



# MASSACHUSETTS HOUSING AND SHELTER ALLIANCE

INITIATING SOLUTIONS TO END HOMELESSNESS

## ***LINE ITEM 7004-0102 Homeless Individuals Assistance*** **Fact Sheet** **9C Cuts in FY10**

**Background.** The Governor recently proposed a cut to Line Item 7004-0102, Homeless Individuals Assistance, of \$2.7 million. The need for assistance for homeless individuals persists in Massachusetts. Homelessness is the result of numerous and highly diverse circumstances, not a discrete social problem. Programs funded through this line item have grown to provide a great number of social services aimed at moving people out of homelessness and toward housing and self-sufficiency. This line item not only funds shelters, but it also provides a host of critically needed services to move people toward housing. Other programs funded in this line item include the Community Support Program for People Experiencing Chronic Homelessness (CSPECH), which provides case management services for formerly homeless individuals placed into housing, Health Care for the Homeless programs, day service programs and REACH, a unique program that houses the chronically homeless.

These programs have continued serving the poorest of the poor in increasingly creative and effective ways. Yet economic downturns and budget cuts in recent years continue to leave these agencies in tough financial situations. The emergency shelter network is the only residential system of care funded for 12 hours a day, not 24, and unlike many other programs supported by the state, homeless programs in this line item receive, on average, only 70% of their needed funding from the state.

Shelters continue to be inundated with new guests coming from mainstream programs operated and funded by the departments of Public Health, Mental Health, Correction, Social Services, Youth Services and Elder Affairs. Line item 7004-0102 not only funds the safety net for poor people in general, but also for other state agencies that continue to discharge their clients without linkage to the **appropriate** services.

With the emergence of Housing First as a best practice model, supported by data-driven research, many shelter providers are increasing their efforts to provide stable housing for homeless consumers thereby **permanently reducing shelter occupancy**. MHSA has supported this approach and increased flexibility in 7004-0102 that would allow service providers to fund supportive services for those placed into housing.

Line item 7004-0102 was funded at \$37 million in FY 02 and was cut by 18% in FY 03. This funding has never been fully restored. The Governor's 9C cuts that were announced on October 29 will reduce funding in line item 7004-0102 by \$2.7 million; again jeopardizing the funding for the programs that have served as the platform for successfully moving homeless individuals toward housing and self-sufficiency. We advocate that at this critical moment, as the Commonwealth moves toward the goal of ending homelessness, we not lose this platform from which solutions arise.

- Any cuts to line item 7004-0102 will severely impact the housing efforts currently underway.
- These latest cuts represent 93% of the cuts faced by the Department of Housing and Community Development.
- Of the 265 line items that were reduced under the Governor's 9C cuts, only 19 were cut more than the Homeless Individuals Assistance line item.
- A cut in funding at this amount represents the loss of approximately 500 beds to the system.

**Recommendation: Restore Funding at \$36,281,684**