

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 446

SPONSOR: Comprehensive Planning, Local and Military Affairs Committee and Senators Constantine and Wasserman Schultz

SUBJECT: An act relating to homelessness

DATE: March 7, 2001 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Cooper	Yeatman	CA	Favorable/CS
2.	_____	_____	CF	_____
3.	_____	_____	AHS	_____
4.	_____	_____	AP	_____
5.	_____	_____	_____	_____

I. Summary:

This bill incorporates the recommendations of the Commission on the Homeless, establishing the State Office on Homelessness and the Council on Homelessness to address the problem of homelessness. It also amends public school admissions requirements for homeless children; redefines the terms “homeless” and “homeless child;” amends reporting requirements for the Florida Housing Finance Corporation; creates “Challenge Grants” and “Homeless Housing Assistance Grants;” amends provisions relating to local homeless coalitions; encourages the adoption of local homeless continuums of care; encourages mental health facilities to ensure that persons leaving their care are not discharged into homelessness; requires OPPAGA study the impact of homelessness, with a report due in 2005; designates December 21 as the Homeless Persons’ Memorial Day; and appropriates funds for homeless services and housing for the homeless.

This bill creates the following sections of the Florida Statutes: 420.622, 420.624, & 420.626. This bill amends the following sections of the Florida Statutes: 228.041, 232.03, 232.0315, 232.032, 420.5087, 420.511, 420.609, 420.621, 420.623, 420.9075, & 445.009.

II. Present Situation:

Characteristics of Florida’s Homeless Population

Being homeless is defined in s. 420.621(4), F.S., as:

having a nighttime residence in a public or private emergency shelter or on the streets or under a bridge or aqueduct, in a park, subway, bus terminal, railroad station, airport,

abandoned building, or vehicle, or in any other public or private space that is not designed for shelter.@

According to estimates of Florida's 20 state funded homeless coalitions, there are at least 57,400 homeless people in Florida on any given day. This figure represents an increase from 52,500 reported for fiscal year 1997-98. However, homeless persons are difficult to locate, track and count. The demographic profile of the homeless population in Florida is as follows¹:

- C 33% of Florida's homeless are families;
- C 46% of the homeless population in Florida are single men and 19% are single women;
- C 29% of the state's homeless population includes children 18 years and younger;
- C 7% of the state's homeless population is elderly;
- C 37% of the homeless population have been homeless for more than 1 year;
- C 23% of the homeless people in Florida are from out-of-state or another county;
- C 16% of the homeless people in Florida are veterans;
- C 37% of the state's homeless suffer from alcoholism and/or drug abuse problems;
- C 24% of Florida's homeless are estimated to be mentally ill;
- C 20% of the state's homeless population has both mental illness and substance abuse problems;
- C 8% of Florida's homeless suffer from AIDS or HIV;
- C 16% of the homeless in Florida have disabilities; and
- C 63% of the homeless are employed, many of them in part-time jobs without benefits.

The major causes of homelessness in Florida include poverty, unemployment and poor wages, a lack of affordable housing, mental illness, alcoholism, drug abuse, family disintegration, and lack of education and training. Additional causes of homelessness identified by the local homeless coalitions include the institutional release of people from prisons and institutions without employment, housing, or a viable means of self-support; school failure and lack of education; impediments to employment such as lack of affordable child care and transportation; life skill deficiencies; emergency situations such as eviction and illness; and migration and immigration of people to Florida without means of self-support.

Federal and State Programs for the Homeless

In 1987, Congress enacted the Stewart B. McKinney Homeless Assistance Act. The original act consisted of 14 programs providing a range of services to homeless people, including outreach, prevention, emergency shelter, transitional and supported housing, job training, health care, alcohol, drug abuse and mental treatment, education, veterans' reintegration, and permanent housing. Most of the money funding these programs is distributed directly to service providers in the community. The Florida Department of Children and Families estimates that federal spending for Florida's homeless has been approximately \$400 million since 1987.

¹The Department of Children and Families is required by s. 420.623(4), F.S., to prepare an Annual Report on Homeless Conditions in Florida to the Governor and Legislature. The following statistics are taken from the most recent annual report that covers FY 1998-99).

In Florida, many financial and social services for the homeless are provided through 25 local coalitions for the homeless created by the Department of Children and Family Services (s. 420.623, F.S.) The major functions of the local homeless coalitions are:

- planning and coordinating homeless services;
- promoting public awareness about the needs of the homeless;
- providing information and referral to help homeless people obtain the services they require;
- gathering and reporting data on homeless conditions in Florida; and
- seeking federal, state and local resources to assist the homeless (\$31 million in FY 1998-99).

In fiscal year 2000-2001, the Legislature appropriated \$189,000 to provide administrative support to 20 of the 25 homeless coalitions in the state.

Local coalitions prepare local plans of action that identify and rank local needs related to problems of homelessness, and include a spending plan. Local homeless coalitions can apply for state funding through a competitive grants-in-aid program administered by the department through its districts (s. 420.625, F.S.). In FY 2000/01, \$798,422 was allocated for these grants. Organizations contracting to provide services through financial assistance provided through the grant program must provide a minimum of 25 percent of the funding necessary for the support of project operations.

The focus of many of the community-based homeless programs is on the delivery of shelter and other emergency services. According to the local homeless coalitions, there are 177 homeless shelters in Florida with a total bed capacity of 7,148. These facilities meet only 12% of the shelter needs of Florida's 57,400 homeless. It is estimated that there are now 299 transitional and supported housing facilities for the homeless with 10,576 beds. Eighteen of the homeless coalitions provide a continuum of care for the homeless that involves the coordination between multiple community agencies to provide outreach services, emergency shelter, transitional and permanent housing and other support services.

Several other state initiatives benefit the homeless:

- In FY 2000/01, the state was awarded \$2,264,000 through the Federal Emergency Shelter Grant program to fund community projects and services.
- The Emergency Financial Assistance for Housing Program, authorized by s. 414.16, F.S., was allocated \$1.8 million in FY 2000/01 to help homeless families and those at immediate risk of homelessness due to natural and household disasters, loss of wages, and other conditions that cause an imminent loss of housing. Up to four thousand families are being served by this program.
- The Department of Children and Family Services, through the Florida Coalition for the Homeless, implemented the Temporary Housing Assistance for Homeless Families program to provide short-term financial assistance to homeless families. Up to \$2000 per family has been available for services to sustain housing and employment. This program was funded from a one-time TANF grant of \$5 million.

- The Florida Network of Youth and Family Services funds and operates a statewide network of 29 homeless and runaway youth shelters.
- Additional programs that benefit the homeless include the State Domestic Abuse Program and the Education of Homeless Children and Youth Program operated by Florida A&M University.

The Florida Housing Finance Corporation (FHFC)

The Florida Housing Finance Corporation is the primary state agency responsible for building affordable housing in Florida. The State Housing Initiatives Partnerships (SHIP) program and the State Apartment Incentive Loan (SAIL) program are two FHFC programs that provide housing for low-income persons.

The SHIP program (s. 420.9072, F.S.) was created to provide funds to counties and cities as an incentive to create local housing partnerships and to preserve and expand production of affordable housing. Funds are distributed to counties and eligible municipalities on an entitlement basis. SHIP funds, estimated at \$162.4 million for fiscal year 2001-2002, are allocated by population, with each county receiving at least \$350,000. SHIP funds emergency repairs, new construction, rehabilitation, down payment and closing cost assistance, impact fees, construction and gap financing, mortgage buy-downs, acquisition of property for affordable housing, matching for federal housing grants and programs, and home ownership counseling.

At least 65 percent of each local government's SHIP funds must be used for home ownership and 75 percent must be used for construction, rehabilitation, or emergency repairs. At least 30 percent of funds must be reserved for awards to benefit very-low-income households or eligible sponsors that will serve very-low-income households. Another 30 percent of funds must be awarded to low-income households. Up to 10 percent of funds may be used for administrative costs. In FY 1997-98, local governments reported that SHIP funds were used to construct 286 units for homeless persons, 257 of which were in Duval County.

The SAIL program (s. 420.5087(3), F.S.) is designed to stimulate production of affordable, multi-family rental housing for very-low income individuals and families. SAIL leverages state loan funds, local government contributions, developer equity and private bond financing. Section 420.5087(3), F.S., requires at least 10% of SAIL funds be reserved for each of three tenant groups: commercial fishing workers and farm-workers; families; and elderly persons. It is estimated that \$36.4 million is available in FY 2000-01 for distribution.

The Affordable Housing Study Commission

Section 420.609, F.S., established the Affordable Housing Study Commission to analyze solutions and programs that address the state's acute need for housing for very-low-income, low-income, and moderate-income persons and elderly persons. The commission is charged to review, evaluate, and make recommendations regarding existing and proposed housing programs and initiatives. The commission must annually submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a report detailing its findings and making specific program, legislative, and funding recommendations and any other recommendations it deems appropriate.

Commission on the Homeless

Chapter 2000-238, L.O.F., created the Commission on the Homeless to review the problems of the homeless in this state and propose solutions for reducing homelessness and improving the provision of social services to the homeless. The commission held five public meetings throughout the state, taking testimony on a wide range of topics related to homelessness. The commission held additional meetings to deliberate their findings and their report to the Governor and Legislature. The report was issued on January 1, 2000, and contained specific recommendations and proposed legislation to address the problems of homelessness.

Local Option Food and Beverage Tax

Section 212.0306, F.S., authorizes Miami-Dade County to levy up to 1% local option food and beverage tax, by ordinance, to fund services for the homeless. In addition, 15% of the tax proceeds must be used to fund the construction and operation of domestic violence centers. The tax is levied on the sale of food, beverages and alcoholic beverages in establishments licensed by the state to sell alcoholic beverages for consumption on the premises, except hotels and motels. Exemptions from the tax include restaurants with less than \$400,000 per year in gross revenues, veterans' organizations, and all transactions that are exempt from the state sales tax.

Eighty-five percent of the tax proceeds must be used to assist persons who are or are about to become homeless. Authorized uses included providing emergency homeless shelters, food, clothing, medical care, counseling, alcohol and drug abuse treatment, mental health treatment, employment and training, education, and housing. Tax proceeds may also be used as collateral or pledged for construction projects.

As a condition of levying the tax, the county had to develop a task force to prepare a plan, subject to the county commission's approval, to address the needs of the homeless.

School Registration Requirements

Section 232.03, F.S. requires that proof of age be provided as a condition of enrolling in pre-kindergarten or kindergarten. Section 232.0315, F.S., mandates that school districts require a school-entry health examination as a condition of initial entrance into a public or nonpublic school. However, the school board may establish a policy that permits a student up to 30 school days to present such certification. Section 232.032, F.S., mandates that school districts require a certification of immunization as a condition of initial entrance into a public or nonpublic school. However, the school board may establish a policy that permits a student up to 30 school days to present such certification.

Workforce Florida

The "Workforce Innovation Act of 2000," chapter 445, F.S., established Workforce Florida, Inc. as the principal workforce policy organization for the state. Workforce Florida is charged to design and implement strategies that help Floridians enter, remain in, and advance in the

workplace. Regional workforce boards are charged with implementing one-stop delivery systems for a variety of work search, training, and support services.

III. Effect of Proposed Changes:

This Committee Substitute (CS) includes the substance of SB 446, with some changes, and includes additional provisions to address the problem of homelessness in Florida.

The CS provides whereas clauses to describe the plight of homeless persons, the economic impact of homelessness on the state, the conclusions of the Florida Homeless Study Commission, and the need for coordinated action by the state and communities.

Section 1 amends s. 228.041(35), F.S., to redefine “homeless child” for use in the Florida School Code. The definition is expanded to include provisions from the definition of homeless person in federal law: those who lack a fixed, regular, and adequate nighttime residence and those living in an institution that provides a temporary residence for individuals intended to be institutionalized. In addition, it includes those who temporarily reside with an adult other than their parent or guardian because the parent or guardian is suffering financial hardship. The provision clarifies that it does not include any person imprisoned, detained, or in the custody of the state.

Section 2 amends s. 232.03(7), F.S., to require school districts grant homeless children a 30 school day grace period for submitting proof of age, which is a condition of registering for school.

Section 3 amends s. 232.0315(1), F.S., to require school districts grant homeless children a 30 school day grace period for submitting certification of a school-entry health examination, which is a condition of registering for school.

Section 4 amends s. 232.032, F.S., to require school districts grant homeless children a 30 school day grace period for submitting certification of immunization for the prevention of communicable diseases, which is a condition of registering for school.

Section 5 amends s. 420.5087, F.S., to reserve 5% of State Apartment Incentive Loan Program (SAIL) funds for housing programs serving homeless persons. As a result, it is estimated that at least \$1.7 million could be available annually for homeless housing.

Section 6 amends s. 420.511, F.S., to require the annual report of Florida Housing Finance Commission to list the number of homeless persons served under each housing program administered by the corporation.

Section 7 amends s. 420.609, F.S., to require the Affordable Housing Study Commission to analyze solutions and programs to address the state’s need for housing for the homeless. In addition, the membership of the commission is revised to include a representative from a local housing authority and a citizen representing the housing interests of homeless persons.

Section 8 amends s. 420.621(4), F.S., to revise the definition of homeless, consistent with the definition in federal law. It is expanded to include: those who lack a fixed, regular, and adequate nighttime residence and those living in an institution that provides a temporary residence for individuals intended to be institutionalized. This provision also clarifies that it does not include any person imprisoned or otherwise detained pursuant to state or federal law.

Section 9 creates s. 420.622, F.S., to establish the State Office on Homelessness within the Department of Children and Family Services. The executive director of the office is to be appointed by the Governor. This section also creates the Council on Homelessness to develop and coordinate policy and advise the State Office on Homelessness. The council consists of fifteen members from public and private agencies, serving staggered two-year terms. The council must meet at least four times per year.

The council is required to:

- Coordinate a statewide consolidated program and financial plan for homeless services;
- Collect and maintain a database of information pertaining to the homeless;
- Annually evaluate state and local services and resources;
- Provide information on funding sources for services for the homeless, and provide technical assistance to obtain these funds;
- Monitor, make recommendations, and provide technical assistance to local programs for the homeless;
- Develop and assist in the coordination of policies relating to the discharge or transfer of persons from state supported or regulated facilities who are homeless or at risk for homelessness;
- “Spearhead outreach efforts for maximizing access by people who are homeless or at risk for homelessness to state and federal programs and resources”;
- Promote a federal policy agenda to assist the state’s homeless;
- Develop and promote outcome and accountability measures for homeless programs;
- Formulate proposals and coordinate the implementation of state and federal policies;
- Convene meetings and workshops to address homeless issues;
- Conduct or promote research on homeless programs;
- Advocate for homeless issues; and
- Promote, collaborate and coordinate programs for the homeless with faith-based organizations.

This section also authorizes the State Office on Homelessness, with the concurrence of the Council on Homelessness, to distribute “Challenge Grants” of up to \$500,000 annually to agencies providing homeless assistance continuums of care. To qualify, agencies must develop and implement a local homeless assistance continuum of care plan, as outlined in section 11 of this bill. Preference is to be given to agencies that have demonstrated the ability to provide quality services and leverage federal and private funding, and to agencies in catchment areas with the greatest need for housing and services to the homeless.

This section also authorizes the State Office on Homelessness, with the concurrence of the Council on Homelessness, to distribute “Homeless Housing Assistance Grants” of up to \$750,000 annually to agencies to construct or rehabilitate transitional or permanent housing units for

homeless persons. Preference for the grants must be given to applicants who leverage additional public and private funds, who build or rehabilitate the greatest number of units, and who build or rehabilitate in catchment areas with the greatest need for housing for the homeless, relative to the population of the catchment area. However, no project may be funded that has not been approved by the local coalition for the homeless for the area served.

The Department of Children and Family Services is authorized to contract with private entities for “staff services and the provision of the functions set out” for the council.

The council is directed to annually issue an evaluation of the executive director’s performance and a report summarizing the “coalitions activities and making recommendations for reducing homelessness in Florida.”

Section 10 amends s. 420.623, F.S., to revise the provisions relating to local coalitions for the homeless. The list of organizations required to be given the opportunity to participate in the coalitions is increased to include substance abuse treatment agencies, community health centers, local school districts, agencies serving specific subgroups of the homeless population, local community-based care alliances, and interested business groups and associations.

The functions of the coalitions are expanded to include the development, or assisting with the development, of a local homeless assistance continuum of care plan for the area served by the coalition. In addition, each local coalition is designated as the lead agency for the area, with some exceptions, to implement the continuum of care. The requirement for a local plan of action by the coalition is deleted. The local homeless assistance continuum of care plan functionally replaces the local plan of action. However, coalitions will still be required to submit an annual report detailing the coalition’s goals and activities. The coalitions are also charged with developing a strategy for increasing support and participation from local businesses in the coalition’s programs and activities.

The information required in the department’s annual report on the homeless is expanded to include describing the progress made in the development and implementation of local homeless assistance continuums of care plans in each district.

Section 11 creates s. 420.624, F.S., to encourage communities to adopt a local homeless assistance continuum of care -- an integrated, comprehensive service delivery system to the homeless and persons at risk for homelessness. Those adopting a continuum of care are encouraged to develop and annually update a plan for the continuum of care, designating a lead agency to implement the plan. The Office on Homelessness is required to designate non-overlapping continuum of care catchment areas throughout the state and to recognize only one continuum of care plan for each area. This section provides specific components of a continuum of care, with the requirement that these components be coordinated and integrated, when possible, with other mainstream service delivery systems currently available.

Section 12 creates s. 420.626, F.S., to encourage mental health facilities to ensure that persons leaving their care or custody are not discharged into homelessness. Hospitals and inpatient medical facilities, crisis stabilization units, residential treatment facilities, assisted living facilities, and detoxification centers are encouraged to develop and implement procedures to:

- screen those at risk for homelessness;
- develop a discharge plan to address how such persons will secure housing and other needed care and support;
- assess the abilities of support service providers and select the best options for persons discharged from their care;
- coordinate efforts and information sharing with care and support organizations; and
- provide sufficient medication, medical equipment and supplies, clothing, transportation and other necessities.

Section 13 amends s. 420.9075(2), F.S., to encourage SHIP recipients to partner with representatives of the homeless, elderly, and farm workers in the development of local housing programs.

Section 14 amends s. 445.009, F.S., to require regional workforce boards to consider including homeless service providers as partners in the local One-Stop Delivery system.

Section 15 requires the Office of Program Policy Analysis and Government Accountability (OPPAGA) to study the economic impact of homelessness on state and local agencies in Florida. The report must recommend changes to state agency practices which simultaneously save taxpayer dollars and improve the quality of life for homeless persons in this state; review practices of local governments and lead agencies providing services to homeless persons; and recommend strategies to better coordinate service delivery with state and local agencies. The report must also recommend strategies to access federal funds for services to the homeless. The report must be submitted by January 1, 2005, to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

Section 16 designates December 21, the first day of winter and the longest night of the year, as a Homeless Persons' Memorial Day to bring attention to the tragedy of homelessness. The Office on Homelessness, local homeless coalitions, and local governments are encouraged to sponsor events to promote awareness of the plight of the homeless and identify actions that individuals and organizations can take to address the problem of homelessness.

Section 17 appropriates \$3.0 million to the State Office on Homelessness, Department of Children and Family Services from the General Revenue Fund for fiscal year 2001-2002 to fund "Challenge Grants" created in section 9 of this bill, and to fund administrative costs of the State Office on Homelessness. This section also appropriates \$625,000 to the grant and aid program within The Department of Children and Families Services from the General Revenue Fund for fiscal year 2001-2002 to fund one position in each of the 25 homeless coalitions in Florida. Each coalition is eligible to receive \$25,000. This section also appropriates \$197,668 to the grant and aid program for services to homeless within the Department of Children and Families Services from the General Revenue Fund for fiscal year 2001-2002. This appropriation funds an increase in their annual appropriation. This section also transfers \$5 million from the local housing assistance trust fund to the Office on Homelessness within the Department of Children and Family Services to fund Homeless Housing Assistance grants as created in section 9 of this act.

Section 18 provides for an effective date of July 1, 2001.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Providers of services to the homeless, which includes affordable housing, will benefit from the “Challenge Grants” and the “Homeless Housing Assistance Grants” provided for in section 9 of this bill.

C. Government Sector Impact:

The Department of Children and Family Services will incur costs in providing support for the newly created State Office on Homelessness and the Council on Homelessness. The bill appropriates \$3 million to fund these administrative costs and the Challenge Grants created in section 9.

The Florida Housing Finance Corporation will incur additional administrative costs in compiling the information regarding the number of homeless persons served under each housing program administered by the corporation.

The Affordable Housing Study Commission may incur additional cost in analyzing solutions and programs to address the state’s need for housing for the homeless.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
