

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 241 Homelessness
SPONSOR(S): Healthcare Council; Culp
TIED BILLS: **IDEN./SIM. BILLS:** SB 786

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Healthy Families</u>	<u>8 Y, 0 N</u>	<u>Preston</u>	<u>Schoolfield</u>
2) <u>Healthcare Council</u>	<u>18 Y, 0 N, As CS</u>	<u>Preston/Massengale</u>	<u>Gormley</u>
3) <u>Policy & Budget Council</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

SUMMARY ANALYSIS

The bill implements idea #99 from the book *100 Innovative Ideas for Florida's Future*. It establishes Housing First, which is an approach to homelessness that stresses the immediate return of individuals and families to independent living, as an alternative to the prevalent system of emergency shelter and transitional housing. The bill:

- Establishes a grant program to provide emergency financial assistance to families facing the loss of their current home due to financial or other crises.
- Defines the phrase "children and youths who are experiencing homelessness" to mirror the federal McKinney-Vento definition.
- Amends the current definition of the term "homeless" to include changes in the proposed federal HEARTH Act.
- Encourages local coalitions for the homeless to adopt the Housing First approach to ending homelessness.
- Encourages the Department of Children and Family Services (DCF or department) and the community-based care lead agencies (CBCs) to develop and implement procedures to reduce the number of young adults who become homeless after leaving the child welfare system.
- Amends the school code definition of "homeless child".
- Repeals s. 414.16, Florida Statutes, relating to an emergency assistance program.

The bill provides an effective date of July 1, 2008.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Safeguard individual liberty – The pilot program created by the bill may increase the ability for young adults aging out of foster care who may be at risk of becoming homeless to remain housed and provided with services.

B. EFFECT OF PROPOSED CHANGES:

Background

The State Office on Homelessness within the department and Council on Homelessness were created in 2001.¹ The State Office on Homelessness coordinates state agency responses to homelessness, serves as a single point of contact on homeless issues in the state, and administers state-funded grant programs that support the activities of the 27 local homeless coalitions.

The Council on Homelessness (council) consists of 15 members representing state agencies, counties, homeless advocacy organizations, and volunteers. The council's duties include coordinating state, local, and private agencies and providers to produce a program and plan for the state's response to the needs of persons who are experiencing homelessness. The council collects and disseminates data and public information, monitors and provides technical assistance to local coalitions, develops policy and legislative proposals, and prepares an annual report and recommendations to the Legislature and the Governor.

Definition of Homeless

The McKinney-Vento Homeless Assistance Act² was the first, and continues to be the only major federal legislative response to homelessness. The McKinney-Vento Act originally consisted of fifteen programs providing a range of services to people who are experiencing homelessness, including emergency shelter, transitional housing, job training, primary health care, education, and some permanent housing. The McKinney-Vento Act contains nine titles. Title I provides a definition of homelessness and Title VII authorizes the Education of Homeless Children and Youths Program. The current McKinney-Vento Act has been amended four times: in 1988, 1990, 1992 and 1994. These amendments have, for the most part, expanded the scope and strengthened the provisions of the original legislation. McKinney-Vento contains a general definition of "homeless individual":

- (a) In general, the term "homeless" or "homeless individual or homeless person" includes —
 - (1) an individual who lacks a fixed, regular, and adequate nighttime residence; and
 - (2) an individual who has a primary nighttime residence that is--
 - (A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
 - (B) an institution that provides a temporary residence for individuals intended to be institutionalized; or
 - (C) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings...

¹ See Chapter 2001-98, Laws of Florida.

² See PL 100-77. The original Stewart B. McKinney Homeless Assistance Act was renamed the McKinney-Vento Homeless Assistance Act in 2000.

(c) ...the term "homeless" or "homeless individual" does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law.³

The McKinney-Vento Homeless Assistance Act also contains a definition of "homeless children and youths" as part of the Education of Homeless Children and Youth Program provisions:

(2) The term "homeless children and youths"--

(A) means individuals who lack a fixed, regular, and adequate nighttime residence (within the meaning of section 103(a)(1)); and

(B) includes--

(i) children and youths who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; are abandoned in hospitals; or are awaiting foster care placement;

(ii) children and youths who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings (within the meaning of section 103(a)(2)(C));

(iii) children and youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and

(iv) migratory children (as such term is defined in section 1309 of the Elementary and Secondary Education Act of 1965) who qualify as homeless for the purposes of this subtitle because the children are living in circumstances described in clauses (i) through (iii).⁴

This defines children and youths who are experiencing homelessness for the purpose of addressing the problems that these children and youth face in enrolling, attending, and succeeding in school. The Education of Homeless Children and Youth Program was reauthorized in 2001 as part of the No Child Left Behind Act. The current definition in s. 420.621, Florida Statutes, reflects the definition of "homeless" or "homeless individual or homeless person" found in McKinney-Vento.

Housing First

For much of the past 20 years, solutions to homelessness in both the public and private sectors have focused on providing individuals and families experiencing homelessness with emergency shelter and/or transitional housing. While emergency shelter may provide access to services for individuals and families in crisis, it often fails to address long-term needs. In addition, emergency shelters and transitional programs rarely assist individuals and families in overcoming the barriers they face in accessing permanent housing, such as poor credit and eviction histories, unemployment, and lack of move-in funds. For those individuals and families who do find permanent housing, the vast majority require a range of supportive services if they are to become and remain stable. However, there is a shortage of support systems for individuals and families who are not living in a shelter or transitional housing program, and most communities either lack programs that address the interconnecting causes of homelessness, or those programs that do exist are not easily accessible.

As states and communities continue to search for solutions to the problem of homelessness, an increasing number are looking at a methodology known as Housing First. "Housing First" is an alternative to the current system of emergency shelter/transitional housing, which tends to prolong the length of time that individuals and families remain homeless. Recognized as a dramatic new response to the problem of homelessness, the housing first approach stresses the immediate return of individuals and families to independent living.

The methodology is premised on the belief that vulnerable and at-risk individuals and families who are homeless are more responsive to interventions and social services support after they are in their own housing, rather than while living in temporary/transitional facilities or housing programs. With

³ McKinney-Vento Homeless Assistance Act, 42 U.S.C. s. 11302.

⁴ McKinney-Vento Homeless Assistance Act, Education for Homeless Children and Youths, 42 U.S.C. ss. 11431 et seq.

permanent housing, these individuals and families can begin to regain the self-confidence and control over their lives they lost when they became homeless.⁵ At the core of the effectiveness of housing first is the concept of empowering individuals to help them identify their own needs, recognize the choices they have, create options for themselves, and plan strategies for permanent change in their lives.

Emerging in a time of shrinking resources, the housing first approach places a great deal of emphasis on reducing duplication of effort and maximizing the effectiveness of community resources. By situating individuals and families experiencing homelessness within the larger community, the program supports human connection. The methodology is a cost-effective model that coordinates many existing systems and services, rather than creating new ones.

Youth Aging Out of Foster Care

Youth homelessness is not uncommon. Although the prevalence of youth homelessness is difficult to measure, researchers estimate that about 5 to 7.7 percent of youth experience homelessness. With at least one million youth on the streets and in shelter, and thousands more leaving juvenile justice, mental health facilities, and leaving foster care systems, the problem of youth homelessness continues to increase.⁶ Many adolescents find transitioning to adulthood difficult, but those who are homeless have even greater obstacles to overcome. Stable housing linked with services is critical to helping youth who are homeless transition to adulthood.

Being homeless has serious consequences for youth. It is particularly dangerous for youth and young adults between the ages of 16 and 24 who do not have a familial support system. Living in shelters or on the streets, unaccompanied youth who are experiencing homelessness are at a higher risk for physical and sexual assault or abuse and physical illness, including HIV/AIDS. It is estimated that 5,000 unaccompanied youth die each year as a result of assault, illness, or suicide. Furthermore, youth who are experiencing homelessness are at a higher risk for anxiety disorders, depression, post-traumatic stress disorder, and suicide due to increased exposure to violence while living on their own. These youth are also more likely to become involved in prostitution, to use and abuse drugs, and to engage in other dangerous and illegal behaviors.

Although the causes for homelessness among youth vary by individual, the primary causes appear to be either family breakdown or systems failure. The same factors that contribute to adult homelessness such as poverty, lack of affordable housing, low education levels, unemployment, mental health, and substance abuse issues can also play a role in both the occurrence and duration of a youth's homelessness.

Although family conflict also plays a part in adult homelessness, the nexus is more critical for youth since they are, by virtue of their developmental stage in life, still largely financially, emotionally, and, depending on their age, legally dependent upon their families. In addition, many youth become homeless due to systems failure of mainstream programs like child welfare, juvenile corrections, and mental health programs. Every year between 20,000 and 25,000 youth ages 16 and older transition from foster care to legal emancipation, or "age out" of the system.⁷ They enter into society with few resources and multiple challenges. As a result, former foster care children and youth are disproportionately represented in the homeless population. Twenty-five percent of former foster youth nationwide reported that they had been homeless at least one night within two-and-a-half to four years after exiting foster care.

⁵ Beyond Shelter. Founded in 1988, the mission of Beyond Shelter is to develop systemic approaches to combat poverty and homelessness among families with children and enhance family economic security and well-being.

⁶ Fundamental Issues to Prevent and End Youth Homelessness. Youth Homelessness Series, Brief No. 1. National Alliance to End Homelessness. May 2006.

⁷ According to the department, in Florida approximately 800 young adults leave the foster care system annually upon reaching their 18th birthday.

The goals of any housing model for youth should be placement in stable housing and preparation for future independent housing. Responding to the needs of youth experiencing homelessness with developmentally appropriate housing models along a housing continuum will increase their ability to live independently in the future. Stable and supportive housing enables young adults to make better transitions to adulthood.⁸

The Bill

The bill implements idea #99 from the Speaker of the House of Representatives' 100 Innovative Ideas for Florida's Future, which is to establish Housing First as an alternative to the prevalent system of emergency shelter and transitional housing. The bill does the following:

- Establishes a grant program to provide emergency financial assistance to families facing the loss of their current home due to financial or other crises.
- Repeals s. 414.16, Florida Statutes, relating to an emergency assistance program.
- Puts into statute a definition for the term "children and youths who are experiencing homelessness" which mirrors the federal McKinney-Vento definition.
- Amends the current definition of the term "homeless" to include changes in the proposed federal HEARTH Act.⁹
- Creates a new section of chapter 420 that encourages local coalitions to adopt the Housing First approach to ending homelessness.
- Creates a new section of chapter 420, related to children and young adults leaving the foster care system, that encourages the Department of Children and Family Services (DCF or department) and the community-based care lead agencies (CBCs) to develop and implement procedures to reduce the number of young adults who become homeless after leaving the system.
- Amends the school code definition of "homeless child".

To date, over eighty national, state, and local coalitions, including homelessness, housing, domestic violence, veterans, youth, and faith-based organizations have endorsed a move to encourage the U.S. Department of Housing and Urban Development (HUD) to adopt a definition of homelessness that is more closely aligned to other federal definitions of homelessness.¹⁰ These advocates and service providers support a broader definition of homelessness for a number of reasons, including:

- The current HUD definition of homelessness is limited to people who are on the streets or who are staying in shelters. It excludes people who are forced to live in other homeless situations, including people living with others temporarily because they have nowhere else to go ("doubled-up"), and people staying in motels due to lack of adequate alternatives.
- Families, children, and youth on their own are disproportionately excluded by the current HUD definition. Families who lose their housing, thus

⁸ Fundamental Issues to Prevent and End Youth Homelessness. Youth Homelessness Series, Brief No. 1. National Alliance to End Homelessness. May 2006.

⁹ The "Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), H.R. 840, reauthorizes the McKinney-Vento Homeless Assistance Programs that are administered by the U.S. Department of Housing and Urban Development (HUD). The Act also provides greater decision making at the local level, more closely aligns the HUD definition of homelessness with other federal agency definitions (including the U.S. Departments of Education and Justice), expands resources for supportive services, provides a framework for greater homelessness prevention activities, and allows communities the flexibility to implement a range of housing solutions.

¹⁰ Those agencies include the U.S. Department of Education, the U.S. Department of Justice, and the U.S. Department of Health and Human Services.

putting their children at risk, may end up with child welfare involvement and the separation of the family. Instead, many homeless families have no choice but to stay temporarily with other people or in motels. Youth on their own also are more likely to “couch surf” due to a lack of other options. In addition, in many areas nationwide, there are no family or youth shelters, or those shelters are full, thus forcing families and youth into other homeless situations.

- The current HUD definition of homelessness does not adequately match the reality of who is homeless in communities. While this is especially true for smaller towns and rural areas, it is also true in urban areas, where many families and unaccompanied youth are excluded from services. Communities should have the flexibility to address homelessness as it exists in their area; the HUD definition currently denies communities that flexibility and prevents them from meeting needs that are being identified.

Questions may be raised about the appropriateness of considering individuals or families homeless when they are “doubled up” and sharing housing due to “cultural preferences,” “voluntary arrangements,” and “traditional networks of support.” However, individuals and families in those living situations would not be considered homeless under the changes to HUD’s definition of homelessness proposed by the HEARTH Act. The only “doubled up” people who would be newly defined as homeless for HUD homeless assistance programs are those who face those circumstances due to “loss of housing, economic hardship, or similar reasons.” Service providers would be able to make eligibility determinations on a case-by-case basis – just as they must currently do when attempting to determine whether a homeless individual meets the federal definition of “chronic” homelessness. The amended definition of the term “homeless” in HB 241 clearly reflects this exception.

Concerns have also been raised that a broader HUD definition would put increased pressure on a limited source of funding. While it is true that increased funding would help more individuals access the services they need, housing and homeless assistance are not entitlements and therefore eligibility expansion will not lead to automatic increases in costs. National organizations involved in advocating policy changes related to homelessness have stated the following:

Moreover, definitions that are better aligned will create more congruence among policies of different agencies, and therefore lead to greater coordination of services, which may increase efficiencies and reduce costs. Similarly, more similar definitions will facilitate data collection and data sharing among agencies.

Most importantly, more closely aligning the HUD definition of homelessness to the definition used by the U.S. Department of Education will give communities the flexibility to serve families and youth who are extremely vulnerable and who they now cannot serve.

Before being concerned with funding levels, it is important for federal agencies to set goals. HUD’s goal should be to end homelessness in the United States. Once that goal has been established, HUD can then utilize available resources to come as close as possible to achieving the goal. In order to most effectively allocate resources, HUD must use a definition of homelessness that is inclusive of the entire homeless population of this country.

Ignoring the real need for housing and homeless assistance by using a scaled down, limited definition of homelessness does nothing to assist policymakers, service providers, and others in making informed decisions about who is impacted by the affordable housing crisis in our communities and how to meet their needs. Only by acknowledging

the extent of homelessness, and by giving communities the ability and the flexibility to respond to it, can we begin to address the causes of and solutions to homelessness.¹¹

The fact that so many national, state, and local organizations support the broadened HUD definition appears to indicate that providers would find this flexibility a welcome and needed change instead of a burden. The end result would be a more effective homeless assistance program based on a realistic count of homeless people in a particular community.

C. SECTION DIRECTORY:

Section 1. Creates s. 414.161, Florida Statutes, relating to homeless prevention grants.

Section 2. Amends s. 420.507, Florida Statutes, relating to powers of the corporation to correct a cross reference.

Section 3. Amends s. 420.621, Florida Statutes, relating to definitions.

Section 4. Amends s. 420.622, Florida Statutes, relating to the State office on Homelessness and the Council on Homelessness.

Section 5. Creates s. 420.6275, Florida Statutes, relating to Housing First.

Section 6. Creates s. 420.628, Florida Statutes, relating to children and adults leaving foster care.

Section 7. Amends s. 1003.01, Florida Statutes, relating to definitions.

Section 8. Amends s. 1003.21, Florida Statutes, relating to school attendance, to conform terminology.

Section 9. Amends s. 1003.22, Florida Statutes, relating to school-entry health examinations and immunization.

Section 10. Repeals s. 414.16, Florida Statutes, relating to an emergency assistance program.

Section 11. Provides an effective date of July 1, 2008.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

¹¹ Child Welfare League of America, National Association for the Education of Homeless Children and Youth, National Health Care for the Homeless Council, National Policy and Advocacy Council on Homelessness, Volunteers of America. A Matter of Definition: Responding to Homelessness Among Families, Children, and Youth. See <http://www.npach.org/newdefinition0725.pdf>.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

Housing First initiatives in communities around the country are beginning to collect data that supports a cost savings compared to the more traditional methods of providing services to persons who are experiencing homelessness. For example, the Denver Housing First Collaborative (DHFC) is a housing first program designed with the goals of increasing the residential stability and overall health status of chronically homeless individuals while reducing the utilization and costs of emergency services being provided to chronically homeless persons with taxpayer funds. A Cost Benefit Analysis focused on examining the actual health and emergency service records of a sample of participants of the DHFC for the 24 month period prior to entering the program and the 24 month period after entering the program.¹² The findings include the following:

- The total emergency related costs for the sample group declined by 72.95 percent, or nearly \$600,000 in the 24 months of participation in the DHFC program compared with the 24 months prior to entry in the program. The total emergency cost savings averaged \$31,545 per participant.
- Utilization of emergency room care, inpatient medical and psychiatric care, detox services, incarceration, and emergency shelter were significantly reduced by participation in the program. Only outpatient health costs increased, as participants were directed to more appropriate and cost effective services by the programs.
- Emergency room visits and costs were reduced by an average of 34.3 percent. Inpatient visits were reduced by 40 percent, while inpatient nights were reduced by 80 percent. Overall inpatient costs were reduced by 66 percent.
- Detox visits were dramatically reduced by 82 percent, with a average cost savings of \$8,732 per person, or 84 percent.
- Incarceration days and costs were reduced by 76 percent, and emergency shelter costs were reduced by an average of \$13,600 per person.
- In addition to saving taxpayers money, local and national evaluations of the DHFC program document overall improvement in the health status and residential stability of program participants. For these persons, who averaged nearly 8 years of homelessness each prior to entering the program, 77 percent of those entering the program continue to be housed in the program. More than 80 percent have maintained their housing for 6 months.

¹² Participants provided releases of information for their medical, psychiatric, legal and substance treatment records and associated costs for the four year period. Cost data from the clinical records were analyzed to determine the emergency room, inpatient medical or psychiatric, outpatient medical, Detox services, incarceration, and shelter costs and utilization.

- Fifty percent of participants have documented improvements in their health status, 43% have improved mental health status, 15% have decreased their substance use, 64% have improved their overall quality of life, the majority of participants have been assisted to obtain the public benefits for which they are eligible, or to obtain employment. The average monthly income of participants increased from \$185 at entry to \$431.
- Finally, the overall quality of life for the community can be significantly improved as the negative impacts of individuals living and sleeping on the streets are reduced.¹³

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

This bill will most definitely help people who find themselves in a homeless situation and will endeavor to emphasize the fact that finding a home first before trying to find counseling or any other type of assistance will help alleviate the fears and problems associated with homelessness.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On January 8, 2008, the Committee on Healthy Families adopted two amendments by the bill sponsor that do the following:

- **Amendment #1** provides a temporary exemption from the requirements of s. 1003.21, Florida Statutes, related to school attendance, for 30 school days to children who are in foster care until the time that they either achieve reunification or a permanent placement.
- **Amendment #2** provides a temporary exemption from the requirements of s. 1003.22, Florida Statutes, related to school-entry health exams and immunization requirements, for 30 school days to children who are in foster care until the time that they either achieve reunification or a permanent placement.

¹³ Denver Housing First Collaborative Cost Benefit Analysis and Program Outcomes Report, Colorado Coalition for the Homeless. December 11, 2006

These exceptions are provided to children in shelter care awaiting foster care placement through the revisions to the definition of the term “children and youths experiencing homelessness” proposed in HB 241.

On April 1, 2008, the Healthcare Council adopted three amendments by the bill sponsor to the bill that do the following:

- **Amendment #3** establishes a grant program to provide emergency financial assistance to families facing the loss of their current home due to financial or other crises.
- **Amendment #4** removes the provisions related to the establishment of a housing pilot program designed to provide housing for young adults aging out of foster care.
- **Amendment #5** removes the appropriation that would have been used to implement the youth pilot and repeals s. 414.16, Florida Statutes, relating to an emergency assistance program.

The bill was reported favorable as amended as a Council Substitute. The analysis reflects the substance of the amendments.