheses for incarcerated veterans. The purpose of this demonstration project would be to provide incarcerated veterans VA information, referral and counseling for job training, housing, health care, and other services to assist in their reintegration into society.

My bill would also authorize a small demonstration program to provide housing assistance to veterans in group homes with a goal of sobriety and self-governance. Field elements of the VA have helped sponsor 20 of those homes. It would also provide for a hundred more over a 2-year period.

I want to applaud my friend and colleague, the ranking member, Mr. Evans, for H.R. 936, a bill that has a number of good provisions on which I hope we can all find agreement. I look forward to working with the ranking member in trying to craft this legislation before we go to subcommittee and into full committee.

Let me also point out that the recent attacks on innocent Americans at the Pentagon and in New York and in Pennsylvania have shocked and traumatized thousands, perhaps millions of persons who witnessed them. Many continue to have nightmares, some have not returned to work, and some may be unable to continue leading productive lives, unable to do so because they have developed post-traumatic stress disorder.

The VA has been in the forefront, as all of you know, in efforts to improve treatment and diagnosis of this disorder, which affects a significant number of veterans, including many homeless veterans. The VA is a national resource for the treatment of persons with PTSD. I want to encourage officials planning recovery efforts to utilize the VA in responding to what is projected to be a significant upsurge in persons with this mental disorder. If additional funds are needed, this committee will do everything within its power to see that those funds are made available.

Let me just finally say, I deeply appreciate the input that we have gotten from a number of sources, but this year at the national memorial service for Memorial Day, the focus was on homeless veterans, and I did especially want to thank Jerry Colbert for the outstanding job that he did at that very important anniversary of Memorial Day out in front of the Capitol where the focus was on what we have done. The large numbers of individual cases that were highlighted during that ceremony were very riveting, and I think the challenge that was issued to each and every one of us is that we can and we must do more. So I want to thank Jerry for his leadership and for those who took part in that and who have gone on to discuss nationwide this often forgotten and under-focused-upon blight, and that is the fact that so many of our veterans are walking the street homeless. We need to step up to the plate and try to resolve that issue.

Again, I want to thank you; and I want to yield to Mr. Evans for comments that he may have.

OPENING STATEMENT OF HON. LANE EVANS, RANKING DEMOCRATIC MEMBER, COMMITTEE ON VETERANS' AFFAIRS

Mr. EVANS. Thank you.

I associate myself with what you have said about the homeless veterans and the other issues about PTSD because we have kept the PTSD program at the storefront counseling centers and fought for the funding through the Reagan and Clinton years. So we have accomplished something that we hope that we can expand upon.

I am very pleased that Heather French Henry is joining us today. She is a great advocate for homeless veterans.

I would just like to say a few words about what happened a week ago, and it is—you know, as the President has indicated, that war has changed in many ways as a result of this terrorist bombing, and that is true. We need to rethink some of the VA programs, and I am really not offering any proposals today, but I hope this committee would act on legislation that will affect veterans throughout this system.

Some time ago, I was at the Hermitage in St. Petersburg and took a tour in which the guides were mostly elderly women with what I thought was a combat award. I asked the tour guides, what is this award, and what is its meaning? And they said that this was a veterans medal for the people of Russia, and that it was used for everyone. And just as you have fellow veterans at that time in the military, to the extent that they should have been in, they couldn't understand us because they said that there—in the Soviet Union that every person was a veteran.

We may be coming to that. If we have other terrorist incidents, that may occur on the West Coast, East Coast, the South or the Midwest. There is going to be a price to be paid. And we have 172 hospitals in the VA hospital system that—many of which aren't up to speed. It is something that we are going to have to look at very closely because they are considered the back-up hospital system for the military.

I can tell you that we are helping. There are 172 facilities. But we want to keep them going. I could kick myself in the rear end at times for not objecting more to the analysis that we heard on this committee, again under Republican and Democratic administrations, that we could cut back on VA hospitals because World War II veterans were dying at a record pace and that we didn't need them anymore. We are finding that we may very much need them, and I think we ought to be consulting with each other about ideas that we may have, not to be enacting programs immediately. You have been a leader, Mr. Smith, and I would like to work with you in that regard.

Thank you.

[The prepared statement of Congressman Evans appears on p. 135.]

The CHAIRMAN. Mr. Evans, thank you very much. You know, there is a great sense of unity, obviously, in the country now as a result of last week's attack, but it has been a pleasure to work with you in a bipartisan way throughout. Having been on this committee for all of my 21 years and having served with you for so many years, I look forward to working with you on all of those issues. Thank you.

I would like to recognize the Chairman for our Benefits Subcommittee, Mr. Mike Simpson.

OPENING STATEMENT OF HON. MICHAEL K. SIMPSON, CHAIRMAN, SUBCOMMITTEE ON BENEFITS

Mr. SIMPSON. Thank you. I appreciate your comments, both the ranking member and yourself, for your comments; and thank you for the moment of silence.

For several reasons I am pleased that you convened this hearing today. First, in light of the acts against our Nation last week, there will be no doubt in anyone's mind that we are continuing to represent our constituents in the United States as a whole. More importantly, we are showing our dedication to the members of our Armed Forces who may very well see combat in the near future. Indeed, those who are serving our Nation benefit from the legislation we are discussing this afternoon.

I also want to thank our witnesses for their resolve.

Mrs. Heather French-Henry, it is heartening to know that you didn't abandon your platform when you passed your baton to the current Miss America. As a matter of fact, I understand that you were helping before you even began your reign as Ms. Kentucky. I applaud you for that.

While I look forward to hearing from all of our witnesses, I am looking forward to today's comments from the Veterans' Administration officials representing the Departments of Veterans' Affairs and HUD. While it seems that particular circumstances and situations may prevent a complete end to the homelessness, it is imperative that these departments, in conjunction with the Department of Labor, work together to get a handle on what can and needs to be done to help these veterans help themselves.

Again, I thank you for calling this hearing today, Mr. Chairman.

The CHAIRMAN. Thank you, Chairman Simpson.

I would like to recognize Mr. Rodriguez.

OPENING STATEMENT OF HON. CIRO D. RODRIGUEZ

Mr. RODRIGUEZ. Thank you, Mr. Chairman.

I also want to thank you and indicate I am real pleased with your remarks as well as the piece of legislation we have before us.

I know when I first came here less than 4 years ago I had real serious concerns that we were not doing enough. I still feel we are not doing enough. There is nothing worse than seeing our veterans out in the street unable to get a place to stay in and oftentimes self-medicating themselves. Because of the many problems they face—one of the concerns I continue to have from a mental health perspective is that we do not have sufficient programs that reach out. Because many homeless veterans are mentally ill, they are less likely to come in for services. Clearly, we need to reach out to them, and I note that there is some effort to do that with some of the resources provided in this legislation.

I also want to thank Miss America for her efforts and thank you for focusing attention on this issue which is not a very popular issue. Hopefully, it is becoming a little more popular with your efforts. But I do want to thank you, and hopefully we can make some gains.

Mr. Chairman, you mentioned post-traumatic stress disorder syndrome. I think there is no doubt that a lot of those veterans suffer from this. In the wake of the September 11 tragedy many

Americans will also suffer from PTSD symptoms such as irritability, insomnia, nightmares, anger and hatred that comes along with that, and blame displacement to.

Hopefully, we will continue to provide this much needed assistance as quickly as possible.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. Mr. Brown.

OPENING STATEMENT OF HON. HENRY E. BROWN

Mr. BROWN of South Carolina. Mr. Chairman, let me just say I appreciate the efforts that you have brought forth in support of veterans. I know when I ran for Congress—this is my freshman year—it was to—and the reason I wanted to be on this committee—to try to remedy some of the inequities that we find in the veteran population. I certainly applaud the sponsors of this particular bill. Note that I support it and I thank those in attendance.

I don't know if anybody is here from South Carolina, but it is a pleasure to represent you.

The CHAIRMAN. Ms. Berkley.

OPENING STATEMENT OF HON. SHELLEY BERKLEY

Ms. BERKLEY. I thank you, Mr. Chairman, and thank you very much for convening these hearings. It adds a little normalcy to my life, which I appreciate.

I would like to associate myself with both your remarks and the ranking member's remarks. I thought that they were eloquent under any circumstances but particularly in light of what has transpired in our Nation.

I am also especially pleased to welcome Heather French Henry. I am not sure she remembers me, but I remember when she came to Las Vegas. You know, we are quite accustomed to celebrities in Las Vegas, but I must say that she made an amazing impact, and I believe the mayor of Las Vegas has not quite recovered from her visit yet.

If I could just take a moment to share with you the Las Vegas economy and, you know, I boast of my hometown whenever I get a chance. I share with this committee that I have got the fastest-growing veterans population in the United State, and that is a remarkable community.

It has been fairly well devastated economically. We have one major industry in the city of Las Vegas, that is tourism; and, needless to say, in light of what has transpired nobody is traveling much and the Las Vegas hotels are quite empty.

But if I could just share with you the incredible amount of support that has poured out of Las Vegas. Each of the hotels has donated millions of dollars to the rescue efforts. Individual citizens have now distributed over $900 million in a shared effort to bring some relief to our fellow citizens in New York and Washington, DC, who have been hit so tragically. The lines to give blood are around the block. People are waiting for several hours just to give a pint of blood to show solidarity.

We have a search and rescue team from Las Vegas in New York City at ground zero as we speak, and our National Guard has been deployed to Egypt just to be there in case they are called to action.

I say this to contrast with you that 20 percent of my homeless population in Las Vegas are veterans. This is a very, very important issue for my hometown. The numbers are just staggering, as I know Miss America observed when she was there.

So I am particularly pleased that we could get moving on this issue. Because long after the United States ferrets out these terrorists and brings them to justice we will have these other problems. It may very well be exaggerated of what may occur over the next several months and years in this country.

So I think it is time we rolled up our sleeves and get this problem that our veterans have encountered. I thank you very much for holding this committee.

The CHAIRMAN. Thank you very much. Dr. Snyder. Mr. Filner.

OPENING STATEMENT OF HON. BOB FILNER

Mr. FILNER. Thank you, Mr. Chairman and Mr. Evans, for bringing these bills today. I think working together and incorporating elements of both bills before us will provide this committee with an opportunity to really help our homeless veterans.

I am an original sponsor of one of those bills, the Heather French Henry Homeless Veterans Assistance Act. I believe this addresses many of the problematic areas in VA health care.

When my subcommittee held a hearing this June on mental health, witnesses almost uniformly agreed that there were real problems in the mental health structure. Expensive, specialized programs are disappearing and mental health access in the less centralized health care system is, at best, spotty. We are also clear on the problems that have led to this scenario—scarce funding and overzealous attempts to manage costs, even at the expense of eliminating effective programs. It is clear that to help homeless veterans the most effective mental health programs must be available where and when veterans need them. There is no other way for the VA to succeed in helping this population.

We all know the statistics. One report estimates that as many as 350,000 veterans were homeless and received services during the year 1999.

The Southern California and the Nevada VISN 22 has the largest number of homeless veterans in the country, almost 52,000 of our veterans; and my city of San Diego has a good proportion of them.

In addition to the VA's challenge in managing the homeless veteran population, Mr. Chairman, we have serious problems with the VA safety net for mental health programs. Among those are the virtual gutting of the inpatient mental health capacity that has taken place in less than a decade, the failure to develop a viable community mental health infrastructure, and the significant decreases in our programs to help veterans address substance abuse disorders.

I believe that H.R. 936 offers a comprehensive approach that will allow us to address these situations.

The Heather French Henry Homeless Veterans Assistance Act is attempting to right the wrong that has led to the loss of VA mental health services in many areas across the country. These are the programs that homeless veterans need to pull their lives together,

to relearn basic living skills, including relating to others. Sadly, chemical dependency and social illnesses are often associated with homelessness and compound the problems veterans confront in getting their lives back on track.

Working together with you, Mr. Chairman, and combining the elements of the bills here, I believe that we can correct these problems.

I would like to associate myself with the various remarks that my colleagues have made on the events of September 11.

I would add that there will be pressure on us, Mr. Chairman, to push aside, quote, less important or less priority bills like these before us in an effort to meet the threat of terrorism. Certainly that is our first priority, but the terrorists will have won if we do not keep pushing on the areas that we know are so important to this Nation.

So I urge you, Mr. Chairman, to use your influence with the majority party's leadership so that some of these important things not be pushed aside and, if necessary, we revise our budget to allow us to fight the battle against the terrorists but also allow us to fight the battles that we need to do at home. If we only do one, again, we will have lost; the terrorists will have won.

So let's not forget these issues during this national emergency, and let us continue to be Americans and help those who need it the most.

The CHAIRMAN. Thanks, Mr. Filner. Your point is very well taken, especially since we have a division of labor. This committee can work while other committees are doing work, from the International Relations Committee to the Judiciary Committee to the Armed Services Committee; there is no reason why we can't move ahead without any diminution of our ability to get this passed.

I would like to invite our first panel to the witness table. The first panel is Dr. Frances Murphy, Deputy Under Secretary for Health, and Peter Dougherty, Director, Homeless Veterans Programs; and Roy A. Bernardi, Assistant Secretary for Community Planning and Development at HUD. And John Garrity will accompany Roy, who is the Director of the Office of Special Needs Assistance.

STATEMENTS OF FRANCES MURPHY, M.D., DEPUTY UNDER SECRETARY FOR HEALTH, DEPARTMENT OF VETERANS AFFAIRS, ACCOMPANIED BY PETER H. DOUGHERTY, DIRECTOR, HOMELESS VETERANS PROGRAMS; AND HON. ROY A. BERNARDI, ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, ACCOMPANIED BY JOHN B. GARRITY, DIRECTOR, OFFICE OF SPECIAL NEEDS ASSISTANCE

The CHAIRMAN. Dr. Murphy, you may begin.

STATEMENT OF FRANCES MURPHY, M.D.

Dr. MURPHY. I ask to put my full statement in the record.

The CHAIRMAN. Without objection. And all members, if they have additional comments that they would like to add.

Dr. MURPHY. Mr. Chairman, members of the committee, first, I would like to begin by saying how very proud I am of the contributions and the heroism of the VA staff over the past week in response to the horrendous terrorist activity that occurred in New York and in Washington. Not only have our staff in Washington and in New York City been working around the clock to overcome the events of last week but VA staff from around the country have stepped up and volunteered to work wherever they can.

We have a particular contribution to make to this Nation, as you have recognized, in trauma counseling, and we are ready to step forward to provide that counseling not only to veterans but in this time of need to the Nation.

With that, I am also pleased to be here to comment on H.R. 2716, the Homeless Veterans Assistance Act, the Act of 2001.

On the whole, VA supports H.R. 2716. However, with respect to some provisions, we recommend modifications consistent with the goals of the legislation or else seek the committee's further clarification of the proposals.

Today I would like to briefly go over the main provisions of the bill and provide the VA's views on these provisions. We support each of the proposed amendments in Section 3 of the bill, as they would significantly simplify and improve administration of VA's grants and per diem program. However, we suggest the recovery provision be patterned more closely after the recapture provisions applicable to VA's State Home Grant Program.

We would suggest recovery levels under Section 3 depend on when a grant recipient ceases to use the grant-funded property for the benefit of homeless veterans. It should also include language that would allow the United States to recapture used and unused grant funds from grantees where the grant funds have not been used for the purpose of homeless grant agreements.

We further suggest that the rate of the per diem payments permitted under the grants and per diem program be 85 percent of the domiciliary per diem rate paid to State Homes. This equates more closely to the actual costs of providing service.

However, we would recommend that we be able to make per diem payments under the program at less than the 85 percent rate where payment at the 85 percent rate would in fact exceed the grantee's actual costs. This would gave VA the flexibility to ensure that per diem funded programs have sufficient resources, while ensuring that the VA is not paying more than the grantees' actual costs.

New Section 2011 would continue to require that the real property of grant recipients meet fire and safety requirements established by the Secretary and not those applicable to buildings of the Federal Government. We recommend that this provision be modified to require grantee recipients to meet the fire and safety requirements established by the LifeSafety Code, National Fire Protection Association Standard 101, or any successor standard. These standards are widely accepted as national standards for fire and safety protection.

Section 4 would amend Section 8 of the Housing Act to require HUD to set aside Section 8 housing vouchers for homeless veterans. We fully support this amendment.

Section 5 would add a new section to 2035 Title 38 to require the Secretary to seek to enter into contracts with community agencies to provide representative payee services for homeless veterans who are not competent to manage their own personal funds.

This section is problematic. To the extent that this provision is intended to cover VA benefits of any type, it would seem to conflict with existing and very detailed programs for the disbursement of benefits to VA-appointed fiduciaries under 38 USC 55, et seq., and 38 CFR part 13.

Under part 13, VA provides for the appointment, supervision and regulation of fiduciaries for incompetent veterans. We have assumed that the term "not competent" in this section is intended to mean those whom VA would determine are not able to manage their own funds under VA's fiduciary program in part 13. If that is the case, we cannot support this provision. We recommend that the committee clarify the meaning of the term "not competent" for purposes of this section.

To the extent the provision would apply to a veteran's funds not derived from VA benefits, we assume the committee intends that VA condition participation in VA's programs for homeless veterans on a veteran's acceptance of the representative payee services.

We do not support Section 6, which would require the Secretary of Veterans' Affairs and the Secretary of Housing and Urban Development to jointly establish a methodology to monitor veterans who have been furnished any service under a VA of HUD program that provides assistance to homeless veterans and to identify any unmet demand by such veterans, because the scope and magnitude of the proposed study in this section in our view is well beyond the ability of either department to carry out. We would prefer to work with the committee to identify more feasible means of achieving the goals of this section.

Section 7 would modify various current enhanced-use authority with respect to how we selected lessees for enhanced-use leases. We believe our contract authority already provided this flexibility to us.

Section 8 would authorize the Secretary to establish up to 10 more domiciliary programs. It would authorize appropriations of $5 million for each of fiscal years 2003 and 2004.

While we support the program, we believe the provisions in this section are unnecessary because we already have sufficient authority to carry this out.

Section 9 would require the Secretary of Veterans' Affairs and the Secretary of Labor to carry out a demonstration project to determine the costs and benefits of providing referral, vocational guidance and counseling services to certain veterans regarding the benefits and services available to them within the VA and the State. We support this initiative.

Section 10, sir—may I finish my statement?

The CHAIRMAN. Yes.

Dr. MURPHY. Section 10 would require VA to carry out a grant program for non-profit entities providing independent housing units in group houses for veterans recovering from alcohol and other substance abuse disorders.

We do not believe that this grant program is necessary. Existing authority in 38 USC 1771 already permits us to obtain treatment and rehabilitative services in halfway houses and community treatment facilities. In effect, this program would authorize us to obtain the same services through an elaborate and difficult-to-administer grant program. We anticipate the program would cost as much to operate as the benefits that are provided.

Mr. Chairman, I would now like to address other pending legislation related to VA benefits for homeless veterans.

As you know, this summer we presented to the committee our official views on H.R. 936, a bill entitled the Heather French Homeless Veterans Assistance Act. In July of 2001 we provided testimony before the Senate on an identical version of the bill, S. 739.

Our positions on those bills' identical provisions remain unchanged at this time. For your convenience, my written statement reiterates our official views on these two bills. However, I would like to point out in August the Senate Veterans' Affairs Committee ordered reported an amended version of S. 739. The bill generally eliminated provisions to which the Department had voiced concerns. Accordingly, we favor this bill over the House version of that bill.

Mr. Chairman, that ends my statement. I want to reiterate our support of quality veterans' programs, particularly homeless veterans' programs and the provisions of this important legislation. I would be glad to answer any questions that you or any of the members have.

[The prepared statement of Dr. Murphy appears on p. 141.]

The CHAIRMAN. Secretary Bernardi.

STATEMENT OF HON. ROY A. BERNARDI

Mr. BERNARDI. Good afternoon, Chairman Smith, Ranking Members and other distinguished Members of the Committee on Veterans' Affairs.

This morning, when I left the house, our son Dante, who is 10 years old said, 'Daddy, what is your day like?'

"Well, I am speaking in front of the Committee on Veterans' Affairs concerning homelessness for veterans."

And he said to me, "that is really important." He is absolutely right. As I look at my children and I think as we look at all of our families, especially our youngsters and how they dealt with or are dealing with what occurred here on September 11, our hearts and our thoughts must go to our military people.

As we speak here this afternoon, they are on ships and they are in airplanes; they are heading east. And tonight, the President of the United States is going to outline, in some detail, what our future will be.

But I know full well, having only been in Washington for 2 months, this is my city now, and watching what happened at the Pentagon, having left New York where I was Mayor of the City of Syracuse until 2 months ago, and watching my good friend Rudolph Giuliani deal with the devastation in New York, we have some very difficult days ahead of us. As for the men and woman who serve in our Armed Forces—what a task they have ahead of them. We are all involved in this fight. It goes across party lines.

Everyone is, I hope, thinking the same thing: radicate these terrorists and restore some normalcy in our lives.

This Nation owes its veterans a tremendous debt for the sacrifices that have been made. They have made America strong and able to take on its aggressors. When a veteran joins the military, the Federal Government makes a contract with them that they will be cared for, and that is a promise that the Government will keep. Veterans who need our help must know that we will not turn our back on them.

For more than a half century, predating the creation of HUD itself, the Federal Government has worked specifically to meet the housing needs of this Nation's veterans. After World War II, HUD's Federal Housing Administration's mortgage insurance teamed up with the Department of Veterans Affairs and their mortgage guarantees to help returning veterans achieve the American dream of home ownership.

At least 600,000 people in this Country are homeless on any given night. The VA estimates that more than a quarter million are veterans; and, of those, approximately 80 percent are disabled. During the course of each year approximately half a million veterans find themselves without a home.

Many of these veterans have special needs or face extreme personal circumstances that propel them in and out of homelessness. Many have nowhere to go except back out on the street. They are unable to access homeless shelters or traditional housing. Their lives are revolving doors that again and again return them to homelessness.

Last July, in a speech before the National Alliance to End Homelessness, Secretary Martinez endorsed the goal of investing in a permanent solution to end chronic homelessness within 10 years. [The Bush administration is *reactivating* the Interagency Council on the Homeless as a first step.]

This Council was first established in 1987 to help streamline Washington's approach to homelessness by coordinating the efforts of 16 Federal agencies. Yet the Council has not met for more than 5 years. We are putting it back together. We are going to have the planning and coordination of the Federal housing programs. We are going to reduce the duplication, recommend improvements and offer assistance to our partners at the community level. This must be a team approach.

VA, of course, is a primary resource for homeless veterans, and we commend the Secretary for the exceptional service that they provide. HUD and VA share a number of cross-cutting responsibilities. For example, both agencies maintain separate programs that provide housing and supportive services to veterans. With a new emphasis on cooperation, we pledge to better coordinate with our counterparts at VA and other Federal agencies in order to serve the homeless veteran population more effectively and efficiently.

Working with national service organizations, HUD, in 1997, established HUDVET, a resource center for veterans through which we provide information on community-based programs and services, with an emphasis on veterans who are homeless. At the suggestion of veterans groups, an individual with special knowledge of

veterans' needs—who is himself a combat-disabled Vietnam veteran—oversees the HUDVET program.

That is Bill Pittman, our Director. He is with us here today.

On homeless assistance, HUD has the leading role in finding homes for the homeless, and that is appropriate. We have 36 years of experience in helping Americans find safe and affordable shelter. [HUD's homeless funding represents nearly three-fourths of all targeted McKinney Federal homeless assistance.]

The veterans assistance projects funded by HUD fall into one of two categories: those projects that primarily serve veterans and those projects that target veterans as one of any number of key populations to be served.

In 2000, HUD funded 68 projects targeted specifically to veterans and another 1,300 plus projects that served veterans among other groups. Based on the grantee reports submitted to HUD for 1999, HUD's homeless assistance programs served more than 160,000 homeless veterans.

HUD continues to reach out to help veterans' organizations in our grant applications by stressing the importance of serving veterans. In both the 2001 Continuum of Care Notice of Funding of Availability and the 2001 Continuum of Care application, applicants are asked to consider veterans when determining the groups they will serve.

In fiscal year 2002, there is a total of $1 billion requested for Homeless assistance grants and shelter plus care renewals.

Now there are major programs—I know my time is up.

The CHAIRMAN. Go ahead.

Mr. BERNARDI. We have the Shelter Plus Care, our Section 8 Moderate Rehabilitation and our Emergency Shelter Grants Programs.

Back in Syracuse, we used those Emergency Shelter Grants very, very effectively to take people and veterans off the street on a daily basis.

When it comes to Veterans Affairs, HUD administers a number of other programs that reach out to veterans and their families. They include HOME Investment Partnerships, Community Development Block Grants, Homeownership of Single-Family Homes and the Section 8 Homeownership Program, Lower-Income Rental Assistance, Section 202 Supportive Housing for the Elderly, Section 811 Supportive Housing for Persons with Disabilities, and the FHA Mortgage Insurance Programs.

The Department has initiated an effort to develop and disseminate information based on organizations serving the homeless veterans.

In the coming years, HUD will make the goals of preventing homelessness and ending chronic homelessness as high a priority as that of housing the already homeless. We can do this by ensuring that individuals who pass through mainstream social services—such as mental health, welfare and the criminal justice systems, as was mentioned earlier—do not move back into homelessness as we administer these programs.

I, along with Secretary Martinez, pledge to you all of our efforts, working with the VA and other organizations, to do everything that

we can to eradicate homelessness in our country. The chronically homeless are out there each and every day.

We look forward to working together with the Members of this Committee and our partners in the Federal Government, and I thank you very much for your leadership and the members of this Committee for the opportunity to be here.

The CHAIRMAN. Thank you very much, Assistant Secretary Bernardi.

[The prepared statement of Mr. Bernardi appears on p. 176.]

The CHAIRMAN. We appreciate both of your testimonies.

I could start with you, Secretary Bernardi.

For the sake of the record, perhaps you might want to make some comments on it specifically as to how you feel about H.R. 2716. I think it is very important that we get HUD's perspective very clearly on the record with regards to each section.

I appreciated the overall roster you gave us about HUD programs, and we often hear that some of HUD's programs for the homeless do filter down or trickle down to reach the veteran.

Linda, I think makes a good point as the Executive Director of the National Coalition For Homeless Veterans, when she pointed out that historically only 3 percent of these grants—talking about the SLP grants—are awarded to veteran-specific programs. Three percent, when a quarter of the homeless are veterans.

And you point out in your testimony that there are 160,000 homeless veterans. I thank you for your honesty in pointing out that some are double and perhaps triple or quadruple counted. We don't know. It is not delineated in your testimony that we seem to be reaching far less of those veterans than we ought to, notwithstanding the efforts by the VA.

So if you could provide that and maybe give some response to that 3 percent of grants either for the record or today to us.

Mr. BERNARDI. Well, Mr. Chairman, everything is on the table at HUD as we go through our budgetary process. I know the Secretary feels very strongly about this, but at this point in time, I can't give any more information on that particular bill.

The CHAIRMAN. Let me go to Dr. Murphy, if I may. On page 10 of your testimony you tell us that the provision authorizing VA for domiciliaries is unnecessary. How many new VA domiciliaries do you have planned and where are they?

Before we worked on drafting this bill, we have had some good consultation with the VA as to the efficacy rate of those who have gone through the domiciliary and how well off they are at the end of that process vis-a-vis other modalities that may be used to try to help our homeless veterans. I mean, why wouldn't you want this additional resource when we are awash in homeless veterans who need the kind of services a domiciliary can provide?

Dr. MURPHY. We do believe that the domiciliary is an effective way to provide care. The statistics on the outcomes for homeless veterans who have been in the domiciliary programs are very good.

A direct comparison between the effectiveness of domiciliary programs and the effectiveness of our other homeless programs is difficult because there may be some bias introduced by the selection criteria. We have very stringent selection criteria for the domiciliary programs and haven't been able to sort out how much that

affects their results. We do support the domiciliary care for homeless programs.

As you will note, in our 2002 budget, we requested a $1.4 million increase in the Homeless Veterans Program funding, all funding for 2002 was requested at $36 million.

The CHAIRMAN. Would it be fair to characterize that as a benign objection? You think it is unnecessary, but you are not against it?

Dr. MURPHY. We believe that we have the authority to establish these programs and don't feel that the provision is necessary. But I would agree with your characterization that it is a benign disagreement.

The CHAIRMAN. But are you at the planning stage for any new domiciliaries?

Dr. MURPHY. I don't know that for——

The CHAIRMAN. Get back to us.

You are concerned about our proposed changes for lease authority and state that you already have sufficient authority and can use the authority to establish homeless programs for veterans. Can you tell us how many of these the VA has done under this authority, where these facilities are located, and describe the kinds of services that they provided?

Mr. DOUGHERTY. Mr. Chairman, there are several enhanced use leases that have been done by the VA. Two that come to mind, one is in Vancouver campus and one is at Roseburg in Oregon. Both of those enhanced use leases are ones that are involved with public housing authorities. Being homeless is one of those conditions by which I might get into that housing.

There are several enhanced use leases that are pending before the Department in several areas that I am familiar with, but they have not yet been approved.

The CHAIRMAN. Have any of those been done within the last year or two?

Mr. DOUGHERTY. The program at Roseburg just opened—had its formal opening.

The CHAIRMAN. When was the actual lease?

Mr. DOUGHERTY. When did it begin?

The CHAIRMAN. Yes.

Mr. DOUGHERTY. The process began about 3 years ago.

The CHAIRMAN. Would that be the most recent?

Mr. DOUGHERTY. Yes, except for the ones that I am indicating are still in the works today.

The CHAIRMAN. Would your opposition be soft or hard?

Mr. DOUGHERTY. Depends on who you ask.

Dr. MURPHY. Again, we believe that we have the authority to do this. And by specifying in legislation this authority, we think it proves it is confusing to the program. We believe we already exercise this authority very well in the enhanced use leases that are currently under development.

The CHAIRMAN. I ask the indulgence of my colleagues, if they go over their five, within some parameter we can add extra time to you.

But one question, and it is an important one. The Secretary testified before this committee in March of this year that the agency had almost completed the steps needed to begin making loans for

transitional housing programs for homeless vets. This program was enacted by the Congress and signed by the President almost 3 years ago.

In the Secretary's statements he said the VA hoped to, and I quote, to be able to issue the RFPs before the end of the fiscal year. Obviously, that is September 30. We have recently been advised that the agency has not completed the steps outlined in the March testimony. In addition, there is evidence of footdragging and indecisiveness about how best to implement this program.

I would like to ask you to convey to the Secretary my request that he review the management of this program, and could you advise the committee why the agency was apparently unable to complete implementation by the date stated in the March testimony?

Dr. MURPHY. We are very disappointed that we have not been able to implement this program in 3 years.

Unfortunately, in the beginning of the calendar year 2001, we were awaiting approval for a waiver for a hundred percent guarantee of the loans. Once we obtained that waiver, we have proceeded quickly through negotiations with our contractor. The issuer of the loans will be the Federal Finance Bank.

We did complete negotiations with the contractor on the purchase order, and we believe that the contractor will be able to complete their tasks 2 and 3 by the beginning of calendar year 2002.

We expect that the request for proposals will be submitted at the beginning of the 2002 calendar year and that the RFPs will close about 6 to 7 months after that.

We apologize for the delay. The administration of this program has been more difficult than we had anticipated, but we are moving out briskly.

I have met with the contractors personally, as I know the Secretary has; and we are anxious to implement this program.

The CHAIRMAN. Thank you.

The Chair recognize Mr. Evans.

Mr. EVANS. Dr. Murphy, could you explain to us why the VA opposes providing a $5.40 a day increase for food and drug centers for homeless veterans? That is an increase of $5.40 per day to provide food and shelter to homeless veterans.

VA seems to suggest that this amount is too great, given the differences in services provided by community-based organizations versus State domiciliaries. Is there any evidence to support this assumption?

Dr. MURPHY. We felt that 85 percent of the State home per diem rate would adequately reimburse the grantees; and, you know, we feel that to make best use of our appropriated dollars we should not be paying more for the services than the actual cost of those services.

Mr. EVANS. Is that 85 percent based on any data that you have accumulated?

Dr. MURPHY. It is based on what we know of the cost of the per diem in the current contracts.

Mr. EVANS. Have you recently gone to a domiciliary home?

Dr. MURPHY. Have I recently gone out to some of—the grants per diem sites? I have been to programs recently, yes, sir.

Mr. EVANS. Okay. My bill proposes funding for technical assistance to community-based organizations, including faith-based organizations. I understand the VA opposes this. Can you tell us what the basis of your opposition is?

Mr. DOUGHERTY. Mr. Evans, I think the opposition of the Department is based on the fact that in the present cycle we have about $10 million available. We are providing under the grants and per diem program funds for new grants. It seems to us that $750,000 is an extraordinary amount to spend to get assistance to write grants when we have more than enough applicants who are applying for funding than we are able to fund under the present scenario. To divert some of the money from the actual implementation of new programs to give people more information about how to apply didn't seem to be a high priority.

Mr. EVANS. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Evans.

The Chair recognizes the chairman of the Benefits Subcommittee, the distinguished gentleman, Mr. Simpson.

Mr. SIMPSON. Thank you very much.

Dr. Murphy, in response to the chairman's question you said that the administration of the program you have been referring to is more difficult to administer than you anticipated and consequently you were behind. Why is that?

Dr. MURPHY. The loan guarantee program for multifamily transitional housing is a type of loan program that VA did not have a lot of experience in administering. We hired a contractor who has been working very effectively with us, but, again, one of the keys to the effectiveness of this program was getting the waiver and approval for the 100 percent guarantee of the loans. We felt that the program would not be successful without that, and unfortunately we were not able to obtain that until February of 2001. Since then, we have moved ahead as quickly as we can, and we will be getting the RFPs out at the beginning of the next calendar year.

Mr. SIMPSON. Why was it difficult to get the waiver?

Dr. MURPHY. We needed the support of OMB and others in the administration, and they felt that there were other ways to approach this program. We ultimately convinced them of the importance of the 100 percent guarantee to the success of the program, and now we are moving forward.

Mr. SIMPSON. I guess the thing that is frustrating is when it takes 3 years to institute something and we are trying to do something to address this issue of homeless veterans and so forth and we pass legislation and we anticipate that it is going to be acted on and then it takes 3 years to get it moving, it seems like a bureaucratic mess, if you will, to try to get anything done. I don't blame that on you. I don't know if it is our fault, your fault. What can we do to actually get something in place to work?

Dr. MURPHY. I share your frustration over this because the program, I believe, will add to our ability to address the needs of homeless veterans, and we would be happy to work with you and committee staff in trying to correct any future programs that are set up so that we don't run into some of these snaffus.

Mr. SIMPSON. I think that is one of the key things we need to do is look at, between the administration and us, of ways to

streamline this so it is not something that the veterans are expecting that we are going to do. We pass something and then we all do press on it and we find out 3 years later that it is not happening because of us or you or a combination or both. And I don't want to throw the blame on you. We sometimes pass things that are a little difficult to do.

One example here is I noticed in Section 6 of H.R. 2716 that would require you to establish methodology to monitor veterans who have been furnished any service under the VA or HUD program that provides assistance to homeless veterans and to identify any unmet demands by such veterans. That sounds like a good thing, but you also said it would be a complex, massive and costly administrative undertaking. The goal that we are trying to do is get information to help us make decisions. Any idea on how to make it a less costly, complex, and massive way?

Dr. MURPHY. We can collect portions of that information without too much difficulty. In order to address the scope of the data collection and the monitoring that is written into this piece of legislation, we estimate that it would cost $1,000 per veteran per year to actually collect this type of information. VA treats about 88,000 veterans, and so the costs of just this portion of the bill is estimated at upwards of $88 million. I don't think that that is really what the committee intended. However, we would like to work with you in developing better data and better monitoring systems for these programs.

We do recognize that it is a priority, and we would be happy to tell you what we can do easily and work together towards improving our data system for the future.

Mr. SIMPSON. Thank you for your testimony. I look forward to working with you to try to improve this, and I anticipate that the people that work at the VA are like this committee, that we would like to see a can-do attitude and find ways to get this done, rather than ways to not get it done, if you will. So I look forward to working with you. Thank you.

The CHAIRMAN. Thank you, Chairman Simpson. Mr. Rodriguez.

Mr. RODRIGUEZ. Thank you, Mr. Chairman.

Dr. Murphy, as we talk about VA services for the homeless—and I am real pleased to see this legislation because I think it is really needed, I think we need to touch also on another issue. We have heard testimony in the past from the VA that since 1995 they have been able to cut 50 percent of the beds in some areas. In addition, we have received testimony from others that, because of the lack of inpatient beds, veterans suffering from substance abuse and addiction have been turned out.

So in addition to implementing any new programs outlined in this bill, the VA needs to adopt a philosophy that is a little more responsive to this population. I want to get some feedback because I know we must have told a whole bunch of homeless veterans, sorry, we don't have a place for you. Do we have any data on that, on the number of people that we turned away because the number of substance abuse slots was decreased?

Dr. MURPHY. I am not aware that we have been turning veterans away for substance——

Mr. RODRIGUEZ. You are aware that we have cut down on the number of beds, right——

Dr. MURPHY. That is correct.

Mr. RODRIGUEZ (continuing). From 95 to 50 percent. Many have argued that because of this we prevented a lot of homeless veterans from accessing the necessary services to treat addiction.

Dr. MURPHY. Substance abuse is a large problem for veterans and particularly for homeless veterans, and we have been disappointed that again this year the capacity report shows that we have not met the 1996 capacity requirement for substance abuse. We will be focusing attention within the Veterans Health Administration on our substance abuse programs, number one, trying to understand better what veterans needs are, and the regional differences in the programs. We would like to have consistently available high-quality programs in this area. That will be a focus for us over the next year.

Mr. RODRIGUEZ. That is important, but it is also important to have VA providers with a good, positive attitude. Because I know it is hard to work with the homeless, especially those that are drug addicts or are mentally ill, it is important to have a special type of worker that gets out of that office and reaches out to those veterans who may live under bridges or on the streets.

Dr. MURPHY. I am actually particularly proud of the staff we have working in the homeless programs. I think they are some of the most dedicated——

Mr. RODRIGUEZ. Those that you have there, I would agree have to be because they have to be special to work in that area. I am just concerned we don't have enough of those special people and that we might have some others who are turning people away. Thank you.

The CHAIRMAN. Thank you, Mr. Rodriguez.

I see Ms. Berkley has left. Dr. Snyder.

Mr. SNYDER. Thank you, Mr. Chairman.

Dr. Murphy, what is your assessment of the cost of these two bills respectively?

Dr. MURPHY. We believe that the difference in cost for the—that at $19 per day for the per diem program, the cost would be about $18 million. At the $24 a day, it is up over $23 million. The difference in cost would be $5 million between our proposal and the current bill proposal.

Mr. SNYDER. I am asking about the total cost for the two respective bills, H.R. 936 and H.R. 2716.

Dr. MURPHY. I don't have the total cost figure. There were portions of the bill that we actually could not give very good cost measures for because we needed some clarification on exactly what the bills proposed. However, if you would like VA to try to clarify those points with committee staff and give you a cost estimate for the overall bill, we will do that in the near future.

Mr. SNYDER. Are you all potentially alarmed by the cost of the bills, or do you think they are in the ballpark of what you all can handle?

Dr. MURPHY. I think that the cost particularly for the methodology and the study of services furnished for homeless veterans concerns me. I think that provision won't give us the benefits for the

magnitude of cost that would be incurred for it. So I would like to see that provision be revised significantly or deleted from the bill. Some of the other costs are not so high.

I would just say that I am concerned about additional unfunded mandates for 2002 because we are going into a year where I expect that the budget is already extremely tight and if we have additional requirements for DOD contingency backup we may not be able to meet those demands.

I think that some of the costs, again, we could cover through efficiencies that we could gain from our other programs. So I think that, you know, with the deletion of some of the provisions that we have opposed, the costs are not exorbitant for this bill.

Mr. SNYDER. On page 12 you made some comments about this grant program for nonprofit entities for these group houses. I interpret your analysis there to be beyond benign objection. You just don't think it is a very good idea?

Dr. MURPHY. That is correct.

Mr. SNYDER. It has some very specific criteria in these programs. The majority vote by the residents controls the rules. Somebody has obviously seen the program somewhere and wants to fund more of them, but then the total amount of grant money is very small. Your point is that the administrative aspects of it would probably have pretty minimal impact, I would think?

Dr. MURPHY. We don't believe that this will add to our authority to provide these services for veterans, and it will—because of the additional administrative cost incurred we will end up spending money on administering a program rather than delivering services to homeless veterans, and that is the reason for our opposition.

Mr. SNYDER. Are you currently administering grants to programs that have no more than 10 veterans, or do you intend to provide services to programs that have larger numbers than that?

Dr. MURPHY. We don't have any grants of that size.

Mr. SNYDER. I want to come back to your comments, I think it was from the chairman about the domiciliary, the conversation you had about Roseburg and so on, and you described your objections as benign. Is what you were saying that, while the numbers look good on those kinds of programs, in fact you would like the discretion to use the dollars you have available because it may well be there are other programs that are just as effective that may in fact deal with even more difficult-to-treat homeless veterans because domiciliaries have a self-selection process? Is basically what you are asking for, give us some flexibility to come up with the programs that best meet the needs of the geographic area? I am not sure what you were saying.

Dr. MURPHY. We believe that the health care for homeless veterans contracts, the domiciliaries and the grants and per diem programs should be blended based on the medical needs and the local requirements for health care; and the domiciliary programs are more expensive per capita than either the grants and per diem program or the HCH fee programs.

Mr. SNYDER. Before my time is up, you brought up the topic of this study, and I always get a little apprehensive when I see legislated mandated studies. I know that you all are concerned about the delivery and the effectiveness of delivery of health care serv-

ices, particularly when you are dealing with areas of social service needs combined with health needs, homelessness—medical needs combined with drug addictions and alcohol addictions is a bad combination. If you throw in schizophrenic with drug abuse, it is a real challenge.

Do you have ongoing studies that you are looking at with the chairman, the sponsors to try to get at?

Dr. MURPHY. We are trying to address this with our Health Services Research Program and through MIREC, our Mental Illness Research Education Centers. We believe that we can do those studies through those existing mechanisms without the legislation.

Mr. SNYDER. Thank you, Mr. Chairman.

The CHAIRMAN. Would the gentleman yield?

Mr. SNYDER. I will yield all my remaining time to you, Mr. Chairman.

The CHAIRMAN. VISN's 11 and 19 don't have a domiciliary program. Aren't there sufficient justifications for having such a program there?

Dr. MURPHY. We can look into the reasons for their not having domiciliary programs and provide the information for the record.

The CHAIRMAN. I appreciate that. Dr. Filner—Mr. Filner.

Mr. FILNER. I have always been doctor.

Dr. Murphy, have you been to any of the standdowns that are been held around the country?

Dr. MURPHY. I have not been to the standdowns, but I have visited all of the facilities in the Washington area that VA has for homeless veterans.

Mr. FILNER. I would advise you to go. The first standdown was held in San Diego, I think in 1987, and I have been to every one in San Diego. And I will tell you I give the standard speech ever since standdown number 10 or so, which says I hope I don't have to come back to another one. The energy there, the incredible sense of purpose, the sense of caring, the community coming together is wonderful, but what the standdowns show is that we can deal with this problem as a Nation. People come together and meet the total needs of homeless people, whether it is job counseling, medical care, legal problems, clothing, counseling. And for 3 days people are brought together, and they actually deal with the real issues, and it is just incredibly moving to see what occurs.

But I am saying, what happens to the other 363 days of the year? We can do this as a Nation, we can do this as a VA, and yet I don't see the taking up of this challenge. These are *our* veterans on the street. This should not stand, and we should be angry, we should be jumping up and down and get out of some of the bureaucratic language that we use, and you should be demanding the resources that are needed to deal with this problem. Don't tell us you don't have enough, but demand that we provide you with what you need.

I am going to pick one part of your testimony that I cannot understand. You testified that you oppose the provision of dental care services. Now, I think we all underestimate, until we have been to a standdown, dental care. Most of us take for granted our smiles. I venture to say that Miss America would not be Miss America without that wonderful smile. Would you agree with me?

Folks who don't have dental care for a long period of time cannot deal with society. Forget everything else. If you are afraid to open your mouth, if you don't have the confidence that you can deal with other people by talking and smiling and engaging in human activity, you are dead as far as the social aspects. I see people in the audience nodding their heads in agreement. Your own challenge report says we ought to provide dental care.

One of the key things I see happening when the folks get some attention, they come out. They walk taller. They can smile. It is incredible. And yet you oppose it. I don't understand that at all. I don't think you would in the abstract. And your reason that you oppose it is not even lack of resources, it is that it would result in a disparity of access among equally deserving veterans. Hello? Because we can't do everything for everybody we should not do it for somebody that absolutely, critically needs it?

It is so important as part of a full range of care, and besides, if you use that argument, then we would do nothing for anybody. I would say let's get every deserving veteran dental care but not deny it to this group of folks.

Do you want to comment on any of that?

Dr. MURPHY. I would love to.

The VA would like to provide everything every veteran needs in terms of both medical care and dental care, but we have some limitations that are budgetary in nature and other limitations in authority. We don't provide dental care to every veteran who is enrolled in our system. This provision required us to provide dental care to all homeless veterans and some with mental health problems.

We think a better proposal would be to provide dental care that is medically necessary for those homeless veterans who are enrolled in our rehabilitation programs so that it is part of a package of treatment that we provide. There are any number of very deserving veterans who don't get eligibility for dental services they need, and so we would recommend a revision to that provision.

Mr. FILNER. I find that very disconcerting, and I also find it very, I guess, symbolic of the response here. That is, because we can't do it for all groups we are not going to do it for this group. We have a particularly vulnerable and a particularly morally obnoxious situation that his should not stand in this Nation. People who have served in our Armed Forces are on the streets. It is pure and simple. We should eliminate this. And it seems to me that we should find every reason to do it, as opposed to finding every reason not to do it; and until you all have that attitude I am very pessimistic that we are going to be dealing with this in a way we should.

You should be at those standdowns, Dr. Murphy. I can't believe that in 14 years of this kind of thing you never have seen one. It doesn't seem like you get out of the building that you work in because you don't seem to be aware of what is going on in reality. I find that very upsetting, and I am sorry I have to say that.

But this Congress is going to work on this. I know this chairman and our ranking member have been committed to this. There are people around the country that are going to commit to this. We are going to do this in spite of some of the folks at the VA because our veterans deserve it, and we are going to do it.

The CHAIRMAN. Thank you, Mr. Filner.

Before recognizing Mr. Simmons, Mr. Evans has an additional follow-up.

Mr. EVANS. Thank you, Mr. Chairman.

On July 21, the *Washington Post* reported Secretary Martinez—I am sorry, Mr. Chairman.

The CHAIRMAN. Okay. Mr. Simmons.

OPENING STATEMENT OF HON. ROB SIMMONS

Mr. SIMMONS. Thank you, Mr. Chairman.

I think what we have before us today is a Hobson's choice or a series of good choices. We basically have two good bills with a common purpose, and the common purpose is to help homeless veterans.

I happen to be an original cosponsor of H.R. 2716, and I will just briefly give out a couple of things that I think are important about this bill. I am a Vietnam veteran, and I have dealt a lot with Vietnam veterans, and it is my opinion that a homeless veteran who has mental difficulties, mental illness, really can't be at home in a house if he is not at home in his own head. So that is a very important feature of this type of legislation. The provision of housing in and of itself is not good enough, especially for those who have mental illness or substance abuse.

So H.R. 2716 addresses that issue. It addresses the issue that you can put a veteran in a home or housing and yet, if you don't track him or have a case manager, the other issues are eventually going to put him back out in the street.

So, again, the idea of having increasing case managers is critical. That is what I call the hand up instead of just the handout. The tracking, some of these issues come and go, so you have to keep track of your veterans. If you lose him out at one facility, is there some way of picking him up at another location? It not only serves the veteran better but I think it saves costs within the system.

Finally, because I hope we merge these two bills in some respects, let me speak briefly on the issue of dental health care. I spent 10 years in the Connecticut General Assembly on the Public Safety Committee, and I toured a lot of prisons. One of the things that happens with prisoners is they get dental health care. They get in some of those prisons better dental care than I get at my family dentist. In those instances I don't think we are necessarily preparing to find them a job, which is one of the caveats here, and we are probably not giving them the dental care so that they can smile and interact. If we can provide dental care to our prisoners, why can't we provide dental care to our veterans?

I was late to the meeting because I was speaking on the defense authorization bill which is up on the floor. We are in the process, due to the events last week, of creating a whole new group of veterans, the veterans of Operation Just Cause, and that is going to be an expensive proposition for our country. So when I look at—see and hear that perhaps the difference between these two bills is $5 million and I know that billions were authorized for this terrible attack and billions more will be forthcoming from our Treasury, I think these dollars are relatively inconsequential. If we don't honor our veterans today, we won't have veterans in the future.

I think that is a fundamental imperative of our country, to provide for the national defense, which is a constitutional obligation.

So, that being said, I would hope that the panelists and others would help us to move forward perhaps with a combined version of these two bills, taking the best from each and carrying it forward.

Thank you all very much. I would be happy to hear any comments, if you have any.

The CHAIRMAN. Did you want to respond?

Dr. MURPHY. I would just say that the budgetary impact of the provisions in this bill are not inconsequential, and to implement them in 2002 as an unfunded mandate will mean that we will have to balance that against other programs, meaning there will be cuts in other areas. If that is the will of this committee, we will do that.

Mr. SIMMONS. We have discussed other—do I still have time, Mr. Chairman?

The CHAIRMAN. Sure.

Mr. SIMMONS. We have discussed other issues before this committee, and one of the issues that always puzzled me was some of the duplication of effort that we have within the VA. If a veteran goes to a doctor and gets scrip and goes to the VA, he has to visit another doctor, make an appointment, and go through that whole process once again. I just think there are ways of accomplishing these tasks, and if we have the right attitude we can do it.

I think that these problems are not as big as we might think, but we have to have a positive attitude, just the way in the past many veterans have had a positive attitude about what they have had to accomplish in their tasks in their service, not only in this country but abroad—a can-do attitude. That is what makes this country great and what makes veterans great people, and that is what should characterize the VA. Thank you.

The CHAIRMAN. Thank you, Mr. Simmons. Mr. Evans.

Mr. EVANS. Thank you, Mr. Chairman.

On July 21, Secretary Bernardi, referring to an interagency council on the homeless, said it is time to reawaken this valuable tool and put it back to work. The council will have a staff director by next week and a budget of $5,000, HUD officials said. Since these comments on July 20, has HUD activated an interagency council on homeless? How many times has it met? Who is the director and what is the budget for the council? What are the Federal resources that will be required to end homelessness in 10 years?

Despite HUD's strategy to end chronic homelessness in 10 years, how much will the Federal Government need to spend to achieve this goal? Does the President share your commitment to ending homeless in a decade? What is your definition of chronic homelessness?

Obviously this can be answered by putting it into the record, but if if you'd like to respond now, please do.

Mr. BERNARDI. Chronic homelessness is defined by some as living on the street, under a bridge, or in a park and basically is not in a shelter for a period of time. Secretary Martinez and the Interagency Council on the Homeless, as I understand it, very soon will be making an appointment for a director to that particular position; and a budget is being formulated. I don't have the amount of

money that is going to be requested, but I will get back to you on that.

Mr. EVANS. That will be great; and I ask that the question and its answer be included in the record, Mr. Chairman.

The CHAIRMAN. Without objection.

(The information follows:)

Interagency Council on the Homeless

The Fiscal Year 2002 Budget request for the Interagency Council on the Homeless is $500,000.

The CHAIRMAN. The chairman of our Health Subcommittee, Jerry Moran.

Mr. MORAN. No questions. Thank you.

The CHAIRMAN. The chair recognizes Ms. Carson.

OPENING STATEMENT OF HON. JULIA CARSON

Ms. CARSON. Thank you very much, Mr. Chairman.

Let me be brief because the committee is going to have to go vote pretty soon, but let me explain that, prior to coming to Congress, I headed up a welfare agency and our emphasis was on homelessness. We would go out in subzero weather and find homeless people and give them blankets and make sure they would eat. Because some of them didn't want to go into facilities.

Since I have been a member of Congress, I donated an apartment building I had to the homeless veterans; and the Secretary of the VA was out dedicating the homeless shelter that I had given because I wanted to do something, wanted to leave something for people who we can never repay for all they have done for us.

When I was coming into Dulles last night—I realized well before then that we are creating a whole new cadre of veterans because we have this catastrophe and we are going to be dealing with this. So the rigors of war are so devastating, and I was proud that Congressman Simmons is here in Congress because I know a lot of Vietnam veterans that don't have the personna that he illustrates here today in my ranking member veteran.

I come from a family of veterans, so that is why I am here. But I am concerned especially when we talk about the cost of undergirding veterans and to do less than what they are asking for here today means that a lot of those veterans end up in prison. I am astounded at the number of veterans that we have who are incarcerated in prisons across this country as we speak, and it is far more expensive to have a veteran incarcerated in a prison, up to $40,000 a year, than it is to ensure the well-being of a veteran who is not inside of a prison.

And I am unwilling to talk about cost. I think it is too costly if we don't. And I want to ask the HUD guy—I am sorry. I get emotional about this—Bernardi—I am sorry.

Mr. BERNARDI. That is okay.

Ms. CARSON. I really get upset when people talk about keeping money from veterans. We owe it to them. We should not be trying to decide how we are going to save money on the back of somebody who saved us and preserved our freedom.

But the HUD-VASH program provides permanent housing to the Section 8 voucher and ongoing treatment services under the VA case management to the hardest-to-serve homeless mentally ill. You do that?

We know in the marketplace that a lot of landlords don't want the amount of Section 8 vouchers that you provide for these kind of clientele, and I was wondering if there are any plans to ensure that we reduce the number of inadequate opportunities for housing for veterans. If you were thinking about increasing the value of vouchers so that veterans are not forced back into the shelters but rather would be able to use the marketplace for——

Mr. BERNARDI. Madam Congresswoman, the HUD-VASH program in the early 1990s covered nearly 2,000 veterans, of which I think most are still actively participating in the program. That was a 10-year program, and it was renewed each and every year.

Presently, we are looking at whether we can support that in our budget discussions. I agree we need to do what we can. Obviously, we want to make sure that, in all of our programs, a significant percentage of all our funded projects go to help veterans. The homeless issue is pervasive throughout our society, but as we all know there is a tremendous number of veterans who are homeless on the street each and every day, and the HUD-VASH program is just one away in which Housing and Urban Development works to try to eradicate homelessness.

We will look at it and get back to you as soon as we can with what our budget constraints are going to be.

(The information follows:)

HUD–VA Program

The Department is generally supportive of the proposals made in H.R. 2716 to the extent that they address the on-going plight of homeless veterans who gave so much for the preservation of our Nation. The Department takes very seriously its current responsibilities under the McKinney-Vento Homeless Assistance Act to assist homeless Americans, including veterans, in locating appropriate supportive housing opportunities. As you know, the President signed the Homeless Veterans Comprehensive Assistance Act (Public Law 107–95) December 21, 2001. We will continue to implement all provisions of current law and will fully and effectively implement each of the provisions of Public Law 107–95 applicable to HUD.

Ms. CARSON. I want to commend—Mr. Chairman, I see Heather French, Miss America, is in the audience and I think Heather French is the one that makes America beautiful because when she was Miss America that was the project she took to undergird the well-being of our veterans. It served her well because she got married to the Lieutenant Governor of Kentucky. So I want to congratulate her.

My final question, Mr. Chairman and Mr. Ranking Member, can HUD enforce fair rent practices? Do you have that authority? Can you enforce a fair rent market in the marketplace for your Section 8 vouchers ?

Mr. GARRITY. The fair——

Ms. CARSON. For example, if I was renting an apartment and everybody paid $300 a month—and that is not going to happen anywhere—and I knew I was going to get a Section 8 voucher, could

I charge $800 or do you enforce the fair rent practice, given the marketplace at that particular time?

Mr. GARRITY. We pay the differential between 30 percent of the person's income and fair market rent for each community. That changes each year, and we do enforce it. That is the amount on which the value of the voucher is based.

Ms. CARSON. But you gauge on what others are paying without the vouchers?

Mr. GARRITY. It depends on the rental cost in the area. The fair market rent is based on a survey of the rental costs in that community so, yes, it varies by community, and it is much higher in New York and San Francisco than it would be in Columbus, for instance.

Ms. CARSON. But you enforce the fair market then on your vouchers.

Mr. GARRITY. Yes.

Ms. CARSON. Thank you, Mr. Chairman.

The CHAIRMAN. Let me just ask, Mr. Bernardi, if you can get back to us on the HUD-VASH program that Dr. Murphy has testified is a resounding success. We are looking at a double number, but it is still a very small number we are talking about to get to the 2000 Section 8 program units over a 3-year period. It seems very modest to me. I don't know what the full universe of Section 8s are. Maybe it is a million or something of that magnitude. What is the number? Do you know?

Mr. GARRITY. I do not know the number——

The CHAIRMAN. But it is a very large number, to be sure.

Mr. GARRITY. Yes.

The CHAIRMAN. And we are looking for a very small but not insignificant allocation that would be guaranteed and reserved for our veterans because so many of them still obviously are falling through the cracks.

I know Dr. Snyder had one follow-up question before saying thank you to our panel.

Mr. SNYDER. Just one follow-up question about the line of thought that Mr. Filner was preceding about, about dental care. As I understood your thought, you said it would be better if it was part of a program of rehabilitation. But as I read Section 12, it seems like that is how that was drafted, that it had to be medically necessary, moderate to severe pain, pretty bad stuff, plus they had to be enrolled in one of your programs either directly administered by veterans, by VHA or in a domiciliary or a contractor.

Dr. MURPHY. The grant and per diem program.

Mr. SNYDER. I am sorry?

Mr. DOUGHERTY. Dr. Snyder, the provision as I recall had it that if you were involved in any health care program for homeless veterans, which would include a grant per diem program. There is no requirement under the grant per diem program that you would have to have come through VA health care in order to be eligible to get admitted.

Mr. SNYDER. So this provision that says a setting for which the secretary provides funds for a grant and per diem provider, is that the only provision in this section you all don't like?

Dr. MURPHY. Yes. We believe that if a homeless veteran is enrolled in one of our VA rehabilitation programs and is getting a package of medical care from VA that we should provide medically—we could provide medically needed dental care.

Mr. SNYDER. Thank you, Mr. Chairman, for your indulgence.

Mr. SIMPSON. Mr. Chairman.

The CHAIRMAN. Yes.

Mr. SIMPSON. Since this has come up about four or five times now and I am a dentist, I want you to know I have never seen any dental care that wasn't medically necessary. I only say that about half jokingly. Sometimes we have a tendency to forget that we take the teeth out and think they are something different than an eye or an ear or a foot or a lung or whatever. They are part of the body like anything else, and they ought to be treated that way.

The CHAIRMAN. Thank you very much for that very good observation.

I would like to thank our very distinguished panel. I have another six or so questions. Please get back to us as quickly as you possibly can. I look forward to having your support for this legislation as we go forward.

The CHAIRMAN. I would like to invite panel two, beginning with Ms. Heather French Henry, Miss America 2000, who has been a very staunch advocate of homeless veterans and has made that a priority and has helped sensitize many Americans to the plight of homeless veterans. She is joined by her husband, Lieutenant Governor Stephen Henry of Kentucky.

We also have Mr. John Kuhn, who is the chief of the VA New Jersey Homeless Services and has done an outstanding job in the State of New Jersey and has worked nonstop over the years to help our homeless veterans—and we do have a sizable number of homeless veterans in New Jersey; Ms. Angela Gipson and Mr. Walter McConnell.

STATEMENTS OF HEATHER FRENCH HENRY, MISS AMERICA 2000; JOHN KUHN, CHIEF, VA NEW JERSEY HOMELESS SERVICES; ACCOMPANIED BY ANGELA GIPSON AND WALTER MCCONNELL

The CHAIRMAN. Ms. Henry, if you could begin your testimony, we would appreciate it.

STATEMENT OF HEATHER FRENCH HENRY

Ms. HENRY. Thank you. It is great to be back to my home away from home, it seems.

Chairman Smith and Ranking Member Evans, who is a great friend, it is great to see you and all the other members of the committee. I appreciate your being able to hear us out.

It strikes me as be increasingly odd, by the way, that I hear statistics such as what was in the newspaper about H.R. 936 where they were opposing the bill because we only have the facilities to treat or to see 50,000 of what they said were 300,000 homeless veterans. That concerns me. That is a statistic that, as a Federal agency, I would never want to put into the news media because that is a statistic, as being formerly from the news media, I would

pick up on quickly and say we are inadequately offering services to our veterans.

Each one of us here—and it is not just the committee members but every woman, man, and child in this country has put a veteran on the street. Why do I say that? We are constantly looking at ways to blame a veteran for falling into homelessness. We are constantly blaming them for being in substance abuse circumstances and for having mental health issues. The reality is there is a deeper issue than men self-medicating themselves and their nightmares and night terrors, and that is we have sent them into the military. They served us when we did not serve. We sent them into battle. They saw things that we could only imagine in our worst nightmares, and that was their reality. So, in essence, each person in this country has caused those thousands of veterans to be on the streets.

How do I know this? Well, most of you know I am a daughter of a disabled Vietnam veteran; and you heard my father's story, his prescription drug addiction when he came home from Vietnam that led him to go into a homeless facility in Cincinnati, Ohio, the Mount Airy shelter where he was able to be with other veterans that were having night terrors, that were self-medicating themselves trying to numb the pain of having friends die right beside them, of carrying bodies off the field. That is a community-based organization that helped my father, and it was the VA that led him there, but it was that community-based organization that got him up on his feet.

And why is that important? Because my father had been through four other treatment facilities that were institutions that were not veteran specific. My father could not make it through an institution that had people other than veterans in it. So he successfully went through programs at the Mount Airy homeless shelter with other veterans, and now my father is alive and well today because of that.

My uncle, Jerry French, whom I did not exploit his condition until he gave consent to tell his story, was a homeless veteran for 2 years, went into the service with my father. One went to Guam. My father was wounded, went to Guam. My uncle was there, and that was great. But my uncle came home seeing the tragedies of the soldiers that came to him to be treated and cared for. He came home, had a family. One day, because of his posttraumatic stress disorder, because of the night terrors and the flashbacks, he left his family.

We found him on the streets in Florida. The Gainesville VA picked that Marine up, that proud Marine, put him into the Serenity House in Daytona Beach where there were veteran-specific programs. He is now a counselor, went back to school and got his master's.

I have seen two men in my life become whole not because the VA is there but, more importantly, because there are community-based organizations out there that helped them pick their lives up.

Why are we looking at veterans as a special homeless population? Because they are retrainable. They are highly skilled. The education level of a homeless veteran is higher than that of a gen-

eral homeless person. The discipline is higher than that of a general homeless person.

Being a college graduate, I think about the veterans that were in my classes, those supported by the GI bill, and I think, wow, they made me look stupid in my class because they were the most disciplined. They were the most outspoken and most articulate students in the class.

And that is who the veterans are. They are a special population of the United States.

Being Miss America was just a piece of the pie in my seeing a national perspective on homeless veterans, having lived life with two gentlemen who became whole and then getting to see the country, getting to be a representative for not only homeless veterans but 25 million or more American veterans. I went day-to-day and saw those men and women.

The things I want you to focus on that I think, if you can bind both of these bills and take the best of both, you need to focus on female veterans who are homeless. Angela here can tell you her story.

You want to know what we should do for these veterans? Why don't you ask them? Instead of us telling veterans what we are going to offer them, why don't you ask what they need? We see the standdowns, we see female veterans increasingly come into the population of homeless veterans because we are now able to offer services, but we can offer more if we increase the funding for specific programs for female veterans.

Are they scared to come out of the woodwork? Yes. Does most America think about a veteran being male? Yes. Not female. But the reality is 14 percent of our Armed Forces are female. In this day in age when we are almost ready to go to war, we are going to be creating more veterans; and I am asking you to be proactive, not reactive to these veteran issues and their needs.

Dental care—Representative Simpson, you said it beautifully. It is not about a smile. It is about medical issues. It is not about looking pretty. It is about preventative measures for health care concerns. My father had his entire teeth pulled because of his knee problems, orthopedic problems.

These are preventative measures that this bill, H.R. 936, you need to look at it and what it offers. It is a comprehensive bill that we have not seen before.

Mental health issues, thank you for concentrating and focusing on that, Representative Smith, in your bill, because that is very important. I would like to continue for you to look at and focus on setting aside centers of excellence in the VA health care system for mental health issues. If we cannot take care of a veteran comprehensively and spiritually and emotionally, we cannot take care take care of a veteran physically.

And I would like to see the technical assistance for community-based programs. $750,000 is nothing. These men and woman who are out there every day taking care of 95 percent of our homeless population in community-based programs can only do so if you provide them the assistance to go out and teach the other programs how to better serve their veterans. This is again helping them help the people you want to help.

VA is a primary health care facility, and that is what it should always be. That is why it needs to partner with community-based organizations. They are already doing 95 percent of the work anyway. It is your duty to give them the tools to help you. Don't inundate the VA with services that it is not an expert on. These community-based organizations are experts in helping these people and helping their social skills and helping them to a better way of life, and those men and women who are on the panel who have served will tell you why community-based organizations are excellent and should be one of your main priorities.

I want to paraphrase before I close a quote from a very famous leader and you would think it is a quote from today. It says, "The willingness of our young men and women is directly related to how we treat our veterans." is that a recent saying? No, George Washington said that. How many years ago was that? It still holds true language.

Representative Filner was right. There should be no excuses for not taking care of our veterans. I have seen millions of them. I have held their hands and seen their tears. If you haven't seen a homeless veteran, get out there and talk to one. Their stories are amazing, and those are the people that have saved our country and are going to save our future in the days to come.

Thank you for letting me come and join you and share my experience across the country. I apologize if I have to leave early. I have missed a train at three, and I have to catch another train at four. I have to go to Atlantic City to help be the inspiration for 51 talented, well-educated young women competing for the title of Miss America 2002. So if I have to leave early, I apologize. Thank you very much.

The CHAIRMAN. Thank you so much for your testimony and for the great advocacy work you have done on behalf of homeless veterans. We are grateful for that.

The CHAIRMAN. I would like to recognize Mr. Kuhn. Please proceed.

STATEMENT OF JOHN KUHN

Mr. KUHN. Thank you, Mr. Chairman, members of the committee.

First, I want to acknowledge we are already sending men and women back into combat, men and women I thank God for because they are going to protect the freedom of my children and myself, of everybody I know. I don't know where we would be without them.

Sitting at the dias today we have people who have already made that commitment, were willing to risk their lives to protect us, to protect our freedom and our democracy. They are not asking much of us for now. They are not asking us to lay down our lives for them. They are just asking for a simple small degree of assistance to achieve their goals.

I am going to speak as a field hand because that is what I am as Director of Homeless Services in New Jersey, and I can tell you the things that work.

Nationally, I think there has been terrific leadership and guidance that this committee can draw on to see what works. We have

Gay Koerber in the audience, who has been doing this since 1987 and knows this field better than anyone in the country.

It is not enough simply to say to a veteran here is housing, here is a Section 8 voucher, though we need them. It is not enough to do treatment. It is not enough to do outreach. It has to be everything. Homelessness becomes so corrupting to the individual that it bleeds out hope, and you need to figure out ways to bring that person back together so they can move on, so that—I think it was Congressman Simmons saying that it is not enough to give someone a home and have—in their head they are still in prison or homeless. You have to provide everything.

So these are the recommendations from the field, I guess.

First, the outreach is a big part of it. How can we get more outreach and people in treatment? We have to involve more community providers. Simply getting public service announcements out, getting all the community active and getting out to veterans is a very important thing.

Right now, we have a 1-month wait to get you into the domiciliary; and we are very fortunate in VISN 3, even though we have taken terrible budget cuts, that our VISN director has actually expanded VISN homeless services. I don't know how they did that, but we have increased our size of our dom 85 beds because of this terrible wait.

But it pains me and I know other people to have to ask people in summer that you have to wait a month to get into our program. After they leave our program—which I wish could be longer; it is only 3 or 4 months—if we can offer them transitional residence and fortunately get some grant funding, they can continue a program. But even that ends at a certain point.

Six months or a year down the line, what are we going to tell a veteran who is unfortunate to live in the greater metropolitan area where rents are certainly high? I am sorry, you have to go back to that drug-infested neighborhood because that is the only way you can afford to live. And, yes, we know it is an awful place to live, but that is the best we can do. That hardly seems to be an appropriate response.

Section 8 vouchers, of which we have none right now, would certainly open the door of opportunity to a lot of these veterans. We haven't sat on our hands. We have probably bent a lot of rules, and I will tell you some of the rules we are breaking.

For instance, right now—I am being warned not to. One of the things we did was we opened up a store called Rainbow Collectibles. That store doesn't require any taxpayer support. We opened it with Middlesex County, with a community partner, because we don't have all the answers in the VA. We should use community partners. And with them we now employ five people, anywhere from the management to the sales to the delivery, and that store does not take any taxpayers' support to run. That is one business.

Another business, we have a construction team, and there is actually a wonderful one in Bedford. We stole the idea from them. It was a great idea, so we decided to do it, too. The construction team has done a whole bunch of projects now. A couple of projects they have done with community providers resulted in, new transitional

housing. We agreed to come in and rehab it for free, housing our community partner purchased.

What do we get out of it? For 15 years that housing could only be used as affordable housing for veterans. So we created a whole bunch of housing that never existed and didn't require any Federal money.

Even better, our veterans construction team, those guys get experience working on that project. And how did we pay them? With the revenue we have from the store. Again, it is making the money work again and again.

What I would love to have is seed money so we could do more businesses, joint ventures like this. We are preparing—just putting the finishing touches on a greenhouse we are building which one of the members at this table is involved in building. And, again, it will employ veterans. It won't cost money to keep on going and provide additional revenue. So we could make that a resource for the community and make it a resource for our veterans without imposing additional demands.

But what we could use is clear Congressional instruction so that our regional council level and our lawyers know this is something we should be doing.

Nationally, we have an account called STRAF. Nationally, there is about 12 or 13 million bucks in this account. We have a few hundred thousand. We are using this money to take some risks to start some businesses so we can employ veterans and create resources. It is not costing anyone a dime, but it makes everybody awfully nervous that we are doing this, which makes no sense. The only people who are benefiting are homeless veterans, and I thought that is why we are here.

So I think, from a clinical standpoint, everyone is behind us but regional councils, our lawyers need to know that it is okay to do this. No one is going to get in trouble or go to jail. Really, it is okay.

Finally—I see the red light is already on—I think these programs give hope. They offer hope because we are telling veterans, you can get a job, we will help you find a job, we will get you housing. If you have those things out there, all of a sudden the treatment process seems less intimidating. If you know you are going to go through treatment and if you stay clean and sober or whatever it is you have to do and you do what you need to do to get your life back together, you are not helpless because there is a job out there. There is real, meaningful work that makes a difference. There is a decent place to live.

And all of a sudden we are creating taxpayers, we are creating people who have the self-respect that God knows they deserve. We wouldn't even be here in this country without them, and it seems the least we could offer them.

Thank you.

[The prepared statement of Mr. Kuhn appears on p. 179.]

The CHAIRMAN. Thank you.

Mr. EVANS. Thank you for being with us, Heather. The work is still in front of us, but you give us the boost we need. We hope to see you regularly as you fight this battle.

Ms. HENRY. I will be with you every step of the way.

Mr. EVANS. Thank you for being here.

The CHAIRMAN. I would like to ask our distinguished panel, if any of your associates would like to provide some insight or testimony, please feel free to do so.

You know, you made mention a moment ago about the 1-month wait in order to get into the domiciliary. I think it does outstanding work. The can-do attitude of the leadership teams, the personnel and the young men—mostly young men that I met, some of whom were from my own district—they felt that they have hope now and they have a possibility and prospects and they are being helped immensely by the VA at that domiciliary. But you mentioned a month's wait.

Later in testimony from Theodore Jones of the American Federation of Government Employees, he will testify about his wait and the absolutely disastrous impact it had on his life after having gone through a 3-day inpatient detox program, then into a 21-day inpatient rehab program, and then he wanted to get into a halfway house but it was full. And as he will testify, he was very discouraged.

But then he points out for the next year and a half he lived on the edge. Then he goes into how someone has the tendency to fall off because they are flung down the ladder. If you miss, you could fall down and fall hard as he did.

But eventually, obviously, he made a remarkable and a courageous comeback.

But it seems to me, if we don't have all of those links right in line, you miss one, you fall through the cracks; and it is disastrous for the individual veteran.

Obviously, we have 10 more domiciliaries and a host of other programs envisioned in our bill, and Mr. Evans has other ideas in his bill. What has been your experience and the experience of perhaps your colleagues when there is a crack and you are going along fine and, bingo, there is nothing available? There isn't Section 8 housing. You said there is none available in our area, which is, you know, very insightful and I think unfortunate. If you could respond.

Mr. COLLICK. I will answer that. I just left out of the domiciliary, and I got custody of my two daughters. One was in Seattle, and one was in Kansas. So I got custody of my daughters. There is no Section 8, so I have to get an apartment. So I went and got a two-bedroom apartment. I am working with the construction team, so we are not making that much money, but I learned one thing in there, that I have to survive and stay strong and do what I have to do. Because days will get better somewhere down the line.

The program, it helped.

Mr. KUHN. If there is time, I would certainly like the opportunity to have the veterans who came today to give statements. I think that their experiences will be very valuable for the committee to hear. Because, speaking to professionals is fine, well and good, but hearing it from the people who actually depend on the service——

The CHAIRMAN. Please proceed.

STATEMENT OF ANGELA GIPSON

Ms. GIPSON. Hi. My name is Angela Gipson. I am a veteran. I served 7 years and 6 months in the Untied States Air Force and Army. I have done tours at Langley, Clark, Travis and 3 years in Germany. My job was military police with K–9. I was honorably discharged in 1992 after Desert Storm.

I worked a civilian job as a youth worker. I cannot say what made me start using drugs, but I can say it is something I do not wish upon my enemy.

My first try of recovery was in 1993 at East Orange VA, a 21-day program. I lasted 20 days and left because of my anger and temper with the counselor.

These past years have been a living hell. I came back into recovery January 20, 2001.

I started in East Orange VA, then was referred to Lyons Dom by my social worker. I made it through the 21 days. That was my test for the dom. I made it through to the dom, which I am at now.

Once I got into the dom, I got into trouble, so I was put on a 30-day suspension, but I was let back in after going through the outpatient program.

Those 30 days of suspension were hell. I let my family down, and I let myself down. I came back to the dom in June of 2001, begging to be back in. I was let in.

This time, after a whole new outlook on my recovery, going to counseling one on one and a recreation therapist, I am a better person. I was able to find the real me, pinpoint my real anger, which was my mother which I had resentment against. But I am through with one on one and freeing myself. I no longer hold onto that.

There is also a health tech that helps me. She takes me to church. For this program is not only mental, it is also spiritual.

I have confidence. I love myself. I love my family, and they once again love me. The program has been a strength for me, my peers and myself.

I wish that it would be a longer term and possible be extended. As of now, we have a wait list for drug abuse for veterans. There is also a wish for a better work study program. I myself worked as a patient escort. I am glad I did it. It made me more people oriented. Just wish it had been longer.

I am currently on an outside program working at a deli. My true goal, though, is to be VA police, for which I have applied and have learned patience to wait. It is just a matter of, hopefully, soon becoming a woman in blue. I would like to thank the Lyons Dom for giving me this opportunity. If not, I would like to come back and be a counselor for women vets.

The CHAIRMAN. Ms. Gipson, thank you very much for sharing that very personal and moving story; and I hope you can realize that opportunity. Because I think, having suffered so much, you can certainly impart and empathize with those who are going through a difficult ordeal. So thank you for doing that for us today, and we wish you the best of luck.

The CHAIRMAN. Would anyone else like to ask questions before we go to the next witness?

STATEMENT OF STUART COLLICK

Mr. COLLICK. I am Stuart Collick. I am a vet. I went in the military in 1981, and I got out in 1994 after 14 years, 8 months and 13 days. I went to Grenada. I have been to Saudi. But when I got out of the military I didn't realize that things that was going on within me like the PTSD, the mental stress and the things that I was avoiding, you know, depression, anger, stress.

Then, coming up here for many years, I didn't want to go to the VA because I didn't feel that it would help. But then I did finally go, and I got there and I learned that I needed to go to these things, like the PTSD program which helped me out a whole lot, because I got within myself and was feeling better about myself.

Then the drug and alcohol program, that helped me out to realize that I don't need drugs and I don't need alcohol to work in society, to live my life to the fullest. And now I am working with the construction team, and that is helping out fellow vets and my peers a lot, because we are doing more for the community than we were doing before.

My uplifting experience with this program has done a lot to change my life like show me love, peace, joy, strength and courage. And I feel sorry for the vets that now have to go to this conflict that is going on now. Because, the Middle East, it is no place to enjoy. It is hot over there, and it is frustrating, and they have to deal with a lot of things over there which we did.

But being a vet, a lot of people used vets for mentors, a lot of kids. And children, teenagers they use those. And when you get into that drug scene and that alcohol thing, you don't know who you are hurting. A lot of kids are looking up to you. But then once you realize it and you put back—like now I feel great about myself, and my relationship with my daughter's gotten better, my nephews, there is a good relationship with, because I didn't know at that time they would look up to me. But now I know because my eyes are more clear and I have got feelings and forgiveness and I can deal with that.

This program, it showed me all of that. That is all I got to say.

The CHAIRMAN. Thank you very much.

Mr. COLLICK. One more thing. Come to think of it, talking about that program, I did get my teeth removed, and I got them fixed, because a lot of days I didn't want to smile. And he was right about that. Because when your teeth are missing, you don't want to smile. You don't want to talk to people. But now I can smile and laugh and talk with people and that will help out a lot. Thank you.

The CHAIRMAN. Thank you, Mr. Collick. Thank you very much for your testimony, and I am sure our dentist chairman appreciates that as well.

I think Dr. Simpson made a good point, too, that it is not just the smile, it is also the notion—the fact that food is not properly digested, and all of the low-level infection makes one vulnerable for other infections that may be in proximity to the person. So it is very, very important to the well-being of all people, including our veterans.

So I think the point is very well taken. It is something that we will be looking to address in the legislation.

Are there any questions from—one more. Sorry.

STATEMENT OF WALTER MCCONNELL

Mr. MCCONNELL. My name is Walter McConnell. I am honored to be here, and I am nervous. Because of my PTSD, I have short-term memory loss, so I have got a script. Okay. However, it is true and factual; and, well, it goes like this.

Thank you for affording us this time. As I said, my name is Walter McConnell. I reside in New Jersey. I am a vet, Vietnam 1967 to 1979, 8 months in a combat zone. I have been diagnosed with PTSD, alcoholism and drug addiction. I am homeless and indigent with medical problems and presently residing at Lyons VA domiciliary in New Jersey.

I would like to briefly describe my life up until now.

For years I lived what appeared to be a normal life. I had a good job, a nice home in a nice community, all of the toys—boat, camper, vacation spots, a loving wife, a wonderful son. I was a member in a church parish. I bought and paid for a home which the VA helped me to acquire. I paid taxes, voted and was respected by family and friends in the community and through the years helped many people and families not as fortunate.

In 1993, I got hurt on the job; and through lawsuits I lost that job. I started taking various medications and started drinking heavily.

Shortly after losing my job, I lost the most precious part of my life. My only son died in a car accident a mile from my home. That devastated my wife and myself. I just couldn't stop the pain and suffering. I started drinking heavily and became reckless. After many bad investments, multiple DWIs, I lost my driving privileges. Lawyers fees, fines, lawsuits, started to eat me up.

I divorced my wife of 30 years and left so she wouldn't lose everything that we had worked so hard for through the years. I was never in this predicament before and had no place to go. I started to isolate from friends, family, coworkers. I really felt like an outcast and didn't belong in society.

I didn't know where to get help. I was a broken man and blamed my God for all of this mess. But by then I had lost all rational thinking and went into a deep depression. After the last DWI, I knew that I was going to jail and nothing short of a miracle could keep that from happening.

But through this period I had been in touch with one friend who kept giving me hope that things might not be as bad as they seemed. He had started getting his life together, and he was another vet and recovering from addictions. He gave me good direction and helped me tremendously in getting here. He also represented me in behalf of the VA in court.

Without the help of the VA staff, I surely would have been incarcerated for quite some time. And I am not a criminal or a jail person. I have helped many people in my life. Although I have a lot of shame and guilt, I believe I deserve this opportunity to get sober and address the many issues I am carrying.

Since I started in this program, I am getting good health care, hygiene, a clean place to live, proper medications, dental work, proper medications for trauma, a chance to renew my faith. Also, I am working on computers skills. I was computer illiterate. And I have a plan. I have a program for my addictions, help for my

PTSD. I have a job and will be saving some money so that I can return to the community and society once again.

I just hope I am afforded enough time to get my life back together. I can't thank the VA enough for all of the help and care I am receiving. I am 57 years old and more than anything want my dignity and self-esteem back. I am willing to go to any lengths I have to get there, even if it takes the rest of my life.

I pray that our voices here today will be heard by you for the many still suffering and patriotic veterans that haven't had this opportunity to feel life again.

Without this funding for the prospect of jobs and affordable housing, Section 8, many vets will have little hope of re-entry into the community and life as we know it. Thank you.

The CHAIRMAN. Mr. McConnell, thank you very much for your outstanding testimony. We do wish you well, and I think you made a very important point about what isolation can do. Thankfully, someone was there, another vet to help you to cling to that hope until you made an upward swing.

I am sure the VA will be pleased to know that you were pleased with the service that you have been provided. Sometimes they get an enormous amount of criticism, as does Congress, but especially the point of service, the VA, they are doing some things very well. They just need to do more of it. That is the responsibility. The buck stops here, as well that we pony up sufficient resources to do it to reach those that we are not reaching.

I would like to yield to my colleague.

Mr. SIMPSON. Mr. Chairman, I don't have any questions, but I do want to thank you all for your service to our country and thank you for your testimony today. It is very moving.

Mr. SIMMONS. Thank you very much. I also share in those thoughts.

It occurred to me that we—as members in these bills, we probably need to refer to dentistry somewhere in the title. It seems that that is a common theme here.

But I thank all of the panelists for their service and also for the military service. But I also thank them for something else. I thank them for coming here today.

I have always believed and I frequently talk about what this country and what this government is all about. I carry a copy of the Constitution in my pocket at all times, and we don't need to be reminded that it begins, "we the people". And for us to serve the people, we have to know what the people's concerns are. For us to be effective, you have to tell us.

So your testimony here today is important. It—your witness to your lives and your witness is important to us as we try to frame legislation to help others like you. And some of us in this body are accustomed to speaking a lot, and it is no big deal. But I can tell you, when you come in a room, you see the flags and the chandeliers, it looks pretty scary. So I thank you for the courage to serve your country, and I thank you for the courage to come and serve your fellow veterans today.

For you, Dr. Kuhn, I gather that you have got a heck of a good program in New Jersey. Good for you.

I am proud of what we do in Connecticut. That is not that far away, and I would love to come visit it sometime if I could, if that could be okay, and certainly you all are welcome up at West Haven in Connecticut. But I would be interested to visit the facility, Mr. Chairman, and see how it works and get better informed.

Thank you all very much.

The CHAIRMAN. Thank you.

I want to ask Mr. Kuhn or any of the others if you have any final comments before we move on to the next panel?

Mr. KUHN. I just want to thank you again for having us up here. And I think having veterans come up themselves and speak, that was just a great thing to do.

The CHAIRMAN. Thank you for recommending it. I do want to say to you and to other veterans, you know, it says in the Bible, "without help the people perish", and I think all of you at some point found someone with whom you could hope and who helped you through that ordeal.

What we hopefully can craft here with this legislation is a comprehensive response. I don't think we should take no for an answer.

The VA testified earlier it didn't like this, necessarily, didn't like that, or thought that this could be provided, like the dental care, for example, the costs—the suggestion that it might be exorbitant. But, you know, your testimonies really do help and help in a tangible way for us to focus, get right back to exactly what we are talking about, real lives who are at risk and with a lifeline that can become a productive, healthy life into the future. Then as, Ms. Gipson, you pointed out, you want to go back yourself and you hope some day to be helping other female veterans who may be in this situation.

All of you are helping your fellow veterans in immeasurable ways, and I wanted to thank you on behalf of our committee. So thank you.

Mr. KUHN. Thank you, Mr. Chairman.

The CHAIRMAN. I would like to welcome now our third panel of veterans in. They always wait to the very end; and, unfortunately, many of the members do move on to other business. But I can assure you that the ranking member, who had to go on to a caucus, and I and members on both sides listen and listen intently to your input, as you know, through our collaboration with our staffs as well as members.

I would like to introduce this panel. Mr. Carl Blake, Associate Legislative Director, Paralyzed Veterans of America; Mr. Brian Lawrence, Associate National Legislative Director, Disabled American Veterans; Ms. Jacqueline Garrick, Deputy Director, Health Care, National Veterans Affairs and Rehabilitation Commission; Ms. Linda Boone, Executive Director of Coalition for Homeless Veterans; Mr. Theodore R. Jones, Chief Steward for Local 1647, American Federation of Government Employees, AFL-CIO; and Mr. Richard Schneider, Director, Non Commissioned Officers Association.

STATEMENTS OF CARL BLAKE, ASSOCIATE LEGISLATIVE DIRECTOR, PARALYZED VETERANS OF AMERICA; BRIAN E. LAWRENCE, ASSOCIATE NATIONAL LEGISLATIVE DIRECTOR, DISABLED AMERICAN VETERANS; JACQUELINE GARRICK, DEPUTY DIRECTOR, HEALTH CARE, NATIONAL VETERANS AFFAIRS AND REHABILITATION COMMISSION, THE AMERICAN LEGION; LINDA BOONE, EXECUTIVE DIRECTOR, NATIONAL COALITION FOR HOMELESS VETERANS; THEODORE R. JONES, CHIEF STEWARD, LOCAL 1647, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO; LEONARD SELFON, APPEARING FOR RICHARD WEIDMAN, DIRECTOR OF GOVERNMENT RELATIONS, VIETNAM VETERANS OF AMERICA; AND RICHARD SCHNEIDER, DIRECTOR, STATE/VETERANS AFFAIRS, NON COMMISSIONED OFFICERS ASSOCIATION

The CHAIRMAN. So, to begin with, Mr. Blake.

STATEMENT OF CARL BLAKE

Mr. BLAKE. Mr. Chairman, just let me say first that I dare say there is nothing myself or anyone else on this panel could say that would make as much of as impact as our previous panelists, but I will do my best.

Chairman Smith, Ranking Member Evans, members of the committee, the Paralyzed Veterans of America is pleased to present our views on H.R. 936, the Heather French Henry Homeless Veterans Assistance Act, and H.R. 2716, the Homeless Veterans Assistance Act of 2001. PVA would like to thank you, Mr. Chairman, for making this legislation a priority during such a trying time in our Nation.

PVA supports H.R. 936, the Heather French Henry Homeless Veterans Assistance Act introduced by Representative Evans.

The problem with homelessness among our Nation's veterans grows with every passing day. The *Independent Budget*, which is coauthored by PVA, has estimated that more than 275,000 veterans are homeless on any given night. Furthermore, more than half a million veterans experience a period of homelessness throughout the course of a year.

Additional estimates show that one out of every three homeless males who is sleeping in a doorway, alley or box in our cities or rural communities has put on a uniform and served this Nation. The Department of Veterans Affairs reports that most homeless veterans are male; only 2 percent are female. More than 67 percent of those homeless veterans served in the Armed Forces for at least 3 years.

A major problem that the VA faces is that of homeless veterans with mental illness and substance abuse disorders. The VA estimates that about 45 percent of homeless veterans suffer from mental illness and 50 percent have substance abuse problems. One of the most common illnesses among those individuals is Post-Traumatic Stress Disorder. In the past 5 years, spending on the VA's mental health programs has declined by nearly 10 percent.

We previously testified before the Subcommittee on Benefits that the decline in the VA's mental health capacity has increased the

number of veterans with no place to go. Thus, the rate of homelessness among veterans with mental illness continues to increases.

Support from various government agencies, including the VA, the Department of Labor, and the Department of Housing and Urban Development is essential in overcoming the problems our other homeless veterans constantly face.

PVA supports the extension of the Homeless Veterans Reintegration Program. The HVRP has been the leading program for the employment of homeless veterans.

Within the VA, physical and mental health care is vital to gain and hold employment. Mental health and substance abuse programs are key to preparing many homeless veterans for the workforce. PVA requests that each VA medical center report its current capacity in order to provide the VA with an idea of the direction we must go to improve.

PVA supports the establishment of the Advisory Committee on Homeless Veterans as outlined by Section 4 of H.R. 936. The interaction between the agencies represented on the committee should allow for multiple solutions to be developed and implemented. A critical task of this advisory committee is identifying barriers under existing laws and policies to effective coordination by the VA with other Federal agencies and with State and local agencies addressing homeless populations. Once the difficulties between these agencies are overcome, then a unified, focused effort can be made among these agencies to turn these problems around.

PVA also recognizes the need to assist homeless veterans with special needs. We must not let our women veterans, veterans over 50 years of age, veterans who have to care for minor dependents or other family members, or veterans who suffer from substance abuse, PTSD, terminal illness or chronic mental illness to be left behind.

The grant program for medical centers that would allow these centers to support those veterans with special needs is a vital part of the meeting of the national goal of overcoming homelessness among veterans within a decade. Evaluating veterans' satisfaction, health status, reduction in addiction severity, housing, and encouragement of productive activity and comparing those results to similar programs in the VA will provide us with was a blueprint of how to combat the homeless problem.

An important to way to accomplish the national goal for overcoming veterans' homelessness is the implementation of outreach programs. It is no secret that non-homeless veterans filing claims face many difficulties because they are not fully aware of the benefits and services they are entitled to. That being said, if these individuals do not have easy access to everything they need to know, then you can only imagine how difficult it is for homeless veterans who have no link to information.

Our homeless veterans need to know what benefits they are entitled to, as well as what local VA facilities they have access to. We urge the VA to focus on outreach if it intends to be successful in overcoming the plight of homelessness.

PVA salutes the efforts of this committee to bring the issues of homelessness among veterans to the forefront and to make every effort to put it to an end. We look forward to working with the com-

mittee and staff on solutions that will lead to the end of homelessness among veterans. I thank the committee for this opportunity to present PVA's views and will be happy to answer any questions you may have.

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

I would just like to note for the record, this is your first time testifying before the House. I want to extend to you the special thanks of the committee. We appreciate your service to the Nation in the First Brigade to the 82nd Airborne Division in the United States Army. I know that you were injured in the line of duty and have already sacrificed your own health for the good of the country, and we are very happy again to have you here and look forward to hearing from you many times into the future.

Mr. BLAKE. Thank you.

[The prepared statement of Mr. Blake appears on p. 182.]

The CHAIRMAN. I would like to welcome Mr. Lawrence, and it is my understanding it is your first time as well to testify.

Just very briefly, a native of Iowa, Mr. Lawrence enlisted in the United States Navy in 1984. After training as a U.S. Navy diver, his assignments included Special Boat Unit 13, Coronado, California, and Explosive Ordnance Disposal Mobile Unit Number 9 in San Francisco. He suffered a fracture of his right leg as a parachutist, and that happened in a landing in 1991, and was honorably discharged in 1992. We welcome him here as well to the committee.

STATEMENT OF BRIAN E. LAWRENCE

Mr. LAWRENCE. Thank you for that very kind introduction.

On behalf of the Disabled American Veterans, thank you for inviting us to share our views on H.R. 936 and H.R. 2716. Both bills would improve programs for homeless veterans and are very much appreciated and welcomed by the DAV.

Year after year delegates to our national convention adopt resolutions calling for increased funding for homeless veteran programs to provide medical and psychiatric care, temporary quarters and vocational rehabilitative training for many veterans.

The gap between an existence in a permanent residence and an existence of hopeless destitution is small. Often, with a bit of assistance, they can bridge the gap and once again become productive contributors to society.

Our country benefits greatly when this occurs. There is the obvious economic benefit in that tax users become taxpayers. But, more importantly, there is the satisfaction of knowing a once proud member of our military has regained his or her bearing and self-esteem.

Having participated in homeless veteran outreach programs in Florida and in Utah, I know that a simple helping hand is sometimes all that is necessary to get a homeless vet back on track to being employed and leading a life of normalcy. The people who raised their hand and swore to defend our freedom deserve at least some measure of help.

There are some veterans among the ranks of the homeless that deserve our very deepest gratitude. During an outreach program in

Ocala National Forest in Florida, we assisted many combat wounded veterans in filing their initial application to receive VA benefits, the first time that they had ever even asked for anything from the VA. Mistrust of the government or lack of awareness dissuaded them from filing before.

I was surprised and saddened to learn that verified recipients of combat infantry badges, Purple Hearts and Bronze Stars were living their lives in such squalor. Immediately you wonder how much their wartime experience contributed to their unfortunate status, and few can imagine the horror of combat or the lasting ramifications such an experience can have.

I would like to go on record as stating that DAV is grateful to former Miss America Heather French Henry for her compassion and effort in bringing this problem to light.

H.R. 936, the Heather French Henry Homeless Veterans Assistance Act, and H.R. 2716, the Homeless Veterans Assistance Act of 2001, are both comprehensive and ambitious pieces of legislation that would provide much-needed improvement to measures to assist those in need.

H.R. 936 would establish a 15-member advisory committee to direct homeless initiatives and also expand access to outpatient dental services, treatment and appliances.

H.R. 2716 would increase the number of rental vouchers for veterans' affairs supported housing and also provide increases in the VA's homeless grant and per diem programs.

Thankfully, this committee has recognized that we as a Nation most do more to correct the serious problem of homelessness among our veterans. Both bills are a step in that direction. We hope that the best aspects of each bill can be incorporated into final legislation.

That concludes my testimony, Mr. Chairman. Thank you, and I will be happy to answer any questions that you may have.

The CHAIRMAN. Thank you very much, Mr. Lawrence. We appreciate your testimony.

[The prepared statement of Mr. Lawrence appears on p. 187.]

The CHAIRMAN. Ms. Garrick.

STATEMENT OF JACQUELINE GARRICK

Ms. GARRICK. Mr. Chairman and members of the committee, good afternoon.

The American Legion is pleased to have been invited to comment on H.R. 936 and H.R. 2716 and is grateful for the appearance of its fellow veterans who spoke so eloquently today, and we hope that their needs will be answered.

Homelessness in America is a travesty, but homeless veterans is a disgrace. Left uncared for and discarded, these men and women who once proudly wore the uniforms of this Nation and defended her shores, as they are now called upon to do again, are now wandering her streets in desperate need of medical and psychiatric attention and financial support.

Last year, the VA estimated that there were over 300,000 homeless veterans in America, which was a 34 percent increase above the 1998 report.

Unaddressed in either of these bills is the cause of this increase in homelessness among American veterans. It cannot go unnoticed that the increase in homeless veterans coincides with the underfunding of VA health care which resulted in the downsizing of inpatient mental health capabilities in VA hospitals across the country.

Since 1996, VA has closed 64 percent of its psychiatric beds and 90 percent of its substance abuse beds and is treating 12 percent less veterans. Where did VA expect these veterans to go? It is no surprise that many of these displaced patients wound up in the jails, on the streets, or in early graves. There needs to be a focus on prevention of homelessness, not just measures to respond to it. Preventing it is the most important step in ending homelessness. VA's psychiatric services must be adequately funded and staffed. Additional inpatient beds need to be reopened for psychiatric patients and substance abusers to have the safety net that they need.

The bills under consideration here today have been reviewed by the American Legion, and we offer the following comments and recommendations.

On H.R. 936, the American Legion adamantly supports the goal to end homelessness among veterans. However, it should not take a decade. That is too long for veterans to be left out in the cold. Strategic planning should be done to include short-term and long-term goals. Tactics must be designed to meet those goals on a continuous basis if we are to truly end homelessness. Immediate medical and psychiatric needs must be first met by bolstering VA inpatient and outpatient services and by developing referral and transition network.

Section 4. The American Legion fully supports the establishment of the Advisory Committee. These are lofty goals and require a great deal of time and attention.

Section 5. Unfortunately, this council has not met very often to coordinate their efforts. The American Legion fully supports this council holding at least an annual meeting.

Section 6 calls for the continued support of at least one center for evaluation to monitor the structure, process and outcomes of VA programs. The American Legion supports this provision and suggests VA provide a detailed analysis of the workload to include user population and specialized needs.

Section 7. Veterans who are receiving services in homeless chronically mentally ill programs, specialized programs, substance abuse, sheltered housing, and PTSD treatment will be assigned to the "complex care" category. The American Legion fully supports this assignment and believes it will change many VA managers' approaches in their outreach to the chronically mentally ill.

Section 8. This section would set per diem payments at the same rate for the State homes. This rate appears to be appropriate. The only caution is in the variance in the populations served. Some programs are more expensive to maintain. For example, it would cost more to run an HIV program.

Section 9. The American Legion supports the establishment of this grant program.

Section 10. There has been concerns in the field that VA hospitals and vet centers do not communicate well together. However,

this varies. An outreach plan should first look at networks that have had success communicating with the vet centers and emulate those best practices.

Section 11. This provision proposes to carry out two trials in mental health treatment. Studying the effectiveness of those models seems to be an appropriate step in implementing a more coordinated approach to mental health services.

Section 12. The American Legion supports an inclusive dental program.

Section 13. The American Legion fully supports the expansion of mental health services. VA has not made capacity in that area, and it must return to the 1996 level.

Section 12. The grant and per diem program must continue to be increased if it is to meet the needs of the growing homeless veteran population.

Section 14. This CWT program is a vital part of rehabilitation for homeless veterans. It is through this program that homeless veterans gain job skills while earning a salary. Coordination of other benefits and employee services, especially while a veteran is in CWT, allows them to move beyond.

Section 15. It is not unrealistic to ask community-based programs to come into compliance with the National Fire and Safety Codes.

Section 16. Calls for the provision of a 3-year pilot. Although this sounds like a good concept, the American Legion has concerns over the regional offices' ability to expedite such a program considering the current backlog.

Section 17. The American Legion supports VA being able to provide support to non-profit organizations under the grant program.

Section 18. The American Legion supports the home loan program for manufactured housing.

Section 19. The American Legion supports the increases outlined in the Homeless Veterans Assistance Act of 2001. These appropriations are more in line with the demand the new provisions would place on VA.

Section 20. Although the American Legion understands the value of enhanced use lease, it is cautionary that these agreements are done in a cost-effective manner and that protections for veterans in the VA system are included.

In regards to H.R. 2716, the American Legion is in full agreement that Federal efforts to assist homeless veterans should include prevention of homelessness.

Section 3. This new chapter is comprehensive in nature and allows VA the necessary authority to provide these services to homeless veterans.

Section 4. The number of case managers must be sufficient to allow veterans easy and timely access. Social work services should be involved, and the American Legion requests a ratio of 25 patients per provider.

Section 5. There is a demonstration project in VISN 1, and the American Legion recommends that this be looked at as a model.

Section 6. The American Legion sees this concept as extremely complicated, although necessary. However, HUD is now predicting that it will be able to provide comparable data in 2004. These

would be very expensive items to track, and additional funding would be needed.

Section 7. Again, the enhanced use lease process would be very complicated and has not worked for VA well. This whole process would need to be looked at.

Section 8. The American Legion is in support of the 10 additional domiciliary programs. VISNs 11 and 19 are not currently offering this and should be given first priority.

Section 9. The American Legion supports this demonstration program and recommends that the CWT program managers be included in this process since they have worked with the Department of Justice in reaching out to incarcerated veterans.

Section 10. The American Legion believes that this program will be a significant measure in assisting veterans who are trying to maintain their sobriety. The American Legion is very pleased to see provisions that would allow VA to recover unused funds. However, there should also be provisions for VA to be able to repatriate its patients if there are any concerns over the quality of care or the satisfaction of the veterans.

Mr. Chairman and members of the committee, that concludes my statement. Thank you.

The CHAIRMAN. Ms. Garrick, thank you very much for your testimony.

[The prepared statement of Ms. Garrick appears on p. 193.]

The CHAIRMAN. Ms. Boone.

STATEMENT OF LINDA BOONE

Ms. BOONE. Chairman Smith and committee members, the National Coalition for Homeless Veterans is very supportive of the intent of both bills, H.R. 2716, introduced by Chairman Smith, and H.R. 936, introduced by Ranking Member Evans, to provide for a wide range of services to homeless veterans.

Here NCHV will comment primarily on H.R. 2716, since we have provided detailed comments on H.R. 936 at the June 20 hearing.

The Sense of Congress Section addresses prevention of homelessness among veterans. That has long been ignored.

Today we are facing a potential situation of buildup of active duty military personnel. Within days after military personnel returned to civilian life following Desert Storm, there were homeless veterans. NCHV strongly recommends that this committee anticipate the discharge needs of military personnel that will address the prevention of homelessness by ensuring that the Department of Defense becomes a partner in the prevention efforts now.

This bill includes authorization for the VA homeless providers, grant and per diem program for grantees to be able to count in-kind services as part of the match requirement of the grant.

While NCHV members have requested this authorization in the past, their preferred method is to have a flat per diem rate the same as the State VA home domiciliary rate that does not require a match. Leaving the match requirement even with the addition of counting in kind requires excessive documentation, which is a burden on grantees and the VA. NCHV strongly recommends that Congress not only authorize the VA to allocate these increased amounts to the grant and per diem program but add it as a line

item in the VA budget so that it will be allocated regardless of internal decision-making processes that have not always been sensitive to homeless programs.

The Homeless Veterans Reintegration Program managed through the Department of Labor, Veterans Employment and Training Service is virtually the only program that focuses on employment of veterans who are homeless. HVRP programs work with veterans who have special needs and are shunned by other programs and services, veterans who have hit the very bottom, including those with long histories of substance abuse, severe PTSD, serious social problems, those who have legal issues, and those that are HIV positive. These veterans require more time-consuming, specialized, intensive assessment, referrals and counseling than is possible in other programs that work with other veterans seeking employment.

NCHV recommends an investment of $50 million per year in HVRP to assist veterans in becoming self-sustaining and responsible, tax-paying citizens.

NCHV supports the waiver of the competitive selection process for enhanced use leases for properties used to serve homeless veterans and believes this could expedite the expansion of services to homeless veterans while increasing the return on investment of Federal properties currently underutilized.

There will be a challenge to match available properties with organizations having the technical expertise to plan, implement and manage this complex set of funding and property management issues. NCHV recommends that technical assistance resources be a part of the authorization.

NCHV strongly supports the intent of establishing a demonstration program relating to referral and counseling for veterans transitioning from certain institutions who are at risk of homelessness which focuses on the prevention of homelessness.

The language does not address a role for community-based organizations, which we think should be part of the prevention formula. Community-based organizations provide the housing and case management services for the complex set of issues facing these veterans transitioning from institutions. Their role needs to be acknowledged and included in developing solutions of preventing homelessness among veterans.

NCHV is very disappointed there is no provision to provide technical assistance for homeless veteran providers. Where and how are they going to learn how to be successful?

The VA does not provide technical assistance, and HUD does so for general population homeless providers. But nothing is done veterans specific by knowledgeable veteran providers.

In our coalition we have many successful programs that could be used for models to replicate. However, there are no manuals or formal processes to share their success stories in an intense manner that would assist other programs for replication. Successful programs do not have additional resources available to share their methods and strategies. They are too busy managing their own programs. I urge this committee to consider finding ways to get capacity-building services into the hands of the community-based care provider groups attempting to serve veterans.

I ask you to consider authorizing an allocation of $750,000 each year through fiscal year 2007 to the National Coalition for Homeless Veterans to build capacity of the veterans service provider network.

NCHV looks forward to working with this committee and the staff on solutions that will lead to the end of homelessness among veterans. NCHV's board believes that ending homelessness among veterans is not a mission impossible but a mission possible and looks forward to your continued support. Thank you.

The CHAIRMAN. Thank you very much for your testimony.

[The prepared statement of Ms. Boone appears on p. 200.]

The CHAIRMAN. I would like to invite Mr. Jones, who is next on the roster, if you would provide your testimony.

STATEMENT OF THEODORE R. JONES

Mr. JONES. Thank you, Chairman Smith.

Okay. My name is Theodore Jones. I am the Chief Steward of the American Federation of Government Employees. I work at the VA hospital in West Haven, Connecticut.

From 1978 to 1981, I served in the Air Force. I had a Top Secret clearance. When I left the military in 1981, the recession had hit. The unemployment rate of African Americans was nearly 20 percent. Without a job and without the likelihood of a steady job, I got into drugs. I was homeless and on drugs for years.

In 1989, I went to West Haven VA for help. I went through a 3-day detox and then into a 21-day inpatient rehab. The next step in recovery was a 6-month program on the VA campus. The VA halfway house was a safe, clean environment. It provided structure and support to help you build your life. I was told that the halfway house was full with no beds. The best the VA could do was to wish me good luck and suggest I find an AA meeting to attend.

I still had no job, no hope, no clue, no support. I went back to the VA a week later to see if a bed was open. No luck. The VA had no bed for me. I was very discouraged.

The next year and a half was not a pretty story. I used cocaine, snorted heroin, used alcohol, slept in hallways, slept under bridges, slept in abandoned cars. Sometimes I didn't sleep. I just walked around town without a clue.

I had been beaten up, shot and cut, spent 5 to 6 months living in a particular abandoned car. I was going home to my abandoned car one night, and it wasn't there. They had towed the car. I got evicted. I felt—you couldn't imagine. My aunt and uncle who adopted me after my mother died when I was 12 years old, they were afraid of me. I couldn't go there.

The term "hitting bottom" describes when an addict starts to realize that he or she has a problem and needs help. Hitting bottom is a clinical concept. On the streets the only bottom is death.

I went back to the VA in 1991. After the 3-day detox I was discharged. Why? No more beds available. I was told to come back in 6 days. I was one of the lucky ones this time because the VA did finally have a bed for me in the 21-day program. Too many vets weren't so lucky. They relapsed or OD'd because there were no beds for them.

I was told again that there was no beds open in the halfway house. I waited the longest 2 weeks of my life to get into the halfway house.

When a veteran is ready to change his life, become sober, how can we tell him to go away? We aren't ready to help you today.

Mr. Chairman, I know I am short of time. If you would just allow me a few more minutes to——

Nationwide, the VA does not have enough substance abuse and psychiatric beds for the homeless vets who want them.

The VA brags about how it has cut inpatient beds. The VA medical center has lost a total of 80 beds that were there to treat homeless vets for addiction. The halfway house that helped saved my life is gone. The entire rehab program is done on an outpatient basis. I could not have remained sober and be here today if I had to do it on outpatient basis.

My story as a homeless vet is not unique. Every day the VA turns away homeless veterans for lack of substance abuse and mental illness beds is a senseless obstacle in a veteran's road to recovery.

If you do one thing I would like to urge the committee to do one thing for homeless veterans this year, make sure that the VA maintains beds to treat addictions. No vet wanting help should be turned away from the VA.

Thank you for the opportunity to be here.

The CHAIRMAN. Mr. Jones, thank you for that very powerful testimony. I think it makes us all aware of the fact that delay is denial, and you have made that point very clear. The ordeal that you suffered, had we been there at the time when you needed to get inpatient treatment through a halfway house, it might have lessened some of the suffering that you have been through. But your point is very well taken and I think impresses not only members but staff, and we will do everything we can to make sure that those beds are there. Thank you very much.

[The prepared statement of Mr. Jones appears on p. 209.]

The CHAIRMAN. I would like to ask Mr. Selfon if he would present his testimony.

STATEMENT OF LEONARD SELFON

Mr. SELFON. Thank you, Mr. Chairman and other distinguished members of the committee. There is little I can say that can add to the powerful statement of Mr. Jones, and I thank him for sharing that with us today.

I would imagine, as does this committee, that as to the plight of our homeless veterans, we are hopeful that this legislation will produce powerful outcomes without lengthy delays and advance assistance to them.

We all recognize that veterans make up a significant percent of the general homeless populations in the United States, and we appreciate this opportunity to testify regarding H.R. 2716 and H.R. 936.

A more detailed statement of our positions is reflected in our written statement. However, I would like to highlight those provisions in the proposed legislation where our views diverge some-

what. Nevertheless, VVA is generally supportive of both of these important bills.

With respect to H.R. 2716 and the responsibility of Federal agencies, the Department of Housing and Urban Development has not carved out dollars that would easily bind with VA dollars for homeless veteran housing and assistance programs. And how ironic it is that HUD has designed its McKinney Grants under consolidated plans that essentially have eliminated transitional housing from its considered recipients and yet the VA cannot afford to offer anything other than transitional housing within its grants.

Matching dollars are required for these Federal grants, for without a fit and linkage of grants, nonprofit agencies are often unable to locate money for this match. Respectfully, VVA urges this committee to require HUD to address its responsibility to cooperate with the VA.

We also ask this committee to ensure that HUD designates a reasonable portion of its homeless dollars to veteran-specific programs. The linkage of HUD homeless programs—excuse me, homeless veteran programs and specific dollars to the VA will thereby consolidate funding and make more efficient and effective utilization of Federal dollars.

We also believe that the Department of Labor and the Department of Health and Human Services likewise operate programs for homeless veterans and should be held accountable for the programs that they administer to assist those persons.

With regard to Section 3, VVA believes that an increase in the per diem rate given to VVA homeless grant recipients must be increased for residential programs from $19 per day per veteran to an amount equal to the rate given by the VA to State veterans nursing homes.

The VA per diem rate presently given to homeless veterans services and centers is $1.10 per half hour of service provided to homeless veterans while he or she is on location. However, case management in the coordination of services to include outside agencies extends far beyond that time that the homeless veterans is on site at the service center, and we recommend that a more reasonable and equitable per diem rate must be considered if service centers are to exist and function as an integral component to a continuum of service delivery with effective outcomes.

With regard to Section 6 and the joint methodology to monitor the results of services furnished to homeless veterans, VVA does not support this measure of the bill as the language we believe is too vague to explain Congress' intent. We therefore request a more detailed explanation from the committee because it is within the VA's own selection committee that these grantees are selected from. Why not get it right the first time and use this money for other much-needed homeless veterans programs?

With regard to Section 8, authorizing of additional domiciliary care programs, last fiscal year the VA reported an increase of 26 percent in the number of veterans who are homeless. This number included veterans who received care in VA programs specifically designed for specialized programs, including substance abuse treatment and the domiciliary care program.

The reduction in funding for the treatment of seriously mentally ill veterans who are homeless can be directly linked to the reduction in funding for substance treatment programs. In other words, the VA has been creating homeless veterans at a rate faster than Congress can devise, pass and fund new programs to help reduce homelessness among veterans. It is time that we all recognize this fact. VVA does not support this provision of the bill and believes that domiciliary programs located within various medical centers throughout the VA system have proven to be very costly and have long-standing problems that do not display a high degree of success.

During this time of fiscal restraint, programs assisting homeless veterans need to show a cost-benefit ratio in order to survive, and we believe that if additional domiciliary care programs are indeed established, they need to link directly with community-based operations which been proven to be more than cost efficient and beneficial to homeless veterans.

As we said earlier, we generally support passage of both bills swiftly as drafted with those exceptions. We believe that it is essential to provide additional funding sources to community-based veterans' service providers as well as local chapters and posts of national veterans groups that provide essential and desperately needed services in a holistic manner to veterans who are homeless or at significant risk of becoming homeless.

We thank the committee for finally bringing this homeless veterans issue to the forefront. However, we remain somewhat puzzled at the political implications that somehow have attached themselves to this issue. It is important that the leadership of both Houses set aside their differences and come together for a more meaningful solution that would provide a better way of life for those men and women who served our country.

Mr. SELFON. The original intent was to end homelessness in the veterans population within 10 years. We haven't heard much of that until now and we are very gratified to see that goal is renewed. These services cannot operate in a vacuum, however, but only within the context of a working VA and a VA which must have full funding in order for its specialized services to succeed.

Once again on behalf of VVA, I would like to express our gratitude to you in providing us the opportunity to address this important legislation. Thank you very much.

[The prepared statement of Vietnam Veterans of America appears on p. 213.]

The CHAIRMAN. Thank you, Mr. Selfon, for your testimony and reminding the committee that this is a multi-pronged effort, and we have tried, as I think you know, to work not just with the Budget Committee but with the appropriators as well so that anything we pass out of this committee we have allocations for it and appropriated dollars for it, because I don't want to be in the business of "nice try, but," and we don't come forward with a meaningful program that is fully funded.

I would like to ask our final witness, Mr. Schneider, from the NCOA, if he will come to the witness table.

STATEMENT OF RICHARD SCHNEIDER

Mr. SCHNEIDER. Thank you, sir. Mr. Smith, members of the committee, I would like to say something first. I am glad that you are here doing the legislative affairs business of the United States of America. I think it shows the world who we are and the stamina we have in view of the atrocities that we have just suffered, and I thank you that you have the guts and determination and fortitude to continue with this hearing and I thank you for that on behalf of our association.

I am going to submit my statement for the record, and I am going to make some comments that I would like to share with the group regarding homelessness. I would like to start the comments by saying homelessness is not over. It was alluded to by Mr. Simmons earlier today that VA is there to take care of the liver and the hands and the broken limbs and what have you.

I have talked this morning with people from the Engineering Battalion at Fort Belvoir who have been working at the Pentagon, taking out the remains of people—hands, fingers, legs, body parts—and bagging them individually. I will tell you 18- and 19-year-old soldiers are going to need an adjustment period now, and in the years ahead they are going to reflect the trauma that they have experienced and the trauma of war that has been experienced by others who spoke today. And I will tell you something, I am just sadder than hell that Fran Murphy isn't sitting right here to have heard the statements that were made today, and I will tell you and I will tell you very pointedly we need those 10 dorms that you are recommending in your legislation, we need them so that no veteran is turned away. But I will tell you tragically also those 10 dorms will only provide 500 bed spaces for the 300,000-plus veterans across America that are homeless today, but it is a good start if we would start using some of our other facilities. If we would begin to open up some of the wards that we closed and if we started treating the small groups and, you know, you don't have to have 50 people in a dorm. You can take care of people across America in twos and threes, and by God, you can open up some of those bed spaces and take care of them. That is where our money was put for VA to take care of American's veterans.

I will tell you I honestly believe Tony Principi and his motivation to care for America's veterans. The Non Commissioned Officers Association in July held a homeless veteran forum in Orlando, Florida, and at that forum we brought together all of the VA medical centers in the State of Florida, all of the vet centers in the State of Florida. We brought together distinguished leaders such as Linda Boone and others from the New England Shelter of Homeless, from the Florida Volunteers of America, Pete Dougherty from the Department of Veterans Affairs, representatives of Housing and Urban Development, and you know what the biggest thing in that group was the communication that took place.

We need the Advisory Council to tell the Secretaries what is going on because these people aren't hearing it from their filters. We need the Interagency Council to have their asses kicked, those Cabinet members to be told by you, sir, that we need you to start talking and we need you to have these meetings and then we need also to tell them we know you are not the principal that does the

work, you have got a staff advisory underneath these interagency representatives and we need to energize them to get back on the job and start focusing on the issues and policies that are necessary for homelessness.

It is absolutely ironic that we have programs that we don't really study enough. Chapter 8 vouchers, we don't have enough of them. You know that, and you are asking for more. But do you know a veteran who goes through the dual addiction process, that goes through the resident program, that comes out of the domiciliary, goes into a training program, gets a job here in Washington, DC and becomes a GS–4, the bottom end of the spectrum. $22,180, his annual pay. But he brings with him all the debt, all the burden that he had before and all of the cost for making the adjusting and the transition of having nothing to now moving out and he is disenfranchised from the Chapter 8 program because the limit is $22,000. So he doesn't qualify.

And HUD, that is the bottom end. The top end of the program, I am going to throw this one out at you. We are making old people homeless veterans. We have homeless veterans today that are disabled, that are applying through HUD for assisted living, and they are being denied assisted living housing because they are getting compensation from the Department of Veterans Affairs and that compensation counts toward their means testing and they are disqualified for assisted living housing. There is something wrong with these policies. We need to talk with people. We go out to the Washington VA Medical Center, a great group of people; 48 chapters, eight housing slots, vouchers out there. 48, Washington. Look around the streets. We need more vouchers right here in Washington. I said when have you asked for more, and they haven't, not yet but they are going to. We are going to encourage that. It is about time. Fran Murphy, where the hell are you?

I will tell you this, health care for homeless veterans, the HCHV program is dynamic, where people care, and where people don't care it is poor, and I almost said something else. It is poor. And I will keep that word because I don't want to be thrown out of here just yet.

I know the red light is on, and I have about three other things I would like to say, and that is, number one, we do need the dorms. Linda addressed prevention. I have seen the need for a prevention program for years and I will tell you what, standdowns are great but they bring people together, and right after the standdown people wait 362 days for the next one and I am sick and tired of being part of standdowns that don't look beyond standdowns. I am sick and tired of the staffs at standdowns that stop when the thing is over and celebrate the victory. Well, the victory is not won until the veteran is in the program that can help him and the victory is not won until the veteran is pure enough mentally, physically and socially to get a job and to fight the shackles of homelessness.

I wrote in my statement—I am only going to quote one statement: VHA and the reduction of shift from inpatient to outpatient really denied an awful lot of veterans the opportunity and the help that they needed. It saved VA a lot of money and cost savings is great if you are a resource manager. I will bet a number of division directors got good bonuses based on that savings, but our veterans

paid for it. This man paid for it and they should have never paid for it. They should have had the facilities available. If we have to talk and talk hard to VA, we need to go to the united front and do that discussion and bring those programs on.

When I was in Florida and I had everybody together and community providers together, the lack of communication was overwhelming. When we talked a grant program I will tell you very frankly my observation, and that is the people out there don't know how to handle the volume of HUD regulations, VA regulations, State regulations, and interpretations by third parties. They need somebody with the moxy, the skill, and the executive experience to run a program to go out and educate.

Linda Boone and her National Coalition for Homeless Veterans, we support that initiative and we will argue for them to get that grant because they need to go out. You just cannot go into a program that is saturated with every minute of the day and find the time to write a grant. It just doesn't work. You don't get volunteers to come in and write grants. You have to do it yourself and you need help in finding out how to do it and finding people like Linda and people that can be trained to go out there and do that and do it extremely well.

I talked about communication and I will tell you we have many good people out there. They need all the help they can get and they need the resources. I like both of your proposed legislation, I like them very much, but I will tell you this, and it is the summary statement in my statement, and the statement is this.

Earlier today when the room was mournful, almost everybody in here commented on Heather French Henry and what she did for America by highlighting homelessness among veterans. She carried that torch not only to the homeless veterans, to the people that work homeless programs, but she carried it to the leadership of America. I think very hard and I believe our association believes very strongly when this legislation is passed, it should have the name Heather French Henry Homeless Veteran Assistance Act of 2001. She deserves that recognition as America's advocate for homeless veterans and I throw that out to you.

Thank you.

[The prepared statement of Mr. Schneider appears on p. 222.]

The CHAIRMAN. Mr. Schneider, thank you very much. Spoken like a true New Jerseyan. I appreciate your comments and I had read your prepared statement and I think I like this one better. Having read your statements and heard your oral presentations, you have really—where there were things you think are missing from our legislation, you certainly made that clear and you juxtaposed the two bills as to what you think are the positives in each.

I have no further questions. I wonder if our distinguished chairman of the Benefits Committee does.

Mr. SIMPSON. No, Mr. Chairman. I don't have any further questions. I do want to thank the panel. There were words from New Jersey I don't quite understand. We don't have those words—no, just kidding. But I appreciate your testimony. Mr. Jones, that was very moving testimony and I will look forward to working with the chairman in order to blend these two bills we have together in hoping to address this issue.

The CHAIRMAN. Thank you very much. I especially would like to thank Mr. Jones for having the courage to come forward, and his testimony was not only heard by all here but through the publication of our hearing record and I plan on using it during debate and to just underscore to our colleagues, as did some of the folks in that second panel, exactly what is happening. When you come forward and tell that story, believe me, it is helping other veterans and it is sharpening our focus hopefully like a laser beam. This cannot continue like this any longer.

So I thank you, and this will be a bipartisan bill we work on and in the best traditions of this committee, and again, Mr. Jones, thank you for that testimony. Thank you all.

Without objection, we do have four submissions of testimony I would like to make a part of the record. So ordered. And without any further comments I want to thank you again for being here. The hearing is adjourned.

(See pp. 230 to 244.)

[Whereupon, at 4:40 p.m., the committee was adjourned

APPENDIX

I

107TH CONGRESS
1ST SESSION

H. R. 2716

To amend title 38, United States Code, to revise, improve, and consolidate provisions of law providing benefits and services for homeless veterans.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 2001

Mr. SMITH of New Jersey (for himself, Mr. BUYER, and Mr. SIMMONS) introduced the following bill; which was referred to the Committee on Veterans' Affairs, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 38, United States Code, to revise, improve, and consolidate provisions of law providing benefits and services for homeless veterans.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the "Homeless Veterans Assistance Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

(c) REFERENCES TO TITLE 38, UNITED STATES CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. SENSE OF THE CONGRESS REGARDING THE NEEDS OF HOMELESS VETERANS AND THE RESPONSIBILITY OF FEDERAL AGENCIES.

It is the sense of the Congress that—

(1) Federal programs for the assistance of homeless veterans that are effective should be identified and expanded;

(2) federally funded programs for homeless veterans should be held accountable for achieving clearly defined results;

(3) Federal efforts to assist homeless veterans should include prevention of homelessness; and

(4) Federal agencies, particularly the Department of Veterans Affairs and the Department of Housing and Urban Development, should cooperate more fully to address the problem of homelessness among veterans.

SEC. 3. IMPROVEMENT AND CONSOLIDATION OF PROVISIONS OF LAW RELATING TO HOMELESS VETERANS.

(a) IN GENERAL.—(1) Part II is amended by inserting after chapter 19 the following new chapter:

"CHAPTER 20—BENEFITS FOR HOMELESS VETERANS

"SUBCHAPTER I—PURPOSE; DEFINITIONS

"SUBCHAPTER I—PURPOSE; DEFINITIONS

"§ 2001. Purpose

"The purpose of this chapter is to provide for the special needs of homeless veterans.

"§ 2002. Definitions

"In this chapter:

"(1) The term 'homeless veteran' means a homeless individual who is a veteran.

"(2) The term 'homeless individual' has the meaning given such term by section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302).

"SUBCHAPTER II—COMPREHENSIVE SERVICE PROGRAMS

"§ 2011. Grants

"(a) AUTHORITY TO MAKE GRANTS.—(1) Subject to the availability of appropriations provided for such purpose, the Secretary shall make grants to assist eligible entities in establishing programs to furnish, and expanding

or modifying existing programs for furnishing, the following to homeless veterans:

"(A) Outreach.

"(B) Rehabilitative services.

"(C) Vocational counseling and training

"(D) Transitional housing assistance.

"(2) The authority of the Secretary to make grants under this section expires on September 30, 2003.

"(b) CRITERIA FOR AWARD OF GRANTS.—The Secretary shall establish criteria and requirements for the award of a grant under this section, including criteria for entities eligible to receive such grants, and shall publish such criteria and requirements in the Federal Register. The criteria established under this section shall include the following:

"(1) Specification as to the kinds of projects for which such grant support is available, which shall include—

"(A) expansion, remodeling, or alteration of existing buildings, or acquisition of facilities, for use as service centers, transitional housing, or other facilities to serve homeless veterans; and

"(B) procurement of vans for use in outreach to, and transportation for, homeless vet-

erans to carry out the purposes set forth in subsection (a).

"(2) Specification as to the number of projects for which grant support is available.

"(3) Appropriate criteria for the staffing for the provision of the services for which a grant under this section is furnished.

"(4) Provisions to ensure that the award of grants under this section—

"(A) shall not result in duplication of ongoing services; and

"(B) to the maximum extent practicable, shall reflect appropriate geographic dispersion and an appropriate balance between urban and nonurban locations.

"(5) Provisions to ensure that an entity receiving a grant shall meet fire and safety requirements established by the Secretary, which shall include such State and community requirements that may apply, but fire and safety requirements applicable to buildings of the Federal Government shall not apply to real property to be used by a grantee in carrying out the grant.

"(6) Specifications as to the means by which an entity receiving a grant may contribute in-kind serv-

ices to the start-up costs of any project for which support is sought and the methodology for assigning a cost to that contribution for purposes of subsection (e).

"(e) FUNDING LIMITATIONS.—A grant under this section may not be used to support operational costs. The amount of a grant under this section may not exceed 65 percent of the estimated cost of the expansion, remodeling, alteration, acquisition, or procurement provided for under this section.

"(d) ELIGIBLE ENTITIES.—The Secretary may make a grant under this section to an entity applying for such a grant only if the applicant for the grant—

"(1) is a public or nonprofit private entity with the capacity (as determined by the Secretary) to effectively administer a grant under this section;

"(2) has demonstrated that adequate financial support will be available to carry out the project for which the grant has been sought consistent with the plans, specifications, and schedule submitted by the applicant; and

"(3) has agreed to meet the applicable criteria and requirements established under subsections (b) and (g) (and the Secretary has determined that the

applicant has demonstrated the capacity to meet those criteria and requirements).

"(e) APPLICATION REQUIREMENT.—An entity described in subsection (d) desiring to receive assistance under this section shall submit to the Secretary an application. The application shall set forth the following:

"(1) The amount of the grant requested with respect to a project.

"(2) A description of the site for such project.

"(3) Plans, specifications, and the schedule for implementation of such project in accordance with requirements prescribed by the Secretary under subsection (b).

"(4) Reasonable assurance that upon completion of the work for which assistance is sought, the program will become operational and the facilities will be used principally to provide to veterans the services for which the project was designed, and that not more than 25 percent of the services provided will serve clients who are not receiving such services as veterans.

"(f) PROGRAM REQUIREMENTS.—The Secretary may not make a grant to an applicant under this section unless the applicant, in the application for the grant, agrees to each of the following requirements:

"(1) To provide the services for which the grant is furnished at locations accessible to homeless veterans.

"(2) To maintain referral networks for, and aid homeless veterans in, establishing eligibility for assistance, and obtaining services, under available entitlement and assistance programs.

"(3) To ensure the confidentiality of records maintained on homeless veterans receiving services under the grant.

"(4) To establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the grant and to such payments as may be made under section 2012 of this title.

"(5) To seek to employ homeless veterans and formerly homeless veterans in positions created for purposes of the grant for which those veterans are qualified.

"(g) SERVICE CENTER REQUIREMENTS.—In addition to criteria established under subsection (b), the Secretary shall, in the case of an application for a grant for a service center for homeless veterans, require each of the following:

"(1) That such center provide services to homeless veterans during such hours as the Secretary

may specify and be open to such veterans on an as-needed, unscheduled basis.

"(2) That space at such center will be made available, as mutually agreeable, for use by staff of the Department of Veterans Affairs, the Department of Labor, and other appropriate agencies and organizations in assisting homeless veterans served by such center.

"(3) That such center be equipped and staffed to provide, or to assist in providing, health care, mental health services, hygiene facilities, benefits and employment counseling, meals, transportation assistance, and such other services as the Secretary determines necessary.

"(4) That such center may be equipped and staffed to provide, or to assist in providing, job training and job placement services (including job readiness, job counseling, and literacy and skills training), as well as any outreach and case management services that may be necessary to carry out this paragraph.

"§ 2012. Per diem payments

"(a) PER DIEM PAYMENTS FOR FURNISHING SERVICES TO HOMELESS VETERANS.—(1) Subject to the availability of appropriations provided for such purpose, the

Secretary, pursuant to such criteria as the Secretary shall prescribe, shall provide to a recipient of a grant under section 2011 of this title (or an entity eligible to receive a grant under that section which after November 10, 1992, establishes a program that the Secretary determines carries out the purposes described in that section) per diem payments for services furnished to any homeless veteran—

"(A) whom the Secretary has referred to the grant recipient (or entity eligible for such a grant); or

"(B) for whom the Secretary has authorized the provision of services.

"(2) The rate for such per diem payments shall be the rate applicable for domiciliary care under section 1741(a)(1)(A) of this title.

"(3) In a case in which the Secretary has authorized the provision of services, per diem payments under paragraph (1) may be paid retroactively for services provided not more than three days before the authorization was provided.

"(b) IN-KIND ASSISTANCE.—In lieu of per diem payments under this section, the Secretary may, with the approval of the grant recipient, provide in-kind assistance (through the services of employees of the Department of Veterans Affairs and the use of other Department re-

sources) to a grant recipient (or entity eligible for such a grant) under section 2011 of this title.

"(c) INSPECTIONS.—The Secretary may inspect any facility of an entity eligible for payments under subsection (a) at such times as the Secretary considers necessary. No per diem payment may be made to an entity under this section unless the facilities of that entity meet such standards as the Secretary shall prescribe.

"(d) RECOVERY OF UNUSED GRANT FUNDS.—(1) If a grant recipient (or entity eligible for such a grant) under section 2011 of this title does not establish a program in accordance with that section or ceases to furnish services under such a program for which the grant was made, the United States shall be entitled to recover from such recipient or entity the total of all unused grant amounts made under this section to such recipient or entity in connection with such program.

"(2) Any amount recovered by the United States under paragraph (1) may be obligated by the Secretary without fiscal year limitation to carry out provisions of this subchapter.

"§ 2013. Authorization of appropriations

"There are authorized to be appropriated to carry out this subchapter amounts as follows:

"(1) $50,000,000 for fiscal year 2000.

"(2) $50,000,000 for fiscal year 2001.

"(3) $60,000,000 for fiscal year 2002.

"(4) $75,000,000 for fiscal year 2003.

"(5) $75,000,000 for fiscal year 2004.

"(6) $75,000,000 for fiscal year 2005.

"SUBCHAPTER III—TRAINING

"§ 2021. Homeless veterans' reintegration programs

"(a) IN GENERAL.—Subject to the availability of appropriations provided for under subsection (d) and made available for such purpose, the Secretary of Labor shall conduct, directly or through grant or contract, such programs as the Secretary determines appropriate to provide job training, counseling, and placement services to expedite the reintegration of homeless veterans into the labor force.

"(b) REQUIREMENT TO MONITOR EXPENDITURES OF FUNDS.—(1) The Secretary of Labor shall collect such information as the Secretary considers appropriate to monitor and evaluate the distribution and expenditure of funds appropriated to carry out this section. The information shall include data with respect to the results or outcomes of the services provided to each homeless veteran under this section.

"(2) The information under paragraph (1) shall be furnished to the Secretary of Labor in such form as the Secretary considers appropriate.

"(c) ADMINISTRATION THROUGH THE ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING.—The Secretary of Labor shall carry out this section through the Assistant Secretary of Labor for Veterans' Employment and Training.

"(d) ANNUAL REPORT TO CONGRESS.—The Secretary of Labor shall submit to Congress an annual report that evaluates services furnished to veterans under this section, and includes an analysis of the information collected under subsection (c).

"(e) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to carry out this section amounts as follows:

"(A) $10,000,000 for fiscal year 2000.

"(B) $15,000,000 for fiscal year 2001.

"(C) $20,000,000 for fiscal year 2002.

"(D) $20,000,000 for fiscal year 2003.

"(2) Funds appropriated to carry out this section shall remain available until expended. Funds obligated in any fiscal year to carry out this section may be expended in that fiscal year and the succeeding fiscal year.

"SUBCHAPTER V—HOUSING ASSISTANCE

"SUBCHAPTER VII—MISCELLANEOUS PROVISIONS

"§ 2061. Annual report on assistance to homeless veterans

"(a) ANNUAL REPORT.—Not later than April 15 of each year, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the activities of the Department during the calendar year preceding the report under programs of the Department under this chapter and other programs of the Department for the provision of assistance to homeless veterans.

"(b) CONTENTS OF REPORT.—Each report under subsection (a) shall include the following:

"(1) The number of homeless veterans provided assistance under those programs.

"(2) The cost to the Department of providing such assistance under those programs.

"(3) Any other information on those programs and on the provision of such assistance that the Secretary considers appropriate.

"(4) The Secretary's evaluation of the effectiveness of the programs of the Department (including residential work-therapy programs, programs com-

bining outreach, community-based residential treatment, and case-management, and contract care programs for alcohol and drug-dependence or use disabilities) in providing assistance to homeless veterans.

"(5) The Secretary's evaluation of the effectiveness of programs established by recipients of grants under section 2011 of this title and a description of the experience of those recipients in applying for and receiving grants from the Secretary of Housing and Urban Development to serve primarily homeless persons who are veterans.".

(2) The tables of chapters before part I and at the beginning of part II are each amended by inserting after the item relating to chapter 19 the following new item:

"20. Benefits for homeless veterans ..... 2001".

(b) HEALTH CARE.—(1) Subchapter VII of chapter 17 is transferred to chapter 20 (as added by subsection (a)), inserted after section 2021 (as so added), and redesignated as subchapter IV, and sections 1771, 1772, 1773, and 1774 therein are redesignated as sections 2031, 2032, 2033, and 2034, respectively.

(2) Subsection (a)(3) of section 2031, as so transferred and redesignated, is amended by striking "section 1772 of this title" and inserting "section 2032 of this title".

(c) HOUSING ASSISTANCE.—Section 3735 is transferred to chapter 20 (as added by subsection (a)), inserted after the heading for subchapter V, and redesignated as section 2041.

(d) MULTIFAMILY TRANSITIONAL HOUSING.—(1) Subchapter VI of chapter 37 (other than section 3771) is transferred to chapter 20 (as added by subsection (a)) and inserted after section 2041 (as transferred and redesignated by subsection (c)), and sections 3772, 3773, 3774, and 3775 therein are redesignated as sections 2051, 2052, 2053, and 2054, respectively.

(2) Such subchapter is amended—

(A) in the heading, by striking "FOR HOMELESS VETERANS";

(B) in subsection (d)(1) of section 2051, as so transferred and redesignated, by striking "section 3773 of this title" and inserting "section 2052 of this title"; and

(C) in subsection (a) of section 2052, as so transferred and redesignated, by striking "section 3772 of this title" and inserting "section 2051 of this title".

(3) Section 3771 is repealed.

(e) REPEAL OF CODIFIED PROVISIONS.—The following provisions of law are repealed:

(1) Sections 3, 4, and 12 of the Homeless Veterans Comprehensive Service Programs Act of 1992 (Public Law 102–590; 38 U.S.C. 7721 note).

(2) Section 1001 of the Veterans' Benefits Improvements Act of 1994 (Public Law 103–446; 38 U.S.C. 7721 note).

(3) Section 4111.

(4) Section 738 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11448).

(f) CLERICAL AMENDMENTS.—

(1) The table of sections at the beginning of chapter 17 is amended by striking the item relating to subchapter VII and the items relating to sections 1771, 1772, 1773, and 1774.

(2) The table of sections at the beginning of chapter 37 is amended—

(A) by striking the item relating to section 3735; and

(B) by striking the item relating to subchapter VI and the items relating to sections 3771, 3772, 3773, 3774, and 3775.

(3) The table of sections at the beginning of chapter 41 is amended by striking the item relating to section 4111.

SEC. 4. RENTAL ASSISTANCE VOUCHERS FOR HUD VETERANS AFFAIRS SUPPORTED HOUSING PROGRAM.

(a) INCREASE IN NUMBER OF VOUCHERS.—Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is amended by adding at the end the following new paragraph:

"(19) RENTAL VOUCHERS FOR VETERANS AFFAIRS SUPPORTED HOUSING PROGRAM.—

"(A) SET ASIDE.—Subject to subparagraph (C), the Secretary shall set aside, from amounts made available for rental assistance under this subsection, the amounts specified in subparagraph (B) for use only for providing such assistance through a supported housing program administered in conjunction with the Department of Veterans Affairs. Such program shall provide rental assistance on behalf of homeless veterans who have chronic mental illnesses or chronic substance use disorders, shall require agreement of the veteran to continued treatment for such mental illness or substance use disorder as a condition of receipt of such rental assistance, and shall ensure such treatment and appropriate case management for each veteran receiving such rental assistance.

"(B) AMOUNT.—The amount specified in this subparagraph is—

"(i) for fiscal year 2003, the amount necessary to provide 500 vouchers for rental assistance under this subsection;

"(ii) for fiscal year 2004, the amount necessary to provide 1,000 vouchers for rental assistance under this subsection;

"(iii) for fiscal year 2005, the amount necessary to provide 1,500 vouchers for rental assistance under this subsection; and

"(iv) for fiscal year 2006, the amount necessary to provide 2,000 vouchers for rental assistance under this subsection.

"(C) FUNDING THROUGH INCREMENTAL ASSISTANCE.—In any fiscal year, to the extent that this paragraph requires the Secretary to set aside rental assistance amounts for use under this paragraph in an amount that exceeds that set aside in the preceding fiscal year, such requirement shall be effective only to such extent or in such amounts as are or have been provided in appropriation Acts for such fiscal

year for incremental rental assistance under this subsection.".

(b) INCREASE IN NUMBER OF VHA CASE MANAGERS.—The Secretary of Veterans Affairs shall ensure that the number of case managers in the Veterans Health Administration is sufficient to assure that every veteran who is provided a housing voucher through section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is assigned to, and is able to be seen as needed by, a case manager.

SEC. 5. INCREASE IN REPRESENTATIVE PAYEE SERVICES FOR HOMELESS VETERANS.

(a) IN GENERAL.—Chapter 20 (as added by section 3(a)) is amended by inserting after section 2034 (as transferred and redesignated by section 3(b)) the following new section:

"§ 2035. Representative payee services

"The Secretary shall seek to enter into contracts with community agencies to provide representative payee services for veterans who are not competent to manage their own personal funds. Any such contract shall require that an entity acting as representative payee for a veteran shall work in consort with care providers of the Veterans Health Administration to ensure that all Government funds are

used appropriately (such as for shelter, nutrition, and necessary health care services).''.

(b) REPORT.—Not later than March 1, 2003, the Secretary of Veterans Affairs shall submit to Congress a report on the Secretary's efforts to expand contracts described in section 2035 of title 38, United States Code, as added by subsection (a), and on savings from cost-of-care avoidance resulting from such contracts.

SEC. 6. JOINT METHODOLOGY TO MONITOR RESULTS OF SERVICES FURNISHED TO HOMELESS VETERANS.

(a) RESULTS OF VETERANS FURNISHED SERVICES UNDER FEDERAL HOMELESS PROGRAMS.—The Secretary of Veterans Affairs and the Secretary of Housing and Urban Development (hereinafter in this section referred to as the ''Secretaries'') shall jointly establish a methodology to monitor—

(1) veterans who have been furnished any service under any program funded or operated by the Department of Veterans Affairs or the Department of Housing and Urban Development under which services are furnished to homeless veterans; and

(2) any unmet demand by such veterans for any such service.

(b) METHODOLOGY.—(1) The methodology under subsection (a) shall include monitoring of standardized measurements and outcomes of such services furnished to veterans. Such standardized measurements and outcomes include measurable improved performance outcomes in the areas of mental illness, substance use disorders, general health, housing, and employment.

(2) Such standardized measurements and outcomes shall provide information with respect the following:

(A) Number of homeless veterans that reside in suitable, permanent housing by reason of such services.

(B) Number of homeless veterans employed, and their employment earnings, by of such services.

(C) Number of homeless veterans that have avoided relapses into the conditions that led to previous homelessness, such as mental illness or substance use disorders.

(D) Any other information that Secretaries determine appropriate to evaluate the outcomes of services furnished to homeless veterans.

(c) IMPLEMENTATION.—Not later than January 1, 2003, the Secretaries shall implement the methodology established under subsection (a).

(d) ANNUAL REPORT.—Beginning with the annual report to Congress required under section 2061 of title 38, United States Code, as added by section 3(a), for 2004, the Secretary of Veterans Affairs, after consultation with the Secretary of Labor, shall include in that annual report results of the monitoring of homeless veterans required under this section.

SEC. 7. ENHANCED-USE LEASES FOR FACILITIES THAT SERVE HOMELESS VETERANS.

(a) WAIVER OF COMPETITIVE SELECTION PROCESS FOR ENHANCED-USE LEASES FOR PROPERTIES USED TO SERVE HOMELESS VETERANS.—Section 8162(b)(1) is amended—

(1) by inserting "(A)" after "(b)(1)"; and

(2) by adding at the end the following:

"(B) In the case of a property that the Secretary determines is appropriate for use as a facility to furnish services to homeless veterans under chapter 20 of this title, the Secretary may enter into an enhanced-use lease without regard to the selection procedures required under subparagraph (A).".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to leases entered into on or after the date of the enactment of this Act.

SEC. 8. AUTHORIZATION OF ADDITIONAL DOMICILIARY CARE PROGRAMS.

(a) IN GENERAL.—The Secretary of Veterans Affairs may establish up to ten programs under section 1710(b) of title 38, United States Code (in addition to any such program that is established as of the date of the enactment of this Act) to provide domiciliary services under section 1710(b) of such title to homeless veterans (as defined in section 2002(1) of such title (as added by section 3(a)).

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Veterans Affairs $5,000,000 for each of fiscal years 2003 and 2004 to establish the programs referred to in subsection (a).

SEC. 9. DEMONSTRATION PROGRAM RELATING TO REFERRAL AND COUNSELING FOR VETERANS TRANSITIONING FROM CERTAIN INSTITUTIONS WHO ARE AT RISK FOR HOMELESSNESS.

(a) PROGRAM AUTHORITY.—The Secretary of Veterans Affairs and the Secretary of Labor (hereinafter in this section referred to as the "Secretaries") shall carry out a demonstration program for the purpose of determining the costs and benefits of providing referral and counseling services to eligible veterans with respect to ben-

efits and services available to such veterans under title 38, United States Code, and under State law.

(b) LOCATION OF DEMONSTRATION PROGRAM.—The demonstration program shall be carried out in at least six locations. One location shall be a penal institution under the jurisdiction of the Bureau of Prisons.

(c) SCOPE OF PROGRAM.—(1) To the extent practicable, the demonstration program shall provide both referral and counseling, and in the case of counseling, shall include counseling with respect to job training and placement, housing, health care, and such other benefits to assist the eligible veteran in the transition from institutional living.

(2)(A) To the extent that referral or counseling services are provided at a location under the program, referral services shall be provided in person during the 60-day period that precedes the date of release or discharge of the eligible veteran under subsection (f)(1)(B), and counseling services shall be furnished after such date.

(B) The Secretaries may furnish to officials of penal institutions outreach information with respect to referral and counseling services for presentation to veterans in the custody of such officials during the 18-month period that precedes such date of release or discharge.

(3) The Secretaries may enter into contracts to carry out the counseling required under the demonstration program with entities or organizations that meet such requirements as the Secretaries may establish.

(4) In developing the demonstration program, the Secretaries shall consult with officials of the Bureau of Prisons, officials of penal institutions of States and political subdivisions of States, and such other officials as the Secretaries determine appropriate.

(d) REPORT.—(1) Not later than two years after the commencement of the demonstration program, the Secretary of Veterans Affairs (after consultation with the Secretary of Labor) shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the program.

(2) The report under paragraph (1) shall include the following:

(A) A description of the implementation and operation of the program.

(B) An evaluation of the effectiveness of the program.

(C) Recommendations, if any, regarding an extension of the program.

(e) DURATION.—The authority of the Secretaries to provide counseling services under the demonstration pro-

gram shall cease on the date that is four years after the date of the commencement of the demonstration program.

(f) DEFINITIONS.—In this section:

(1) The term "eligible veteran" means a veteran who—

(A) is a resident of a penal institution or an institution that provides long-term care for mental illness;

(B) is expected to be imminently released or discharged (as the case may be) from the facility or institution; and

(C) is at risk for homelessness absent referral and counseling services provided under the program (as determined under guidelines established by the Secretaries).

(2) The term "veteran" has the meaning given that term under section 101(2) of title 38, United States Code.

(3) The term "imminent" means, with respect to a release or discharge under paragraph (1)(B), the 60-day period that ends on the date of such release or discharge.

SEC. 10. DEMONSTRATION PROGRAM FOR GRANTS FOR INDEPENDENT GROUP HOMES FOR RECOVERING VETERANS.

(a) ESTABLISHMENT OF GRANT PROGRAM.—The Secretary of Veterans Affairs (hereinafter in this section referred to as the "Secretary") shall carry out a demonstration program under which the Secretary shall make grants to eligible entities to establish a project to provide independent housing units in group houses sponsored by the entities for occupancy by veterans recovering from alcohol or other substance use disorders.

(b) MAXIMUM GRANT AMOUNT PER GROUP HOUSE.—The amount of any individual grant under this program for the establishment of a group house may not exceed $5,000.

(c) ELIGIBLE ENTITY.—The Secretary may make a grant under this section to an entity applying for such a grant only if the applicant for the grant—

(1) is a nonprofit private entity with the capacity (as determined by the Secretary) to effectively carry out a grant under this section;

(2) has demonstrated that adequate financial support will be available to carry out the project for which the grant has been sought consistent with the plans, specifications, and schedule submitted by the applicant; and

(3) has agreed to meet the applicable criteria and requirements established under subsection (e) (and the Secretary has determined that the applicant has demonstrated the capacity to meet those criteria and requirements).

(d) APPLICATION REQUIREMENT.—In order to receive a grant under this section, an eligible entity shall submit to the Secretary an application. The application shall set forth the following:

(1) The amount of the grant requested with respect to a project.

(2) A description of the site for such project.

(3) Plans, specifications, and the schedule for implementation of such project in accordance with requirements prescribed by the Secretary under subsection (e).

(e) PROGRAM REQUIREMENTS.—The Secretary may not make a grant to an applicant under this section unless the applicant, in the application for the grant, agrees to each of the following requirements:

(1) The eligible entity has in effect policies that—

(A) prohibit the use of alcohol or any illegal drug in the group house;

(B) provide for the immediate expulsion of any resident of the group house who violates the prohibition described in subparagraph (A);

(C) provide that payment for the costs of the housing, including fees for rent, and utilities, and all other fees applicable under residential leases on the part of the tenant, are made by the residents of the group house; and

(D) provide that rules of conduct for residents of the group house are made by majority vote of the residents, including rules regarding the manner in which applications for residence in the group house are approved.

(2) A group house shall provide for residence of not more than 10 veterans.

(f) RECOVERY OF GRANT FUNDS.—(1) If an eligible entity does not establish a project in accordance with the requirements of this section or ceases to be in accordance with such requirements for which the grant was made, the United States shall be entitled to recover from such entity the total of all unused grant amounts made under this section to such recipient or entity in connection with such project.

(2) Any amount recovered by the United States under paragraph (1) may be obligated by the Secretary without

fiscal year limitation to carry out provisions of this section.

(g) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall promulgate regulations to carry out the demonstration program under this section.

(h) AUTHORIZATION OF APPROPRIATIONS.—For purposes of carrying out this section, there is authorized to be appropriated to the Secretary of Veterans Affairs $250,000 for each of fiscal years 2003 and 2004.

(i) REPORT.—Not later than three years after the date of the enactment of this Act, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report describing the grants made under this section. The report shall include the following:

(1) An assessment of the effectiveness of the demonstration program, including the number of grants awarded.

(2) The geographic locations of the group houses established under the program.

(3) The number of veterans residing in each group house, the average number of veterans in all group houses, and the average length of stay for veterans in group houses.

(4) The number of veterans who were expelled from such group houses.

(5) Recommendations for extending, expanding, or modifying the program or funding under this section.

○

SUMMARY
H.R. 2716
HOMELESS VETERANS ASSISTANCE ACT OF 2001

The bill would:

1. a) Authorize, in addition to the existing program, 500 Department of Housing and Urban Development (HUD) "Section 8" low-income housing vouchers per year for four years (500 in fiscal year 2002; 1,000 in fiscal year 2003; 1,500 in fiscal year 2004; and, 2,000 in fiscal year 2005). This authorization would supplement an existing HUD program entitled, "HUD Veterans Affairs Supported Housing," known as "HUD-VASH." Vouchers would be made available by HUD, coordinated with VA case managers, to homeless veterans in need of permanent housing who are enrolled in VA health care. A condition of eligibility for the issuance of a housing voucher would be an eligible veteran's agreement to continued enrollment in VA care. Veterans under care for mental illness or substance use disorders would be given priority for vouchers.

   b) Require the Veterans Health Administration (VHA) to increase the number of VA employees assigned to case manager functions to assure that each veteran receiving a housing subsidy voucher through the HUD-VASH program is being seen by a case manager.

2. Equalize and associate the per diem rate payable to state veterans' homes to support domiciliary care, to that rate payable to grantees and contractors in VA's homeless grant and per diem program; and eliminate the current minimum contribution requirement of grantee and contractor applicants under current law.

3. Direct the Department of Veterans Affairs to expand contracts with community agencies to provide representative payee services on behalf of veterans who are incompetent to manage their own financial affairs. The representative payee would work in consort with VA care providers to ensure that all government funds are used appropriately (such as for shelter, nutrition, and necessary health care services). Would also require VA to report on its effort to expand contracts and report savings from cost-of-care avoidance by March 1, 2003.

4. Encourage the Secretary of VA and Secretary of HUD to consult closely to assure accurate reporting of the demand for services by homeless veterans, and to assure that homeless program grant and contract recipients from any government program are aware of their responsibilities to serve homeless

veterans. Would require the Secretaries to jointly devise a method to follow progress of veterans who have been served by homeless programs managed directly or through grants and contracts by either Department, including examination of effectiveness of these interventions and evaluations of outcomes attributable to them.

5. Direct the VA Secretary to use the authority under 38 U.S.C. §8162 ("Enhanced-Use Lease Authority") to promote the establishment of facilities to serve homeless veterans, and would relieve the Secretary of necessity of competitive selection procedures in exercising this authority to advance services to homeless veterans.

6. Authorize the Secretary to establish 10 new Domiciliary for Homeless Veterans programs. Authorize appropriations of $5 million for each of fiscal years 2003 and 2004 in support of expanding VA domiciliary care for homeless veterans.

7. Authorize appropriations of $60 million for fiscal year 2002 for the Department of Veterans Affairs Homeless Grant and Per Diem Program; and for fiscal years 2003-2005, $75 million annually.

8. Strengthen the requirement that the Department of Labor's Homeless Veterans Reintegration Program (HVRP) provide job training and counseling services to expedite the reintegration of homeless veterans into the labor force. Require HVRP to examine its programs and document its results in obtaining effective training leading to employment of homeless veterans. Require the Secretary of Labor to report annually to Congress the services provided to homeless veterans under this authority, with analysis of their effectiveness in securing jobs and housing for homeless veterans.

9. Direct the Secretary of Veterans Affairs and Secretary of Labor to undertake a demonstration program to provide information including referral and counseling services to incarcerated veterans and veterans in long-term institutional confinement. The demonstration would involve a minimum of six locations (one of which would be a Bureau of Prisons facility) to ascertain the potential to prevent eventual homelessness by providing information to confined veterans concerning VA and DOL benefits and services, including training, education, health care for veterans with serious mental illnesses and substance use disorders; and job placement, referral and counseling services. The Secretaries would be authorized to provide such veterans basic information on VA and DOL benefits and services up to 18 months prior to a veteran's release from custody, and would be authorized to provide counseling and referral up to

60 days before a veteran's release. The Secretaries would design the demonstration program in consultation with state and federal authorities and other appropriate authorities, and would initiate the program within one year of enactment of the bill. The Secretaries would report to Congress on the results of the demonstration project after two years, and the program would terminate four years from enactment.

10. Authorize the Secretary of Veterans Affairs to recapture or recover homeless grant funds in the event that a grantee fails to establish operations in accordance with an approved grant, or ceases to provide services as proposed in its application. The Secretary would be authorized to recoup from the grantee only unspent funds. The Secretary would be authorized to re-obligate funds recaptured under this authority. (Fraudulent actions on the part of grantees or contractors, or otherwise illegal activity in VA's grant and per diem programs, would continue to be subject to existing criminal or civil recovery mechanisms under title 18, United States Code.)

11. Authorize the Secretary of Veterans Affairs to award grants of up to $5,000 each to a not-for-profit organization dedicated to sponsoring community-based, self-sustaining sober group residences for veterans recovering from alcoholism and substance use disorders. Authorize to be appropriated $250,000 for each of fiscal years 2003 and 2004 to carry out the purposes of this authority.

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107TH CONGRESS
1ST SESSION

H. R. 936

To amend title 38, United States Code, to improve programs for homeless veterans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 8, 2001

Mr. EVANS (for himself, Mr. FILNER, Mr. GUTIERREZ, Ms. BROWN of Florida, Mr. PETERSON of Minnesota, Ms. CARSON of Indiana, Mr. REYES, Mr. RODRIGUEZ, Mr. SHOWS, Ms. BERKLEY, Mr. UDALL of New Mexico, Mrs. JONES of Ohio, Mr. SANDERS, Mr. LUCAS of Kentucky, Mr. ETHERIDGE, Mr. KILDEE, Mr. ACKERMAN, Mr. MCGOVERN, Mr. HINOJOSA, Mr. RAHALL, Mr. BONIOR, Ms. MCKINNEY, Mr. LIPINSKI, Mr. WEINER, Mr. BOUCHER, Mr. STUPAK, Ms. HOOLEY of Oregon, Mr. FROST, Mr. TIERNEY, Mrs. MEEK of Florida, Mr. KING, Mr. OBERSTAR, Mr. BISHOP, Mr. DAVIS of Florida, Mr. HASTINGS of Florida, Mr. LANGEVIN, Mr. DEFAZIO, Mr. HOLDEN, Mr. MURTHA, Mrs. MCCARTHY of New York, Mr. HALL of Ohio, Ms. WOOLSEY, Mr. COYNE, Mr. TAYLOR of Mississippi, Mr. BLAGOJEVICH, Mr. EDWARDS, Ms. BALDWIN, Mr. CRAMER, Mrs. MINK of Hawaii, Ms. DELAURO, Mr. BRADY of Pennsylvania, Mr. ISAKSON, Mr. GORDON, Mr. ALLEN, Mrs. KELLY, Mr. PALLONE, Mr. FRANK, Mr. PAYNE, Mr. PASCRELL, Ms. MCCOLLUM, Mr. FALEOMAVAEGA, Mr. BORSKI, Mr. PHELPS, Mrs. CLAYTON, Mr. HINCHEY, Ms. RIVERS, Ms. SCHAKOWSKY, Mr. LUCAS of Oklahoma, Mr. LAMPSON, Mr. STRICKLAND, Ms. LOFGREN, Mr. PRICE of North Carolina, Mr. UPTON, Mr. SANDLIN, Mr. ORTIZ, Mr. QUINN, Mr. BECERRA, Ms. MILLENDER-MCDONALD, Mr. WEXLER, Mr. WU, Ms. KAPTUR, Mr. KENNEDY of Rhode Island, Mr. THOMPSON of California, Ms. WATERS, Mr. CLYBURN, Ms. JACKSON-LEE of Texas, Mr. GONZALEZ, Mr. FLETCHER, Mr. SNYDER, Mr. RANGEL, and Mr. CAPUANO) introduced the following bill; which was referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to improve programs for homeless veterans, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Heather French Henry Homeless Veterans Assistance Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. FINDINGS; DEFINITIONS.

(a) FINDINGS.—Congress makes the following findings:

(1) On the field of battle, the members of the Armed Forces who defend the Nation are honor-

bound to leave no one behind and, likewise, the Nation is honor-bound to leave no veteran behind.

(2) The Department of Veterans Affairs report known as the Community Homeless Assessment, Local Education, and Networking Groups for Veterans (CHALENG) assessment, issued in May 2000, reports that during 1999 there were an estimated 344,983 homeless veterans, an increase of 34 percent above the 1998 estimate of 256,872 homeless veterans.

(3) Male veterans are more likely to be homeless than their nonveteran peers. Although veterans constitute only 13 percent of the general male population, 23 percent of the homeless male population are veterans.

(4) Homelessness among veterans is persistent despite unprecedented economic growth and job creation and general prosperity.

(5) While there are many effective programs that assist homeless veterans to again become productive and self-sufficient members of society, current resources provided to such programs and other activities that assist homeless veterans are inadequate to provide all needed essential services, assistance, and support to homeless veterans.

(6) If current programs to assist homeless veterans are fully maintained but not expanded, veterans will experience as many as a billion nights of homelessness during the next decade.

(7) The CHALENG assessment referred to in paragraph (2) reports—

(A) that Department of Veterans Affairs and community providers were responsible for establishing almost 500 beds for homeless veterans during 2000, including emergency, transitional, and permanent beds; and

(B) that there is a need for about 45,724 additional beds to meet current needs of homeless veterans.

(8) As of February 28, 2001, the Congressional Budget Office forecasts a Federal budget surplus of $313,000,000,000 for fiscal year 2002 and budget surpluses totaling more than $5,610,000,000,000 over the next 10 years.

(9) At least $750,000,000 will be required to establish the 45,724 additional new beds now needed by homeless veterans, according to an informal Department of Veterans Affairs cost estimate.

(10) Even if the Department of Veterans Affairs and its partners created 2,000 additional beds

per year for homeless veterans (roughly quadrupling the number of such beds they currently plan to open annually), it would still take more than two decades to provide the necessary additional beds to meet the current needs of homeless veterans.

(11) Nearly four decades ago, the Nation established a goal of sending a man to the moon and returning him safely to earth within a decade and accomplished that goal, and the Nation can do no less to end homelessness among the Nation's veterans.

(b) DEFINITIONS.—For purposes of this Act:

(1) The term "homeless veteran" means a veteran who—

(A) lacks a fixed, regular, and adequate nighttime residence; or

(B) has a primary nighttime residence that is—

(i) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, grant per diem shelters and transitional housing for the mentally ill);

(ii) an institution that provides a temporary residence for individuals intended to be institutionalized; or

(iii) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(2) The term "grant and per diem provider" means an entity in receipt of a grant under section 3 or 4 of the Homeless Veterans Comprehensive Service Programs Act of 1992 (38 U.S.C. 7721 note).

SEC. 3. NATIONAL GOAL TO END HOMELESSNESS AMONG VETERANS.

(a) NATIONAL GOAL.—Congress hereby declares it to be a national goal to end homelessness among veterans within a decade.

(b) COOPERATIVE EFFORTS ENCOURAGED.—Congress hereby encourages all departments and agencies of Federal, State, and local governments, quasi-governmental organizations, private and public sector entities, including community-based organizations, and individuals to work cooperatively to end homelessness among veterans within a decade.

SEC. 4. ADVISORY COMMITTEE ON HOMELESS VETERANS.

(a) IN GENERAL.—Chapter 5 of title 38, United States Code, is amended by adding at the end the following new section:

"§ 546. Advisory Committee on Homeless Veterans

"(a)(1) There is established in the Department the Advisory Committee on Homeless Veterans (hereinafter in this section referred to as the 'Committee').

"(2) The Committee shall consist of not more than 15 members appointed by the Secretary from among the following:

"(A) Veterans service organizations.

"(B) Advocates of homeless veterans and other homeless individuals.

"(C) Community-based providers of services to homeless individuals.

"(D) Previously homeless veterans.

"(E) State veterans affairs officials.

"(F) Experts in the treatment of individuals with mental illness.

"(G) Experts in the treatment of substance use disorders.

"(H) Experts in the development of permanent housing alternatives for lower income populations.

"(I) Experts in vocational rehabilitation.

"(J) Such other organizations or groups as the Secretary considers appropriate.

"(3) The Committee shall include, as ex officio members—

"(A) the Secretary of Labor (or a representative of the Secretary selected after consultation with the Assistant Secretary of Labor for Veterans' Employment);

"(B) the Secretary of Defense (or a representative of the Secretary);

"(C) the Secretary of Health and Human Services (or a representative of the Secretary); and

"(D) the Secretary of Housing and Urban Development (or a representative of the Secretary).

"(4) The Secretary shall determine the terms of service and pay and allowances of the members of the Committee, except that a term of service may not exceed three years. The Secretary may reappoint any member for additional terms of service.

"(b)(1) The Secretary shall, on a regular basis, consult with and seek the advice of the Committee with respect to the provision by the Department of benefits and services to homeless veterans.

"(2)(A) In providing advice to the Secretary under this subsection, the Committee shall—

"(i) assemble and review information relating to the needs of homeless veterans;

"(ii) provide an on-going assessment of the effectiveness of the policies, organizational structures, and services of the Department in assisting homeless veterans; and

"(iii) provide on-going advice on the most appropriate means of providing assistance to homeless veterans.

"(3) The Committee shall—

"(A) review the continuum of services provided by the Department directly or by contract in order to define cross-cutting issues and to improve coordination of all services with the Department that are involved in addressing the special needs of homeless veterans;

"(B) identify (through the annual assessments under section 1774 of this title and other available resources) gaps in programs of the Department in serving homeless veterans, including identification of geographic areas with unmet needs, and provide recommendations to address those program gaps;

"(C) identify gaps in existing information systems on homeless veterans, both within and outside

of the Department, and provide recommendations about redressing problems in data collection;

"(D) identify barriers under existing laws and policies to effective coordination by the Department with other Federal agencies and with State and local agencies addressing homeless populations;

"(E) identify opportunities for increased liaison by the Department with nongovernmental organizations and individual groups addressing homeless populations;

"(F) with appropriate officials of the Department designated by the Secretary, participate with the Interagency Council on the Homeless under title II of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11311 et seq.);

"(G) recommend appropriate funding levels for specialized programs for homeless veterans provided or funded by the Department;

"(H) recommend appropriate placement options for veterans who, because of advanced age, frailty, or severe mental illness, may not be appropriate candidates for vocational rehabilitation or independent living; and

"(I) perform such other functions as the Secretary may direct.

"(c)(1) Not later than March 31 of each year, the Committee shall submit to the Secretary a report on the programs and activities of the Department that relate to homeless veterans. Each such report shall include—

"(A) an assessment of the needs of homeless veterans;

"(B) a review of the programs and activities of the Department designed to meet such needs;

"(C) a review of the activities of the Committee; and

"(D) such recommendations (including recommendations for administrative and legislative action) as the Committee considers appropriate.

"(2) Not later than 90 days after the receipt of a report under paragraph (1), the Secretary shall transmit to the Committees on Veterans' Affairs of the Senate and House of Representatives a copy of the report, together with any comments and recommendations concerning the report that the Secretary considers appropriate.

"(3) The Committee may also submit to the Secretary such other reports and recommendations as the Committee considers appropriate.

"(4) The Secretary shall submit with each annual report submitted to the Congress pursuant to section 529 of this title a summary of all reports and recommendations

of the Committee submitted to the Secretary since the previous annual report of the Secretary submitted pursuant to that section.

"(d)(1) Except as provided in paragraph (2), the provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the activities of the Committee under this section.

"(2) Section 14 of such Act shall not apply to the Committee.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"546. Advisory Committee on Homeless Veterans.".

SEC. 5. MEETINGS OF INTERAGENCY COUNCIL ON HOMELESS.

Section 202(c) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11312(c)) is amended to read as follows:

"(c) MEETINGS.—The Council shall meet at the call of its Chairperson or a majority of its members, but not less often than annually.".

SEC. 6. EVALUATION OF HOMELESS PROGRAMS.

(a) EVALUATION CENTERS.—The Secretary of Veterans Affairs shall support the continuation within the Department of Veterans Affairs of at least one center for evaluation to monitor the structure, process, and outcome

of programs of the Department of Veterans Affairs that address homeless veterans.

(b) ANNUAL REPORT ON HEALTH CARE.—The Secretary shall submit to Congress an annual report on programs of the Department of Veterans Affairs addressing health care needs of homeless veterans. The Secretary shall include in each such report the following:

(1) Information about expenditures, costs, and workload under the Department of Veterans Affairs program known as the Health Care for Homeless Veterans program (HCHV).

(2) Information about the veterans contacted through that program.

(3) Information about processes under that program.

(4) Information about program treatment outcomes under that program.

(5) Information about supported housing programs.

(6) Information about the Department's grant and per diem provider program.

(7) Other information the Secretary considers relevant in assessing the program.

(c) ANNUAL PROGRAM ASSESSMENT.—Section 1774(b) of title 38, United States Code, is amended—

(1) by inserting "annual" in paragraph (1) after "to make an"; and

(2) by adding at the end the following new paragraph:

"(6) The Secretary shall review each annual assessment under this subsection and shall consolidate the findings and conclusions of those assessments into an annual report to be submitted to Congress.".

SEC. 7. CHANGES IN VETERANS EQUITABLE RESOURCE ALLOCATION METHODOLOGY.

(a) ALLOCATION CATEGORIES.—The Secretary of Veterans Affairs shall assign veterans receiving the following services to the resource allocation category designated as "complex care" within the Veterans Equitable Resource Allocation system:

(1) Care provided to veterans enrolled in the Department of Veterans Affairs program for Mental Health Intensive Community Case Management.

(2) Continuous care in homeless chronically mentally ill veterans programs.

(3) Continuous care within specialized programs provided to veterans who have been diagnosed with both serious chronic mental illness and substance use disorders.

(4) Continuous therapy combined with sheltered housing provided to veterans in specialized treatment for substance use disorders.

(5) Specialized therapies provided to veterans with post-traumatic stress disorders (PTSD), including the following:

(A) Specialized outpatient PTSD programs.

(B) PTSD clinical teams.

(C) Women veterans stress disorder treatment teams.

(D) Substance abuse disorder PTSD teams.

(b) TREATMENT OF FUNDS FOR NEW PROGRAMS FOR HOMELESS VETERANS.—The Secretary shall ensure that funds for any new program for homeless veterans carried out through a Department health care facility are designated for the first three years of operation of that program as a special purpose program for which funds are not allocated through the Veterans Equitable Resource Allocation system.

SEC. 8. PER DIEM PAYMENTS FOR FURNISHING SERVICES TO HOMELESS VETERANS.

(a) INCREASE IN RATE OF PER DIEM PAYMENTS.—Section 4 of the Homeless Veterans Comprehensive Serv-

ice Programs Act of 1992 (38 U.S.C. 7721 note) is amended by striking "at such rates" and all that follows through "homeless veterans—" and inserting the following: "at the same rates as the rates authorized for State homes for domiciliary care provided under section 1741 of title 38, United States Code, for services furnished to homeless veterans—".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this Act.

SEC. 9. GRANT PROGRAM FOR HOMELESS VETERANS WITH SPECIAL NEEDS.

(a) ESTABLISHMENT.—The Secretary of Veterans Affairs shall carry out a program to make grants to health care facilities of the Department of Veterans Affairs and to grant and per diem providers in order to encourage development by those facilities and providers of programs targeted at meeting special needs within the population of homeless veterans.

(b) SPECIAL NEEDS.—For purposes of this section, homeless veterans with special needs include homeless veterans who—

(1) are women;

(2) are 50 years of age or older;

(3) are substance abusers;

(4) are persons with post-traumatic stress disorder;

(5) are terminally ill;

(6) are chronically mentally ill; or

(7) have care of minor dependents or other family members.

(c) STUDY OF OUTCOME EFFECTIVENESS.—The Secretary shall conduct a study of the effectiveness of the grant program in meeting the needs of homeless veterans. As part of the study, the Secretary shall compare the results of programs carried out in the grant program under this section in terms of veterans' satisfaction, health status, reduction in addiction severity, housing, and encouragement of productive activity with results for similar veterans in programs of the Department or of grant and per diem providers that are designed to meet the general needs of homeless veterans.

(d) FUNDING.—From amounts appropriated to the Department of Veterans Affairs for "Medical Care" for each of fiscal years 2003, 2004, and 2005, the amount of $5,000,000 shall be available for the purposes of the program under this section. Grants under this section to a health care facility of the Department or a grant and

per diem provider shall be treated in the manner provided in section 7(b).

SEC. 10. COORDINATION OF OUTREACH SERVICES FOR VETERANS AT RISK OF HOMELESSNESS.

(a) OUTREACH PLAN.—The Secretary of Veterans Affairs, acting through the Under Secretary for Health, shall provide for appropriate officials of the Mental Health Service and the Readjustment Counseling Service of the Veterans Health Administration to initiate a coordinated plan for joint outreach to veterans at risk of homelessness, including particularly veterans who are being discharged from institutions (including discharges from inpatient psychiatric care, substance abuse treatment programs, and penal institutions).

(b) MATTERS TO BE INCLUDED.—The outreach plan under subsection (a) shall include the following:

(1) Strategies to identify and collaborate with external entities used by veterans who have not traditionally used Department of Veterans Affairs services to further outreach efforts.

(2) Strategies to ensure that mentoring programs, recovery support groups, and other appropriate support networks are optimally available to veterans.

(3) Appropriate programs or referrals to family support programs.

(4) Means to increase access to case management services.

(5) Plans for making additional employment services accessible to veterans.

(6) Appropriate referral sources for mental health and substance abuse services.

(c) COOPERATIVE RELATIONSHIPS.—The plan shall identify strategies for the Department to enter into formal cooperative relationships with entities outside the Department of Veterans Affairs to facilitate making services and resources optimally available to veterans.

(d) REVIEW OF PLAN.—The Secretary shall submit the plan under subsection (a) to the Advisory Committee on Homeless Veterans for its review and consultation.

(e) SUBMISSION OF REPORT.—Not later than two years after the date of the enactment of this Act, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the Secretary's plan under subsection (a), including goals and timelines for implementation of the plan for particular facilities and service networks.

(f) OUTREACH PROGRAM.—(1) The Secretary of Veterans Affairs shall carry out an outreach program to pro-

vide information to homeless veterans and veterans at risk of homelessness. The program shall include at a minimum—

(A) provision of information about benefits available to eligible veterans from the Department; and

(B) contact information for local Department facilities, including medical facilities, regional offices, and veterans centers.

(2) In developing and carrying out the program under paragraph (1), the Secretary shall, to the extent practicable, consult with appropriate public and private organizations, including the Bureau of Prisons, State social service agencies, the Department of Defense, and mental health, veterans, and homeless advocates—

(A) for assistance in identifying and contacting veterans who are homeless or at risk of homelessness;

(B) to coordinate appropriate outreach activities with those organizations; and

(C) to coordinate services provided to veterans with services provided by those organizations.

SEC. 11. TREATMENT TRIALS IN INTEGRATED MENTAL HEALTH SERVICES DELIVERY.

(a) ESTABLISHMENT.—The Secretary of Veterans Affairs shall carry out two treatment trials in integrated mental health services delivery. Each such trial shall be carried out at a Department of Veterans Affairs medical center selected by the Secretary for such purpose. The trials shall each be carried out over the same one-year period.

(b) DEFINITION.—For purposes of this section, the term "integrated mental health services delivery" means a coordinated and standardized approach to evaluation for enrollment, treatment, and followup with patients who have both mental health disorders (to include substance use disorders) and medical conditions between mental health and primary health care professionals.

(c) SITE SELECTION CRITERIA.—In reviewing applications from Department medical centers for selection as a site for a treatment trial under this section, the Secretary shall consider models that use the following:

(1) Standardized criteria for admission and enrollment as participant or control;

(2) Focus on prevention and symptom reduction.

(3) Development of a comprehensive, integrated treatment plan.

(4) Patient assignment to team or teams.

(5) Management of polypharmacy.

(6) Use of evidence-based treatment protocols.

(7) Case management between visits.

(8) Referral and coordination of appropriate Department or community-based services (including housing if necessary).

(9) Ability to maintain and provide outcomes for comparison purposes on veterans with similar diagnoses and characteristics who are not included in the trial, but who are receiving traditional consultative services in the same facility.

(d) COSTS.—The Secretary may use up to $2,000,000 from funds available to the Secretary for Medical Care for costs for each of the treatment trials. Funds identified by the Secretary for the trials shall remain available until expended.

(e) TREATMENT MODELS TO BE TESTED.—The two treatment trials shall each use one of the following models:

(1) Mental health primary care teams.

(2) Patient assignment to a mental health primary care team that is linked with the patient's medical primary care team.

(f) STUDY OF EFFECTIVENESS.—The Secretary shall compare treatment outcomes of the different treatment

trials for chronically mentally ill veterans who are provided treatment through integrated mental health programs with treatment outcomes, including such outcomes as veterans' satisfaction, health status, treatment compliance, patient functionality, reduction in addiction severity as well as service utilization and treatment costs with results for similar chronically mentally ill veterans provided treatment through traditionally consultative relationships.

(g) RESULTS.—Not later than 30 months after selection of the two centers under this section, each selected center shall complete measures of treatment outcomes under subsection (f), as well as measures for matched controls.

(h) MANDATORY AUDIT OF RESULTS.—The Department of Veterans Affairs Medical Inspector General shall review medical records of participants and controls for both trials to ensure that results are accurate.

(i) REPORT AND DISSEMINATION OF RESULTS.—Not later than two years after the date of the enactment of this Act, the Secretary shall submit to Congress a report setting forth the results of that comparison and such recommendations as the Secretary may have. Based upon the Secretary's conclusions, the Secretary shall disseminate the best practices for treatment of mentally ill veterans

in such manner as the Secretary determines appropriate on a nationwide basis.

SEC. 12. DENTAL CARE.

(a) IN GENERAL.—For purposes of section 1712(a)(1)(H) of title 38, United States Code, outpatient dental services and treatment of a dental condition or disability of a veteran described in subsection (b) shall be considered to be medically necessary if—

(1) the dental services and treatment are necessary for the veteran to successfully gain or regain employment;

(2) the dental services and treatment are necessary to alleviate pain; or

(3) the dental services and treatment are necessary for treatment of moderate, severe, or severe and complicated gingival and periodontal pathology.

(b) ELIGIBLE VETERANS.—Subsection (a) applies to a veteran who is—

(1) enrolled for care under section 1705(a) of title 38, United States Code; and

(2) who is receiving care (directly or by contract) in any of the following settings:

(A) A domiciliary under section 1710 of such title.

(B) A therapeutic residence under section 1772 of such title.

(C) Community residential care coordinated by the Secretary of Veterans Affairs under section 1730 of such title.

(D) A setting for which the Secretary provides funds for a grant and per diem provider.

(E) Any program described in section 7 of this Act.

SEC. 13. PROGRAMMATIC EXPANSIONS.

(a) ACCESS TO MENTAL HEALTH SERVICES.—The Secretary of Veterans Affairs shall develop standards to ensure that mental health services are available to veterans in a manner similar to the manner in which primary care is available to veterans who require services by ensuring that each primary care health care facility of the Department has a mental health treatment capacity.

(b) TRANSITIONAL HOUSING.—Effective October 1, 2001, section 12 of the Homeless Veterans Comprehensive Service Programs Act of 1992 (38 U.S.C. 7721 note) is amended to read as follows:

"SEC. 12. FUNDING.

"(a) AMOUNTS FOR GRANT AND PER DIEM PROGRAMS.—From amounts appropriated for "Medical Care" for any fiscal year, the Secretary shall expend not less

than $55,000,000 (as adjusted from time to time under subsection (b)) to carry out the transitional housing grant and per diem provider programs under sections 3 and 4 of this Act.

"(b) PERIODIC INCREASES.—The amount in effect under subsection (a) shall be increased for any fiscal year by the overall percentage increase in the Medical Care account for that fiscal year from the preceding fiscal year.".

(c) COMPREHENSIVE HOMELESS SERVICES PROGRAM.—(1) The Secretary shall provide for the establishment of centers for the provision of comprehensive services to homeless veterans under section 2(b) of the Homeless Veterans Comprehensive Service Programs Act of 1992 (38 U.S.C. 7721 note) in at least each of the 20 largest metropolitan statistical areas.

(2) Section 2(b) of the Homeless Veterans Comprehensive Service Programs Act of 1992 (38 U.S.C. 7721 note) is amended by striking "no more than eight demonstration".

(d) OPIOID SUBSTITUTION THERAPY.—The Secretary shall ensure that opioid substitution therapy is available at each Department of Veterans Affairs medical center.

(e) PROGRAM EXPIRATION EXTENSION.—Sections 1771(b) and 1773(d) of title 38, United States Code, are

amended by striking "December 31, 2001" and inserting "December 31, 2006".

SEC. 14. VARIOUS AUTHORITIES.

(a) EMPLOYMENT PROGRAMS.—The Secretary of Veterans Affairs may authorize homeless veterans receiving care through vocational rehabilitation programs to participate in the compensated work therapy program.

(b) SUPPORTED HOUSING FOR VETERANS PARTICIPATING IN COMPENSATED WORK THERAPIES.—The Secretary may authorize homeless veterans in the compensated work therapy program to be provided housing through the therapeutic residence program under section 1772 of title 38, United States Code, or through grant and per diem providers.

(c) STAFFING REQUIREMENT.—The Secretary shall ensure that there is assigned at each Veterans Benefits Administration regional office at least one employee assigned specifically to oversee and coordinate homeless veterans programs in that region, including the housing program for veterans supported by the Department of Housing and Urban Development, housing programs supported by the Department of Veterans Affairs, the homeless veterans reintegration program of the Department of Labor, the assessments required by section 1774 of title 38, United States Code, the Comprehensive Homeless Pro-

gram, and such other duties relating to homeless veterans as may be assigned. In any such regional office with at least 140 employees, there shall be at least one full-time employee assigned to such functions.

(d) COORDINATION OF EMPLOYMENT SERVICES.—(1) Section 4103A(c) of title 38, United States Code, is amended by adding at the end the following new paragraph:

"(11) Coordination of services provided to veterans with training assistance provided to veterans by entities receiving financial assistance under section 738 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11448).".

(2) Section 4104(b) of such title is amended—

(A) by striking "and" at the end of paragraph (11);

(B) by striking the period at the end of paragraph (12) and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(13) coordinate services provided to veterans with training assistance for veterans provided by entities receiving financial assistance under section 738 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11448).".

SEC. 15. LIFE SAFETY CODE FOR GRANT AND PER DIEM PROVIDERS.

(a) NEW GRANTS.—Section 3(b)(5) of the Homeless Veterans Comprehensive Service Programs Act of 1992 (38 U.S.C. 7721 note) is amended by striking ", but fire and safety" and all that follows through "in carrying out the grant" and inserting "and the fire and safety requirements applicable under the Life Safety Code of the National Fire Protection Association".

(b) PREVIOUS GRANTEES.—Section 4 of such Act is amended by adding at the end the following new subsection:

"(e) LIFE SAFETY CODE.—(1) Except as provided in paragraph (2), a per diem payment (or in-kind assistance in lieu of per diem payments) may not be provided under this section to a grant recipient unless the facilities of the grant recipient meet the fire and safety requirements applicable under the Life Safety Code of the National Fire Protection Association.

"(2) During the five-year period beginning on the date of the enactment of the Heather French Henry Homeless Veterans Assistance Act, paragraph (1) shall not apply to an entity that received a grant under section 3 before that date if the entity meets fire and safety requirements established by the Secretary.

"(3) From amounts available for purposes of this section pursuant to section 12, not less than $5,000,000 shall be used only for grants to assist entities covered by paragraph (2) in meeting the Life Safety Code of the National Fire Protection Association.".

SEC. 16. TRANSITIONAL ASSISTANCE GRANTS PILOT PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Veterans Affairs shall carry out a three-year pilot program of transitional assistance grants to eligible homeless veterans. The pilot program shall be established at not less than three nor more than six regional offices of the Department of Veterans Affairs and shall include at least one regional office located in a large urban area and at least one regional office serving primarily rural veterans. The maximum number of veterans who may participate in the pilot program is 600.

(b) ELIGIBLE VETERANS.—A veteran is eligible for a transitional assistance grant under this section if the veteran is physically present in the geographic area of a regional office which is participating in the pilot program and the veteran—

(1) is a veteran of a period of war or, if not a veteran of a period of war, meets the minimum serv-

ice requirements specified in section 5303A of title 38, United States Code;

(2) is being released, or within the preceding 60 days was released, from an institution, including a hospital, a penal institution, a homeless shelter, or a facility of a grant and per diem provider;

(3) is a homeless veteran or was a homeless veteran before institutionalization; and

(4) had less than marginal income for the preceding three months.

(c) DURATION OF GRANT ASSISTANCE.—An eligible veteran may be provided a transitional assistance grant under this section for no more than three months.

(d) EXCEPTION TO LIMITATION ON GRANT ASSISTANCE.—(1) A veteran who receives transitional assistance under this section and who while in receipt of such assistance has a claim pending with the Secretary for service-connected disability compensation or nonservice-connected pension shall, notwithstanding subsection (c), continue to be provided transitional assistance under this section after the period prescribed in subsection (c) until the earlier of (A) the date on which a decision on the claim is made by the regional office, or (B) the end of the six-month period beginning on the date of expiration of eligibility under subsection (c).

(2) An extension of transitional assistance under paragraph (1) shall be terminated if, as determined by the Secretary, the veteran, without good cause, fails to cooperate in establishing the pending claim or if the gross monthly income of the veteran for a month exceeds twice the amount of transitional assistance benefits payable to the veteran for that month. The effective date of such a termination shall be the last day of the month following the month in which the extension under paragraph (1) is terminated under the preceding sentence.

(3) Claims of veterans receiving benefits under this subsection shall receive expedited consideration by the regional office.

(e) AMOUNT OF GRANT.—(1) The monthly amount of a grant provided under this section to an eligible veteran shall be the amount of monthly pension that would be payable to that veteran under chapter 15 of title 38, United States Code, if the veteran had a permanent and total nonservice-connected disability.

(2) Once eligibility for a grant under this section has been established, the amount of the grant shall be determined without regard to the veteran's income, other than as provided in subsection (d)(2).

(f) COORDINATION WITH OTHER BENEFITS.—If retroactive benefits from the Department of Veterans Affairs

are payable to a veteran with respect to a month for which the veteran received a transitional assistance grant under this section, the amount of such retroactive benefit payable for such month shall be reduced (but not below zero) by the amount of the grant under this section paid for that month. No reduction may be made by the Secretary of Veterans Affairs from an amount otherwise due a veteran for any other month to offset an amount paid under this section for a previous month.

(g) DEFINITIONS.—For purposes of this section:

(1) The term "veteran" means a person who served in the active military, naval, or air service (as defined in section 101 of title 38, United States Code) and who was discharged or released from any such period of service under conditions other than dishonorable.

(2) The term "marginal income", with respect to a veteran, means income below the poverty standard (as determined by the Bureau of the Census) for a family of the size of the veteran's family.

SEC. 17. ASSISTANCE FOR GRANT APPLICATIONS.

(a) GRANT PROGRAM.—The Secretary of Veterans Affairs shall carry out a program to make technical assistance grants to nonprofit community-based groups with experience in providing assistance to homeless veterans in

order to assist such groups in applying for grants relating to addressing problems of homeless veterans.

(b) FUNDING.—There is authorized to be appropriated to the Secretary of Veterans Affairs the amount of $750,000 for each of fiscal years 2001 through 2005 to carry out the program under this section.

SEC. 18. HOME LOAN PROGRAM FOR MANUFACTURED HOUSING.

Section 3712(a)(1) of title 38, United States Code, is amended by adding at the end the following:

"With respect to a veteran who, as determined by the Secretary, is homeless, the Secretary may waive any otherwise applicable requirement under this chapter that a purchase of a manufactured home include ownership or purchase of a lot by the veteran to which the home is to be permanently affixed.".

SEC. 19. EXTENSION OF HOMELESS VETERANS REINTEGRATION PROGRAM.

Section 4111(d)(1) of title 38, United States Code, is amended by striking subparagraphs (C) and (D) and inserting the following:

"(C) $50,000,000 for fiscal year 2002.

"(D) $50,000,000 for fiscal year 2003.

"(E) $50,000,000 for fiscal year 2004.

"(F) $50,000,000 for fiscal year 2005.

"(G) $50,000,000 for fiscal year 2006.".

SEC. 20. USE OF REAL PROPERTY.

Section 8122(d) of title 38, United States Code, is amended by inserting before the period at the end the following: "and is not suitable for use for the provision of services to homeless veterans by the Department or by another entity under an enhanced-use lease of such property under section 8162 of this title".

○

"Heather French Henry Homeless Veterans Assistance Act"

H.R. 936

Summary of Provisions

I. PURPOSES

A. Establishes the end of homelessness among veterans within a decade as a national goal of the highest priority.

B. Encourages all departments and agencies of Federal, State, and local government, quasi-governmental organizations, private and public sector entities, including community-based organizations, and individuals to work cooperatively to end homelessness among veterans within a decade.

II. VA ADVISORY COMMITTEE ON HOMELESS VETERANS

Creates within the Department of Veterans Affairs (VA) a 15-member Advisory Committee on Homeless Veterans appointed by the Secretary. Members of the Advisory Committee on Homeless Veterans are to include representatives of veterans service organizations; advocates of homeless veterans and other homeless individuals; community-based providers of services to homeless individuals; previously homeless veterans; state veterans affairs officials; experts in the treatment of individuals with mental illness; experts in the treatment of substance use disorders; experts in development of permanent housing alternatives for lower income populations; experts in vocational rehabilitation; and, such other organizations or groups as the Secretary considers appropriate.

Requires ex-officio members to include the Secretary of Labor, the Secretary of Defense, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development or their representatives.

III. REQUIREMENTS FOR INTERAGENCY COUNCIL ON HOMELESS

Requires the Interagency Council on Homeless to meet not less once annually. An announcement of the time, location and agenda of each meeting of the Council shall be published prior to the meeting. A written report of the proceeding of each meeting shall be made available to the public within 90 days of the meeting date.

IV. MANDATED EVALUATION AND REPORT OF MENTAL HEALTH PROGRAMS

(a) EVALUATION CENTERS—mandates continued evaluation and monitoring by at least

one center within the Department of Veterans Affairs (currently the Northeast Program Evaluation Center) of the structure, process, and outcome of Department of Veterans Affairs programs addressing health care needs of homeless veterans.

(b) ANNUAL REPORT ON HEALTH CARE—requires an annual report to Congress on Department of Veterans Affairs programs addressing health care needs of homeless veterans.

V. CHANGES IN VETERANS EQUITABLE RESOURCE ALLOCATION METHODOLOGY

(a) Assigns veterans receiving continuous care within: Mental Health Intensive Community Case Management (MHICCM); Homeless Chronically Mentally Ill (HCMI) Veterans Programs; specialized programs provided to veterans who have been diagnosed with both serious chronic mental illness and substance use disorders; sheltered housing provided to veterans in specialized treatment for substance use disorders: certain specialized Post-Traumatic Stress Disorder therapies to the resource allocation category designated as ''complex care'' within the Veterans Equitable Resource Allocation system.

(b) Earmarks special purpose funds for any new program for homeless veterans for the first three years of operation.

VI. CHANGES IN PER DIEM PAYMENTS FOR FURNISHING SERVICES TO HOMELESS VETERANS

Requires Secretary to apply per diem rate for state home domiciliaries to community-based providers receiving per diem payments for homeless veterans.

VII. GRANT PROGRAM FOR HOMELESS VETERANS WITH SPECIAL NEEDS

Encourages VA and contract providers to develop programs to meet special needs of homeless veterans who are—women; 50 years of age or older; substance abusers; persons with Post-Traumatic Stress Disorder; terminally ill; or chronically mentally ill; or, who have dependents. Requires outcomes from these programs be compared to traditional treatment. Earmarks $5 million from medical care for each fiscal year 2003, 2004, and 2005.

VIII. COORDINATION OF SERVICES FOR VETERANS AT RISK OF HOMELESSNESS

(a) Requires VA to coordinate a program and a plan for multiple agency outreach to veterans at risk of homelessness, particularly veterans being discharged from institutions

(including discharges from inpatient psychiatric care, substance abuse treatment programs, and penal institutions).

(b) Coordinated outreach program will furnish information about VA benefits available to eligible veterans and contact information for local Department facilities, including medical facilities, regional offices and vet centers to veterans at risk for homelessness.

(c) VA shall, to the extent practicable, consult on a continuing basis with appropriate public and private organizations, such as the Bureau of Prisons, state Social Service agencies, the Department of Defense, and mental health, veterans, and homeless advocates in developing and delivering a coordinated outreach program.

(d) The outreach plan shall include strategies for making necessary services optimally available to veterans within or outside of VA facilities and a plan for periodic assessment of the effectiveness of strategies.

(e) Requires Secretary to establish formal cooperative relationships with external agencies to ensure that outreach, services, and resources are made optimally available to veterans.

(f) The Secretary shall submit this plan to the Advisory Committee on Homeless Veterans for its review and consultation.

(g) Not later than July 1, 2002, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the Secretary's plan, including goals and timelines for implementation for particular facilities and service-networks.

IX. DEMONSTRATION PROJECTS OF EFFECTIVENESS OF INTEGRATED MENTAL HEALTH SERVICE DELIVERY MODELS

Requires VA to establish two $2 million treatment trials that compare veterans using Mental Health Primary Care Teams (mental health providers serve as the point of entry and care coordinators for project participants) or Linked Mental Health and Primary Care Team (patients are assigned to primary care providers who correspond to a particular mental health team) to similar patients using traditional (consultative) primary care models in the same facility and report on "best practices" identified in the demonstration.

X. DENTAL CARE

Authorizes VA to provide outpatient dental services and treatment of a dental condition or disability to a veteran enrolled for care in VHA and receiving care (directly or by contract) in VA or contract programs that traditionally serve homeless veterans if:

(1) the dental services and treatment are necessary for the veteran to successfully gain or regain employment;

(2) the dental services and treatment are necessary to alleviate pain; or

(3) the dental services and treatment are necessary for treatment of moderate, severe, or severe and complicated gingival and periodontal pathology.

XI. USE OF DEPARTMENT ASSETS TO PROVIDE HOUSING FOR HOMELESS VETERANS

In assessing the use of any Department asset including real property and existing facilities, the Secretary shall evaluate the use of such assets, particularly unused and underutilized assets, for providing emergency, transitional or permanent housing for homeless veterans or veterans who would otherwise be homeless. Assessment of alternatives to providing care to homeless veterans will include an assessment of enhanced use leases. This assessment shall be made before excessing real property.

XII. PROGRAMMATIC EXPANSIONS

(a) MENTAL HEALTH SERVICES—Requires VA to have a mental health capability wherever it delivers primary care.

(b) TRANSITIONAL HOUSING—Earmarks $50 million dollars/year for the transitional housing grant and per diem programs. Allows for increased funding within this earmark to correspond with the growth in the overall Medical Care budget.

(c) COMPREHENSIVE HOMELESS SERVICES PROGRAM—Eliminates cap on Homeless Veterans Comprehensive Service Programs and requires centers to be available in not fewer than the 20 largest metropolitan statistical areas.

(d) OPIOID SUBSTITUTION THERAPY—Requires availability at each Department of Veterans Affairs medical center.

(e) DOMICILIARY CARE FOR HOMELESS VETERANS—Requires VA to develop 10 new domiciliary programs in the 10 largest metropolitan service areas without them.

(f) PROGRAM EXPIRATION EXTENSION—Extends Homeless Chronically Mentally Ill and Comprehensive Homeless Programs until December 31, 2006.

XIII. VARIOUS AUTHORITIES

(a) EMPLOYMENT PROGRAMS—Authorizes homeless veterans receiving care through vocational rehabilitation programs to participate in the compensated work therapy program.

(b) SUPPORTED HOUSING FOR VETERANS PARTICIPATING IN COMPENSATED WORK THERAPIES—Authorizes homeless veterans in the compensated work therapy program to be provided housing through the therapeutic residence program or through the homeless grant and per diem providers.

(c) STAFFING REQUIREMENT—Ensures that there is assigned at each Veterans Benefits Administration regional office at least one employee assigned specifically to oversee and coordinate homeless veterans programs in that region, including the housing program for veterans supported by the Department of Housing and Urban Development, housing programs supported by the Department of Veterans Affairs, the homeless veterans reintegration program of the Department of Labor, CHALENG assessments, the Comprehensive Homeless Program, and other duties relating to homeless veterans

(d) COORDINATION OF EMPLOYMENT SERVICES—Encourages homeless providers to coordinate provision of employment services with Disabled Veterans Outreach Program specialists and Local Veterans Employment Representatives.

XIV. LIFE SAFETY CODE

Requires homeless grant and per diem providers to comply with appropriate fire and safety standards applied to comparable facilities within a five-year period. Providers may apply for grants to fund necessary modifications.

XV. TRANSITIONAL ASSISTANCE GRANTS

(a) ESTABLISHMENT OF PROGRAM—Requires VA to provide carry out a three-year pilot program in not less that three nor more than six regional offices to provide one three-month grant within any three-year period for transitional assistance to up to 600 homeless veterans. Eligible veterans are those being released, or who, within the preceding 60 days were released from an institution, including a homeless shelter or grant per diem program, a hospital, or a penal institution who are or were homeless prior to institutionalization and had less than marginal income for the preceding three months. VA may extend, for an additional six months, grants for veterans awaiting a regional office decision on a claim for VA compensation or pension benefits.

(b) AMOUNT OF GRANT—The monthly amount of a grant provided under this section to an eligible veteran shall be the amount of monthly pension that would be payable to that veteran if the veteran had a permanent and total non-service-connected disability without regard to the veteran's income. Any retroactive compensation or pension benefits due for a month in which a transitional benefit was received would be offset by the amount of the transitional grant.

XVI. ASSISTANCE FOR GRANT APPLICATIONS

(a) GRANT PROGRAM—Requires VA to provide technical assistance grants to one or more nonprofit community-based groups with experience in providing assistance to homeless veterans to assist such groups in applying for grants and other financial assistance relating to addressing problems of homeless veterans.

(b) FUNDING—Authorizes $750,000 for each of fiscal years 2002 through 2006 to carry out the program.

XVII. HOME LOAN PROGRAM FOR MANUFACTURED HOUSING

Allows VA to waive purchase of lot for homeless veterans obtaining home loans for the purchase of manufactured homes.

XVIII. EXTENSION OF HOMELESS VETERANS REINTEGRATION PROGRAM

Extends Homeless Veterans Reintegration Program and authorizes expenditures of $50 million/year in fiscal years 2002 through 2006.

Following moment of silence:

I also would like to note the recent passing of a Member of this committee, a true friend and colleague, and one of this body's strongest supporters of veterans, Floyd Spence.

Mr. Spence served in elective office from 1956 until his death—45 years of elected public service. During his service in the House, he overcame serious health challenges, and was among the most gentle and humble of men. He was personally popular, not only in the 2d district of South Carolina, but among his colleagues. For the last six years, he served as the Chairman of the Committee on Armed Services, and led that Committee with great distinction. His service as Chairman was marked by constant attention to the daily concerns of our men and women in uniform and their families.

He served as a Member of this Committee for ten of his 31 years in the House of Representatives, and was always looking for ways to help veterans. He died in Jackson Mississippi on August 16. The State of South Carolina will greatly miss him, and so will all of us.

STATEMENT OF LANE EVANS
RANKING DEMOCRATIC MEMBER
COMMITTEE ON VETERANS AFFAIRS

Hearing Before the Committee on Veterans Affairs

H.R. 2716, the Homeless Veterans Assistance Act of 2001 and H.R. 936, the Heather French Henry Homeless Veterans Assistance Act
September 20, 2001 at 1:30 PM

334 Cannon Office Building

Chairman Smith, thank you for scheduling this important hearing today. My opening remarks will be brief as there may be votes in the House later this afternoon in response to the tragic events of last Tuesday. I would ask that my entire written statement be made part of the record.

Mr. Chairman, as you know, I have made passage of legislation to assist homeless veterans one of my highest legislative priorities in this Congress. On March 6, I introduced H.R. 936, the "Heather French Henry Homeless Veterans Assistance Act". Almost a third of this body—Democrats and Republicans—have joined me in supporting this bill. I am particularly pleased that Ms. Heather French Henry, for whom my bill is named, is able to join us today.

During her year of service as Miss America 2000, Heather worked tirelessly on behalf of our Nation's homeless veterans who have never had a better advocate. Heather has been called "every veteran's daughter" and I was privileged to recognize her contributions by naming H.R. 936 on her behalf.

Mr. Chairman, I also commend you for introducing H.R. 2716. Working together I am optimistic we can combine the best provisions of H.R. 936 and H.R. 2716 and strongly support legislation that will result in better treatment, rehabilitation, and housing options for America's homeless veterans. Our nation's veterans deserve no less.

I believe it is impossible to discuss VA's many modes of treatment for homeless veterans without examining the range, availability and effectiveness of programming available to veterans with severe chronic mental illness and substance abuse problems. VA and the private sector

have made dramatic changes in their programming for mental health care—many of these changes have worked as well as we might have hoped. VA has almost halved its hospital inpatient psychiatric census over the last five years. It now stands at a little over a quarter of the hospital inpatient psychiatric census VA had in FY 1994—less than a decade ago. I do not believe enough investments have been made in mental health intensive case management, substance use treatment options, or supportive housing arrangements to justify these huge decreases in other important programs.

VA's own accounting of the resources made available to mental health programs in its "Capacity Report" indicates that there have been significant decreases in most, including programs for substance use disorders, post-traumatic stress disorder, and treatment for the veterans with so-called "dual diagnoses"—serious mental illness and substance abuse. Most of the funding for these programs has decreased even when amounts are *not* adjusted for inflation. Every year VA's own internal Committee on Care of Severely Chronically Mentally Ill Veterans has failed to endorse VA's assertion that it is maintaining capacity in its programs for the mentally ill.

Let's face it—we know effectively managing the care of some of our most seriously mentally ill veterans is expensive—inpatient or outpatient. The Under Secretary's Committee advised VHA's leadership of this. We also know, however, that the costs of not managing this care effectively are almost as expensive and lead to far lower stability and functionality for the veterans. What works? Intensive case management is extremely effective. Care in the community—supportive housing combined with mental health, substance use disorder treatment, and vocational rehabilitation—can work very well. Our community-based homeless providers play a huge and inspiring role in this effort.

VA is one of the most committed public partners addressing the needs of seriously mentally ill veterans—still it must do better. States have closed psychiatric facilities without an adequate community infrastructure on which its former patients can rely. Mental health is drastically underfunded by public and private payers.

And VA is not the only solution. VA's homeless grant and per diem providers do a great job of turning our veterans' lives around. Peer support groups have offered a network for supporting the needs of veterans with mental illness. A real solution to addressing the needs of homeless and

mentally ill veterans will involve all of these important players. VA, in partnership with community-based providers must be the standard bearer—it must offer the model for addressing the needs of this critically ill population in a comprehensive and compassionate way.

The Heather French Henry Homeless Veterans Assistance Act, named for Miss America 2000, expands and enhances the most effective programs in the Department's spectrum of VA provided or funded programs. It asks experts and consumers of homeless, substance use disorder, and mental illness treatment programs to review VA's program mix and effectiveness and offer guidance to VA program officials. It tests new delivery models to determine their effectiveness. It promises dental care, the component VA and its CHALENG reviewers identified as the biggest gap in VA programming available to homeless veterans. Advocates of the homeless know that dental care often ensures that veterans are better able to find jobs and maintain their independence. These changes aim to ensure that veterans are given a hand up, not a hand out.

I challenge some of the VA's views on H.R. 936. For example, we have a great deal of faith that Secretary Principi will make homeless veterans a priority for his Administration. I have every confidence in his commitment, but what happens when the next Administration is installed? I want to ensure continuity in our efforts on behalf of homeless veterans, including supporting a statutorily required advisory committee on homeless vets. As the former Chief Counsel and Staff Director of the Senate Committee on Veterans' Affairs, the Secretary knows well that Congress often enacts a law to provide a statutory basis for an administrative action.

My bill also requires VA to change its financial incentives for treating mentally ill veterans using various VA-provided or funded programs. VA has noted its objection to the language in Section 7 of the bill. While the intention of this provision is to change VA's priorities for addressing mental illness, I know that not all of the funds allocated for "complex care" are spent on these treatment purposes. VA's testimony to the Senate in regard to S. 739 refers to the fact that VA spends an average of $33,000 of the $42,675 "complex care" rate it receives for veterans treated in the MHICM program. The remaining $9,675 is used for other purposes. It should be explicitly noted, then, that funds are not always spent for the purposes for which they are allocated. In my view, Section 7 of my bill creates incentives to provide more mental health care, but it does not necessarily mean that VA

will choose to spend all of the funds on those purposes once an allocation is made.

VA's views also suggest a "disruptive effect" this would have upon VA and grant providers due to the competitive grant process. Generally speaking VA has been supportive of opening itself up to competition. For example, VA recently designated, for the purpose of the FAIR Act, most of its employees as "commercial-exempt" meaning that VA is not required to provide an "A-76" analysis (or any other basis) for using contractors to replace them. In my view, it seems inconsistent to criticize a competitive grant process, which could include some community-based providers when VA clearly tries to ease the contracting process in many other instances.

Lastly, VA has previously cited certain veterans' need for extensive dental care as an impediment to finding them gainful employment. This legislation provides a means of addressing this problem which has been identified as a top-rated unmet need for homeless veterans by VA and community evaluators in VA's CHALENG reports year after year. I believe we have an obligation to fix homeless men and women's teeth and send them to work if it's possible to do so.

Mr. Chairman, again I also want to say I appreciate your introduction of H.R. 2716. Your bill intends to fill a gap in VA's care continuum by sponsoring some ideas that will provide "permanent" housing options for veterans. I am pleased you have had the foresight to address this need in your bill and I will look forward to working with you as we approve legislation that will undoubtedly assist America's homeless veterans.

Finally, Mr. Chairman, I want to thank you for holding this legislative hearing on H.R. 936, the Heather French Henry Homeless Veterans Assistance Act and on H.R. 2716. We need to address some of our most vulnerable veterans' needs and it can't wait until tomorrow. I hope we will be unified and committed in our devotion to addressing these veterans' needs in this Congress.

Thank you, Mr. Chairman.

OPENING STATEMENT OF HONORABLE
SILVESTRE REYES, RANKING DEMOCRATIC MEMBER, SUBCOMMITTEE ON BENEFITS
ON H.R. 2716, THE HOMELESS VETERANS ASSISTANCE ACT OF 2001 AND H.R. 936 THE HEATHER FRENCH HENRY HOMELESS VETERANS ASSISTANCE ACT
SEPTEMBER 20, 2001

Mr. Chairman, I thank you for holding this hearing. I would also like to thank the Ranking Member, Mr. Evans, and welcome all the witnesses to today's hearing. I would also like to extend a warm welcome to an individual who has done so much to assist homeless veterans in the United States, Mrs. Heather French Henry. It is important, during this time of national tragedy, for us to remember that the terrorists who killed so many in New York and at the Pentagon have not destroyed our ability to work together for the good of our Nation's veterans. The bills we are considering today contain provisions which will assist our Nation's homeless veterans. I wish to assure today's witnesses that I will fully consider their views as we move forward on legislation to end homelessness among our Nation's veterans.

I would like to direct my remarks today to the great need of some of our most severely disabled mentally ill homeless veterans. H.R. 936, the Heather French Henry Homeless Veterans Assistance Act, contains a number of provisions to address the needs of chronically mentally ill homeless veterans. Section Nine of this bill encourages the VA to make grants targeted to the special needs of homeless veterans including the chronically mentally ill, persons with post-traumatic stress disorder (PTSD) and substance abuse disorders. These veterans clearly need more intensive services in order to achieve stable housing and maximum independence, even if employability is not a realistic goal.

As a Vietnam veteran, I know that during that time, a number of persons were accepted into military service who would not have been accepted for service under normal criteria.

Some of these veterans were further traumatized by their military experience and have suffered ever since with severe mental health and substance abuse problems. Those veterans who became homeless as a result of these problems deserve our support.

To ensure that mentally ill veterans do not become homeless, I support expansion of programs to provide mental health services to veterans. As the number of community-based out-patient clinics has increased, I hear of inadequate access to mental health care and services. Veterans who are seriously mentally ill need access to treatment just as those who have other serious illnesses. Ensuring a mental health treatment capacity at each VA primary care clinic would provide this access.

I also support a pilot program of transitional assistance to low-income homeless veterans leaving institutions. The purpose of this brief grant would be to give veterans a hand up, not a hand out. I am concerned that as the backlog of claims awaiting adjudication approaches 700,000, recently released low-income veterans may become homeless due to a lack of resources they need to obtain housing and avoid homelessness. By providing a transitional assistance grant and expedited consideration of the claims of these veterans, I hope that homelessness may be avoided. I am concerned that the VA has criticized the small pilot plan contained in the bill on the ground that payments would be made to veterans incapable of handling transitional benefits in a responsible manner. Current law authorizes the Secretary to pay benefits to a fiduciary whenever "the interest of the veteran would be served thereby". I would expect the Secretary to use that authority for payment of transitional assistance benefits when appropriate.

I thank all of the witnesses for their time and look forward to their testimony.

STATEMENT OF
FRANCES M. MURPHY, M.D., M.P.H.
DEPUTY UNDER SECRETARY FOR HEALTH
DEPARTMENT OF VETERANS' AFFAIRS
BEFORE THE
COMMITEE ON VETERANS AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
SEPTEMBER 20, 2001

Mr. Chairman and Members of the Committee:

I am pleased to be here this afternoon to comment on H.R. 2716, the "Homeless Veterans Assistance Act of 2001." If enacted, this bill would consolidate into a single chapter the Secretary's authority to provide health care, housing, employment training, and other benefits and services to homeless veterans. This legislation would also enhance existing VA programs for homeless veterans as well as programs for homeless veterans that are administered by other departments in concert with VA. It would further provide for new joint Federal initiatives targeted at preventing homelessness among the most vulnerable veterans.

On the whole, VA supports H.R. 2716. However, with respect to some provisions, we recommend modifications consistent with the goals of the legislation or else seek further clarification of the proposals from Committee staff.

Today, I would like to briefly go over the main provisions of the bill and provide VA's views on these provisions.

Section 3

The bill would add new chapter 20 to title 38 to establish a chapter dedicated exclusively to benefits for homeless veterans. New sections 2011 and 2012 would codify the Department's existing Homeless Providers Grants and Per Diem Program ("Program") currently authorized in Public Law 102-590 (1992) and amend the Program in several respects. The Program was established by statute in 1992 to assist in the establishment of new programs (or components thereof) by community-based providers of needed services, such as outreach, rehabilitative and vocational counseling and training services, and transitional housing assistance, to homeless veterans in specific communities. Under the Program, VA has been able to spur development of increased levels of assistance for homeless veterans living throughout the country at the local level. Indeed, grantees' programs often fill existing gaps in the continuum of VA care and services, thus serving as an effective complement to VA's own efforts. Thus, under this Program, VA has been successful at leveraging substantial amounts of new resources to increase the overall supply of transitional housing and other effective assistance for homeless veterans throughout the country.

Section 3 would eliminate the existing cap on the number of service centers that may be funded under the Program. Service centers are defined under the

Program as projects which provide, or assist in providing, certain supportive services (such as health care, hygiene facilities, benefits and employment counseling, meals, transportation assistance, and job training and job placement services) to homeless veterans for a minimum of 40 hours per week for a minimum of five days per week as well as on an as-needed, unscheduled basis. Second, section 3 would mandate the recovery of all unused grant amounts from recipients who fail to establish a program or cease to furnish services under a grant-funded program. Third, the proposal would require the Secretary to pay per diem payments under the Program at the same per diem rates applicable for domiciliary care furnished veterans in State Veterans Homes.

We support each of those proposed amendments, as they would significantly simplify and improve administration of VA's Grant and Per Diem Program. However, we suggest that the recovery provision be patterned more closely after the recapture provisions applicable to VA's State Home Grant Program. That provision allows for different recoveries depending on the time when the property funded by the grant ceases to be operated by a state or a state home principally for the purposes of furnishing care to veterans. We would suggest recovery levels under section 3 depend on when a grant recipient ceases to use the grant-funded property for the benefit of homeless veterans. It should also include language that would allow the United States to recapture used and unused grant funds from grantees where the grant funds have been used for purposes other than those stated in their grant agreements.

We further suggest that the rate of per diem payments permitted under the Grants and Per Diem Program be 85% of the domiciliary care per diem rate paid to State Homes to equate more closely with grantees' actual costs of providing services. Services provided under the State Home Domiciliary Programs and the Grant and Per Diem Program vary significantly in scope and intensity, and most grant recipients do not have operating budgets that would justify payment at the per diem rate applicable to State Homes. However, we would also recommend that we be able to make per diem payments under the Program at less than the 85% rate where payment at the 85% rate would in fact exceed the grantee's actual costs. This would give VA flexibility to ensure that per diem funded programs have sufficient resources, while ensuring that VA is not paying more than the grantees' actual costs.

Of note, new section 2011 would continue to require that the real property of grant recipients (used in carrying out their grants) meet fire and safety requirements established by the Secretary and not those applicable to buildings of the Federal Government. We recommend that this provision be modified to require grantee recipients to meet fire and safety requirements established by the Life Safety Code, National Fire Protection Association Standard 101, or any successor standard. The National Fire Protection Association (NFPA) standards are widely accepted as the national standards for fire protection and safety. Such a modification should not impose undue financial burdens on grant

recipients because VA, under the Program, can provide up to 65% of the cost of purchasing, constructing and/or renovating a building.

Section 3 of the bill would also transfer to the new Chapter 20 VA's existing authority to provide outreach services, care and services, and therapeutic transitional housing assistance in conjunction with work therapy for veterans suffering from serious mental illness, including veterans who are homeless, to the new chapter 20, in addition to VA's authority to operate comprehensive service centers for homeless veterans. Similarly transferred would be existing provisions in title 38 related to housing assistance for homeless veterans and multifamily transitional housing assistance for formerly homeless veterans.

This proposal would also transfer section 4111 of title 38, related to the Homeless Veterans Reintegration Projects Program (HVRP). Under the HVRP, the Secretary of Labor is required to conduct programs to expedite the reintegration of homeless veterans into the labor force. Through the award of grants, grantees provide homeless veterans with a variety of supportive services, such as job training, job readiness skills, and job placement.

Section 4

Section 4 would amend section 8 of the Housing Act to require HUD to set aside section 8 housing vouchers for homeless veterans. This effectively codifies the existing HUD-VA Supported Housing (HUD-VASH) Program, which the two

Departments have operated informally since 1992. Specifically, section 4 would require HUD to reserve 500 rental assistance vouchers in fiscal year 2003 for homeless veterans who have chronic mental illnesses or chronic substance use disorders. Under the provision, the number of homeless veterans in the HUD-VASH Program would more than double by fiscal year 2006. We would be required to provide additional clinical case managers each year for veterans in the HUD-VASH Program.

We fully support section 4. The HUD-VASH Program has been a resounding success. Today, there are approximately 1,750 housing vouchers being used by homeless veterans under the HUD-VASH Program, and these vouchers provide $8.85 million in rental assistance for homeless veterans annually.

Section 5

Section 5 would add a new section 2035 to title 38 to require the Secretary to seek to enter into contracts with community agencies to provide representative payee services for homeless veterans who are not competent to manage their own personal funds. The proposal would require such representative payees to work in concert with VHA to ensure that all Government funds are used for appropriate purposes (e.g., nutrition and shelter) and also require the Secretary to submit a report in March 2003 on his efforts in this direction and on any cost-savings achieved as a result of such efforts.

This section is problematic. To the extent this provision is intended to cover VA benefits of any type, it would seem to conflict with an existing and very detailed program for the disbursement of benefits to VA-appointed fiduciaries under 38 U.S.C. s. 5502 et seq. and 38 CFR part 13. Under part 13, VA provides for the appointment, supervision and regulation of fiduciaries for incompetent veterans. We have assumed that use of the term "not competent" in the section is intended to mean those whom VA would determine are not able to manage their own funds under VA's fiduciary program in part 13. If that is the case, we cannot support this provision. We recommend that the Committee clarify the meaning of the term "not competent" for purposes of this section.

To the extent the provision would apply to a veteran's funds not derived from VA benefits, we assume the Committee intends that VA condition participation in VA's programs for homeless veterans on a veteran's acceptance of representative payee services.

Section 6

Section 6 would require the Secretary of Veterans Affairs and the Secretary of Housing and Urban Development to jointly establish a methodology to monitor veterans who have been furnished any service under a VA or HUD program that provides assistance to homeless veterans and to identify any unmet demand by such veterans. The proposal would further require the collection of detailed information concerning each of these veterans.

We do not support section 6 because the scope and magnitude of the proposed study is, in our view, beyond the ability of either Department to carry out. VA provides health care services to approximately 90,000 homeless veterans each year, and HUD has indicated that 167,000 homeless veterans were served in HUD-funded programs in FY 2000. To monitor and evaluate all services provided to all of these veterans, as contemplated by section 6, would be a complex, massive, and costly administrative undertaking. We would prefer to work with the Committees to identify more feasible means of achieving the goal of this section.

Section 7

Section 7 would modify VA's current enhanced-use leasing authority with respect to how we select a lessee in enhanced-use leases. While we understand the objective of the proposal is to reduce delays by providing for an expeditious selection of a lessee for an enhanced-use leasing project for homeless veterans, we believe the current authority already provides this flexibility. Currently, the enhanced-use authority provides the Secretary with broad discretion in selecting an enhanced-use lessee by mandating only that VA follow a process that assures that there is "integrity" in the selection. The existing authority does not require that the competition requirements and procedures set forth in Competition in Contracting Act of 1984 ("CICA") apply to enhanced-use leases,

but only that any selection be based on a process that assures that there is a consistency in application and fairness in selection of the lessee.

The current lessee selection provision in the enhanced-use leasing authority enables VA, in the public interest, to establish selection policies for different types of enhanced-use leases. For example, it is VA's current policy that in order to secure the benefits of competition and to eliminate any sound basis for criticism on grounds of favoritism, VA should use a competitive negotiation process to obtain enhanced-use leases. However, the same policy allows for a direct enhanced-use lease in certain instances involving agreements with VA affiliates, states, local governments, not-for-profits, etc. This policy could be expanded to address the situation identified in the legislative proposal.

We object to legislatively mandating the exception to the current selection standard because it could create an unnecessary ambiguity regarding the interpretation of current authority (which, as noted above, can already accommodate the desired policy). Such a construction may result in an inability for such projects to obtain financing due to uncertainty regarding their selection.

Section 8

Section 8 would authorize the Secretary to establish up to ten more domiciliary programs under VA's Domiciliary Care for Homeless Veterans (DCHV). It would also authorize appropriations of $5 million for each of fiscal years 2003 and 2004

for purposes of establishing any such additional programs. While we support the program, we believe this provision is unnecessary because we already have sufficient authority to establish additional domiciliary programs as needed. Moreover, the needs of such new programs must compete for resources with the needs of other priorities.

Section 9

Section 9 would require the Secretary of Veterans Affairs and the Secretary of Labor to carry out a demonstration project to determine the costs and benefits of providing referral, vocational guidance, and counseling services to certain veterans regarding the benefits and services available to them through VA and the State. The demonstration project would have to be conducted at a minimum of six locations, including one penal institution under the jurisdiction of the Bureau of Prisons. Veterans eligible for these services would include those whose release or discharge from a penal institution or long-term mental health institution is "imminent," i.e., the 60-day period that ends on the date of such release or discharge, who are at risk for homelessness absent receipt of such referral and counseling services. Counseling services would have to include counseling related to job training and placement, housing, healthcare and such other benefits to assist in transition from institutional living.

We support this proposal, which would be a homelessness-prevention initiative. The Department of Justice estimated that there were 234,000 incarcerated

veterans in 1999. Approximately 8% were in Federal prisons, 62% in State prisons and 30% were in local jails. A Special Report on Veterans in Prison or Jail prepared by the Bureau of Justice Statistics indicated that in 1998 veterans accounted for 12% of all inmates. Based on surveys conducted in 1996 and 1997, 45.4% of veterans in state prisons had used drugs in the month prior to their offense, 30.6% were alcohol dependent, and 19.3% of veterans reported a mental illness. Among jail inmates, 25% of veterans were identified as mentally ill. Approximately 12.4% of veterans in state prisons and 23% of veterans in local jails indicated that they had been homeless for some period of time during the year prior to their offense.

It is estimated that approximately one-third of VA's Vet Centers provide counseling and referrals to veterans in prisons and jails. In addition, staff in VA's homeless-veterans programs, mental health and community care service lines have begun to conduct outreach to veterans in prisons and jails in selected locations, across the country, including Los Angeles, CA; Chicago, IL; and Columbia, SC; New York, NY; and other areas in New York State. The primary focus of these outreach efforts is to provide incarcerated veterans with pre-release counseling and, upon their release, to link them to VA health care, mental health and substance abuse treatment and to assist them with transitional housing and with participation in VA's Compensated Work Therapy (CWT) Program. In the first seven months of a jail outreach program initiated by staff of VA's New York Harbor Health Care System, 242 incarcerated veterans were

contacted prior to release and 21 of these veterans were placed in a domiciliary program and/or a CWT Program. In Los Angeles, staff from VA's Greater Los Angeles Health Care System contacted over 1,500 incarcerated veterans during a 2-month period in 2001. These veterans were offered assistance with discharge planning, placement and referral.

Section 10

Section 10 would require VA to carry out a grant program for non-profit entities providing independent housing units in group houses for veterans recovering from alcohol or other substance use disorders. The maximum amount that could be awarded for the establishment of a group house under this program would be $5,000 per individual grant.

This proposal is somewhat similar to a loan program authorized by Public Law 102-54 that proved unworkable. The earlier program was a loan program, with re-payment requirements; whereas, this would be strictly a grant program.

We do not believe this grant program is necessary. Existing authority in 38 U.S.C. 1771 already permits us to obtain treatment and rehabilitative services in half-way houses and community-based treatment facilities. In effect, this program would authorize us to obtain these same services through an elaborate and difficult to administer grant program. We anticipate the program would cost

as much to operate as the benefits that would be provided. As such, it would not be cost-effective.

Mr. Chairman, I would now like to address other pending legislation related to VA benefits for homeless veterans. As you know, this summer VA presented the Committee with the Department's official views on H.R. 936, a bill entitled the Heather French Henry Homeless Veterans Assistance Act. In July 2001, we provided testimony before the Senate on an identical version of that bill, S. 739 (as introduced). Our positions on those bills' identical provisions remain unchanged. For your convenience, we have reiterated our official views on H.R. 936 and S. 739 (as introduced) below. However, we would like to point out that on August 2, 2001, the Senate Veterans' Affairs Committee ordered reported an amended version of S. 739. S. 739 (as ordered reported) generally eliminated the provisions to which the Department had voiced objection. Accordingly, we would favor this bill over the House version.

H.R. 936

H.R. 936, entitled the Heather French Henry Homeless Veterans Assistance Act, is an ambitious and comprehensive piece of legislation that seeks to improve the services and benefits furnished to homeless veterans. We strongly support the objectives of the bill and generally support many of its provisions. However, we are unable to support some of the provisions largely because they duplicate long-standing activities and programs conducted by the Department for homeless

veterans or more recent initiatives begun in Fiscal Year 2000. Today I will briefly comment on each of the sections of the bill.

Section 2

Section 2 articulates Congress' findings regarding the magnitude and scope of homelessness among veterans, the inadequacy of current programs to provide them needed services, the levels of funding needed to provide beds to homeless veterans, and the commitment of the Congress to end homelessness among the Nation's veterans. Other findings articulate statistical information obtained from VA's report on activities conducted under the Community Homelessness Assessment, Local Education and Networking Groups (CHALENG) program for veterans. Section 2 also defines various terms used in the bill.

It is important to note that in light of more recent information from our CHALENG program the number of homeless veterans, as well as the number of additional beds needed for homeless veterans, are likely to be somewhat lower than the numbers cited in section 2.

Section 3

Section 3 would declare a national goal of ending homelessness among veterans within a decade and encourage all governmental components, quasi-governmental departments, agencies, and private and public sector entities to work cooperatively in reaching this goal. We strongly support section 3.

Section 4

Section 4 would establish a 15-member Advisory Committee on Homeless Veterans within the Department of Veterans Affairs, articulate the functions and responsibility of the committee, and establish the pay, allowances and terms for members. It would also establish various reporting requirements. We share the view that an advisory committee would be beneficial, but a statutorily-created Committee is not needed. The Secretary has already announced his intention to establish an Advisory Committee on Homeless Veterans with many of the same functions and objectives.

Section 5

Section 5 would amend the McKinney-Vento Homeless Assistance Act to require that the Interagency Council on Homeless (ICH) meet at the call of its Chairperson or a majority of its members and that the ICH meet at least annually. We support this provision.

Section 6

Section 6 is concerned with evaluation of our programs for homeless veterans and calls for reporting to Congress on those programs. It would require the Secretary to support the continuation of at least one Department center for evaluation to monitor the structure, process, and outcome of VA's programs for homeless veterans. It would further require the Secretary to annually provide

Congress with a detailed report on the health care needs of homeless veterans including information on our Health Care for Homeless Veterans Program (HCHV) and Homeless Providers Grant and Per Diem Program. Section 6 would also require that we carry out our CHALENG assessment program on an annual basis and report to Congress on the findings and conclusions of the CHALENG report.

We support the objective of the requirement for maintenance of an evaluation center, as called for in section 6, but we believe the objective can be achieved without legislation by expanding the mission of our Northeast Program Evaluation Center (NEPEC). We currently rely on NEPEC to monitor and evaluate the services provided to homeless veterans. Its current efforts are comprehensive with respect to the health care related services that are available and furnished to homeless veterans. However, we capture limited information on outreach activities and monetary benefits administered by the Veterans Benefits Administration (VBA) in connection with homeless veterans. Recognizing that our current efforts in this area are fragmented and incomplete, we plan to take steps to improve and strengthen the reporting of all programs and benefits to fully and effectively monitor and evaluate all of the Department's programs for homeless veterans.

We do not support the requirements of section 6 that would statutorily require additional reporting and assessment activities. We are essentially already

performing these assessment activities and reporting on them. Through the NEPEC, we provide ongoing monitoring and evaluation of our health care programs for homeless veterans. NEPEC provides detailed reports on structure, process, and outcomes for all specially funded homeless veterans programs as well as evaluation support for a wide range of other mental health programs that are not exclusively targeted to homeless veterans but are utilized by homeless veterans such as the Compensated Work Therapy (CWT) Program, and the Compensated Work Therapy/Transitional Residence (CWT/TR) Program. In addition, the CHALENG program achieves the objectives of the proposed requirements.

Section 7

Section 7 would require the Secretary to designate care and services provided to certain specified veterans as "complex care" for purposes of the Veterans Equitable Resource Allocation system (VERA). Veterans receiving the following types of care would be covered: (1) veterans enrolled in the Mental Health Intensive Community Case Management program; (2) continuous care in homeless chronically mentally ill veterans programs; (3) continuous care within specialized programs provided to veterans who have been diagnosed with both serious chronic mental illness and substance abuse disorders; (4) continuous therapy combined with sheltered housing provided to veterans in specialized treatment for substance use disorders; and (5) specialized therapies provided to veterans with post-traumatic stress disorders (PTSD), including specialized

outpatient PTSD programs; PTSD clinical teams; women veterans stress disorder treatment teams; and substance abuse disorder PTSD teams. Finally, section 7 would require that we ensure that funds for any new program for homeless veterans carried out through a Department health care facility are designated as special purpose program funds (not VERA funds) for the first three years of the program's operation.

We do not support section 7 of the bill. The complex reimbursement rate under the VERA system is currently reserved for reimbursing VISNs for providing the most complex and expensive care, and should not be based on diagnosis or type of disorder being treated. Section 7 directs complex reimbursement based on broad and general diagnosis and does not consider whether the care is costly. For example, VA now treats some 2,800 veterans in its Mental Health Intensive Community Case Management (MHICM) Program. If a veteran in that program receives at least 41 visits per year, the VERA model will reimburse at the complex rate because that veteran is receiving costly care. Many others in the program have far fewer visits and are far less costly to treat. Section 7 of this bill would require complex reimbursement for all of 2,800 veterans in the program regardless of how many visits they have.

The proposal could add more than 200,000 additional veterans into the category of patients for whom Veterans Integrated Service Networks (VISNs) receive complex reimbursement. This would require VHA to either set aside a greater

percentage of the medical care appropriation for the care of veterans identified in this section, or significantly reduce the complex reimbursement rate per veteran treated. Neither option is acceptable. The first reduces funding for the standard care of veterans, and the second dilutes the reimbursement for complex care so that there is little incentive to provide services to these veterans. In addition, this approach provides a perverse incentive for clinicians to provide more treatment than is needed in order to qualify for the complex reimbursement rate. The effect of this provision would be to reduce the availability to veterans, including many who are homeless, of care not identified in the complex reimbursement category.

Section 8

Section 8 would require that per diem payments paid to grantees of our Homeless Providers Grant and Per Diem Program be calculated at the same rate that currently applies to VA per diem payments to State homes providing domiciliary care to veterans. Under current law, the homeless provider per diem rates are based on each grant recipient's costs. In short, we pay per diem that amounts to not more than 50% of the recipient's total costs up to a cap. To calculate the per diem rate for each grantee, we must document each recipient's costs. This is an extremely labor intensive and complex process.

We support simplification of program management in the manner proposed. However, since domiciliary care and care under the Homeless Providers Grant

and Per Diem Program vary in types of services and intensity, we support a per diem rate of 85 percent of the domiciliary care per diem rate. That would equate more closely with the actual cost of services provided under the Homeless Providers Grant and Per Diem Program.

Section 9

Section 9 would require that we carry out a new grant program for VA health care facilities and grantees of VA's Homeless Grant and Per Diem Payment Program. The new program would encourage the development of programs targeted at meeting special needs of homeless veterans, including those who are women, who are age 50 or older, who are substance abusers, who suffer from PTSD, a terminal illness, or a chronic mental illness; or who have care of minor dependents or other family members. The measure would also require a report that includes a detailed comparison of the results of the new grant program with those obtained for similar veterans in VA programs or in programs operated by grantees of VA's Homeless Providers Grant and Per Diem Program.

We appreciate the intent of this provision, but we do not support the section because it appears to be unnecessary. We currently operate and/or support successful programs that are specifically targeted at meeting the special needs of these particularly vulnerable groups of homeless veterans. We undertook several special program initiatives in 2000 that were specifically targeted at the special needs of homeless veterans, including women veterans. A study of the

effectiveness of the initiative related to homeless programs for women veterans is underway. Finally, we have been successful in establishing and cultivating relations with non-profits in the community to ensure a continuum of services for homeless veterans. We are concerned that this proposal may have a disruptive effect on those relationships by requiring our community partners to compete with VA facilities for these limited grant funds.

Section 10

Section 10 would require that appropriate officials of our Mental Health Service and Readjustment Counseling Service initiate a coordinated plan for joint outreach on behalf of veterans at risk of homelessness, expressly including those who are being discharged from institutions such as inpatient psychiatric care units, substance abuse treatment programs, and penal institutions. The section sets out a detailed list of items and factors to be included or provided for in the plan.

We support this provision in concept but suggest that it may be duplicative of our current outreach authority and statutory requirement to coordinate with other governmental and non-governmental agencies and organizations. However, we recognize the need for continuing to expand and improve our coordination efforts on behalf of homeless veterans and those at risk for homelessness and the concomitant need to report adequately on these efforts. We will work towards these ends.

As to the issue of coordination between VHA and Vet Centers, our Health Care for Homeless Veterans (HCHV) Programs staff, who primarily serve under mental health service lines at VA medical centers, currently collaborate with Vet Centers staff regarding the needs of homeless veterans. (Vet Centers estimate that approximately 10% of veterans served in Vet Centers are homeless.) Referrals are regularly made between VA's specialized homeless programs and Vet Centers for appropriate services for veterans who are homeless or at risk for homelessness. In addition, Vet Centers staff are invited to attend and participate in CHALENG meetings. Further, HCHV staff and Vet Centers staff already collaborate with non-VA community-based service providers and with other government sponsored programs.

Section 11

Section 11 would require that we conduct two treatment trials in integrated mental health services delivery. The bill defines "integrated mental health services delivery" as "a coordinated and standardized approach to evaluation for enrollment, treatment, and follow-up with patients who have both mental health disorders (to include substance use disorders) and medical conditions between mental health and primary health care professionals." One of the treatment trials would have to use a model incorporating mental health primary care teams and the other would have to use a model using patient assignment to a mental health primary care team that is linked with the patient's medical primary care team.

We would also have to compare treatment outcomes obtained from the two treatment trials with those for similar chronically mentally ill veterans who receive treatment through traditionally consultative relationships. The VA Inspector General would have to review the medical records of participants and controls for both trials to ensure that the results are accurate.

We share an interest in this area of clinical research and have decided to carry out the project contemplated by section 11 using mechanisms and special programs already in place, *i.e.* VA's Health Services Research and Development Service and the Department's MIRECCs program. In pursuing this endeavor, we welcome the opportunity to work with Committee staff to ensure the language of the request for research proposals satisfies the objectives of section 11. However, this particular research study (including the final analysis and report to Congress) would likely require more than the amount of time permitted under section 11. Additionally, VA program officials and evaluators will be expected to manage and report on the results of a project of this size without immediate and direct oversight from the Office of the Inspector General (OIG). If there is a need for human subject protection review, the Office of Research and Compliance Assurance (ORCA) should conduct it and OIG involvement should consist only of their current oversight of the activities of ORCA.

Section 12

Section 12 would effectively extend eligibility for outpatient dental services, treatment, and appliances to certain veterans when such services, treatment, and appliances are needed to successfully gain or regain employment, to alleviate pain, or to treat moderate, severe, or severe and complicated gingival and periodontal pathology. The new authority would extend benefits to enrolled veterans who are receiving care in an array of VA settings, and community programs supported by VA.

Although we recognize that these veterans need dental care and services, we do not support this provision because it would result in a disparity in access to needed outpatient dental care and services among equally deserving veterans. As an alternative, we will heighten and expand our current efforts to obtain dental care and services for homeless veterans through *pro bono* providers, dental schools and related teaching programs, and service providers receiving grants under VA's Homeless Providers Grant and Per Diem Program.

Section 13

Section 13 contains several varied provisions. The first would require the Secretary to develop standards to ensure that mental health services are available to veterans in a manner similar to that in which primary care is made available to veterans by requiring every VA primary care health care facility to have mental health treatment capacity. We certainly believe in equitable

availability of mental health services and we have included such services in our basic benefits package. We are also already working to assure that all sites of care can either directly provide, contract for, or refer patients to other VA facilities for mental health care.

Another provision in section 13 would require that we expend not less than $55 million from Medical Care funds for our Homeless Providers Grant and Per Diem Program. The amounts to be expended would also have to be increased for any fiscal year by the overall percentage increase in the Medical Care account for that fiscal year from the preceding fiscal year. We don't concur with this provision. We have offered grant funds each year for the past seven years. Grant fund availability has ranged from a low of $3.3 million in FY 1996 to a high of $15.3 million in FY 1998. Of the $32.4 million identified for the Grant and Per Diem Program in FY 2001, approximately $22 million is expected to be spent on per diem payments, leaving $10 million available for the eighth round of grants. We believe that making $10 million available for grants is a reasonable funding level for any given year. Grant awards of $10 million assist with the development of approximately 1,000 community-based beds. It often takes grant recipients two years or longer to complete construction or renovation and to bring the program to full operation. During the development phase, VA staff at the national, VISN and VAMC level are available to assist grant recipients with any problems they might encounter. We believe this personal attention and assistance are partially responsible for the relatively high success rate of grant

program implementation. Steady and reasonable growth in the Homeless Providers Grant and Per Diem Program appears to be one of the keys to the success of this program. It is likely that the Grant and Per Diem Program will reach a spending level of $55 million in the next five years.

Moreover, a requirement to spend not less than $55 million next year and in future years may actually be counter-productive to achieving the goals of this program because it would require VA to fund programs that would otherwise not merit grant assistance based on competitive scoring criteria. Past experience has shown VA that not all grant applicants are able to propose viable projects. Indeed, less than 50 applications received in any given year satisfy scoring criteria. This is not indicative of a program weakness; rather, it reflects the requirement that we award grants under the program only to those providers that demonstrate their viability and ability to succeed in meeting their grant applications' stated purpose(s).

A third part of section 13 would require that we establish centers to provide comprehensive services to homeless veterans in at least each of the 20 largest metropolitan statistical areas. Currently, we must have eight such centers.

We support this provision, but defining what services would constitute a comprehensive homeless services program for each of the 20 largest metropolitan statistical areas is a particularly complex task, which depends on

the specific demographics of, and the services available in, each particular area. We would like to work with the Congress in defining what specific programs and services are envisioned by this provision.

A fourth aspect of Section 13 would require us to ensure that opioid substitution therapy is available at each VA medical center. The VA does not support this provision because the need for a specific medical capability, including substance abuse therapies, may vary widely among the 173 VA medical centers. The medical programs of a given center should be determined by the medical needs of veterans in the area and not by a statutory requirement. However, we recognize the clinical value of this particular treatment. Indeed, we have established 36 opioid substitution programs in VA medical centers across the country and we are evaluating our substance abuse treatment needs to determine whether additional programs may be needed. If deemed to be medically necessary and appropriate, we will not hesitate to establish more programs where needed. In areas where our medical centers would not have the resources to directly operate such programs, we would seek to serve veterans who need opioid substitution therapy by purchasing these services from community treatment providers.

Finally, the last part of section 13 would extend, through December 31, 2006, both our authority to treat veterans who are suffering from serious mental illness,

including veterans who are homeless and VA's authority to provide benefits and services to homeless veterans through VA's Comprehensive Homeless Centers. The authority for each of those programs will expire on December 31, 2001 and we support both extensions.

Section 14

Section 14 would permit homeless veterans receiving care through vocational rehabilitation programs to participate in the Compensated Work Therapy program. It would also allow homeless veterans in VHA's Compensated Work Therapy program to receive housing through the therapeutic residence program or through grantees of VA's Homeless Providers Grant and Per Diem Program. We support both of those provisions.

Section 14 would also require that we ensure that each Regional Office assign at least one employee to oversee and coordinate homeless veterans programs in that region, and that any regional office with at least 140 employees have at least one full-time employee assigned to the above-stated functions.

We support the need for continued effective outreach to homeless veterans, but we have concerns about the proposed staffing requirements. Homeless Veterans Outreach Coordinators are already assigned at each VBA regional office. In most instances, this assignment is a collateral duty and not a full-time assignment. There are, however, some regional offices at which a full-time

coordinator is assigned as necessitated by the size of the homeless veteran population and homeless support programs within its jurisdictional area. In addition, we have eight full-time homeless outreach coordinators assigned as members of our Health Care for Homeless Veterans Program and DCHV programs. We also have two offices that have a part-time employee on the homeless program. These positions are reimbursed by VHA. The staffing requirement in this measure would therefore be an unfunded mandate for which employees would have to be re-assigned from other key duties such as claims processing, rating functions, etc. In addition, we believe the veteran population and its particular needs, not the organizational structure of an office, should determine the number and type of outreach coordinators assigned.

Finally, the last part of section 14 would require disabled veterans' outreach program specialists and local veterans' employment representatives where available to also coordinate training assistance benefits provided to veterans by entities receiving financial assistance under section 738 of the McKinney-Vento Homeless Assistance Act. We support this provision.

Section 15

Section 15 would require that, with a limited exception, real property of grantees under our Homeless Providers Grant and Per Diem Program meet fire and safety requirements applicable under the Life Safety Code of the NFPA.

We strongly support this requirement. The fire and safety requirements under the Life Safety Code, National Fire Protection Association Standard 101, have been developed through consensus of experts across the country. They assure a consistent level of safety for homeless veterans living in transitional housing or receiving services in supportive service centers developed under the Grant and Per Diem Program. Entities that have received grants in recent years have been aware of VA's preference for structures to meet the fire and safety requirements under the Life Safety Code of NFPA and have developed their grant applications to cover the costs associated with meeting those requirements. There are, however, some organizations that received grant awards and their buildings do not meet the fire and safety requirements under the Life Safety Code of NFPA. It is therefore particularly valuable that this measure would permit VA to award grant assistance to these entities to enable them to upgrade their facilities to meet the Life Safety Code of NFPA.

Section 16

Section 16 would establish a three-year pilot program to provide transitional assistance grants to up to 600 eligible homeless veterans at not less than three but not more than six regional offices. The sites for the pilot must include at least one regional office located in a large urban area and at least one serving primarily rural veterans. To be eligible, a veteran would have to live in the area of the regional office, be a war veteran or meet minimum service requirements,

be recently released, or in the process of being released from an institution, be homeless and have less then marginal income.

Grants under the program would be limited to three months with an exception for any veteran who, while receiving such transitional assistance, has a claim pending for service-connected disability compensation or non-service-connected pension. Such veterans could continue to receive transitional assistance under this section until the earlier of (A) the date on which a decision on the claim is made by the regional office, or (B) the end of the six-month period beginning on the date of expiration of eligibility under subsection (c). The measure would also require the Department to expedite its consideration of pending claims of veterans. VA would have to pay the grants monthly and in the same amount as that which VA would be obligated to pay under chapter 15 of title 38, United States Code, if the veteran had a permanent and total non-service-connected disability. VA would have to determine the amount of the grant without regard to the income of the veteran, once it is determined the veteran meets the eligibility criteria. Finally it would require the Department to offset the amount of retroactive disability or pension benefits paid to a veteran by the amount of transitional assistance provided to the veteran for the same monthly period.

We cannot support section 16, as it appears to be at odds with the inherent interest of our attempts at rehabilitation. The provision lacks safeguards or limitations on the receipt and use of the grant funds, notwithstanding the strong

likelihood that many of the grant recipients would be veterans suffering from mental illnesses and/or substance abuse disorders. Awarding funds to these veterans without also requiring them to participate in simultaneous clinical intervention or oversight would result in many of them not seeking the care and treatment necessary to overcome their disorders. This, in turn, could keep those veterans in a condition of homelessness. Simply awarding grant funds, as proposed, is not, in our view, an appropriate means for making these vulnerable veterans self-sufficient.

Section 17

Section 17 would require that we conduct a technical assistance grants program to assist non-profit groups, which are experienced in providing services to homeless veterans, to apply for grants related to addressing problems of homeless veterans. The measure would authorize $750,000 to be appropriated for each of fiscal years 2001 through 2005 to carry out the program. We do not support this section as we already provide extensive information about the Homeless Providers Grant and Per Diem Program through the Internet, participation in national, state and some local conferences and one-on-one discussions between interested applicants and VA program managers.

Section 18

Section 18 would authorize the Secretary to waive any requirement that a veteran purchasing a manufactured home with the assistance of a VA

guaranteed loan own or purchase a lot to which the manufactured home is permanently affixed.

We do not favor this provision. Rather than address the specifics of this section of the bill, we have concluded the manufactured home loan program no longer provides a viable benefit to veterans, homeless or otherwise. Accordingly, VA recommends that the manufactured home loan program, which for all intents and purposes is dormant, be terminated.

The number of veterans obtaining manufactured housing loans has significantly declined over the years since Fiscal Year 1983 when VA guaranteed 15,725 such loans. No manufactured housing loans have been guaranteed since Fiscal Year 1996.

The cumulative foreclosure rate on VA manufactured home loans is 39.2 percent, which is significantly higher than the 5.6 percent rate for loans for conventionally-built homes. This foreclosure rate has greatly increased the cost to the taxpayers of the VA housing loan program and resulted in substantial debts being established against veterans.

Therefore, VA does not believe the manufactured home loan program has any role in the effort to assist homeless veterans.

Section 19

Section 19 would increase from $20 million to $50 million the amount authorized to be appropriated for the Homeless Veterans' Reintegration Programs for Fiscal Year 2002 and Fiscal Year 2003. It would also authorize that same amount to be appropriated for purposes of this program for Fiscal Years 2004, 2005, and 2006. VA defers to the Secretary of Labor, who administers the Homeless Veterans' Reintegration Programs.

Section 20

Section 20 would require the Secretary, before disposing of real property as excess, to determine that the property is not suitable for use for the provision of services to homeless veterans by the Department or by another entity under an enhanced-use lease. Although we agree with the purpose of section 20, this provision appears to be redundant with existing authorities. Under the Department's enhanced-use leasing authority, we now have the ability to lease available lands and facilities for compatible uses including those that provide services to homeless veterans. We have, in fact, recently used this authority to obtain a 120-unit "Single Room Occupancy" (SRO) housing complex in Vancouver, Washington, and a 63-unit SRO in Roseburg, Oregon. We are examining similar initiatives nationwide. In addition, pursuant to the Stewart B. McKinney Act, the Department surveys its property holdings and provides quarterly reports to the Department of Housing and Urban Development on the availability of excess or underutilized properties for housing for the homeless. In

general terms, the provisions of the McKinney Act related to surplus federal property require each Department, in deeming property under its jurisdiction to be unutilized, under-utilized, or excess, to state that the property cannot be made available for use to assist the homeless. Before ultimately disposing of such property, the McKinney Act requires the Government to again give priority of consideration to uses to assist the homeless. Given that VA has active programs in place that strive to achieve the objective reflected in section 20, establishing a duplicate requirement would only lend confusion to the process.

Mr. Chairman, this ends my statement. Thank you for this opportunity to discuss all of this important legislation. I would be glad to answer any questions you or any of the Members might have.

Remarks of
Assistant Secretary for Community Planning and Development
Roy Bernardi
Before the House Committee on Veterans' Affairs
Thursday, September 20, 2001

H.R. 2716, the Homeless Veterans Assistance Act of 2001
and H.R. 936, the Heather French Henry Homeless Veterans Assistance Act

Chairman Smith, Ranking Member Evans, and other distinguished members of the Committee on Veterans' Affairs, thank you for this opportunity to appear before you to discuss the role of the Department of Housing and Urban Development (HUD) in supporting America's homeless veterans.

This nation owes its veterans a tremendous debt, for their sacrifices have made America strong and able to take on its aggressors. When a veteran joins the military, the federal government makes a contract with them that they will be cared for, and that is a promise the government will keep. Veterans who need our help must know that we will not turn our back on them.

For more than half a century – predating the creation of HUD itself – the federal government has worked specifically to meet the housing needs of this nation's veterans. After World War II, HUD's Federal Housing Administration's mortgage insurance teamed up with the Department of Veterans' Affairs' (VA) mortgage guarantees to help returning veterans achieve the American Dream and buy their own home, which they did in record numbers. Since HUD's creation in 1965, we have sought to improve housing opportunities for America's veterans by ensuring a coordinated federal response.

At least 600,000 people in this country are homeless on any given night. VA estimates that more than a quarter million are veterans; of those, approximately 80 percent are disabled. Each year, half a million veterans find themselves without a home at some point.

Many of these veterans have special needs or face extreme personal circumstances that propel them in and out of homelessness. Many have nowhere to go except back out on the streets when they are unable to access homeless shelters or transitional housing. Their lives are revolving doors that again and again return them to homelessness.

In July, in a speech before the National Alliance to End Homelessness, Secretary Martinez endorsed the goal of investing in permanent solutions to end chronic homelessness within ten years. The Bush Administration is reactivating the Interagency Council on the Homeless as a first step.

The Council was established in 1987 to help streamline Washington's approach to homelessness by coordinating the efforts of 16 federal agencies and other designated groups. Yet, the full Council has not met in more than five years. We will put it back to work: planning and coordinating federal homeless programs, reducing duplication, recommending improvements, and offering assistance to our partners at the community level.

VA, of course, is a primary resource for homeless veterans, and we commend Secretary Principi and his department for the exceptional service they provide. HUD and VA share a number of crosscutting responsibilities; for example, both agencies maintain separate programs that provide housing and supportive services to veterans. With this new emphasis on cooperation, we pledge to better coordinate with our counterparts at VA and other federal agencies in order to serve the homeless veteran population more efficiently and effectively.

Working with national service organizations, HUD established HUDVET, a resource center for veterans through which we provide information on community based programs and services, with an emphasis on veterans who are homeless. At the suggestion of veterans groups, an individual with special knowledge of veterans' needs – who is himself a combat-disabled Vietnam veteran – oversees the HUDVET program.

As the federal government's primary provider of targeted homeless assistance, HUD has the lead federal role in finding homes for the homeless. That is appropriate: we have 36 years of experience in helping Americans find safe and affordable shelter. HUD's homeless funding represents nearly three-fourths of all targeted federal homeless assistance.

Veterans assistance projects funded by HUD fall into one of two categories: those projects that primarily serve veterans, and those projects that target veterans as one of any number of key populations to be served. In 2000, HUD funded 68 projects targeted specifically to veterans, and another 1,348 projects that in some way supported veterans. Based on grantee reports submitted to HUD for 1999, HUD's homeless assistance programs served more than 160,000 homeless veterans. It is important to point out that a veteran may have been counted more than once, if they were served by more than one HUD program during the reporting period.

HUD continues to reach out to veterans and veterans' organizations in our grant applications by stressing the importance of serving veterans. In both the 2001 Continuum of Care Notice of Funding of Availability and the 2001 Continuum of Care application, applicants are asked to target veterans.

The FY 2002 budget for HUD demonstrates a strong support of homeless veterans. In FY 2002, a total of $1.12 billion is provided for homeless assistance grants and shelter plus care renewals. This will fund four major programs, which I would like to briefly outline for the Committee:

SUPPORTIVE HOUSING PROGRAM. The Supportive Housing Program provides funds to develop supportive housing and services that allow homeless persons to live as independently as possible. Funds offer up to 24 months of transitional housing, and permanent housing for persons with disabilities.

SHELTER PLUS CARE. The Shelter Plus Care program provides rental assistance for homeless persons with disabilities. This is a form of permanent housing.

SECTION 8 MODERATE REHABILITATION FOR SINGLE ROOM OCCUPANCY (SRO) DWELLINGS FOR HOMELESS INDIVIDUALS PROGRAM. The Single Room Occupancy program provides rental assistance on behalf of homeless individuals through the moderate rehabilitation of SRO dwellings.

EMERGENCY SHELTER GRANTS. HUD will provide approximately $150 million in Emergency Shelter Grants for FY 2002. These grants are used for the rehabilitation or conversion of buildings into homeless shelters, as well as related social services, operating expenses, homeless prevention activities, and administrative costs.

HUD administers a number of other programs that reach out to veterans and their families. These include HOME Investment Partnerships, Title V, Community Development Block Grants, Homeownership of Single-Family Homes and the Section 8 Homeownership Program, Lower-Income Rental Assistance, Section 202 Supportive Housing for the Elderly, Section 811 Supportive Housing for Persons with Disabilities, and Federal Housing Authority Mortgage Insurance Programs.

The Department has initiated an effort to develop and disseminate information especially for organizations serving homeless veterans. This effort includes developing guidebooks and holding conferences at which HUD provides technical assistance information. We conducted one of these technical assistance programs last month in Baltimore; the next is scheduled for Santa Fe in November.

In the coming years, HUD will make the goals of preventing homelessness and ending chronic homelessness as high a priority as that of housing the already homeless. We can do this by ensuring that individuals who pass through mainstream social services – such as the mental health, welfare, and criminal justice systems – do not move out of those services and back into homelessness. HUD administers a number of programs that touch the "potentially" homeless, and we will work to highlight their availability and usefulness to our grantees.

Mr. Chairman, I appreciate your leadership in calling this hearing, and I thank the Committee for its willingness to focus on this important issue. HUD looks forward to working together with the Committee and the appropriate federal agencies to combat homelessness among our veteran population.

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

September 20, 2001

Mr. Chairman and Members of the Committee:

I am pleased to appear before the committee to discuss homeless services for veterans within the Department of Veterans Affairs (VA) New York/New Jersey Network, specifically, at the VA New Jersey Health Care System.

I would like to express to you my gratitude for having us here today. The proposals you are now considering offer the promise of making a very real difference in the lives of homeless veterans. First, let me provide you with some background on what is available to these men and women.

Currently, the VA New Jersey Health Care System is able to offer homeless veterans a wide range of services including outreach, treatment (for substance abuse, mental illness, and other medical issues), jobs, and transitional housing. This expansive range of services is possible largely because of James Farsetta's, VISN 3's Network Director, unstinting support. This support has enabled New Jersey to expand services despite significant budget reductions. Specific program elements are the result of VA leadership from people like Ms. M. Gay Koerber, Associate Chief Consultant, Health Care for Homeless Veterans. Her vision and that of Dr. Paul Errera, formerly Director, Mental Health and Behavioral Sciences Service, have made VA a national leader in the provision of progressive services to the homeless.

We have also derived enormous benefit from community partnerships. Let me give you one example of such a partnership and how partnerships can give rise to additional, unforeseen opportunities. Through a partnership with the Middlesex County Economic Opportunity Corporation, the VA New Jersey Health Care System's Veterans Industries program has been able to open Rainbow Collectibles. Rainbow Collectibles is a store that sells used and antique furniture, jewelry, and artwork. This store now employs five veterans from our program. The store is a source of pride for these veterans and has, in its small way, contributed to the economic renewal of Bound Brook, a town devastated by floods caused by Hurricane Floyd. This store is self-supporting, managed, and run by graduates of our program. No taxpayer assistance is needed to create or maintain these jobs.

As for the unforeseen opportunities I mentioned, revenues from this store and other businesses we operate have generated sufficient funds for us to rehabilitate a home in Middlesex County. In exchange, the house has been pledged as affordable housing to homeless veterans for the next 15 years. Four formerly homeless veterans now live in that house.

The benefit does not end there though. Half a dozen formerly homeless veterans rehabilitated that house in Middlesex County. These veterans became the nucleus of yet another community-based enterprise, the Veterans Construction Team. This team has now worked on eight significant projects, including the construction of our latest business—a greenhouse.

Within the next six months, we will be opening four more community-based businesses. All told these enterprises will employ up to 70 formerly homeless veterans. Employed, these veterans will become productive, tax-paying members of the community.

This experience has shown me the enormous potential of the business model in the delivery of social services. Sensible investment can generate training and jobs for the unemployed, benefiting the veterans we serve and the communities where we help start businesses. In addition to the obvious implications for self-support and independent living, jobs and decent housing offer veterans a sense of purpose and self-respect that most have lost. As they regain this sense of self-worth, research indicates they are less likely to relapse, spend fewer days homeless, and less time in the criminal justice system. Furthermore, they are more able to take on positive parental roles within their families—in turn, helping their children break the cycle of drug use and poverty.

With all of these positive developments, we have much to be cheered about. However, these programs are focused on the beginning and middle stages of recovery. We have no permanent, affordable housing to offer veterans. This is an enormous problem in the metropolitan New York City area, where soaring real estate costs have priced out those we serve. Your proposal to offer Section 8 vouchers to veterans would be a boon to those who have worked hard to rebuild their lives.

Additionally, I would like to suggest that vocational rehabilitation funds be made available for business start-ups that serve homeless veterans. One-year only funds could be offered to VA's Veterans Industries to generate such opportunities. The businesses I described are only available because Veterans Industries was willing to share costs and partner with other agencies. However, because we were willing to take this step, hundreds of veterans will receive help, when none might have been available. Furthermore, our investment will result in self-sustaining businesses that require no taxpayer support. These businesses will continue to provide needed employment for formerly homeless veterans, including those suffering from psychiatric disabilities, for many years.

These opportunities are so important because without the prospect of jobs and affordable housing, many of the veterans we serve feel they have little hope in reentering the community. Even though they all have honorably served their country, many in combat, these veterans have significant gaps in their work history. Although now drug-free, many have criminal records related to their prior drug use that impede their reentry into the job market. Poor credit histories also make it difficult to secure housing.

Finally, the substance abuse and mental illness that lead to homelessness are chronic, lifelong disorders that require continued treatment. Support for outpatient mental health services is vital to supporting continued recovery.

Thank you, again, for this opportunity to discuss the VA New Jersey Health Care System's services for homeless veterans.

This concludes my remarks. I will be happy to respond to the Committee's questions.

STATEMENT OF

CARL BLAKE, ASSOCIATE LEGISLATIVE DIRECTOR

PARALYZED VETERANS OF AMERICA

BEFORE THE

HOUSE COMMITTEE ON VETERANS' AFFAIRS

CONCERNING H.R. 936,

THE "HEATHER FRENCH HENRY HOMELESS VETERANS

ASSISTANCE ACT" AND H.R. 2716,

THE "HOMELESS VETERANS ASSISTANCE ACT OF 2001"

SEPTEMBER 20, 2001

Chairman Smith, Ranking Member Evans, members of the Committee, the Paralyzed Veterans of America (PVA) is pleased to present our views on H.R. 936, the "Heather French Henry Homeless Veterans Assistance Act" and on H.R. 2716, the "Homeless Veterans Assistance Act of 2001." PVA would like to thank you, Mr. Chairman, for making this legislation a priority during such a trying time in our nation.

H.R. 936, the "Heather French Henry Homeless Veterans Assistance Act"

PVA supports H.R. 936, the "Heather French Henry Homeless Veterans Assistance Act" introduced by Representative Evans. There continues to be a problem with homelessness among our Nation's veterans. The *Independent Budget*, which is co-authored by PVA, has estimated that more than 275,000 veterans are homeless on any given night. Furthermore, more than half a million veterans experience a period of homelessness throughout the course of a year.

Additional estimates show that one out of every three homeless males who is sleeping in a doorway, alley, or box in our cities and rural communities has put on a uniform and served this Nation. The Department of Veterans Affairs (VA) reports that most homeless veterans are male; only two percent are female. More than 67 percent of these homeless veterans served in the Armed Forces for at least three years.

A major problem that the VA faces is that of homeless veterans with mental illness and substance abuse disorders. The VA estimates that about 45 percent of homeless veterans suffer from mental illness, and 50 percent have substance abuse problems. One of the most common illnesses among these individuals is Post-Traumatic Stress Disorder (PTSD). In the past five years, spending on the VA's mental health programs has declined by nearly 10 percent. We previously testified before the Subcommittee on Benefits that the decline in the VA's mental health capacity has increased the number of veterans with no place to go; thus, the rate of homelessness among veterans with mental illness continues to increase.

Support from various government agencies including the VA, the Department of Labor (DOL), and the Department of Housing and Urban Development (HUD) is essential in overcoming the problems our homeless veterans constantly face. PVA supports the extension of the Homeless Veterans Reintegration Program (HVRP) of the Department of Labor. The HVRP has been the leading program for the employment of homeless veterans. Within the VA, physical and mental health care is vital to gain and hold employment. Mental health and substance abuse programs are key to preparing many homeless veterans for the workforce. PVA requests that each VA medical center report its current capacity in order to provide the VA with an idea of the direction we must go to improve.

PVA supports the establishment of the Advisory Committee on Homeless Veterans within the VA as outlined by Section 4 of H.R. 936. The interaction between the agencies represented on the committee should allow for multiple solutions to be developed and implemented. A critical task of this advisory committee is identifying barriers under existing laws and policies to effective coordination by the VA with other Federal agencies and with State and local agencies addressing homeless populations. Once the difficulties between the federal agencies are overcome, then a unified, focused effort can be made among these agencies to turn these problems around.

PVA also recognizes the need to assist homeless veterans with special needs. We must not let our women veterans, veterans over 50 years of age, veterans who have to care for minor dependents or other family members, or veterans who suffer from substance abuse, PTSD, terminal illness, or chronic mental illness to be left behind.

The grant program for medical centers that would allow these centers to support those veterans with special needs is a vital part of meeting the national goal of overcoming homelessness among veterans within a decade. Evaluating veterans' satisfaction, health status, reduction in addiction severity, housing, and encouragement of productive activity and comparing results to similar programs in the VA will provide us with a blueprint of how to combat the homeless problem.

An important way to accomplish the national goal for overcoming veterans' homelessness is the implementation of outreach programs. It is no secret that non-homeless veterans filing claims face many difficulties because they are not fully aware of the benefits and services they are entitled to. That being said, if these individuals do not have easy access to everything they need to know, then you can only imagine how difficult it is for homeless veterans who have no link to information. Our homeless veterans need to know what benefits they are entitled to as well as what local VA facilities they have access to. We urge the VA to focus on outreach if it intends to be successful in overcoming the plight of homelessness.

H.R. 2716, the "Homeless Veterans Assistance Act of 2001"

PVA believes that the Homeless Providers Grant and Per Diem program outlined in Section 3 of the bill is an important part of overcoming homelessness among our nation's veterans. The expansion, remodeling, or alteration of existing buildings, as well as the option for acquisition of facilities to be used as service centers or transitional housing is an essential element for the program. Likewise, allowing for the procurement of vans for outreach and transportation of homeless veterans is important to bringing the individuals into available programs.

PVA fully supports the authorization of funding for both the Grant and Per Diem program and the Homeless Veterans Reintegration Program, but we have some concerns with the numbers. First, we do not understand why the bill calls for authorizations for these two programs in both FY2000 and FY2001. Those fiscal years cannot be impacted by this legislation. PVA also supports the recommendations of the National Coalition for Homeless Veterans (NCHV) that the Grant and Per Diem program would need $120 million to be effective. Although we appreciate the proposed increase outlined in the bill, if the Congress is truly determined to end homelessness among veterans, it will require more adequate funding to do so.

This same idea holds true with the Homeless Veterans Reintegration Program. Again, PVA appreciates the proposed increase in funding, but we support the recommendations of NCHV that $50 million be appropriated to the program. This is virtually the only program that focuses on employment of veterans who are homeless. Since other resources that should be available to fund activities that result in gainful employment are not generally available, HVRP takes on an importance far beyond the small dollar amounts involved.

HVRP programs work with veterans who have special needs and are turned away by other programs and services. This effects veterans with long histories of substance abuse, severe PTSD, serious social problems, legal issues, and serious diseases or illnesses, such as HIV. These veterans require more devoted time, specialized treatment, intensive assessment, referrals, and counseling than is possible in other programs that work with other veterans seeking employment. The HVRP has suffered since its inception because it is small and easily overlooked. Even the Department of Labor rarely asks for the full appropriation for HVRP in the budget they submit to OMB.

HVRP is a very cost efficient program, with a cost per placement of about $1500 per veteran entering employment. Authorizing $50 million per year for the HVRP will assist veterans in becoming self-sustaining and responsible tax paying citizens. It is a harrowing thought that even by allowing for $50 million in funding, we are only

providing approximately $100 for each of the over 500,000 veterans that are homeless at some point during the year.

PVA supports the proposed increases in rental assistance vouchers for HUD veterans' affairs supported housing programs as outlined by Section 4. These vouchers will go a long way towards helping homeless veterans who have chronic mental illness or chronic substance abuse disorders. The requirement for a veteran to agree to continued treatment for these disorders is essential in making these housing programs successful. It is important to point out that the veterans should go through a VA transitional program to be eligible, not a community based transitional program.

We also support Section 9 of the bill that establishes a demonstration program relating to referral and counseling for veterans transitioning from certain institutions who are at risk of becoming homeless. The program will be important in providing counseling for job training and placement, housing, health care, and other available benefits to those veterans transitioning from an institution including a penal institution.

PVA salutes the efforts of this committee to bring the issue of homeless veterans to the forefront and to make every effort to put an end to it. We look forward to working with the committee and staff on solutions that will lead to the end of homelessness among veterans.

I thank the committee for this opportunity to present PVA's views and would be happy to answer any questions that you might have.

STATEMENT OF
BRIAN E. LAWRENCE
ASSOCIATE NATIONAL LEGISLATIVE DIRECTOR
OF THE
DISABLED AMERICAN VETERANS
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
SEPTEMBER 20, 2001

Mr. Chairman and Members of the Committee:

I am pleased to submit the views of the Disabled American Veterans (DAV) regarding H.R. 2716, the Homeless Veterans Assistance Act of 2001, and H.R. 936, the Heather French Henry Homeless Veterans Assistance Act. As an organization of more than one million members devoted to the welfare of disabled veterans and their families, we embrace the opportunity to support measures that would enhance the lives of those who served our Nation.

Many thousands of veterans who defended our country's freedom have been unable to find their way in society. They live in a bleak, hopeless world without decent shelter, adequate nutrition, or medical care. Some of these people are true war heroes who received physical and psychological injuries during horrific combat that few could imagine.

When DAV National Service Officers visited Florida's Ocala National Forest during a homeless veteran outreach program, they found an encampment of more than 2,000 people living as refugees from society. Among the veterans assisted that day were verified recipients of the Purple Heart and Bronze Star Medals, both of which come at a very dear price. Still suffering from the mental anguish of war, many such brave men have become discouraged with a government they perceive as uncaring and bureaucratic. Others are unaware that help is even available for the troubles by which they are plagued.

VA benefits and health care services can mean the difference between a veteran living on the streets or living in a home. Many homeless veterans are the victims of the national trend to close mental hospitals or beds. Due to funding shortfalls and apathy, those suffering from mental illness are being forced out of inpatient care and on to the streets before they are capable of providing for themselves.

These important bills would reduce homelessness among veterans by increasing necessary resources to help veterans become a part of the society they once protected. Homeless veterans deserve the consideration afforded to them through this legislation. The DAV is very supportive of the intentions of H.R. 936 and H.R. 2716, to provide for a wide range of services to homeless veterans and to begin focus on issues of prevention.

H.R. 2716
THE HOMELESS VETERANS ASSISTANCE ACT OF 2001

SECTION 2: Sense of the Congress Regarding the Needs of Homeless Veterans and the Responsibility of Federal Agencies.

DAV concurs with the sense of Congress that effective Federal programs to assist homeless veterans should be expanded. We agree that assessment is needed to measure the efficiency of support programs and to expand upon those that are determined to be most helpful.

DAV supports Federal efforts to prevent homelessness among veterans and encourages cooperative efforts between Federal agencies, such as the Department of Veterans Affairs and the Department of Housing and Urban Development, to address the problem of homelessness among veterans.

Section 3: Improvement and Consolidation of Provisions of Law Relating to Homeless Veterans.

Subchapter ii—Comprehensive service programs

2011. Grants.

DAV is in favor of grants to eligible entities for the purposes of outreach, rehabilitative service, vocational counseling and training, and transitional housing assistance.

The text of this section does not specify which department secretary would have authority to make such grants; it simply refers to the Secretary. We suggest sections 2011 and 2012 be edited to include the Secretary's full title.

2012. Per Diem Payments.

Part (A) of this section appears to stipulate that services are available only to those homeless veterans who had been referred to the providing agency by the Secretary. A homeless veteran seeking assistance on his or her own accord would appear to be excluded from such assistance without the stated referral. We contend any homeless veteran should receive aid, regardless of referrals. If exclusion was not the intent of part (A), we suggest it be edited accordingly.

DAV agrees that facilities eligible for per diem payments should be subject to inspection by the Secretary to ensure established standards are met. Payment recipients should be required to return unused funds and grants, as stipulated in paragraph (d). We suggest paragraph (d), RECOVERY OF UNUSED GRANT FUNDS, be included under Grants, section 2011.

Subchapter iii—Training

DAV supports appropriation of funds to conduct comprehensive training to expedite the reintegration of homeless veterans into the labor force. Annual evaluation and feedback should be provided to Congress to evaluate services furnished to veterans.

Section 4: Rental Assistance Vouchers for HUD-Veterans Affairs Supported Housing Program

DAV supports an increase in the number of rental vouchers for VA-supported housing programs, and an increase in the number of VHA case managers.

Section 5: Increase in Representative Payee Services for Homeless Veterans

DAV supports expansion of contracts described in section 2035 of title 38, United States Code, to provide representative payee services for veterans who are not competent to manage their own funds.

Section 8: Authorization of Additional Domiciliary Care Programs

DAV supports appropriations for the provision of domiciliary services to homeless veterans.

H.R. 936

THE HEATHER FRENCH HENRY HOMELESS VETERANS ASSISTANCE ACT

This important legislation is intended to end homelessness among veterans by encouraging alliances between federal, state, and local governments, and private and public sector entities to address the homeless issue and by providing necessary resources to combat homelessness. Homeless veterans deserve a better deal than they are currently receiving from our government. This bill is an important key to ending this national shame.

As a member of the Veterans Organization Homeless Council (VOHC), the DAV supports the testimony and recommendations presented by the Chairman of VOHC to this Committee on July 19, 2001, regarding S. 739, a bill similar to H.R. 936. We believe that H.R. 936 will provide much needed emphasis on and expansion of homeless programs for veterans, and it will help to enhance community partnerships.

About one-third of the adult male homeless population—about 275,000 on any given night—are veterans, many of whom are combat veterans. Many other veterans are considered near homeless or at high risk because of poverty, lack of family support, because they are livin

in cheap hotels or overcrowded or substandard housing, or because they are victims of the national trend to eliminate hospital beds for the mentally ill. These veterans have given their all for their country when it needed their service. Now that these homeless veterans are in need of assistance from our government, there is a reluctance to provide the needed resources to make a difference.

In a report designed and funded by 12 federal agencies—"Findings of the National Survey of Homeless Assistance Providers and Clients"—it was reported that:

- almost 25 percent of homeless people are veterans; a third of the male homeless are veterans
- almost all homeless veterans are males—two percent are females
- 57 percent have used VA health care services
- almost half of homeless veterans served during the Vietnam era
- 33 percent of the male veterans served in a war zone, and 28 percent were exposed to combat

The report went on to state that, when homeless people get housing assistance and other needed services, about 76 percent of those living with their families and 60 percent of those living alone improve their living situation. Such services include health care, substance abuse treatment, mental health services, education, and job training.

Reducing homelessness among veterans requires greater government commitment and more federal resources. We hope Congress will make a significant long-term commitment to getting homeless veterans off the street and into the mainstream of society again.

As a nation, we must remain steadfast in our efforts to fulfill our promise to veterans by ensuring that no veteran who honorably served his or her country is ever without adequate living quarters.

Accordingly, DAV supports the passage of this important legislation.

DAV Homeless Veterans Initiative

Clearly, DAV is largely in support of H.R. 2716, the Homeless Veterans Assistance Act of 2001, and H.R. 936, the Heather French Henry Homeless Veterans Assistance Act. These important pieces of legislation are a step toward reducing homelessness among veterans.

DAV will certainly continue its efforts to make a difference in the lives of homeless veterans across this nation. One of our top priorities is to help break the cycle of poverty and isolation, and move homeless veterans from the streets to self-sufficiency.

The DAV Homeless Veterans Initiative is our program to assist homeless veterans make the transition from life on the streets to one of productivity and normalcy. Our motto, **"We Don't Leave our Wounded Behind,"** is a heartfelt principle, a rule, and a promise that we, as a grateful nation, must keep.

The DAV Homeless Veterans Initiative, which is supported by DAV's Charitable Service Trust and Colorado Trust, promotes the development of supportive housing and necessary services to assist homeless veterans become productive, self-sufficient members of society. Our goal is to establish a partnership between the DAV and Federal, state, county, and local governments to develop programs to assist homeless veterans in becoming self-sufficient. Our network of volunteers is able to provide food and shelter and, in many cases, medical, vision, and dental aid to homeless veterans.

Since 1989, DAV allocations for homeless projects total $1,041,764.00. In many instances, grants are permitting the expansion of services that VA medical centers offer homeless veterans who suffer mental illness and substance abuse.

In Massachusetts and the New England region, the DAV Homeless Veterans Initiative provides financial support for an innovative, specialized transitional housing program called the Veterans Hospice Homestead, which serves homeless veterans diagnosed with terminal illnesses such as HIV/AIDS. The DAV provides funds to assist terminally ill veterans find appropriate housing and to obtain needed services such as specialized counseling, medical services, mental health counseling, food service support, and supportive service planning.

Additionally, our Homeless Veterans Initiative is helping fund a transitional housing project in DePere, Wisconsin. The facility, named the Armitage in honor of a young Marine killed in Vietnam, was purchased to serve as both a transitional housing facility and an information and assistance center for homeless and at-risk veterans.

With the help of local veterans' groups and the business community, the Armitage provides single-room occupancy housing with communal meals at a cost that allows residents to ascend into their own permanent housing and employment. Veterans who are unemployed or without financial means are not charged.

It is estimated that there are as many as 2,000 homeless and at-risk veterans in northeastern Wisconsin. Homeless veterans represent about 42 percent of the individuals housed in local shelters.

At the DAV's 79th National Convention, Ford Motor Company donated 14 new passenger vans to the Disabled American Veterans Transportation Network, Homeless Veterans Initiative, and a new pilot respite care program. Nine of the vans will be donated to Department of Veterans Affairs Medical Centers (VAMC) in Decatur, Georgia; Salt Lake City, Utah; Wichita, Kansas; Salisbury, North Carolina; White City, Oregon; Sioux Falls, South Dakota; Waco, Texas; and Sheridan, Wyoming. Four vans were assigned to homeless veterans programs in Florida, Maine, Michigan, and Virginia. The remaining van was used in a pilot respite care program at the Bay Pines, Florida VAMC.

At the DAV's 80th National Convention, Ford Motor Company donated 18 new passenger vans that will be used at Little Rock, Arkansas; West Haven, Connecticut; Honolulu, Hawaii; Shreveport, Louisiana; Togus, Maine; Biloxi, Mississippi; Fort Harrison, Montana; Grand Island, Nebraska; Las Vegas, Nevada; Manchester, New Hampshire; Albuquerque, New Mexico; San Juan, Puerto Rico; Providence, Rhode Island; and Milwaukee, Wisconsin. Four vans were assigned to homeless veterans programs in Utah, Kentucky, Ohio and Washington, D.C.

As a nation, we must remain steadfast in our efforts to fulfill our promise to veterans by ensuring that no veteran who honorably served his or her country is ever left behind. The DAV will remain true to our commitment to ensure that we make every effort to assist our fellow veterans and their families in obtaining appropriate assistance for their needs, including adequate housing.

Without question, proper assistance—including health care, substance abuse treatment, mental health services, education, and job training—will enable homeless veterans to improve their situations and begin the transition to once again become productive members of society. They served and fought to preserve liberty and freedom for all Americans. Accordingly, DAV supports the passage of House Bills 936 and 2716.

STATEMENT OF
JACQUELINE GARRICK, ACSW, CSW, CTS
DEPUTY DIRECTOR, HEALTH CARE
THE AMERICAN LEGION
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
ON
IMPROVEMENT OF HOMELESS VETERANS PROGRAMS

SEPTEMBER 20, 2001

Mr. Chairman and Members of the Committee:

The American Legion is pleased to have been invited to comment on H.R. 936, the Heather French Henry Homeless Veterans Assistance Act and H.R. 2716, the Homeless Veterans Assistance Act of 2001.

Homelessness in America is a travesty, but veteran homelessness is a disgrace. Left uncared for and discarded, these men and women who once proudly wore the uniforms of this nation and defended her shores are now wandering her streets in desperate need of medical and psychiatric attention and financial support. Last year, VA estimated that there were 344,983 homeless veterans in America, which was a 34 percent increase above the 1998 report. Unaddressed in either H.R.936 or H.R. 2716 is the cause of this increase in homelessness among America's veterans. It cannot go unnoticed that the increase in homeless veterans coincides with the under-funding of VA health care, which resulted in the downsizing of inpatient mental health capabilities in VA hospitals across the country. Since 1996, VA has closed 64 percent of its psychiatric beds and 90 percent of its substance abuse beds. Where did VA expect these veterans to go? It is no surprise that many of these displaced patients would end up in the jails, on the streets, or in early graves. There needs to be a focus on prevention of homelessness, not just measures to respond to it. Preventing it is the most important step in ending homelessness. VA psychiatric services must be adequately funded, and staffed, additionally, inpatient beds need to be re-opened for psychiatric patients and substance abusers to have the safety net the need.

The American Legion is committed to assisting homeless veterans and their families. There are many programs within The American Legion that support this mission. There are American Legion posts in Massachusetts and New York that support VA's efforts through volunteering and donations. In Pennsylvania and Tennessee there are posts that own and operate their own homeless shelters for veterans. Therefore, The American Legion recognizes the significant contributions that community based programs can make in responding to the needs of homeless veterans.

The bills under consideration have been reviewed by The American Legion and we offer the following comments and recommendations.

H.R. 936 - Heather French Henry Homeless Assistance Act

First, The American Legion commends the efforts made by Heather French Henry in bringing attention to this issue. The time and support she has devoted to veterans has made a difference in getting the benefits and services they need. This bill is another step in the right direction.

Sec 3. National Goal to End Homelessness Among Veterans

The American Legion adamantly supports the goal to end homelessness among veterans. However, it should not take a decade. That is too long for veterans to be left out in the cold. Strategic planning should be done to include short term and long term goals. Tactics must be designed to meet those goals on a continuous basis if we are to truly end homelessness. Immediate medical and psychiatric needs must be met first by

bolstering VA inpatient and outpatient services and by developing a referral and transitional network.

Sec 4. Advisory Committee on Homeless Veterans

The American Legion fully supports the establishment of the Advisory Committee on Homeless Veterans. This committee will be comprised of people from many different organizations who are committed to helping homeless veterans. The function of the committee is to review information, provide advice and assess the Department's services in assisting homeless veterans in diverse geographic settings and with special problems, such as homeless families or aging. These are lofty goals and will require a great deal of time and attention. The American Legion is available to serve this committee in any capacity deemed appropriate.

Sec 5. Meetings of Interagency Council on Homeless

This council has been in place since 1987 and led by representatives from HUD and VA. Unfortunately, this council has not met very often to coordinate their efforts. Many innovative initiatives did result from the efforts of this council. The American Legion fully supports this valuable council holding at least an annual meeting.

Sec 6. Evaluation of Homeless Programs

This section calls for the continued support of at least one center for evaluation to monitor the structure, process, and outcome of programs of the Department that address homeless veterans. It also requires the Secretary to submit an annual report on VA programs addressing the health care needs of homeless veterans. The American Legion supports this provision and suggests VA provide a detailed analysis of the workload to include user population and specialized needs.

Sec 7. Changes in Veterans Equitable Resource Allocation Methodology

Veterans who are receiving services in homeless chronically mentally ill programs, specialized programs, substance abuse treatment, sheltered housing, and post-traumatic stress disorders (PTSD) treatment will be assigned to the Veterans Equitable Resource Allocation (VERA) "complex care" category. The American Legion fully supports this assignment and believes it will change many VA manager's approaches in their outreach to the chronically mentally ill.

Sec 8. Per Diem Payments for Furnishing Services to Homeless Veterans

This section would set the per diem payments at the same rates as the rates authorized for State homes for domiciliary care. This rate appears to be appropriate. The only caution is in the variance in the populations served. Some programs are more expensive to maintain than others. For example, the cost to effectively run a program for homeless veterans who are HIV positive would be more than a program for homeless veterans who are not HIV positive.

Sec 9. Grant Program for Homeless Veterans with Special Needs

This section establishes a program whereby VA may make grants to its health care facilities and grant per diem to providers in order to encourage development of programs targeted at meeting special needs within the homeless veterans population.

The Secretary will also study the effectiveness of the grant program in meeting the needs of this very special population. Included in the study will be comparative results in terms of veterans' satisfaction, health status, reduction in addiction severity, housing, and encouragement of productive activity with results for similar veterans in programs of the Department or of grant and per diem providers that are designed to meet the general needs of homeless veterans.

The American Legion supports the establishment of this program.

Sec 10. Coordination of Outreach Services for Veterans at Risk of Homelessness

There have been concerns in the field that VA hospitals and Vet Centers do not communicate well together. However, this varies from location to location. An outreach plan should first look at networks that have had success communicating with the Vet centers and emulate those best practices.

Sec 11. Treatment Trials in Integrated Mental Health Services Delivery

This provision proposes to carry out two trials in mental health treatment. One that deals with strictly mental health primary care and one that deals with patients assigned to mental health primary care that is linked to medical primary care. There has been a great deal of discussion on the benefits of mental health primary care. Studying the effectiveness of these models seems to be an appropriate step in implementing a more coordinated approach to mental health services.

Sec 12. Dental Care

Providing dental care to homeless veterans is an obvious step in improving their care. Unfortunately, this is all too often an overlooked element of care that can result in infection, pain and reduces self-confidence. The American Legion supports an inclusive dental program for homeless veterans.

Sec 13. Programmatic Expansions.

The American Legion fully supports the expansion of mental health services. VA has not maintained capacity in this area and it must return its treatment availability back to the 1996 levels.

Sec 12. Funding

The grant and per diem program must continue to be increased if it is to meet the needs of the growing homeless veteran population.

The opioid substitution program has been very successful according to VA data and should be expanded throughout the VA system.

Sec 14. Various Authorities

The compensated work therapy (CWT) program is a vital piece of rehabilitation for homeless veterans. It is through this program that homeless veterans gain job skills while actually earning a salary. Coordinating other benefits and employment services, especially while a veteran is still in the CWT program, allows them to move beyond the CWT program into a full time successful employment and housing situation.

Sec 15. Life Safety Code for Grant and Per Diem Providers

It is not unrealistic to ask the community based programs to come into compliance with the National Fire and Safety Codes since money in the grant would be available for such a function.

Sec 16. Transitional Assistance Grants Pilot Program

This provision calls for VA to carry out a three-year pilot program for eligible homeless veterans. Veterans would receive a transitional assistance grant while awaiting total and permanent service connection, which are to be expedited by the regional office. Although this seems like a sound concept, The American Legion has concerns over the regional office's ability to expedite such a program, considering the current back log it already faces.

Sec 17. Assistance for Grant Applications

The American Legion supports VA in being able to provide support to nonprofit organizations as they apply for these grants. Grant applications can be a laborious process and for many small non-profit organizations the staff time and expertise is simply not there. Many valuable community programs would miss out on being able to expand their services to our nation's veterans.

Sec 18. Home Loan Program for Manufactured Housing

The American Legion supports the home loan program for manufactured housing.

Sec 19. Extension of Homeless Veterans Reintegration Program

The American Legion supports the increases as outlined in the Homeless Veterans Assistance Act of 2001. These appropriations are more in line with the demand the new provisions would place on VA.

Sec 20. Use of Real Property

Although The American Legion understands the value of enhanced-use lease of VA property, it is cautionary that these agreements are done in a cost-effective manner and that protections for veterans and the VA system are included.

H.R. 2716- Homeless Veterans Assistance Act of 2001

This bill will amend title 38, United States Code, and revise, improve, and consolidate provisions of law providing benefits and services for homeless veterans. Again, The American Legion is committed to helping homeless veterans and their families.

Sec 2. Sense of the Congress Regarding the Needs of Homeless Veterans and the Responsibility of Federal Agencies

The American Legion is in full agreement that the federal efforts to assist homeless veterans should include prevention of homelessness. We also support the cooperation of the federal agencies, particularly the Department of Veterans Affairs and the Department of Housing and Urban Development, to address the problems homeless veterans face as they try to reintegrate themselves as fully functioning citizens of our society.

Sec 3. Improvement and Consolidation of Provisions of Law Relating to Homeless Veterans

This section establishes a new chapter and comprehensive guidelines for the carrying out of benefits for the homeless. This new chapter is comprehensive in nature and allows VA the necessary authority to provide these services to homeless veterans.

Sec 4. Rental Assistance vouchers for HUD Veterans Affairs Supported Housing Program

This program was initiated in 1992 and has been very successful over the years. It is the closest to a permanent housing program VA has to offer veterans. The American Legion supports the proposed incremental increase in the rental assistance vouchers. The increase of 1500 vouchers over a span of three years, to a total of 2000 vouchers for fiscal year 2006, is a step in the right direction.

The case management of those veterans who receive these vouchers is vital to the success of the program. The NorthEast Program Evaluation Center (NEPEC) is in the

process of evaluating this program. In the past, the NEPEC has demonstrated that veterans participating in this program have had fewer relapses and have less psychotic episodes.

The number of case managers must be sufficient to allow the veteran easy and timely access to a manger when needed. Social Work Services should be involved in evaluating and recommending staffing patterns for successful case management. The American Legion evaluation of such programs deems a ratio of 25 patients per provider is a manageable caseload, depending upon the severity and complexity of those assigned.

Sec 5. Increase in Representative Payee Services for Homeless Veterans

This section allows VA to enter into contracts with community agencies to provide representative payee services for veterans who are not competent to manage their own personal funds. There is a demonstration project being conducted in Veterans Integrated Service Network (VISN) 1 that uses this concept to teach veterans how to manage their finances. Once evaluated, The American Legion believes that the results of this demonstration project could be used as the framework for this service.

Sec 6. Joint Methodology to Monitor Results of Services Furnished to Homeless Veterans

It is of the utmost importance to ensure the efficient monitoring of a program such as this. Measurable improved performance outcomes in the areas of mental illness, substance use disorders, general health, housing, and employment need to be tracked and the information analyzed as to determine how successful the program has been.

The American Legion sees this concept as extremely complicated, although necessary. However, HUD is not predicting that it will be able to provide comparable data until 2004. These would be very expensive items to track and additional funding would need to be provided so that all of the proposed outcomes could be measured.

Sec 7. Enhanced-Use Leases for Facilities That Serve Homeless Veterans

The enhanced use lease process has been very complicated and has not worked well for VA. This overall process needs further attention by VA Central Office. There are many concerns in the field regarding successful implementation of these leases. Access to care for veterans must be protected. Ideally, these leases should be able to expand upon services to veterans, but that does not seem to have happened yet. The American Legion remains optimistic that with better guidance, the enhanced use lease program could become successful.

Sec 8. Authorization of Additional Domiciliary Care Programs

The American Legion is in full support of establishing ten additional Domiciliary Care Programs. There are currently 35 programs already in existence, which have been very successful at helping veterans' transition from hospital programs back into the community. However, not every VISN has such a program. VISNs 11 and 19 are not currently offering this level of care. The American Legion recommends that first priority for establishing these new programs be given to these networks. The American Legion also recommends that this number (10) be re-evaluated once implemented to determine where in the VA system additional domiciliaries could be supported. VA must be given sufficient appropriations to carry out these programs.

Sec 9. Demonstration Program Relating to Referral and Counseling for Veterans Transitioning from Certain Institutions Who are at Risk for Homelessness

This section calls for the Secretary of Veterans Affairs and the Secretary of Labor to carry out a demonstration program to determine the costs and benefits of providing referral and counseling services to eligible veterans. The focus of the program is to help eligible veterans' transition from institutional living back into society. Six locations will

process of evaluating this program. In the past, the NEPEC has demonstrated that veterans participating in this program have had fewer relapses and have less psychotic episodes.

The number of case managers must be sufficient to allow the veteran easy and timely access to a manger when needed. Social Work Services should be involved in evaluating and recommending staffing patterns for successful case management. The American Legion evaluation of such programs deems a ratio of 25 patients per provider is a manageable caseload, depending upon the severity and complexity of those assigned.

Sec 5. Increase in Representative Payee Services for Homeless Veterans

This section allows VA to enter into contracts with community agencies to provide representative payee services for veterans who are not competent to manage their own personal funds. There is a demonstration project being conducted in Veterans Integrated Service Network (VISN) 1 that uses this concept to teach veterans how to manage their finances. Once evaluated, The American Legion believes that the results of this demonstration project could be used as the framework for this service.

Sec 6. Joint Methodology to Monitor Results of Services Furnished to Homeless Veterans

It is of the utmost importance to ensure the efficient monitoring of a program such as this. Measurable improved performance outcomes in the areas of mental illness, substance use disorders, general health, housing, and employment need to be tracked and the information analyzed as to determine how successful the program has been.

The American Legion sees this concept as extremely complicated, although necessary. However, HUD is not predicting that it will be able to provide comparable data until 2004. These would be very expensive items to track and additional funding would need to be provided so that all of the proposed outcomes could be measured.

Sec 7. Enhanced-Use Leases for Facilities That Serve Homeless Veterans

The enhanced use lease process has been very complicated and has not worked well for VA. This overall process needs further attention by VA Central Office. There are many concerns in the field regarding successful implementation of these leases. Access to care for veterans must be protected. Ideally, these leases should be able to expand upon services to veterans, but that does not seem to have happened yet. The American Legion remains optimistic that with better guidance, the enhanced use lease program could become successful.

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be selected to carry out this program. One of the locations must be at a penal institution under the jurisdiction of the Bureau of Prisons.

The program will provide counseling and referral services. The counseling will include job training and placement, housing, health care, and other benefits to help veterans in their transition. In addition, the referral services are to be conducted in person, during the 60-day time frame prior to the date of release of the veteran. Outreach information will be provided to officials at the penal institutions for dissemination and presentation to the veterans during the 18-month period before release or discharge.

The American Legion supports this proposed demonstration program. Currently there are successful programs in Los Angeles, New York, Chicago and Columbia, SC that VA should consider as it develops the demonstration project. The American Legion also recommends that the Compensated Work Therapy program managers be included in this process since they have expressed previous interest in working with the Department of Justice in reaching out to incarcerated veterans.

The American Legion further recommends that the 60-day period be re-evaluated as not being sufficient enough time to allow for discharge planning from a correctional facility.

Sec 10. Demonstration Program for Grants for Independent Group Homes for Recovering Veterans

This section gives VA the authority to establish a demonstration program to assist in providing housing for veterans who are recovering from alcohol or substance use disorders. VA will do this by making grants to eligible entities that in turn will provide independent housing units and group houses for the veterans to live in.

The veterans will be living in a group home environment with rules and policies that they must adhere to or risk being expelled.

The American Legion believes that this program will be a significant measure in assisting veterans who are trying to maintain their sobriety in an atmosphere that will be conducive to their recovery. Veterans living in these homes should be participants in a mental health treatment program and vocational rehabilitation as well.

The American Legion is very pleased to see provisions that would allow VA to recover unused funds. However, there should also be provisions for VA to be able to repatriate its patients if there are any concerns over the quality of care or the satisfaction of the veteran.

Mr. Chairman and members of the committee, that concludes my statement. The American Legion is available to discuss these issues in further detail.

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STATEMENT

of

Linda Boone
Executive Director

of the

NATIONAL COALITION *for* HOMELESS VETERANS

before the

Committee on Veterans Affairs
United States House of Representatives

The Honorable Christopher Smith
Chairman

September 20, 2001
Washington, DC

Chairman Smith and Committee members:

The National Coalition for Homeless Veterans (NCHV) is committed to assisting the men and women who have served our Nation well to have decent shelter, adequate nutrition, and acute medical care when needed. NCHV is committed to doing all we can to help ensure that the organizations, agencies, and groups who assist veterans with these most fundamental human needs receive the resources adequate to provide these services to perform this task. Our veterans served us faithfully, often heroically. Each of us can do no less than to do our part to ensure that these men and women are treated with dignity and respect.

NCHV believes that there is no generic and separate group of people who are "homeless veterans" as a permanent characteristic. Rather, NCHV takes the position that there are veterans who have problems that have become so acute that a veteran becomes homeless for a time. In a great many cases these problems and difficulties are directly traceable to that individual's experience in military service or his or her return to civilian society.

The specific sequences of events that led to these American veterans being in the state of homelessness are as varied as there are veterans who find themselves in this condition.

It is clear that the present way of organizing the delivery of vitally needed services has failed to assist the veterans who are so overwhelmed by their problems and difficulties that they find themselves homeless for at least part of the year.

The Urban Institute produced a report for the Interagency Council on the Homeless, for the survey that was conducted in 1996 titled "Homelessness: Programs and the People They Serve" released in December 1999 that has become the report that is used as the baseline in demographic data for homelessness in America. That report found ***23% of all homeless individuals are veterans***.

In February 2001 the Urban Institute released census information on the homeless population that was done in conjunction with the 1996 survey. Their conclusion is that at least 2.3 million people or nearly 1% of US population is likely to experience homelessness at least once during a year. This would equate ***veterans experiencing homelessness to be 529,000 during a year***.

The National Coalition for Homeless Veterans (NCHV) is very supportive of the intent of both bills H.R. 2716 "Homeless Veterans Assistance Act" introduced by Chairman Smith and H.R.936, "Heather French Henry Homeless Veterans Assistance Act" introduced by Representative Lane Evans, to provide for a wide range of services to homeless veterans.

Here we will comment primarily on HR2716 since we have provided detailed comments on HR936 at the June 20, 2001 hearing.

Section 2 Sense of Congress regarding needs of homeless veterans and the responsibility of Federal Agencies.

"Federal programs for the assistance of homeless veterans that are effective should be identified and expanded." NCHV believes there are many **community based programs** that receive federal funding that should be recognized and expanded by providing funding for technical assistance that would enable those models to be replicated through intense peer-to-peer knowledge transfer.

"Federally funded programs for homeless veterans should be held accountable for achieving clearly defined results." We strongly support having accountability for community based programs as well as Federal programs serving homeless veterans. NCHV believes that a return on investment model would provide data to assist Congress to determine future investment strategies for Federal dollars serving homeless veterans.

"Federal efforts to assist homeless veterans should include prevention of homelessness." Prevention of homelessness among veterans has long been ignored. It we are to reach the goal of ending homelessness among veterans some resources need to be focused on prevention efforts. The Department of Defense also needs to become a partner in prevention efforts.

"Federal agencies should cooperate more fully to address the problem of homelessness among veterans." The lead agency has to be the Department of Veterans Affairs. There is general widespread myth that the VA takes care of all veterans for all things. The VA needs to be more aggressive in developing partnerships with other Federal agency serving homeless individuals. Many front line providers do not understand the world of veterans and how to treat those needs. Very few of these providers know how to access resources for veterans. The VA could assist in developing this knowledge which would improve services to homeless veterans.

Congress authorized the implementation of a process to be lead by the VA to hold at a minimum an annual meeting that would involve government and community agencies to discuss and evaluate the needs of homeless veterans (PL102-405) in each VA hospital's catchment area. At some hospital locations this process is working well in many others it is minimally in place. This is a good vehicle to engage government and community based organizations in addressing the specific needs of homeless veterans. Congress should monitor the VA's implementation process and evaluate the results in this annual report to Congress.

Section 3 Improvement and consolidation of provisions of law relating to homeless veterans.

The VA Homeless Providers Grant and Per Diem program section includes "expansion, remodeling, or alteration of existing buildings, or acquisition of facilities…..". NCHV approves and supports this broader definition of eligible programs. Many existing or programs previously funded by this grant program have been ineligible for grant funds. With this improved authorization, successful and productive programs that have good methodology for serving homeless veterans will be able to expand their programs.

This section also includes authorization for grantees to be able to count "in-kind" services as part of the match requirement of the grant. While NCHV members have requested this authorization in the past their preferred method is to have a flat per diem rate the same as the state VA home domiciliary rate that does not require a match. Leaving the match requirement even with addition of counting "in kind" requires excessive documentation which is a burden on grantees and the VA.

NCHV believes a new formula based on the state home domiciliary rate is a good comparison model for types of services provided and compensation for those services.

Approximately 5000 transitional housing beds will be available funded through the Homeless Providers Grant and Per Diem program for veterans of which 2,076 are currently activated. The need for increased funding for beds through this program has never diminished since its inception. There is an un-addressed need for housing that is safe, clean, sober and has responsible staff to ensure that it stays that way, and that supportive services are regularly provided as to be sufficient to help veterans fully recover as much independence and autonomy as possible.

The Homeless Providers Grant and Per Diem Program currently is assigned funding internally within the VA at approximately $35 million. The "grant" piece provides funding for the "bricks and mortar" for new programs and the "per diem" piece provides for a daily payment of up to 50% for a maximum of $19 per day to provide services to the veterans housed under the "grant" piece. The grantees are required to obtain matching funds to the complete the 50% not funded through the VA.

NCHV strongly recommends that Congress not only authorizes the VA to allocate these increased amounts to the Grant and Per Diem program but add it as a line item in the VA

budget so that it will be allocated regardless of internal decision making processes that have not always been sensitive to homeless programs.

The current level of funded beds is 5000 for an investment of about $35 million. If funding stays at the $35 million level there would be a need to cut 1000 beds if the new per diem increase became effective.

$43 million needed to remain at same 5000 bed level with increased per diem rate

$50 million would add 813 beds with increased per diem rate to total 5813 beds

$100 million would add approximately 6600 beds with increased per diem rate to total 11,628 beds

$120 million would add approximately 9000 beds with increased per diem rate to total 13,953 beds

The demand for this grant program far exceeds its current funding level. Every year programs get turned down usually because of lack of funding.

Grant applications rejected:

2000-64
1999-42
1998-67
1997-62
1996-57
1995-67
1994-67

NCHV also feels there needs to be a future vision of how to turn these transitional beds into a mix of transitional and long term permanent supported housing. The current grant program has employment as an expected outcome for all veterans transitioning through the program. However many veteran are not able to work or live without continued supportive services on a daily basis. Some of these veterans need alternatives to independent living and the CBO system has the experience and programs in place that could support the future needs of these veterans.

The **Homeless Veteran Reintegration Program (HVRP) managed through the US Department of Labor, Veterans Employment and Training Service** is virtually the only program that focuses on employment of veterans who are homeless. Since other resources that should be available to our member organizations to fund activities that result in gainful employment are not generally available, HVRP takes on an importance far beyond the very small dollar amounts involved.

Work is the key to helping homeless veterans rejoin American society. As important as quality clinical care, other supportive services, and transitional housing may be, the fact remains that helping veterans get and keep a job can be the most essential element in their recovery and reintegration for those that work is a realistic outcome.

The Homeless Veteran Reintegration Program is a job placement program begun in 1989 to provide grants to community-based organizations that employ flexible and innovative approaches to assist homeless, unemployed veterans reenter the workforce. Local programs offer employment and job-readiness services to place these veterans directly into paying jobs. HVRP provides the key element often missing from most homeless programming.....job placement.

Through HVRP funds veterans gain access to civilian assistance, ex-military benefits and entitlements, education and training opportunities, legal assistance, whatever is needed to begin the rebuilding process towards employment.

HVRP programs work with veterans who have special needs and are shunned by other programs and services, veterans who have hit the very bottom, including those with long histories of substance abuse, severe PTSD, serious social problems, those who have legal issues, and those who are HIV positive. These veterans require more time consuming, specialized, intensive assessment, referrals, and counseling than is possible in other programs that work with other veterans seeking employment.

This program has suffered since its inception because it is small and an easy target for elimination or reduced appropriations. Even DOL rarely asks for the full appropriation for HVRP in the budget they submit to OMB. Our coalition has spent the majority of its advocacy efforts in the past five years in keeping this program alive because it has been so vital in ending homelessness among veterans.

HVRP is an extraordinarily cost efficient program, with a cost per placement of about $1,500 per veteran entering employment. Based on years of experience of our member organizations NCHV strongly believes that helping homeless veterans to get and keep a job is the key to reducing homelessness among veterans. NCHV recommends an investment of **$50 million** per year in HVRP to assists veterans in becoming self-sustaining and responsible tax paying citizens.

$50 million is only $100 for each of the over 500,000 veterans that is estimated are homeless at some point during the year.

"Annual Report on assistance to homeless veterans." NCHV supports the addition of evaluating grantee programs. However this still falls short of evaluating the entire continuum of care for homeless veterans, including those not funded through the VA. This section does not appear to address the specifics of the monitoring process nor the resources to support monitoring inside and outside the VA. We are concerned an inferior and incomplete report will be produced that will not assist Congress in making decisions concerning resources for homeless veterans.

Section 4 Rental Assistance vouchers for HUD Veterans Affairs supported housing program.
This section would increase in number the current level of 1700 vouchers by the following:

FY03 500
FY04 1000
FY05 1500
FY06 2000

As for all homeless individuals finding affordable housing after the "transitional living" phase of homelessness is an extreme challenge since affordable housing is in critically short supply. NCHV supports this section and encourages Congress to find a way to support increased vouchers for all homeless individuals.

Section 5 "Increase in representative payee services for homeless veterans." Instructs the Secretary to enter into contracts with community agencies to be payees for veterans and then to report by March 2003 the results of those efforts. NCHV supports the adoption of this section.

Section 6 "Joint methodology to monitor results of services furnished to homeless veterans between VA and HUD." NCHV supports the intent of this section. We have a concern that there are no provisions for non-compliance. What happens if not done?

Section 7 "Enhanced-use leases for facilities that serve homeless veterans." NCHV supports waiver of competitive selection process for enhanced-use leases for properties used to serve homeless veterans and believes this could expedite expansion of services to homeless veterans while increasing the return on investment of Federal properties currently underutilized.

There will be a challenge to match available properties with organizations having the technical expertise to plan, implement and manage these complex set of funding and property management issues. NCHV recommends that technical assistance resources be a part of the authorization.

Section 8 "Authorization of additional domiciliary care programs." This section would authorize the addition of up to 10 programs and $5m for FY03 and FY04 to establish VA domiciliary care programs. NCHV does not believe the VA should be in the housing business. If these domiciliary programs are to be used for veterans to prepare them for community based transitional programs we support and would like to see the bill language clarified. If they are competing transitional programs we would not.

NCHV is concerned that there is a tendency to provide the authority to the VA to create housing programs and other competitive services that CBOs are currently providing. We believe that the VA should provide the medical services and the CBOs can provide the other supportive services within the continuum of care for homeless veterans.

Section 9 "Demonstration program relating to referral and counseling for veterans transitioning from certain institutions who are at risk for homelessness." NCHV strongly supports the intent of this section to focus on the **prevention** of homelessness. The language does not address a role for community based organizations which we think should be part of the prevention formula. Community based organizations provide the housing and case management services for the complex set of issues facing these veterans transitioning from institutions. Their role needs to be acknowledged and included in developing solutions of preventing homelessness among veterans.

Section 10 "Demonstration grant program for independent group homes for recovering veterans." This section would establish grants of $5,000 each for a total authorization of $250,000 for FYFY03 and FY04. NCHV is concerned that this grant program would be targeting a model that although successful has no in depth veteran specific knowledge. Are these grants targeted for a specific organization outside the veteran community based provider network? Does this organization have the needed capital and structure to support an additional 50 homes? Our coalition members are puzzled over the small amount of individual grants and how this seed money would assist in establishing transitional or semi-permanent housing for veterans. Our suggestion is to modify the number of homes to 10 and provide grants in the amount of $25,000 each.

Missing

NCHV is very disappointed that there is no provision to support technical assistance for homeless veteran providers. Where and how are they going to learn how to be successful? The VA does not provide technical assistance and HUD does for general population homeless providers.....but nothing done veteran specific but knowledgeable veteran providers.

It is very clear that it takes a network of partnerships to be able to provide a full range of services to homeless veterans. No one entity can provide this complex set of requirements without developing relationships with others in the community.

Community-based nonprofit organizations are most often the coordinator of services because they house the veterans during their transition. These community-based organizations ***must orchestrate a complex set of funding and service delivery streams with multiple agencies*** in which each one plays a key critical role.

There are a wide variety of Federal, state and private funds that veteran service providers are eligible for in the course of serving homeless veterans. The challenge is in accessing them. Many veteran specific providers lose several years before being able to position themselves to successfully compete and receive ANY federal, state or local agency funds.

The current prevailing public policy of devolution increases likelihood that Federal dollars are ultimately allocated through a ranking process subject to local viewpoints. At the local level the ***common perception is that veterans are taken care of by the VA***. Some are, yet most are not. These perceptions can be a barrier to homeless veterans service providers' access to funds. It is a reality that must be reckoned with in order to compete successfully.

When a local group is forced into priority recommendations that choose between needy men, women, and/or their children, it is a challenge to argue for displacing the funding for women and children in favor of a man (who's a veteran the "VA is taking care of" anyway!). Sometimes a homeless veteran has his family still together, and obviously some homeless veterans are women, but these conditions are the exceptions.

Consistently at around $1 billion annually, the biggest piece of funding currently on the table is available from targeted HUD funds through the Super NOFA for Supportive Housing Programs (SHP). Historically only 3% of these grants are awarded to veteran specific programs. Three percent, when a quarter of the homeless are veterans. Any other help HUD grants give to veterans is purely by chance, and we have no information on whether the rest of the money reaches veterans.

The distribution system for these McKinney Act funds follow a devolution policy that organizes priorities for allocation of formula share dollars at a local level within a continuum of care. The Continuum of Care prescribes a planning process built on a community-by-community model. Within each community, a planning process takes place in which advocates and service providers describe the problem, access the current resources available, and decide what needs to be done using the "targeted" McKinney programs, which total $1.2 billion annually. Overall federal funding to assist the poor is about $215 billion annually and is not synchronized with targeted homeless assistance funds. So, these funds need to be accessed differently.

Until such time as a homeless veteran provider is able to convince the organizations that make up the local continuum of care that it is in THEIR best interest to juggle their dollars in a way to allow a veteran provider to the table, a veteran specific program typically gets ranked out of the money (if it even got ranked in the continuum at all). Veteran service providers report it takes several years of analysis, networking, program/funding design, and negotiations to be able to show that giving a high priority to a relatively small piece of HUD Supportive Housing Programs dollars for a veteran provider is in the community's best interest. A veteran provider can access support service money and a clinical care system (the Department of Veterans Affairs) available for veterans only. This leverages resources that can off-load the community care system of the veterans currently occupying beds and free up capacity that then becomes available for women, children and other special needs population. At one level, this is the market economy operating at its best... but it is complicated, to say the least.

The veteran community-based organization system faces a capacity gap around managing this complexity in order to respond successfully to the distribution system for accessing funds and then if awarded the resources to pay for management and financial reporting systems to properly service those funds.

The point here is to underscore the complexities involved in successfully responding to the streams of funding available and necessary to combine together adequate budgets in a sufficiently broad geographic area to put on a reasonable array of services for homeless veterans. ***Most community-based organizations throughout the country struggle to respond to this system of distribution of federal funds***.

Some Solutions

In 1990, seven homeless veteran service providers established the National Coalition for Homeless Veterans (NCHV) to educate America's people about the extraordinarily high percentage of veterans among the homeless. These seven providers are considered to be true original warriors for the cause. All former military men, they were concerned that

people did not understand the unique reasons why veterans become homeless and the fact that these men and women who defended America's freedom were being dramatically under-served in a time of personal crisis. In the years since its founding, NCHV's membership has grown to 245 in 44 states and the District of Columbia.

I urge this committee to consider finding ways to get ***capacity building services*** into the hands of the community-based care provider group attempting to serve veterans. It is squarely within the mission of NCHV to help formulate this capacity. While NCHV has been doing this, it's been done in a limited way without the benefit of any federal funds. I ask you to consider authorizing an allocation $750,000 FY 2002 and each year thereafter through FY2007 to the National Coalition for Homeless Veterans to build capacity of the veteran service provider network. The goal would be to significantly increase access to the federal, state and private funding streams and to enhance the efficiency of utilization for those currently accessing these streams.

NCHV looks forward to working with this committee and the staff on solutions that will lead to the end of homelessness among veterans.

NCHV's Board believes that ending homelessness among veterans is not a mission impossible but a **mission possible** in the next few years and look forward to your continued support.

CURRICULUM VITAE

Linda Boone, Executive Director, National Coalition *for* Homeless Veterans took over the management of this national advocacy organization in April 1996. Linda's activities on veteran issues started in 1969 as a volunteer in her local community. Her advocacy for homeless veterans began in 1990 after meeting veterans living under a boardwalk near her home.

Prior to becoming executive director for NCHV Boone spent over 20 years in materials management positions at high tech manufacturing companies and as a consultant to companies and organizations for competitive management practices.

In September 1993, she completed a successful year as National President of the one million member American Legion Auxiliary. During her administration, her focus was on homeless veterans. That year, members of the American Legion Auxiliary contributed 10 million volunteer hours and $20 million throughout 11,000 communities around the world.

The National Coalition for Homeless Veterans was founded in 1990 by a group of veteran service providers when they became frustrated with the growing numbers of homeless veterans that were coming into their facilities and the lack of resources to adequately provide services.

The mission of NCHV is to end homeless among veterans by shaping public policy, educating the public, and building the capacity of service providers.

FEDERAL GRANT OR CONTRACT DISCLOSURE

The National Coalition for Homeless Veterans received a $60,000 grant from the US Department of Labor in FY2000 to provide incentive grants to NCHV members for employment programs serving homeless veterans.

An appropriation from Congress was provided to NCHV in the FY2001 budget for $400,000 to provide technical assistance for service providers.

AFGE Congressional Testimony

STATEMENT

OF

THEODORE R. JONES
CHIEF STEWARD, LOCAL 1647
AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO

BEFORE

THE VETERANS' AFFAIRS COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES

HEARING ON

H.R. 2716,
THE HOMELESS VETERANS ASSISTANCE ACT OF 2001
AND
H.R 936,
THE HEATHER FRENCH HENRY HOMELESS VETERANS ASSISTANCE ACT

ON
SEPTEMBER 20, 2001

American Federation of Government Employees, AFL-CIO
80 F Street, NW, Washington, D.C. 20001 ★ (202) 737-8700 ★ www.afge.org

Chairman Smith, Ranking Member Evans, my name is Theodore R. Jones. I am the Chief Steward for Local 1674 of the American Federation of Government Employees (AFGE), AFL-CIO. AFGE Local 1674 currently represents the Licensed Practical Nurses, Nursing Assistants, and staff who perform necessary services to support direct patient care at the VA Medical Center in West Haven, Connecticut. I am a WG-3 food service worker at the medical center.

AFGE urged me to testify today because my struggles as a homeless veteran and successful treatment at the West Haven VAMC suggest some key ways in which legislation to help homeless veterans can be improved.

From 1978 to 1981, I served as an Airman First Class at Offutt Air Force Base in Omaha, Nebraska. I was an Administrative Specialist with top security clearance. I went into the military because I thought it would give me good job training. When I got out of the Air Force in 1981 I tried to find a job. In the recession of 1981 and 1982 our nation's unemployment rate peaked at 9.7%. For African-Americans that rate was roughly double.

Without a job and without the likelihood of a steady job, I got into drugs. I tried to work day jobs and temporary work. I was homeless and on drugs for years.

In 1989 I went to the West Haven VA Medical Center for help. I went through a 3-day inpatient detoxification program and then into a 21-day inpatient rehabilitation program. After this intensive support I was discharged. I wanted to get into VA's residential rehabilitation program or "halfway house"--- but it was full. The VA halfway house program was a safe, clean environment on the VA Medical Center campus where you were provided with the needed structure and support to rebuild your life. It was the next important step in addiction recovery. With no residential beds available, the best the VA staff could do was to wish me good luck and suggest that I attend DA meetings.

I still had no job, no hope, no clue and no support. I went back into the drug environment that I had left 24 days earlier. I took a bus from Bridgeport to West Haven the next Thursday to see if a VA residential bed was open. I was told there were still no beds available. I was very discouraged. I managed to stay clean for 78 days.

For the next year and half I lived on the edge. It was not a pretty story. I used cocaine and snorted heroin. I used alcohol because it was the most accessible and cheapest drug available. I slept in the hallways of housing projects, under bridges and sometimes I didn't sleep but just walked around. I was beaten up, shot at and cut.

I spent five to six months living out of an abandoned car. When someone had the car towed, I felt robbed and evicted. That abandoned car was my home and was safe. During this long decade I never went to a homeless shelter. I had a warped twisted

sense of pride. My aunt and uncle, who adopted me after my mother died when I was 12 years old, were afraid of me.

In many substance abuse programs the concept of "hitting bottom" is used to describe when an addict starts to realize that he or she has a problem and needs help. "Hitting bottom" is a clinical concept. On the street, death is the only real bottom you can hit. In recovery the real question is when do you wake up and rebuild your life.

I made the decision to rise up from addiction and homelessness in 1991 -- a decade after I had been homeless, a decade after I left the Air Force.

The decision to become sober rests with the individual but Congress and the VA have the responsibility to make sure that when a homeless veteran with an addiction wants to go straight that the VA is ready to provide the necessary inpatient support and treatment.

In 1991, I went back to the West Haven VAMC for help. I was put through a 3-day inpatient detoxification program and then discharged. I was told to come back in six days because there were no beds available for the intensive 21-day rehabilitation inpatient program. I did come back to get into the program, but how many other veterans in need of help didn't return because they relapsed or overdosed?

It is my understanding that the 21-day rehabilitation program is now conducted on an outpatient basis. I don't believe that I could have stayed sober through an outpatient program.

With the elimination of the inpatient rehabilitation program, homeless veterans receive 3 or more days of detoxification and then are put back on the streets during the day without structure or support. The VA does have contracts to shelter veterans. But for $20 or $35 a day, do you really believe that you are providing veterans with the intensive round-the-clock support they received at the VA?

After I went through the 21-day program I was told there were no beds in the VA's halfway house. I waited two weeks to get into VA's residential halfway house. It was the longest two weeks of my life. Of the veterans in my 21-day program, seventeen veterans didn't get a bed in the VA halfway house. They are probably still lost souls.

The VA residential program is an important part of substance abuse treatment. It gives veterans the intensive support and care they need to transition back into society and move forward. At the VA-run halfway house you learn how to break patterns, prepare to build a life and to get a new circle of sober friends. If I had to undergo this rehabilitation treatment on an outpatient basis I would not have been able to stay clean.

The West Haven VAMC no longer operates a 40 bed residential halfway house on the medical center campus. They contract out for 7 or 8 beds. The VA contracted beds do not offer veterans with the intensive and structured treatment that had been provided at the VA. The VA also contracts with homeless shelters but during the day veterans do not receive group support or one-on-one counseling at these facilities.

During my residential treatment it eventually became clear that I had a dual-diagnosis and needed a psychiatric placement. I cannot emphasis enough how important it is to increase both inpatient substance abuse and psychiatric beds in the VA.

My facility has cut a total of 80 beds that used to help homeless veterans with addictions. **I urge you to pass legislation that establishes a minimum number of inpatient substance abuse and psychiatric beds.** You will not end homelessness for veterans without making sure there are enough VA inpatient beds to treat substance abuse and mental illness.

After I ended my residential treatment I still needed a job. After I looked for work each day I would then volunteer in the kitchen at the VA Medical Center. After volunteering for three months, they had an opening and I was encouraged to apply. I have worked there since 1992. I also help run an open NA meeting at the VA facility where I work.

Lessons Learned

The support that I received during inpatient detoxification, intensive rehabilitation and at VA-run residential program allowed me to stay sober. But if we force veterans to wait and wait to get into a treatment bed or force them to use outpatient services we are dooming them to a failed recovery.

I cannot emphasize enough how the lack of substance abuse treatment beds is affecting our ability to end homelessness.

The terrorist attacks of last week have reminded us that we need the military. These attacks also remind us that we will have more veterans in the future. We are in a slowing economy. The unemployment rate for African-American men over 20 years of age is currently nine percent. This means that veterans, especially minority veterans, are at risk of homelessness. We cannot turn our back on these veterans. Do not let VA deny them the inpatient care they need to recover from addictions and mental illness.

Thank you for the opportunity to testify.

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A Not-For-Profit Veterans Service Organization Chartered by the United States Congress

Statement of

VIETNAM VETERANS OF AMERICA

Submitted By

The
National Task Force on Homeless Veterans

Presented By

Richard Weidman
Director of Government Relations

Before the
House Committee on Veterans' Affairs

Regarding
H.R. 2716, the "Homeless Veterans Assistance Act of 2001"

And

H.R. 936 the "Heather French Henry Homeless Veterans Assistance Act"

September 20, 2001

Vietnam Veterans of America

House Committee on Veterans Affairs
H.R. 2716 and H.R. 936
September 20, 2001

Mr. Chairman, Vietnam Veterans of America (VVA) is the only congressional chartered Veterans Service Organization whose committee, the National Task Force on Homeless Veterans, are on the front line every day assisting the needs of homeless veterans. VVA applauds this committee for its attention to the plight of our homeless veterans. We are hopeful that this, and previous testimony will produce positive outcomes, without lengthy delay, in advancing assistance to them. Without dispute, we all recognize that veterans make up a significant percentage of the general homeless population and VVA appreciates the opportunity to testify before this committee regarding H.R. 2716 and H.R. 936.

RESPONSIBILITY OF FEDERAL AGENCIES

H.R.2716, Section 2: Sense of Congress Regarding Homeless Veterans and the Responsibility of Federal Agencies, whereby federal agencies, particularly the Department of Veterans Affairs (VA) and the Department of Housing and Urban Development (HUD) should cooperate more fully to address the problem of homelessness among veterans, VVA believes this is a necessary and vital first step in the process of coordinating homeless veteran programs at the federal level.

HUD has to date, not set aside funds designated for homeless veterans, nor has it shown a clear linkage of funding to that of the VA Homeless Grant & Per Diem Program. HUD has not carved out dollars that will easily bind with VA dollars for homeless veteran housing/assistance programs. How ironic it is that HUD has designed its McKinney grants under metropolitan consolidated plans that essentially have eliminated transitional housing from its considered recipients...and the VA cannot offer anything else but transitional housing in its grants. Is this cooperation? Is this a workable fit? Matching dollars are required for these federal grants and without a fit and link of grants, non-profit agencies are often unable to locate the money for this match. Respectfully, VVA urges this committee to communicate with HUD, requesting HUD to address its responsibility to cooperate with the VA. VVA seeks to have assurance and asks this committee to ensure that HUD designate a reasonable portion of its Homeless dollars to veteran specific programs. The link of HUD homeless veteran specific dollars to those of the VA, will thereby consolidate funding and make a more efficient and effective utilization of Federal dollars. VVA also believes that Department of Labor (DOL) and Department of Health and Human Services (HHS) likewise operate programs for homeless veterans and should also be held accountable for programs that they administer to assist homeless veterans.

Section 3 Improvement and Consolidation of Provision of Law Relating to Homeless Veterans

Section 2012 Per Diem Payments - VVA believe that an increase in the per diem rate given to VA Homeless Grant recipients must be increased for residential programs from $19/day/veteran to that amount equal to the rate given by the VA to the State

Veteran Nursing Homes. Furthermore, VVA supports the elimination of a match requirement in order to receive such per diem. VVA believes with the inspection and reporting system required by the VA, grant recipients are appropriately monitored and evaluated on performance. With the cost of operating a program in today's economy, one would be hard pressed to believe any non-profit is making a profit on the per diem payment received from the VA. Additionally, there must be consideration of the added expense to the VA, annually, in reviewing these budget submissions, from an increasing number of grant programs.

If we look at the outline of criteria for homeless veteran service centers as set forward in H.R.2716, and then at the VA per diem rate presently given to Homeless Veteran Service Centers, one can understand why so few have been established. The current rate is $1.10 per half hour of service provided to a homeless veteran while he or she is on location. A quick review of the level of service provided by these centers will obviously reflect the level of, not only manpower, but professional staff required to deliver comprehensive service. Additionally, the delivery of service continues long after the veteran has left the premises. Case management and the coordination of services, to include outside agencies, extends far beyond the time that the homeless veteran is on site at the service center location. A more reasonable and equitable per diem rate must be considered if service centers are to exist and function as an integral component to a continuum of service delivery with effective outcomes.

(2) The rate for such per diem payment shall be the rate applicable for domically care under section 1741(a)(1)(A) - VVA supports this portion of the bill this would eliminate the match requirement for grants and increase per diem to grantees equalized to state veterans' home to support domiciliary care.

(b) In-Kind Assistance – VVA supports this part of the bill, however, the VA must make certain that services provided to the veterans by employees of the VA are at the highest standard of care.

Section 2013 Authorization of Appropriations -VVA supports increase appropriation funding for the program but is quite puzzled as to why the administration would refer to previous appropriation years when clearly the impact will be on FY02 or FY03 funding?

Section 2021 Homeless Veterans Reintegration Program (HVRP) - VVA supports the measure of the bill requiring monitoring of expenditures of funds by the Department of Labor. For far too long DOL has been disbursing monies for homeless veteran programs. However, to date has never provided accurate data to support those programs. VVA also supports the increased appropriation for the VETS program run by the Department of Labor. VVA is again unsure why the administration again refers to FY00 and FY01 dollars when clearly the impact will be on FY02 or FY03 funding if this bill passes thru Congress.

Section 4 Rental Assistance Voucher for HUD Veterans Affairs Supported Housing Program - VVA is not quite sure the intent of this section of the bill since the VA has

continually testified before Congress that it is not a housing agency. Vouchers are greatly needed and can be very effective, however, the homeless veteran usually has to go thru the VA transitional program to be eligible and not a community based transitional program. VVA request more clarity from the committee before supporting this portion of the bill.

Section 5 Increase in Representative Payee Services for Homeless Veterans - VVA supports Section 2035 of the bill as long the VHA maintain an accurate system in place that would ensure the homeless veterans government funds are administered for the health and welfare of the veteran and not fraudulently used by the representative payee.

Section 6 Joint Methodology to Monitory Results of Services Furnished to Homeless Veterans - VVA does not support this measure of the bill, as the language is to vague to explain intent. VVA requests a more detail explanation from the committee because it is within the VA's own selection committee that these grantees are selected. Why not get it right the first time and use this money for other much needed homeless programs

Section 7 Enhanced –Use Leases for Facility that Serve Homeless Veterans - VVA support this portion of the bill.

Section 8 Authorization of Additional Domiciliary Care Programs - Last fiscal year, VA reported an increase of 26% in the number of veterans who are homeless. This number included veterans who received care in a VA program specifically designed for specialized programs including substance abuse treatment and the Domiciliary Care Program. The reduction in funding for treatment of SMI veterans who are homeless can be directly linked to the reduction in funding for substance treatment programs. In other r words, the VA has been creating homeless veterans faster than the Congress can devise, pass, and fund new programs to help reduce homelessness among veterans. It is time that all concerned recognize this fact. VVA does not support this potion of the bill and believes that domiciliary programs located within various medical centers throughout the VA system have proven costly. As stand-alone programs, they do not display a high rate of success. During this time of fiscal restraints, programs assisting homeless veterans need to show a cost/benefit ratio in order to survive. VVA also believe that if additional domiciliary care programs are indeed established they need to link directly with community based operations which have been proven to be more cost efficient and beneficial to the homeless veteran.

Section 9 Demonstration program relating to referral and counseling for Veterans Transitioning from certain Institutions who are risk for homeless - VVA support this portion of the bill.

Section 10 Demonstration Program for Grants for Independent Group Homes for Recovering Veterans – VVA feels the DVA already has providers performing the services outlined in the Demonstration Program. The DVA should research these

programs. It would be reasonable to allot this money to expanding these programs to meet such unmet needs of veterans as long-term care, low-cost permanent housing, and assistance for veterans with families.

Additional Comments

Vietnam Veterans of America (VVA) also supports the establishment of a VA Homeless Veterans Advisory Committee, whose membership would be appointed by The Secretary and comprised of members of veteran service organizations, advocates of homeless veterans, community based homeless veteran service providers, specialized homeless providers, and others as appropriate. VA employees would only serve in a capacity of advisors or ex-officio members to the committee. This committee would serve to advise the Secretary on homeless veteran issues and concerns, providing oversight to VA homeless veteran programs

H.R. 936 - The Heather French Henry Homeless Veterans Assistance Act Of 2001

Because DVA has been providing limited funding to non-DVA providers of service to homeless veterans since 1994, except for 1999, funding nationally never exceeded $6 million each year and was limited to "bricks and mortar" costs. A ***"Per Diem Only"*** grant cycle was funded in 2000.

The needs of homeless veterans, now estimated to total 341,000 nationally, have been identified in federal legislation entitled *"The Heather French Henry Homeless Veterans Assistance Act Of 2001"* (H.R. 936), introduced 8 March 2001 by U.S. Representative Lane Evans of Illinois, Ranking Democrat on the House Veterans' Affairs Committee. The following are VVA's comments on each section of the proposed legislation:

I. Requires annual meetings for Inter-agency Council on Homelessness

VVA agrees with this provision. The Council has been dormant for a number of years and has the potential for use as a clearinghouse of timely information to providers and agencies that wish to become providers.

II. Establishment of a VA Homeless Veterans Advisory Committee

A. Advises Secretary of Department of Veterans Affairs (VA)
B. Secretary shall appoint members of veterans service organizations, advocates of homeless veterans and other homeless people, community-based providers, specialized homelessness service providers, previously homeless veterans, and others as appropriate
C. Reports annually to congressional Committees on Veterans Affairs

VVA agrees with this provision. Currently, there is no mechanism for direct interface with VA concerning non-VA homeless program providers.

III. Evaluation Component

A. VA shall support the continuation of evaluation centers which monitor the structure, process, and outcome of VA homeless programs.
B. Provide annual reports to Congress on Health Care for Homeless Veterans Programs.

VVA agrees with this provision because input from NEPEC has proven to be essential.

IV. Changes in Veterans Equitable Resource Allocation (VERA)

A. Designates care provided to veterans enrolled in several VA programs as "complex care" and thus subject to reimbursement associated with that designation.
B. Ensure that funds for any new programs for homeless veterans are designated as special purpose (non-modeled) funding for 3 years after initiation of the program.

VVA agrees with this provision due to the complexity of the issues facing homeless veterans and those programs seeking to assist their return to productive life in the community.

V. Create a $5 million Homeless "Special Needs" Grant Program

A. Encourage development of providers targeted at special needs within the homeless veterans' populations (such as programs for elderly, substance abusers, PTSD, terminally ill, chronically mentally ill, dual diagnosis, women, etc.)
B. Study of outcome effectiveness: compare veterans' outcomes in such areas as veteran satisfaction, health status, reduction in addiction severity, housing, engagement in productive activity to those of similar veterans in programs that meet the general needs of homeless veterans.

VVA agrees with this provision. The "special needs" of the homeless veterans' population have grown more complex and at times overwhelm the service delivery systems established to serve this population.

VI. Joint Mental Health/Readjustment Counseling Service Initiative: Coordinated strategy to outreach to veterans at risk of homelessness (discharges from institutional inpatient psychiatric care, substance abuse treatment programs, prisons, jails)

A. Mentoring programs/support Networks
B. Family support
C. Appropriate referrals within Department of Veterans Affairs and community
D. Case management

VVA agrees with this provision because it will permit a closer coordination between those agencies with day-to-day contact with homeless veterans, especially those facing imminent homelessness.

VII. Create an Integrated Mental Health Services Delivery Center of Excellence

A. Request for application process for delivery models that integrate mental health, substance abuse and medical components
B. Appropriate $1 million/each in start up funds associated for three models: Mental Health Primary Care Teams, Patient Assignment to mental health primary care team linked with primary care team, and Mental Health Participants on Medical Primary Care Teams
C. Compare outcomes of chronically mentally ill veterans in integrated mental health programs to similar chronically mentally ill veterans treated in models that employ traditional consultative relationships
D. Dissemination of results through reports to Congress and sharing "best practices" nationwide.

VVA agrees with this provision. The proposal will permit additional resources to be accessed for programs assisting homeless veterans.

VIII. Expansion of Authority for Dental Care - Applies to PRIORITY 5 veterans receiving care in domiciliary, therapeutic residencies, VA-coordinated community residential care or veterans for whom VA finances care in homeless grant and per diem providers.

VVA disagrees with this provision, largely due to cost.

IX. Programmatic Expansions - Extend transitional housing (grant and per-diem) program to Dec. 31, 2006 and extend the Comprehensive Homeless Program through Dec. 31, 2006

VVA agrees with this provision because it will expand and enhance the non-VA service delivery system assisting homeless veterans.

X. Various Authorities - Authorize greater cooperation between existing VA and community-based homeless veterans programs.

VVA agrees with this provision because it will permit a closer coordination between those agencies with day-to-day contact with homeless veterans, especially those facing imminent homelessness.

XI. Create a Life Safety Code for Homeless Grant and Per Diem Providers - VVA agrees with this provision. Currently, non-VA programs are at the mercy of local code

officials in the process of gaining certificates of occupancy for localized programs that are intended to assist homeless veterans.

XII. Authorize VA to create Temporary Assistance Grants - Eligibility: Homeless veterans or at-risk veterans who have received less than marginal income for preceding month. Veteran must have either served during a period of war or have completed the period of service for which the veteran enlisted or was called to active duty, unless discharged due to a disability incurred or aggravated in line of duty. Note: No disability requirement.

VVA disagrees with this provision, largely due to the possibility for waste, fraud and abuse.

XIII. Emergency Homeless Grants - *Eligibility*: Homeless veterans who have a housing emergency, such as having missed previous month's rent, security deposit, utility deposit or cleaning deposit. Veteran must have either served during a period of war or have completed the period of service for which the veteran enlisted or was called to active duty, unless discharged due to a disability incurred or aggravated in line of duty. Note: No disability requirement.

VVA disagrees with this provision, largely due to the possibility for waste, fraud and abuse.

XIV. Technical Assistance Grants - Grants totaling $750,000 to be awarded for FY 2001-2006 for providing technical assistance to homeless veterans service providers. Grant recipient(s) would give assistance with building the capacity of other service providers to meet the needs of veterans to help them transition out of homelessness.

VVA agrees with this provision, since it will allow established programs assisting homeless veterans to share with "start-up" programs the benefit of their experiences.

XV. Manufactured Housing Loans - Remove land requirement for manufactured housing - land plats are no longer required for loan eligibility for this type of purchase.

VVA agrees with this provision because it will eliminate one more hurdle in the providing additional, low-cost housing to formerly homeless veterans who wish to settle in a community.

XVI. Homeless Veterans Reintegration Program Expansion - Increase the annual authorization for the Department of Labor's Homeless Veterans Reintegration Program (HVRP) to $75 million for fiscal years 2002 through 2006.

VVA agrees with this provision because HVRP has proven its worth over the past ten years.

In summation, Vietnam Veterans of America (VVA), urges the proposed changes noted by the US House of Representatives to H. R. 936 for an early vote.

In Conclusion

VVA believes that it is essential to provide additional funding sources to community based veteran service providers and local chapters or posts of national veterans group that are providing essential and desperately needed services in a holistic manner to veterans who are homeless or at significant risk of being homeless. VVA also thanks the committee for finally bringing homeless veterans issues to the front burner, however, is quite puzzled at the political implications that have somehow attached itself to this issue.

It is important that the leadership of both houses somehow set aside their differences and come together for a more meaningful solution that would provided a better way of life for those men and women who served this country. As each day passes these homeless men and women continue to struggle with daily existence and the burden of these endless day to them can mean life itself.

Mr. Chairman this concludes the testimony of Vietnam Veterans of America (VVA). I will be more than happy to answer any question that the committee may have.

NCOA

Non Commissioned Officers Association of the United States of America

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STATEMENT

OF

RICHARD C. SCHNEIDER
DIRECTOR OF VETERANS AND STATE AFFAIRS

Before the

COMMITTEE ON VETERANS AFFAIRS

UNITED STATES HOUSE OF REPRESENTATIVES

ON

H.R. 2716
THE HOMELESS VETERANS ASSISTANCE ACT OF 2001

and

H.R. 936
THE HEATHER FRENCH HENRY VETERANS ASSISTANCE ACT

September 20th, 2001

Chartered by the United States Congress

INTRODUCTION

Mr. Chairman and distinguished Members of the Committee:

The Non Commissioned Officers Association of the USA (NCOA) is most grateful that the Committee of Veterans Affairs has continued to hold hearings to execute the legislative affairs of Government for the people of the United States during this significant period of time following a terrorist atrocity against America. Even as we gather today, America's military force is at heightened readiness to respond to both the terrorist organizations and those sovereign nation's who provided sanctuary for their organization and training. Today's military force, represents tomorrow's veterans for whom the legislation we address may be beneficial.

NCOA is appreciative of the opportunity to present its perspective on two legislative proposals of the House on the issue of homeless veterans.

The Association's membership is exclusive in its representation of enlisted personnel of Active, Reserve, and Guard Service Components, the USCG, military retirees and veterans. The significant ratio of enlisted personnel to military officers who have served in the Armed Forces quickly translates to the fact that the majority of homeless veterans were formerly enlisted Soldiers, Sailors, Marines, Airmen, and members of the Coast Guard. NCOA is strongly committed to the issue of homelessness and recognizes that today's homeless veterans are not only former comrades-in-arms from years gone past, but includes enlisted personnel who but a year ago were serving proudly in the Armed Forces. The Association recognizes that the experience of war and participation in combat contributes directly to homelessness.

Today, the sons and daughters of America serving in the Armed Forces, the United States Coast Guard, and all Reserve, or Guard Components prepare again to answer the clarion call to duty. The legislation proposed today may ultimately end up serving through prevention programs and "street" programs personnel who will terminate the worldwide Terrorist War on America.

We're ever mindful that the homeless veterans living on the streets and alleyways of America were also just a few short years ago those disciplined warriors that this Nation hailed as the best educated, motivated and trained military force in the world.

BACKGROUND

Mr. Chairman, and members of the Veterans Committee, let me begin with the statement that the proposed legislation has the potential to significantly reduce homelessness among former members of the United States Armed Forces. NCOA believes that both legislative proposals have merit and would contribute significantly to end homelessness of veterans. This background statement will quickly summarize issues in the two pieces of legislation that the Association believes should be integrated into the comprehensive homeless veteran act of 2001. The legislation we believe should provide:

Programs specifically designed for homeless veterans to remove them from the streets to safe environments where a continuum of care will bolster their physical and mental states moving them through necessary training and self-sufficiency to employment.

Provide for managed care 7 x 24 of dual diagnosed veterans and secure community transitional housing.

Critical need to place greater emphasis in the area of prevention programs to stop the flow of veterans to the streets of America.

Address the need for program assessment, follow-up, and real time evaluation.

Identify the need for communication and advisory groups to provided awareness to the Secretary and others on homeless programs.

RECOMMENDATIONS

1. . Sense of the Congress regarding the needs of homeless veterans and the responsibility of Federal Agencies. (HR 2716, Section 2)

The sense of the Congress in NCOA's perspective should direct mandatory efforts to prevent veteran homelessness. (Paragraph (3))

The sense of the Congress should include the Department of Defense at the Secretary level to work fully with Department of Veterans Affairs and the Department of Housing and Urban Development. DoD must be a player to address both prevention programs for discharged veterans to implementation of homeless programs and potential for compensated work therapy opportunities. Significant in prevention of homelessness would be identification of at risk veterans, counseling, and referral.

2. Advisory Council (HR 936, Section 4)

Strongly concur that an VA Advisory Committee on Homeless Veterans be appointed by the Secretary. Noted that the incumbent Secretary of Veterans Affairs has already begun to implement this recommendation. Although implementation of the Advisory Committee requirement has begun recommend nonetheless that the formal requirement for the committee be codified in law. This would ensure successor Secretaries of veterans Affairs would continue the program, travel costs for the committee would be available, and lastly copies of Advisory reports to the Secretary along with the Secretary's review could be provided to the Committee of Veterans Affairs. NCOA believes the Advisory Group could well provide a national perspective on veteran homelessness.

3. Evaluation of Homeless Programs (HR 936, Section 6; HR 2716, Subchapter VII)

Congress was correct in the need for the Department of Veterans Affairs (VA) to have a leadership role to assess and coordinate the needs of homeless veterans served by local Medical Centers and Regional Offices. Great progress has been made through the Community Homelessness Assessment, Local Education Networking Groups (CHALENG) for veterans.

VA has taken CHALENG seriously but significant holes exist in the program. VA in its streamlining process has garnered efficiencies through the consolidation of effort to the detriment of CHALENG. Considered a consolidated management process such as a single CHALENG group that represents Baltimore MC, Ft. Howard MC, and Perry Point MC in Maryland. Three distinctly different settings blended together with a resultant "vanilla" program that at best may serve the needs of the institution. The issue of assessing LOCAL needs, developing effective community partners, and implementing local programs was in our judgment unquestionably lost in the consolidated process. The data from that CHALENG report also becomes questionable and suspect when compared to other reports such as that issued by the Urban Institute on the homeless veteran population.

The effectiveness of designing a plan at one facility (removed by distance) from other state VA facilities excludes community partners from being integrated into a real partnership, questions the statewide assessments made, and undermines the validity of programs established for the state. Ending veteran homelessness must be an aggressive cooperative local effort with united teams serving needs in their local population.

Recommendations:

(a) That Congress direct that every VA Medical Center and Regional Office establish a LOCAL CHALENG program that complies with the mandated actions required by P.L. 102-405.

(b) That Congress mandate a CHALENG program be established at all large Community Outpatient Clinics such as that complex located in Orlando, Florida. In this instance, Orlando is supported by the Tampa VAMC some 86 miles or 1 ½ hours distant. A CHALENG report should be developed at and by representatives of the Orlando Community Outpatient Clinic. That action would solidify a large base of community providers, have the potential to involve a

significant number of veterans who utilize the medical clinic, and provide an effective CHALENG community partnership. These same parameters exist at other locations where large outpatient clinics are established.

(c) That Congress direct all facilities to submit a local CHALENG report, without any area consolidation, developed in concert with community partners and that these reports be used to:

1. Develop a local comprehensive care plan,
2. Identify met and unmet needs
3. Compare and Match data with HUD generated Continuum of Care efforts
4. Identify the Number of Homeless Veterans in the local area for which concerted programming can be achieved.

4. MEETINGS OF INTERAGENCY COUNCIL ON THE HOMELESS (HR 936, Section 5)

Strongly support that direction be communicated that the "Cabinet Level" Council meet at the call of its Chairperson or a majority of its members, but not less often than annually be communicated to all members of the council..

Below the "Cabinet Level" Council is the Interagency "staff working group" comprised of directed agency representatives that coordinate and review programs, policies, and make recommendations to their respective Agency Council Members. This is the action level working group and interestingly has no mandate for frequency of meetings. They meet at the call of their Chairman. The last such meeting of the action officers is believed to have been in the November 2000 time frame.

Recommendation: That communication with the the Chairman, Interagency Council on the Homeless require quarterly meetings of the Interagency Working Group with copies of meeting documentation provided to all Council Members. This requirement would ensure the viability of both the Council and working group.

5. EVALUATION OF HOMELESS PROGRAMS (HR 936, Section 6, HR 2716, Section 2061)

There is need for Evaluation of Homeless Programs to ensure the effective use of resources. Currently, the Northeast Program Evaluation Center collects VA information and provides the only known source data on homeless veterans for VA leadership. Clearly, an evaluation of homeless veterans must consider that data related to the continuum of care services provided to homeless veterans.

It has been the collective opinion of the Veterans Organization Homeless Council (VOHC) that an advisory group comprised of VA staff, CBO, Community based providers, representative of the Secretary's Homeless Advisory Council, and a contract vendor design an evaluation tool(s) for the national homeless veteran program.

VOHC has further recommended that quality standards be established for homeless veterans' programs. A greater emphasis on program outcomes is necessary to assure that veterans' grant programs operated by the Departments of Veterans' Affairs, Labor, and Housing and Urban Development are efficient and effective.

Effective "best practices" program model(s) should be created and considered for replication as deemed appropriate for veterans' homeless assistance programs. A "revolving door" program model will neither critically address the homeless veterans' problem or end veteran homelessness.

VOHC representatives have considered a number of program thoughts that would seek through evaluation to increase the efficiency of homeless programs and add incentives to further stimulate effective program models. The following thoughts resulted from one member organization's brainstorming session:

Determine what constitutes a successful program model and what services need to be provided to homeless veterans,

Develop an industry "standard of excellence",

Develop a concurrent program review, i.e., who currently meets established standards and develop a paradigm to meet such standards,

Convert current grant program to a contract program.

Reward programs meeting the established industry standards,

Data collection (demographic analysis of homeless veteran population),

Allow programs not meeting industry standards a reasonable period to adjust programs and services,

Encourage existing local grant programs to consolidate energy, efforts and resources,

Encourage a greater degree of coordination and cooperation among Federal agencies responsible for homeless veterans' assistance programs,

Define initiatives that place a greater emphasis on the prevention of homelessness.

6. CHANGES IN VETERANS EQUITABLE RESOURCE ALLOCATION METHODOLOGY (HR 936, Section 7)

Recommendation: Implement VERA recommendation NOW.

There is no doubt that many homeless veterans have significant substance abuse, dual substance abuse issues, mental health, and post traumatic stress disorders. Further, that these mental and substance abuse problems directly relate to a veteran's current or future homeless status.

The reduction in Veterans Health Administration's resident veteran substance abuse, mental health and PTSD programs has saved the United States Government significant dollars when shifted from an inpatient to an outpatient process. Regrettably, the cost savings did little for America's veterans.

It is the belief of NCOA that the real expense has been borne first by America's veterans whose lives slipped from mildly productive to veteran homelessness and secondly by their families, both spouses and children, whose lives and life styles were further sacrificed in the cost savings bargain.

Recommendation: That Congress request an oversight hearing to determine the value of inpatient mental health, substance abuse and PTSD residential treatment programs as a "prevention alternative" program to help stop the migration of veterans from becoming victims of their illnesses and deteriorating into the vicious cycle of homelessness. Resident programs offered a controlled environment that works efficiently for veterans.

7. Rental Assistance Vouchers for HUD Veterans Affairs Supported Housing Program (HR2716, Section 4)

Strongly support an increase in the number of Section 8(o) as allowed by the United States Housing Act of 1937. NCOA has been advised that the current calendar year authorization for Section 8 Vouchers is 2,000. Request the proposed number of vouchers include FY 2002 at a minimum baseline of 2,000 vouchers and that the incremental adjustments be reflected for FY 2003 through 2006

8. Comprehensive Service Programs (HR 2716, Section 2011(a))

The ultimate outreach program should be prevention programs to stop veteran homelessness. The identification of at risk veterans coupled with intervention techniques and program resources that can effectively help the veteran.

Recommendation(s):

(a) The Department of Defense must be a part of the transition team with the Department of Veterans Affairs in a prevention program for "at risk" military personnel separating from their service component. Included in the "at risk" category are personnel separated for the convenience of the Government; on a fast track for qualitative reasons (administratively separated under honorable conditions); disability severance actions; or other circumstances that will have an immediate impact on their transition from service, continued health care, or opportunity to secure gainful employment.

(b) Outreach efforts between agencies (including the Department of Justice for penal institutions, both Veterans Health and Benefits Administration) must develop communication processes for the identification of at risk veterans and fast track referral.

9. Grant and Per Diem Program (HR 936, Section 13; and HR 2716, Section 2011 & 2012)

The Homeless Providers Grant and Per Diem program is internally funded at $35 Million and provides transitional housing beds for homeless veterans in a safe and controlled environment.

Grant and Per Diem are two separate elements of the program with grants providing the facility in new housing programs. The Per Diem program allows a daily payment of up to 50 percent for a maximum $19.00 per day to provide services to veterans housed in "Grant" provided facilities. Grantees must provide matching funds for the 50 percent not funded through the Department of Veterans Affairs.

The requirement for homeless housing and support services continues to grow every year. The current fiscal resource of $35 Million for the Grant and Per Diem Program provides approximately 5,000 beds, which will decrease by fiscal necessity to 4,000 beds when the new per diem increase is implemented. A budget increase to $43 Million would sustain the annual 5,000 bed increase or status quo but not meet the program requirement for housing and services to end veteran homelessness in the foreseeable future.

The lack of funding in the Grant and Per Diem Program has resulted in the disapproval of 426 grant applications in the past seven years. Approximately 60 valid applications of reasonable merit were denied each year because funds were not available. The ability to move veterans off the streets is obviously limited by the bed and services available to accommodate their journey to employment and independence.

Recommendation(s):

(a) The Homeless providers Grant and Per Diem Program needs to be a separate budget line item funded at $120 Million to add approximately 9,000 beds and with the increased per diem rate to total nearly 14,000 beds.

(b) Delete the requirement of the Grant and Per Diem program that requires the community-based provider to use both elements. This would effective allow housing programs to have access to the Per Diem element for program expansion that does not require facility enhancement or expansion.

© That Community Based Providers be authorized a new flat fee formula based on the state home domiciliary rate. That authorization for this rate would eliminate the 50 percent per diem match requirement. Failure to implement the above Per Diem Match recommendation allow the community based provider to match the VA 50 percent per diem authorization with consideration of "in kind services or a workload credit."

10. VETERANS REINTEGRATION PROGRAM (HVRP) (HR 936,Section 19; and HR 2716)

Gainful employment is the key to ending homelessness. HVRP managed through the United States Department of Labor, Veterans Employment Training Services is the most significant program nationally focusing on the employment of homeless veterans. Local HVRP initiatives offer employment and job-readiness services that place veterans into paying jobs. Job placement into opportunities above minimum wage provides the income and motivation necessary to break the cycle of homelessness.

Recommendation(s):

(a) That Congress invest $50 Million per year in the Homeless Veteran Reintegration Program that in turn will move homeless veterans to self-sufficient tax-paying citizens.

(b) HVRP has unlimited potential to provide gainful employment opportunities for "at risk" veterans across America and should be developed as a preventative initiative to stop homelessness.

11. ASSISTANCE FOR GRANT APPLICATIONS (HR 936, Section 17)

Strongly endorse the recommendation that the Secretary of Veterans Affairs carry out a program of technical assistance through grants to nonprofit based community groups to provide community based providers to assist them in grant application processes relating to homeless veterans.

Recommendation:

That Technical Assistance Grants be made to established nonprofit organizations recognized nationally for their program efforts in direct support of homeless veterans.

12. Authorization of Additional Domiciliary Care Programs (HR 2716, Section 8)

Strongly support the establishment of ten new programs to provide domiciliary services to homeless veterans at locations determined by the Department of Veterans Affairs to have greatest need. Domiciliaries provide a controlled environment where professional interdisciplinary teams manage the therapeutic needs of resident veterans 7 x 24. Bed spaces are needed to care for those homeless who present with dual diagnosed substance and mental health needs.

NCOA notes that today there exists only 1,700 dedicated homeless domiciliary beds nationwide. The addition of 10 programs (five in FY2003 and another five in 2004) will provide only an additional 250 beds each year based on the planning assumption of 50 beds per facility.. This number of new bed spaces seem both inadequate and programmed to distant in the future. Recommend this program be accelerated.

The Association restates its concern that there exists many VA Medical Centers with potential ward space that might well be converted into mini-domiciliary space for the initial care and treatment of homeless veterans until ready to move to transitional housing.

CONCLUSION

Mr. Chairman and members of the House Veterans Committee I again thank you for your leadership and caring for America's veterans.

I would be remiss if I did not comment on the title of the homeless legislation that results from this hearing and your work to weld the best elements of both proposals into a comprehensive homeless veteran act. The Non Commissioned Officers Association strongly recommends the title of this act to be The Heather French Henry Homeless Veterans Assistance Act of 2001. Heather French Henry, as the reigning Miss America 2000, choose homeless veterans as her platform and for the thirteen months of her reign proceeded to create a national awareness of homeless veterans. Ms Henry's motivation and action on behalf of these American Veterans were noble. Nearly every national veteran organization has recognized her ceaseless efforts on

behalf of homeless vets. Her service in homelessness continues long after her reign as Miss America ended. NCOA is convinced that as you reflect on the achievements of Heather French Henry in the past years that your own resolve would be to recognize this Homeless Veteran Advocate by titling this legislation in honor of her service to America.

NCOA is confident that you will continue to press this legislative agenda until it is enacted. Your leadership to secure this legislation must also be coupled with the tenacity to secure the needed fiscal appropriation to make the stated national goal to end homelessness among veterans a reality.

Your efforts are appreciated.

Thank you.

SERVING
WITH
PRIDE

STATEMENT

of

RICHARD JONES
AMVETS NATIONAL LEGISLATIVE DIRECTOR

before the

COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

on

H.R. 2716, the Homeless Veterans Assistance Act of 2001; and,
H.R. 936, the Heather French Henry Homeless Veterans Assistance Act

Thursday, September 20, 2001
1:30 p.m., Room 334
Cannon House Office Building

AMVETS

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MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

On behalf of AMVETS, it is a pleasure to present our views on H.R. 2716, the Homeless Veterans Assistance Act of 2001, and H.R. 936, the Heather French Henry Homeless Veterans Assistance Act.

AMVETS appreciates the opportunity to work with you on this legislation to develop a more comprehensive bill to address issues of homelessness that AMVETS has long supported.

According to the latest VA estimates, on any given night, more than 250,000 men and women who previously served in the Armed Forces spend their time on the streets of American cities and rural towns with no place to call home.

While the reasons for these displacements vary, it is clear that without assistance, these homeless veterans face a dismal future with little hope.

Clearly, finding the chance to work is the best remedy for helping veterans restore the light of hope. There is, however, staggering evidence that quality health care is also important. Critical as well is the need for transitional housing and clinical care, if homeless veterans are to recover and overcome their tragic circumstances. In some instances, the mere provision of a telephone or shower could help make the difference in a veteran's life.

Over the years, members of AMVETS have adopted a series of resolutions seeking adequate levels of federal, state, and local funding to ensure that resources are in place to help prevent homelessness among veterans.

In our 57th annual national convention, held this past August in Dallas, Texas, AMVETS' delegates voted to continue this strong tradition of support asking that our country help by "giving these veterans a hand up and not a hand out." The challenge is great in returning homeless veterans as productive members of America.

AMVETS does not stop at asking our elected members of Congress to provide funding. While government funding is important, we want you to know that AMVETS, as an organization, is intricately involved in programs and initiatives, across the country, to aid veterans in homeless distress.

Our goal is to bring a continuity of commitment to getting homeless veterans back on their feet and into the main life of our communities.

When the University of California joined hands with our Californian department to develop a program in computer coursework for homeless veterans, they noticed that the AMVETS' facility in which they met had two kitchens. The result was a new program in the culinary arts. And, it's a success because we have been able, working together, to reach out to veterans living in homelessness and help them find new career opportunities.

In Ohio, AMVETS are now expanding their successful transitional housing programs to help veterans with chemical dependency overcome their addictions. Significant in this commitment is the simple provision of housing to give these veterans, who want to win their lives back, an escape from the streets where they are almost certain to fail.

AMVET leaders in Arizona, Michigan, Virginia, and other states are combating homelessness on many fronts with success. Our members care about their fellow veterans and are working today and every day to help with shelter, transportation, food services, and related supports.

Stand Downs, begun some years ago by VA, have been very helpful. These organized events provide veterans a respite from the daily stress of homelessness. AMVETS is pleased that at least in some measure many of VA's current programs have helped former service men and women successfully reintegrate into their communities and nation's workforce.

approaches for veterans without a home.

AMVETS clearly recognizes that H.R. 936, the Heather French Henry Homeless Veterans Assistance Act, offers a chance to expand the fight and perhaps find victory. We want this Committee to know that we fully share the twin goals of this legislation, to defeat homelessness and help veterans.

As indicated in *The Independent Budget*, co-authored by PVA, DAV, VFW, and AMVETS, homeless veterans need a coordinated approach to health care and benefit delivery. H.R. 936 is comprehensive in its approach. It would establish and encourage a broad cooperation between the departments and agencies of our federal, state, and local governments, private and public sector organizations, community-based experts, and individuals to end homelessness and help veterans regain their lives.

H.R. 2716 would boost funding authorization for VA's Homeless Grant and Per Diem Program and expand the very successful HUD-VASH (HUD Veterans Affairs Supported Housing) program.

AMVETS firmly believes that there is no question that these measures, H.R. 936 and H.R. 2716, would help complete a quality outreach to our most vulnerable veterans. We encourage your understanding of the challenges and issues homeless veterans face, and we encourage you to fill the serious gaps in services for the men and women who have served this nation.

Again, thank you for extending AMVETS the opportunity to present our views to the Committee, and thank you also for your support of veterans. We believe the price is not too great for the value received.

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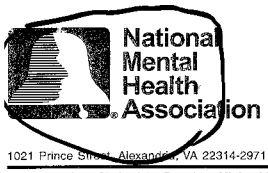

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Gary Tauscher, Chair of the Board • **Michael M. Faenza**, President and CEO

STATEMENT

of the

NATIONAL MENTAL HEALTH ASSOCIATION

before the

HOUSE VETERANS AFFAIRS COMMITTEE

SEPTEMBER 20, 2001

Mr. Chairman and Members of the Committee:

NMHA is the country's oldest and largest nonprofit organization addressing all aspects of mental health and mental illness. In partnership with our network of 340 state and local Mental Health Association affiliates nationwide, NMHA works to improve policies, understanding, and services for individuals with mental illness and substance use disorders. Several NMHA affiliates have developed and operate programs serving persons who are homeless and suffer from mental illness and co-occurring substance use disorders.

We commend the Committee for holding a hearing on legislation aimed at improving programs and services for veterans who are homeless.

Who are the homeless, and how do we meet the challenge of ending homelessness among America's veterans? In answering those questions we urge the Committee to consider the prevalence of mental illness and substance use disorders among homeless veterans. As recently as June, VA reported that of 32 thousand homeless veterans assessed in FY 2000

to determine their clinical and other needs, 82 per cent were determined by VA clinicians to have a serious psychiatric or substance use problem. Of these, 44 percent had a serious psychiatric problem, 69 percent were dependent on alcohol and/or drugs, and 32 percent were dually diagnosed with psychiatric and substance use disorders. An array of factors contributes to homelessness. But for many individuals the reality of mental illness and often co-occurring substance use problems cannot be disassociated from unemployment, lack of social and family support, and poverty. For these individuals, ending homelessness requires that VA provide a road to recovery from their illness.

NMHA certainly supports legislation to improve VA and VA-supported programs to assist veterans who are homeless or at risk of becoming homeless. We applaud efforts to expand the role which community-based organizations can play to support that effort. It is critical, however, that VA have the infrastructure of specialized mental health and substance abuse services needed to address issues which for most veterans are at the core of homelessness. We believe that the failure to narrow substantially the wide gap between VA's obligation, on the one hand, to provide state of the art programs to help veterans recover from mental illness and substance use disorders, and the eroded capability of its mental health and substance use programs, on the other, will limit the effectiveness of efforts to assist homeless veterans. Our testimony on June 20, 2001 before the Committee's Subcommittee on Health sets forth our views in more detail. At that hearing on VA mental health and substance abuse programs we offered observations pertinent to the challenge of homelessness among veterans. First, we observed, over the last five years the VA health care system has markedly diminished – by its own measures -- its capability to provide care to veterans with mental and substance use disorders. Second, this loss of program capacity has been variable from network to network – wholly at odds with VA's obligation to operate a national health care system and provide equitable access to care. And third, with its failure over the last five years to maintain and reinvest mental health funding to establish needed community-based mental health programs, VA can no longer claim to provide state of the art mental health care.

Experience has taught us that successful recovery requires an array of services that include intensive case management, access to substance abuse treatment, peer support and psychosocial rehabilitation such as pharmacologic treatment, housing, employment services, independent living and social skills training, and psychological support to help persons recover from a mental illness. In most communities, VA does not have the means to provide even veterans who are service-connected for mental illness this spectrum of needed services. Is that not VA's highest priority?

NMHA urges the Committee both (1) to put new "teeth" into current law governing VA's maintenance (and restoration of) VA's specialized mental health/substance use treatment "capacity", and (2) to bring VA programs for veterans with mental illness and substance use disorders to the level that experts inside the VA and elsewhere acknowledge to be state-of-the-art.

Clearly a broad-based effort to end homelessness among veterans must address a wide spectrum of needs. In crafting legislation to achieve that goal, we would urge the Committee to be mindful that model programs for individuals who are homeless or at risk of homelessness must provide or offer services **in the community** so that people learn life skills in the setting where the skills will be used. In our view, such efforts necessarily require partnerships between VA and community-based organizations to be successful. Community-based organizations are a key both to leveraging resources VA may not have authority to furnish and to developing symbiotic partnerships with VA around those services which it should provide. We would be pleased to work with the Committee to propose new avenues for VA to partner cooperatively with community-based organizations on behalf of veterans who are homeless or at risk of homelessness.

STATEMENT

OF THE

AMERICAN PSYCHIATRIC ASSOCIATION

TO THE

HOUSE VETERANS' AFFAIRS

ON

ASSISTANCE FOR HOMELESSNESS VETERANS

SEPTEMBER 20, 2001

The American Psychiatric Association (APA) is a national medical specialty society, founded in 1844, whose over 40,000 psychiatric physician members specialize in the diagnosis and treatment of mental and emotional illness and substance use disorders. As a major medical association, the care and treatment of our nation's veterans is a significant concern of ours. We feel compelled to be advocates for these heroes that stood in the forefront to protect our freedoms and way of life. It is our turn to look after their needs.

An estimated 250,000 veterans, or roughly one-third of the adult homeless population, are veterans. Many of these veterans served in Vietnam. In fact, the number of homeless Vietnam era veterans is greater than the number of service persons who died during the Vietnam War. About 45% of these homeless veterans suffer from mental illness and slightly more than 70% suffer from alcohol or drug abuse problems. The VA offers an array of programs to help homeless veterans live as self-sufficiently and as independently as possible and provides the largest integrated network of homeless treatment and assistance services in the country.

Homeless Veterans Mental Illness

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

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

Housing

Most individuals with severe mental illnesses can live in their communities with the appropriate supportive housing options. However, all too often, the suggested solution is temporary shelter residencies. Although temporary shelters may be necessary as an emergency resource, they do not offer solutions to a mentally ill person's problem. Temporary shelters even offered as solutions for the mentally ill implies that society has accepted the notion that mentally ill individuals should be permitted to refuse treatment and live on the streets.

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

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

The APA Task Force on Homelessness advocates the following:

- The care, treatment, and rehabilitation of chronically mentally ill individuals must be made the highest priority in public mental health and receive the first priority for public funding;
- Comprehensive and coordinated community-based mental health systems to engage homeless mentally ill individuals and help them to accept treatment and suitable living arrangements, while serving this mentally ill population immediately;
- A full complement of research efforts to identify subgroups of the homeless mentally ill population, assess their service needs, study alternative clinical interventions, and evaluate those outcomes;
- Professionals serving the mentally ill must be provided to the appropriate training to assess both functional strengths and dangerous degrees of disability;
- Residential and treatment standards for homeless mentally ill individuals should measure up fully to the standards of care needed for severely disabled individuals and that they should be capable of being monitored; and
- The provision of housing opportunities, the provision of psychotropic medications, and the provision of structure, in varying amounts, are each important and interrelated matters in serving the homeless mentally ill.

President Bush's Veterans Health Care Task Force

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

The VA is considering new treatment guidelines for veterans with schizophrenia. The APA believes it is the treating physician who should make a clinical judgment on what medication to prescribe a veteran based on the individual patient. In particular, since patients often differ in their responses to different drugs, it is essential that prescribing decisions be made exclusively by psychiatrists after an assessment of a patient's individual medical needs. APA is opposed to any administrative guidelines that appear to place the VA's pharmacy cost issues ahead of the best possible mental health care for our nation's veterans.

Advisory Committee on Homeless Veterans

The APA supports the language in Heather French Henry Homeless Veterans Assistance Act (H.R. 936) that calls for the establishment of an Advisory committee on Homeless Veterans.

Coordination of Outreach Services for Veterans at Risk of Homelessness

The APA supports language in H.R. 936 which allows the Secretary of the VA to provide for appropriate officials of the Mental Health Service and the Readjustment Counseling Service of the Veterans Health Administration to initiate a coordinated plan for joint outreach to veterans at risk of homelessness, including particularly veterans who are being discharged from institutions (including discharges from inpatient psychiatric care, substance abuse treatment programs, and penal institutions).

Treatment Trials in Integrated Mental Health Services Delivery

The APA supports the language in H.R. 936 that allows the Secretary of Veterans Affairs to carry out two treatment trials in integrated mental health services delivery.

Access to Mental Health Services

The APA applauds the language in S. 739 that provides veterans access to mental health services that are on par to primary care. The APA supports the Secretary of Veterans Affairs efforts to develop standards that ensure mental health services are available to veterans similar to the manner in which primary care is available to veterans who require

services by ensuring that each primary care health care facility of the Department has a mental health treatment capacity.

VA Homeless Programs

Mental Illness Research, Education and Clinical Centers

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

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

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

The APA recommends the VHA should increase funding for Mental Illness Research Education and Clinical Care Centers (MIRECCs). Two new MIRECCS should be funded in FY 2002. Congress should incrementally augment funding for seriously mentally ill veterans by $100 million each year from FY 2002 through FY 2004.

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

Again, we thank the Subcommittee for the opportunity to deliver this statement on assistance for homelessness veterans. Please do not hesitate to call on the APA as a resource, should there be any way in which we might be able to assist in working with you to provide the best health care possible to the veteran community.

STATEMENT OF

JAMES N. MAGILL, DIRECTOR
VETERANS EMPLOYMENT POLICY
VETERANS OF FOREIGN WARS OF THE UNITED STATES

SUBMITTED TO

COMMITTEE ON VETERANS AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES

WITH RESPECT TO

H. R. 2716
THE HOMELESS VETERANS ASSISTANCE ACT OF 2001

AND

H. R. 936
THE HEATHER FRENCH HENERY HOMELESS VETERANS ASSISTANCE ACT

Washington, DC September 20, 2001

Mr. Chairman and distinguished Members of the Committee:

On behalf of the 1.9 million members of the Veterans of Foreign Wars of the United States, I appreciate the opportunity to submit our views concerning issues that affect the lives and futures of many veterans, the misery of homelessness. The VFW is strongly committed to issues that are relevant to addressing veterans' homelessness and practical initiatives to assist as many veterans as possible to return to their families, stable employment and good health.

The VFW believes that any legislative initiative to assist homeless veterans must be measurable and obtainable if it is going to be successful in bringing about significant aid and assistance to our nations' homeless veterans. Any legislative action must be fully funded and supported to be successful. This is a critical item that cannot be taken lightly. Any program that receives federal funding for homeless veterans must be held accountable for achieving clearly defined results in their performance of assistance and prevention for our veterans. The only attention given to prevention has been an afterthought. The call of alarm is always sounded after the veteran has become homeless, not when the veteran is on the verge of becoming homeless. The VFW views prevention

as important to stopping the problem before it becomes a reality and currently has never received the attention that we feel it deserves.

The plight of the homeless veteran was reintroduced to the public and made critical again, thanks to the efforts of Mrs. Heather French Henry. During her reign as Miss America 2000, major ground was gained in this endeavor and a new reenergized focus was created. Her hard work and dedication in this issue has allowed homeless veterans to be seen as our brothers and sisters again, instead of derelicts on the streets to be avoided.

The VFW also sees the importance in how the special needs of homeless veterans are addressed. The homeless veterans community suffers at a greater rate than any other group in this arena. Veterans who are chronically mentally ill or suffering from substance abuse problems are at the greatest risk. The VA estimates that approximately 45 percent of homeless veterans suffer from some form of mental illness, ranging from schizophrenia to Post-Traumatic Stress Disorder (PTSD).

In this lies the most challenging aspect of the entire program, continued follow-up. Because of the threat of relapse, constant follow-up and observation is required that could entail years of continued care. Premature discharge from programs due to lack of space or funding is not an acceptable excuse for failing these veterans. Therefore, treatment must be an ongoing process that provides a vehicle for recovery and potential independent living. The VFW stresses that any action taken by the Committee focus on the importance of protecting the mentally ill from shortsighted decisions that will do more harm that good.

In addition to this, at least 50 percent also suffer from some form of substance abuse through addictions to legal and illegal drugs and alcohol. Section 10 of H.R. 2716 address the importance of establishing a demonstration program to assist in providing housing for veterans who are recovering from alcohol or substance use disorders. The VA will be able to do this through making grants available to eligible entities that in turn will provide independent housing units and group houses for the veterans to reside. This will enable the veterans to be in an environment that will be conducive to rehabilitation and recovery. With set rules and policies, the opportunity for success will be greatly increased. A careful evaluation of the mental health care programs provided to our

veterans must be seen as vital and funded as such. The VFW views these types of programs as viable solutions and supports a proactive agenda over a reactive one.

Another important measure that must be addressed is the vital role the local community plays in the success or failure of homeless projects. Efforts must be concentrated at the community level to be able to assist and help train the maximum number of individuals possible to improve the methods of disseminating information between all of the shelters, outreach programs and providers involved. Lack of communication and unnecessary duplication of efforts not only wastes resources, but robs the veteran of the most valuable resources available; time and hope.

Another program that must be addressed is the special need of dental care within the homeless community. This is not only a pain of homelessness, but also a barrier to employment and assistance. The ability to smile without fear of rejection and ridicule is a valuable tool towards overcoming the obstacles of succeeding where they had previously failed. A price tag cannot be placed on a smile and self-confidence. The health concerns as well as the physical limitations of poor dental care will only act as another limiting force to prevent the veteran from the realization of a return to self-sufficiency.

The VFW also supports and encourages the establishment of a VA Advisory Committee on Homeless Veterans as outlined in section 4 of H.R. 936. By creating a venue for the veterans organizations to have a greater voice in the implementing of ideas and options, the opportunity for developing an open dialogue will be encouraged, thus allowing for the development of real and lasting solutions.

Mr. Chairman, the VFW is very supportive of the intent of both the *Homeless Veterans Assistance Act of 2001* (H. R. 2716) as introduced by Chairman Smith and the *Heather French Henry Homeless Veterans Assistance Act* (H. R. 936) as introduced by Representative Evans to provide assistance and services that are vital to the care and well being of homeless veterans. Yet, whatever legislature is produced must maintain the goals of assistance and prevention be measurable, obtainable and most of all realistic.

Mr. Chairman, the VFW looks forward to working with you and the full Committee, in eliminating this national embarrassment. With support from the

administration, Congress and co-ordination between federal and local community homeless providers, we will succeed.

This concludes my testimony.

WRITTEN COMMITTEE QUESTIONS AND THEIR RESPONSES

Question for Mr. Pete Dougherty
Director, Homeless Veterans Programs
Department of Veterans Affairs

From the Honorable Lane Evans
Ranking Democratic Member
House Committee on Veterans Affairs
September 20, 2001 Hearing

Question: Recently, Mr. Dougherty, you said, "We hope to knock down barriers throughout VA that stand in the way of increasing partnerships with faith-based and community organizations that can help America's veterans." Please identify the barriers that need to be knocked down and give us the performance goals to eliminate these barriers.

Response: The Department of Veterans Affairs (VA) is committed to fulfill the intentions of the two executive orders signed by President Bush on January 29, 2001. Specifically, this Department is reviewing policies and practices that may be barriers to participation by faith-based and community organizations in providing the delivery of social service. As we find barriers we will seek to remove them. We sill re-double our efforts to involve faith-based and community organizations in department efforts and initiative that deliver social services to veterans.

While this task is multifaceted an internal task force is working on obtaining relevant information. We have conducted a brief survey to better understand the current and future relationship with these potentially powerful allies in the delivery of social services.

VA has a long and successful history of working with faith-based and community organizations. We simply seek to expand those relationships that we believe will enhance the service for veterans.

No performance goals have yet been established since our initial effort is to develop baseline data.

CONGRESSMAN EVANS TO ROY A. BERNARDI, ASSISTANT SECRETARY, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Questions from the House Committee on Veterans' Affairs

1. Has the Interagency Council on the Homeless been reactivated? If not, please provide the proposed date for reactivation. How many times has it met? Who is the staff director and when was he or she appointed? What is the budget of the council? What criteria should be used to measure the success or failure of the Interagency Council one year from today?

   Response: The Interagency Council on the Homeless (ICH) has been reactivated. A meeting was held via teleconference, on February 22, 2002. All Cabinet members, appointed by law, were requested to participate in the meeting or provide adequate staff representation. This meeting served to elect a Chairperson, Mel Martinez, Secretary of Housing and Urban Development, a Vice Chairperson, Tommy Thompson, Secretary of Health and Human Services, appoint an Executive Director, Philip Mangano, former Executive Director of the Massachusetts Housing and Shelter, and authorize Mr. Mangano to hire and appoint any necessary staff. Mr. Mangano will be sworn in on March 15, 2002. Following the installation of the Executive Director, the ICH will be fully reactivated. Its budget is established in accordance with the appropriation level provided by Congress. In the FY 2002 VA/HUD Appropriation Bill, $500,000 was provided for ICH. Subsequently, in its FY 2003 Budget Proposal the Administration proposed $1,000,000 for the ICH. The criteria for judging the success of ICH should most appropriately be based on its success in addressing the seven functions established for the Council in Section 203(a) of the McKinney-Vento Homeless Assistance Act. In summary, those functions include reviewing all Federal activities to assist homeless persons, taking action to reduce duplication among programs, recommending improvements in programs, providing technical assistance, collecting and disseminating information, preparing an annual report and distributing information on homeless resources. It is also anticipated that incorporating prevention, as part of comprehensive homeless programming, will be explored as a new priority by ICH.

2. Describe HUD's strategy to end chronic homelessness in ten years. Does the President share your commitment to ending "chronic homelessness" in a decade? Estimate by function and the total amount of Federal resources that will be required to end chronic homelessness in ten years.

   Response: With appropriations provided by Congress, HUD is able to provide targeted homeless assistance to communities nationwide. To help ensure efficient use of these resources, the Department requires comprehensive coordination locally between government agencies, non-profit providers, and other involved organizations. This combination of coordination and resources results in hundreds of thousands of persons being assisted each day. Many are able to move to permanent housing and re-engage in society.

Unfortunately, a relatively small percentage of persons without homes are chronically homeless. These persons are typically single and disabled, many literally living on the streets of our nation. They cycle through the homeless system, unable to exit and successfully obtain and remain in permanent housing. By virtue of their various needs, often including mental health and substance abuse treatment, this relatively small percentage of the homeless population consumes a disproportionate share of available homeless resources.

Secretary Martinez has committed to ending chronic homelessness in 10 years. The Department has a multi-pronged approach to achieving this important goal. Each approach emphasizes either HUD's focus on funding more supportive permanent housing or the joint HUD/HHS/VA goal of maximizing client access mainstream supportive services. It is through the coordination of these two policy avenues that we envision ending chronic homelessness. We also plan to work closely with the ICH as it develops its agenda.

- **Policy Academies.** States play a pivotal role in determining eligibility for accessing mainstream Federal and State-funded health and human service programs. HUD and the Department of Health Human Services (HHS) are jointly sponsoring Policy Academies to provide a forum to bring State-level teams comprised of individuals with policy-making influence together with a nationally recognized faculty to develop a State Action Plan. The Plans will be designed to identify the goals and methods each participating State intends to implement to ensure that their eligible homeless residents are enrolled in appropriate mainstream supportive services programs. These services, in conjunction with access to permanent housing resources, will enable these persons to become constructive, self-sufficient members of society. The Academies will also help to identify promising practices in States and communities that may assist others to address homelessness in expanded ways. Several Policy Academies are planned so that as many of the thirty-seven (37) State governments that applied to participate in these Academies will be able to do so. At least one of the Academies will solely focus on persons who are chronically homeless.

- **Permanent Housing.** HUD will continue to work with communities to develop permanent solutions to ending chronic homelessness. The statutory requirement that at least 30 percent of HUD's homeless assistance appropriation be dedicated to permanent housing underscores the importance of that message. To ensure that this requirement is met, HUD has provided financial incentives in its national homeless competition to providers committing to develop additional permanent housing versus providing more transitional assistance. HUD will continue to emphasize the importance of permanent housing, especially for the chronic homeless, in upcoming regional conferences the Department will be sponsoring across the nation.

- **Mainstream Resources.** HUD views it as critical that existing mainstream resources are used to the fullest extent to address the needs, including supportive service needs, of homeless persons. As such, to receive full points in the HUD homeless assistance competition, HUD requires that all communities requesting funds describe how they enroll all eligible homeless persons into mainstream Federal programs. We are working closely with the various HHS agencies administering mainstream programs to identify how homeless persons can better access these programs. By having communities make better use of mainstream programs, the funds HUD currently invests in supportive services can begin to be freed up and used to develop new housing projects, including more permanent housing for chronically homeless persons.

- **Safe Havens.** An important type of housing assistance HUD has aggressively promoted to applicants is entitled "Safe Havens". This housing type is specifically designed to serve mentally ill persons living on the streets who are not yet ready to fully engage in a traditional service-rich facility. This model will be highlighted in national broadcasts, as an approach communities should seriously consider in their efforts to end chronic homelessness locally.

Ending chronic homelessness over the next 10 yeas is a bold endeavor. It will require resources from HUD, HHS, and other federal agencies, States, communities and non-profit partner organizations. To that end HUD and HHS staff formed and began meeting as an ad hoc working group in February of 2001. The group's purpose was to identify and implement ways to use mainstream HHS and VA programs to pay for more of the services for homeless persons that HUD's homeless programs currently pay for. The group has continued to meet with the goal of developing a master plan.

3: From fiscal year 1992 through the end of fiscal year 2000, a total of about 4600 veterans were screened for HUD-VASH admission. Those 4600 veterans are about 1.5% of the nation's homeless veterans population. At that rate, how long will it take to screen all the homeless veterans who could benefit from HUD-VASH? Describe your plans and goals for HUD-VASH to serve more veterans.

Response: HUD-VASH was designed as an intensive case management program. Key features of this program are a low recommended caseload (25 clients per case manager) and low turnover (about 40% of veterans ever enrolled in the program are still actively receiving case management). Moreover, the number of vouchers available to the program is static (around 90% of the 1,800 original total are in use at any given time). Collectively, these program features determine the relatively low number of veterans recruited to the program. The program will not appreciably increase the number of veterans it serves, given current resources.

The Homeless Veterans Comprehensive Assistance Act of 2001 provides for an expansion of the HUD-VASH program. The law provides for 500 Section 8 rental

vouchers in fiscal year 2003, 1,000 vouchers in 2004, 1,500 in 2005 and 2,000 in 2006.

4. About 20% of the veterans screened for HUD-VASH were not admitted. Of those who were admitted (some 3680 veterans), 22% leave the program because treatment goals were achieved. Or stated otherwise, 78% of those admitted to HUD-VASH leave the program for other reasons. Do you consider these results a success? What are you doing to improve the success of this program and what are your specific goals for HUD-VASH?"

   Response: The statement that "78% of those admitted to HUD-VASH leave the program for other reasons" is incorrect. The correct statement is that 78% of veterans who leave the program do so for reasons other than documented completion of treatment goals. Importantly, a substantial portion of the veterans who were admitted to the program are still active. Specifically, 3,726 veterans have been admitted to HUD-VASH. Of these 1,469 are still active in the program, and another 510 left the program after completing treatment goals. Therefore 53% of program admissions can be considered successful. In the context of service programs to homeless veterans, we do consider these results a success of the program.

   HUD and VA will continue to work together to ensure that the HUD-VASH program addresses homeless veterans needs in a coordinated and sensitive manner.

5. Section 8 voucher use was reported to be less than 50 percent at some locations in fiscal year 2000 - Little Rock had a 43 percent use rate and Nashville had a 46 percent use rate. Please explain these low utilization rates. Are the vouchers not providing market-based rentals?"

   Response: The office responsible for the Section 8 Program finds the numbers as reported above to be inaccurate. Very few public housing agencies have lease-up rates below 50 percent (25 out of 2,700 public housing agencies or less than 1 percent). Specifically in regard to the two cities mentioned, Little Rock had 89.7% of its units under lease as of the end of its last fiscal year and Nashville had 97.9% of its units under lease.

6. Community Organizations have difficulty financing the pre-development phase of projects to house the homeless. Does HUD have funding available to finance pre-development plans to assist groups who are developing projects?

   Response: Yes. Most applicants under the Supportive Housing Program (SHP) are nonprofit organizations, including community organizations. Among the eligible SHP activities are the costs associated with the rehabilitation or new

construction of housing or facilities for the homeless. Pre-development costs, such as architectural, engineering or related professional services are eligible. However, since SHP funds are made available by competition, these expenses cannot be reimbursed if incurred prior to the execution of a grant agreement with the applicant. Other HUD programs, such as the formula-based HOME Investment Partnership Program (HOME) also permits housing pre-development costs to be incurred and, in the case of qualified Community Housing Development Organizations, gives the Participating Jurisdiction (State, local government or consortium) the authority to reimburse the nonprofit for these costs even if the project proves to be infeasible.

7. How is HUD working with the private sector to end homelessness? What incentives can HUD create to encourage the private sector to end homelessness?

Response: HUD has taken an aggressive role in forging alliances at the local level among the non-profit community, local government, foundations and a variety of private sector organizations. HUD requires each Continuum of Care system across the nation to identify and include private sector representatives on the homeless planning board so that they will be involved in the planning and decision-making process for addressing homelessness within each community. Failure to include such participation results in loss of rating points in the Continuum of Care competitive award process and could result in loss of McKinney-Vento Act funding for such communities. This policy has proven to be a powerful incentive in stimulating private-sector participation in a very meaningful way in local efforts to end homelessness. As a direct result of this approach, many communities have seen a significant private sector contribution to addressing homelessness. In addition, HUD has made the commitment of non-HUD resources, including the commitment of resources from the private sector, an important rating factor in the award of McKinney-Vento assistance. As a result of this incentive, millions of dollars in private sector resources have been committed to help finance homeless assistance projects. Finally, HUD has recently begun a national level effort with the Federal National Mortgage Corporation (FNMA) to identify specific actions FNMA could take to assist HUD in stimulating greater use of HUD funding for the development of permanent supportive housing for homeless people. Incentives being looked at include those that would result in broader use of the Low Income Housing Tax Credit (LIHTC) in the financing of Section 8 Moderate Rehabilitation SRO projects, Supportive Housing Program permanent housing projects and Shelter Plus Care projects.

Chairman Smith to Paralyzed Veterans of America

Question 1 – In PVA's view, what type of treatment program or approach is most effective in breaking the cycle of homelessness for veterans with mental health problems?

Answer: PVA believes that the essential element to assisting homeless veterans with mental health problems is maintenance of capacity. In the past five years, spending on the VA's mental health programs has declined by nearly 10 percent. We cannot concern ourselves with outside treatment programs, while the mental health capacity of the VA continues to erode. A full continuum of mental health services centered around an extensive inpatient program is important to the rehabilitation of homeless veterans with mental illness. A structured support system provided by inpatient care with routine monitoring by mental health care professionals should be the backbone of any program. This can be supported by outpatient treatment programs where there is intensive case management. However, outpatient programs do not provide the stability that these homeless veterans need and can receive from inpatient treatment.

Question 2 – Please describe to the committee what types of outreach you believe will help homeless veterans better understand the benefits available to them?

Answer: In order for outreach programs to work, we must give our support to community-based nonprofit organizations that serve as veterans service providers. These organizations are faced with the task of orchestrating a complex set of funding and service delivery streams with multiple agencies. There are a wide variety of Federal, state, and private funds that the veterans service providers are eligible for in the course of serving homeless veterans.

But just providing funding to these organizations is not enough. The VA must become explicitly involved with these organizations. Representatives from the VA can work with the community-based providers to provide outreach. There should be service officers at community-based shelters, or at least working with the different veterans' service providers who can provide information to veterans housed by these providers. This is outreach at the most direct level. Service officers that can support either VA run programs or privately run programs by counseling homeless veterans enrolled in programs or held in shelters about different benefit options available to them.

The VA must be willing to provide direct assistance to the private programs that have proven successful in the fight against homelessness to establish a basis foundation for outreach. Only then will veterans become aware what they are entitled to and take advantage of services provided by the VA.

Question 3 – You testify that the Homeless Veterans Reintegration Program is the only program that focuses on employment of veterans who are homeless, but Mr. Kuhn testified earlier that there are innovative private-business models that can be developed to provide opportunities for real employment for homeless veterans. What is PVA's view of utilizing this potential resource, the private sector?

Answer: PVA fully supports the use of the private sector as a resource. We believe that private programs can be used in conjunction with programs maintained by the VA. We would only caution that in an effort to overcome homelessness among veterans, we do not become dependent on private programs and continue to neglect the specialized services that the VA is required to provide by law.

There are programs that have proven very successful in the private sector. An example of this success is the New York/New York Agreement to House the Homeless Mentally Ill.

This is a program that New York State and New York City agreed to jointly fund and develop in 1990. The program provides 3,600 community-based permanent housing units for homeless persons with serious mental illness. These units provide social and psychiatric services and well as limited health services. The program created a reduction in use of health care, corrections, and shelter system services. Essential to the program are well-trained, professional employees and management. A program like this would be an excellent augmentation to services that the VA could also provide for those homeless veterans with serious mental illness.

Question 4 – Some of the testimony suggests an "either-or" choice confronts us: either the government will address homelessness with government programs, or homelessness cannot be solved. Yet we see success in a number of private ventures. We may need a better mix of approaches. Would you agree?

Answer: As stated previously, PVA fully supports programs that are controlled at either the government level or in the private sector. It is important to build everything around a program monitored by the VA. It is a fact that no entity or organization in the private sector can provide the quality of care for specialized services that the VA has developed over time. Private programs are an important part of overcoming the homeless veteran problem, but pre-established programs and specialized services must be the backbone of any effort.

RESPONSE TO FOLLOW-UP QUESTIONS FOR
BRIAN E. LAWRENCE
ASSOCIATE NATIONAL LEGISLATIVE DIRECTOR
DISABLED AMERICAN VETERANS
FROM THE HONORABLE CHRISTOPHER H. SMITH
U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON VETERANS' AFFAIRS
SEPTEMBER 20, 2001 HEARING

Question 1: I agree with you that our goal should be to move homeless veterans from the street to self-sufficiency. In these two pieces of legislation, what parts in particular do you feel would make the greatest contribution in helping homeless veterans become self-sufficient?

Answer:

I believe the Rental Assistance Vouchers for HUD Veterans Affairs Supported Housing (H.R. 2716, Section 4) would be the most effective contributor in helping homeless veterans become self-sufficient. Vouchers would assure that veterans meet the initial step to becoming self-sufficient by enabling them to have a secure residence away from the dangers associated with life on the streets. Once this basic and essential human need has been met, veterans can concentrate on obtaining employment or training that would allow them to become self-sufficient.

Question 2: From your testimony, DAV reports you have found positive results in providing transitional housing to veterans. In this regard, what benefits do you see in the "sober-house" model proposed in H.R. 2716?

Answer:

H.R. 2716's "sober-house" model is beneficial in that it prohibits the use of intoxicants and people under the influence of such intoxicants. Studies indicate that a large percentage of homeless veterans suffer from alcoholism and drug addiction. Among the initial steps to self-sufficiency is separation from substances that possibly contributed to homelessness. The "sober-house" model is beneficial also in that costs of housing are provided, thereby establishing immediate positive feedback to those initiating steps toward recovery.

An indication of how this model can be successful is exemplified in Syracuse, New York. There, DAV began working with the VA and local government to establish the Detor House. The Detor House is a homeless shelter named in honor of DAV life-member Ray Detor.

Most Detor residents suffer from substance abuse problems. Those with a history of substance abuse are required to remain compliant with their recovery programs. They all share in household responsibilities and have demonstrated the ability to live cooperatively with their peers in the house. Monthly meetings are held at the house and are attended by both residents and staff. The VA staff and the DAV Housing Coordinator evaluate each veteran's status regularly. The majority of residents have obtained full or part-time employment in community jobs or at the VA Medical Center. Thus far, the Detor House has assisted 30 veterans transition from homelessness to again becoming productive members of society.

RESPONSE TO FOLLOW-UP QUESTIONS FOR
BRIAN E. LAWRENCE
ASSOCIATE NATIONAL LEGISLATIVE DIRECTOR
DISABLED AMERICAN VETERANS
FROM THE HONORABLE LANE EVANS
U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON VETERANS' AFFAIRS
SEPTEMBER 20, 2001 HEARING

Question 1: Homeless veterans not only face enormous problems of just surviving, many also have serious mental illness, substance abuse or both. Is VA today meeting the care needs of veterans with serious mental illness, substance abuse or both?

Answer:

Currently, VA is not meeting the needs of veterans with serious mental illness and substance abuse problems. Studies indicate that a large percentage of homeless veterans suffer from Post Traumatic Stress Disorder (PTSD), schizophrenia, alcoholism, and illicit drug abuse. Many homeless shelters are located in metropolitan areas with high numbers of crime and drugs, thus veterans with a propensity to use are exposed to an environment that condones drug use. Further, mental illness programs have been reduced nationwide leaving little assistance for veterans suffering from mental disorders.

Question 2: Is VA providing enough outreach and technical assistance to end homelessness among veterans in a decade?

Answer:

VA has not been providing adequate outreach or technical assistance to end homelessness among veterans within a decade. Large numbers of homeless veterans are not even aware assistance may be available to them. Increased technical assistance would enable veterans to obtain and maintain employment and break the cycle of homelessness.

Question 3:

According to VA data, the DCHV program is providing less outreach to homeless veterans and significantly reducing the average length of veterans' stay in domiciliaries. The percentage of veterans who complete the program is too low and for those who complete the program, only about 50% have a job or housing on program completion. Please comment on these disturbing trends.

Answer:

As with the reduction of mental illness programs, the reduction of time allowed in domiciliaries contributes to homelessness. With an ample amount of time in a secure environment, veterans may be able to gain their footing and avoid slipping into the lifestyle that led to homelessness. Domiciliary programs should focus on eliminating substance abuse and providing assistance in obtaining employment.

CONGRESSMAN EVANS TO THE AMERICAN LEGION

THE AMERICAN LEGION
Washington, DC, October 23, 2001.

Hon. LANE EVANS,
Ranking Democratic Member, Committee on Veterans' Affairs,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE EVANS: The following is in response to your inquiry regarding the September 20, 2001 hearing.

1. Homeless veterans not only face enormous problems of just surviving, many also have serious mental illness, substance abuse or both. Is VA today meeting the care needs of veterans with serious mental illness, substance abuse or both?

No. Mental health care is very fragmented across the system. There is no consistent approach to treating homeless veterans in a holistic environment. VA has reduced its bed capacity to the point where it can no longer provide inpatient detoxification or allow patients sufficient time to stabilize after an exacerbation of symptoms. Homeless veterans end up back on the streets because there is simply a lack of VA bed capacity to keep them inpatient long enough to address their complex social issues. Addiction, PTSD and other mental illnesses do not develop overnight and cannot be treated with stop-gap measures.

If VA truly intends to end homelessness it should:

- Be able to stabilize these patients,
- Provide veterans and their families with the safe housing they need,
- Provide medical, psychiatric and dental care to improve their functional status,
- Involve family members in counseling and treatment planning,
- Refer veterans and their families to BVA to file claims,
- Develop educational opportunities in the community,
- Offer spiritual support through the Chaplain program, and
- Ensure employment training (CWT) and placement. Home ownership should be the ultimate goal of a program that addresses these other needs first.

This intense level of care needs to be funded and VA currently does not have the resources to invest in its mental health programs, which are labor intensive and involve high pharmaceutical costs. The CARES process should be looking at the unused space VA has and assess its usefulness in providing the housing and other program components described above,, instead of just contracting this level of care to the private sector. This practice shifts the burden to the community, which results in much of the fragmentation already experienced by veterans needing care. This also makes the veterans' progress or decomposition difficult to tract, resulting in delayed intervention and potentially increases the need for more complex services.

Families are often ignored and left out of the process and should be included in the treatment and homeless veterans, especially if there are spouses and children also left homeless. Veterans and their families should be assessed for being at risk for homelessness and VA should be able to intervene with services and involve the Regional Office for claims, if warranted.

2. Is VA providing enough outreach and technical assistance to end homelessness among veterans in a decade?

No. If VA were able to provide these services consistently, it would not take a decade to end homelessness in our veteran population. But, since services are fragmented and funding is separate then each section of VA that has an area of responsibility it covers conducts their own outreach. In some ways, this duplicates efforts and may not necessarily get a veteran to the right level of care that he or she needs. It gets veterans to what is available or provides crisis intervention, but no real long-term solutions to their problems. Hence, The American Legion remains skeptical that VA will not be able to end homelessness in a ten years if it continues on its current track. If VA could implement a more holistic approach then this goal could very well be attained in half that time.

3. According to VA data, the DCHV program is providing less outreach to homeless veterans and significantly reducing the average length of veterans' stay in domiciliaries. The percentage of veterans who complete the program is too low and for those who complete the program only about 50 percent have a job or housing on program completion. Please comment on these disturbing trends.

Given the conclusion The American Legion as described in questions 1 and 2, this is not surprising. This lack of success in reducing homelessness epitomizes the inherent problem in a system that fragments care, shifts it to the community, and under funds its efforts. Until VA is able to institute a comprehensive program that begins with inpatient hospitalization stabilization and moves veterans through a series of health, educational, and employment services in a safe and healing environment, then will it be able to reduce the recidivism rate of veterans who return to the streets, decompensate, and are re-hospitalized.

The American Legion appreciates the opportunity to clarify its position on ending homelessness among veterans in America. In several states, The American Legion runs or is familiar with homeless veterans' programs and would be available to further discuss the recommendations it has outlined in this response. There are models for success in the community that could be studied for their lesions learned to help build an inclusive VA homeless veterans' program.

Sincerely,

JACQUELINE GARRICK, ACSW, CSW, CTS
Deputy Director, Health Care, National Veterans Affairs and Rehabilitation Commission

CONGRESSMAN EVANS TO AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

8b/112915

The Honorable Lane Evans
Ranking Member, House Veterans Affairs Committee
333 Cannon House Office Building
Washington, DC 20515

Attention: Debbie Smith

This is in response to your questions for the record to the Full Committee hearing on September 20, 2001.

1. Homeless veterans not only face enormous problems of just surviving, many also have serious mental illness, substance abuse or both. Is VA today meeting the care needs or veterans with serious mental illness, substance abuse or both?

Considering that the VA is in the process of closing beds and is not hiring staff to treat veterans with serious mental illness, substance abuse or both, it is clear that VA is not meeting the needs of these veterans.

One indicator that the VA is not meeting the needs of veterans who have substance abuse is the use of a "pretreatment" waiting list for homeless veterans seeking substance abuse treatment. "Pretreatment" is not state-of-the-art care. VA staff are forced to use this ruse only because beds have been cut and veterans have filled VA's diminished bed capacity. When veterans are in "pretreatment" they are living in shelters, on the streets and in the desert until a bed opens up to provide them with detoxification or treatment. The veterans who are in "pre-treatment" are very vulnerable. A significant number of veterans drop off the "pretreatment" list because they are tired of waiting. Many will go back to drugs or alcohol, some will try to go elsewhere for treatment, and some will die of drug and alcohol related incidents.

2. Is VA providing enough outreach and technical assistance to end homelessness among veterans in a decade?

I am not in a position to comment on outreach and technical assistance to organizations and groups assisting homeless veterans.

3. According to VA data, the DCHV program is providing less outreach to homeless veterans and significantly reducing the average length of veterans' stay in domiciliaries. The percentage of veterans who complete the program is too low and for those who complete the program only about 50%

have a job or housing on program completion. Please comment on these disturbing trends.

Having enough domiciliary beds for veterans is crucial because the VA provides a safe caring environment for homeless veterans that the private sector cannot and will not provide. Maintaining a surplus capacity of domiciliary beds is crucial to ensure that veterans can have the time they need to heal and begin their lives anew.

The VA must maintain its capacity to help homeless veterans with domiciliaries because the beds at private sector facilities are full. According to the Connecticut Coalition to End Homelessness (CCEH), the number of times people are turned away from shelters simply because there is no space is rising. CCEH estimates that as of the in FY 2001 people were turned away from a shelter 20,335 times. That number represents an 81 percent increase in the number that shelters in the private sector had to turn away persons in need.

With a recession there is also an increase in the number of veterans who lose their jobs and become more vulnerable to mental illness, substance abuse and homeless.

When I went through the VA's substance abuse program I worked in compensated work therapy (CWT) in the VA food service department. Congress should not underestimate the power and effectiveness of working at the VA for veterans. Many of the employees at VA's cemeteries began their jobs through CWT. Yet many of the jobs in which formerly homeless veterans work at in the VA (in the laundry, in grounds keeping, in the cemetery, in food service, in escort service) are the very jobs that this administration has targeted for privatization.

I urge you to have VA examine the long-term effectiveness of job placement for homeless veterans. I believe that those who go through CWT and get permanent fulltime employment with VA have a longer term success rate in transitioning out of homelessness than those veterans who go onto low-paying dead, no benefit private sector jobs.

Thank you again for the opportunity to testify before the House Veterans' Affairs Committee.

Sincerely,

Theodore Jones
Chief Steward, Local 1647

Chairman Smith to Non Commissioned Officers Association

NCOA - MR. SCHNEIDER

Question #1: The NCOA membership consists of active, reserve, and guard service components as well as military retirees and veterans. You recommend that we mandate DoD involvement as a partner in prevention of homelessness for military personnel retiring or being discharged from the military. How big is this problem?

Response: The issue NCOA addressed above primarily relates to members separating the active military components and the United States Coast Guard.

The military members in question are those that have separated as a result of an:

- Administrative Action and received an Honorable or General Discharge.
- Hardship Discharge for family or financial reasons.
- Disability and received a lump sum severance payment from their service component.
- Involuntary release from active duty prior to completion of their service obligation.

A telephone request to DoD for Statistical data on all DoD personnel who would be in the above categories estimates that the information could be provided within two weeks of receipt of a written request. Such data is not available to answer the question, "how big is the problem?" NCOA believes the real issue is involvement or partnership for the prevention of homelessness among veterans.

The issue of DoD being a member of the Interagency Council really relates to the transition of thousands of separating military personnel annually. Great efforts have been made to facilitate the transition of active duty personnel by programs that orient them to VA and veteran services available. Greater efforts to communicate these programs to "early separates" along with active referral of veterans to VA facilities would facilitate their transition and become

a part of a larger prevention program to preclude possible homelessness. Again, there are even a number of servicemen whose years of military service may in fact qualify them for some VA programs despite a discharge from a second or subsequent enlistment received under other than honorable conditions. It is especially important that these high-risk separates be identified, counseled and referred with the member's consent to the VA for intervention and counsel upon their release from the military.

Question #2: You stated: "the data from that CHALENGE report also becomes questionable..." when compared to other reports. What were the main discrepancies noted between the CHALENGE report and other reports and how should the committee deal with these discrepancies?

Response: NCOA appreciates the continued evolution of the Health Care for Homeless Veterans program but believes that the CHALENGE program has some reporting flaws that need to be corrected.

The data of the CHALENGE Report can not effectively be compared to information compiled by the Department of Housing and Urban Development (HUD) because HUD does not count homeless veterans that are living in transient housing, homeless shelters or other agency housing such as Department of Veterans Affairs domiciliaries and resident medical facilities. Hence, two federal agencies that "count" the homeless veteran population reach significantly different population estimates. Also the homeless veteran population "count" required for various grants administered by HUD may exclude community based programs where the homeless are already housed in transient accommodations.

Also significant to the validity of the data of CHALENGE reports is the information provided by the HCHV community partners. The data is dependent on community partners completing the CHALENGE report and returning it for statistical compilation. I received at my Alexandria, Virginia office a request to participate in a CHALENGE meeting in New England and to submit a completed CHALENGE report. That request was probably based on the fact that the NCOA National Defense Foundation, which I administer, provided the

facility a financial grant to stimulate winter homeless programs. In reviewing the four page CHALENGE report document, it was my opinion that community programmers probably don't have the time to gather their staff, discuss the report or the reporting requirement, and provide a substantive input.

In addition to statistics relative to the homeless veteran population, community providers are asked in the CHALENGE report to rank order the met and unmet needs of those to whom they provide services. This ranking helps establish both local and national priorities in the homeless veteran program. In the judgment of NCOA, the met and unmet needs addressed by community providers tend to reflect or emphasize those needs served by their own organizational mission statements. Interestingly, the number one unmet addressed need for homeless veterans in a past survey was stated to be families as opposed to housing, job training, EMPLOYMENT, health, or dental concerns.

NCOA in its professional relationship with the National Coalition for Homeless Veterans was also advised that a number of homeless veteran grant recipients received from the Department of Veterans Affairs were not contacted to submit CHALENGE reports. That information was based on a survey of NCHV members who were also grant recipients.

How should the Committee deal with the data discrepancies? NCOA recommends:

- That the Committee resolves the population issue by referring it as a policy matter to the Interagency Council on Homeless. Veterans. That resolution provide the administrative requirement and that the same criteria be used as the basis of the "count" for homeless veterans, or that reports accurately reflect defined categories which account for all homeless veterans. Clearly, the defined population by either the Department of Veterans Affairs or the Department of Housing and Urban Development should be statistically similar.
- That a consistent process and reporting concept be used by the Health Care for Homeless Veterans program.
- That HCVHV ensure that every grant and per diem program recipient complete a CHALENGE report.

- That as recommended in the written statement of NCOA, that every medical center, regional office, and large Community Based Outpatient Clinic submit individual CHALENGE reports. The concept of "regional reporting " within a VISN is simply unacceptable as it lacks the necessary face-to-face involvement and communication with supporting community providers. It also does little to stimulate expanding the homeless network in the local community.

QUESTION #3: Please tell us more about your views on the "revolving door" problem that you mention in your statement?

Response: Thanks very much for this question. The revolving door of health care for homeless veterans is the access to primary care clinics whether at a VAMC or a CBOC. The health, substance abuse, and mental health problems faced by homeless veterans cannot be treated effectively in an outpatient setting. The revolving door rotation admits homeless veterans for a scheduled appointment and than pushes them back out on to the street. Many homeless veterans, and *The Committee* heard two such veterans at the House Veterans Committee Meeting on September 20th, 2001 publicly state that they went to VA health care facilities many times hoping to enter a resident VA health care program that would take them from the streets and begin their journey home. Thank God that these veterans kept going back through the revolving door month after month until the medical team finally could admit them into a resident care program for homeless veteran. The tragedy for America is that VA resident health care has not been available for countless homeless veterans who were ready to leave the streets but could not find "any room" in a VA care facility. We can only hope that those veterans had the persistence like our two young veterans from the September 20th hearing to keep fighting to get into "the program." It is repulsive to think that there are a significant number of homeless veterans who have never made it out of the streets because there was no program access for them in VA.

As long as VA lacks resident patient care programs for homeless veterans the "revolving doors" will continue to push veterans out into an undesirable street or

questionable transient housing program where they become hardened street people whose physical and mental capacities diminish

NCOA strongly supports the five additional domiciliaries which H.R. 2716 proposes. The Association recognizes that the additional five domiciliaries will only provide treatment and care for 50 veterans at each facility for a nationwide increase of 250 bed spaces. The five facilities will reduce the catchment areas served by other VA facilities and provide greater latitude in services available at all locations.

More resident medical health care facilities are needed to provide 7 x 24 services for today's estimated homeless veteran population of over 275,000. Community resident care programs do not have, in the Association's judgment, the medical or mental health professional staff, that is essential to work an intense 7 x 24 program required for the initial transition from the streets into a continuum of care spectrum of services.