

FY 19 Budget Testimony to Senate Health & Welfare Committee

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Thank you for the opportunity to comment on the House-passed FY 19 budget, and thank you for your long-standing support for funding for affordable housing and programs that help alleviate homelessness.

All of these investments help save greater costs elsewhere in the Human Services budget – whether it's keeping people out of motels, emergency rooms, prisons, psych wards, nursing homes or other, higher cost institutional settings. Vermont suffers from a continued, protracted housing shortage and affordability gap that disproportionately affects the lowest income, most vulnerable Vermonters: seniors, people with mental health and physical disabilities, families with children and the homeless. Nowhere in Vermont can someone working at a low-wage, service sector job, on disability income, Reach Up or Social Security afford a safe, stable place to live without housing assistance. There are many complicated reasons why Vermonters spiral into homelessness, but first and foremost it's because they can't afford that most important foundation without which none of us would succeed in our lives – a place to call home.

The 2017 Point-In-Time census counted 1,225 homeless Vermonters, an 11% increase. 180 families were homeless, which included 43% of the persons counted. 306 (25%) were children; 340 (28%) suffered from severe mental illness; 228 (19%) had a substance use disorder. Earlier this year, Wilda White of Vermont Psychiatric Survivors testified that 75% of the people she interviewed in-depth who had presented at an ER with a mental health crisis were homeless and came to the ER in large part because of their homelessness.

Investments in housing help save greater costs elsewhere in the Human Services budget – keeping people out of emergency rooms, psych wards, state-funded motel rooms, nursing homes, and prison. Two years ago you invested state resources in a Vermont Roadmap to End Homelessness. This key report tells us how we can end homelessness in Vermont in five years, saving money throughout the AHS budget. It tells us that a nine-day stay in the ER costs the same as a full year of supportive housing. It recommends increased state investments in three major areas - the 3-legged stool of affordable housing:

1. Bricks and mortar dollars to create more affordable housing
2. State rental and other housing related financial assistance to fill the affordability gap, and
3. Supportive services to help those with the greatest barriers to accessing and maintaining housing

We recommend the following investments and ask you to include them in your budget memo to Senate Appropriations:

Affordable Housing Development

- Full statutory funding for the **Vermont Housing & Conservation Board**, estimated at \$20.4 million for FY 19 – a \$4.1 million increase over both the House budget and the Governor's recommend

Rental & Housing Related Financial Assistance

- **Vermont Rental Subsidy Program** – \$500,000 increase (\$1.5M total; provides rental assistance for very low-income families who are homeless and would otherwise not be able to afford housing)
- **DMH Subsidy Plus Care Program** – restore \$500,000 FY 16 cut (\$1.5M total; provides rental assistance and supportive services to homeless seriously mentally ill and CRT clients)
- **Corrections Supportive Housing** – restore \$300,000 FY 18 cut (\$7.2M total; funds a variety of programs around the state that provide the housing and community-based supports offenders need to succeed once they leave prison)

Supportive Services

- **Housing Opportunity Program** – \$1M increase (\$7.2M total; program funds operations, staffing, homelessness prevention, and rapid re-housing assistance at emergency shelter, transitional housing, and prevention programs serving all regions of the state)
- **Family Supportive Housing** – \$200,000 increase (\$1M total; provides intensive case management and service coordination to homeless families with children)
- **Housing First** – House passed \$276,000 increase for supportive housing services in Rutland County (\$3.2M total from DMH & DOC; funds permanent supportive housing for people experiencing chronic homelessness and severe and persistent mental illness through long-term, multidisciplinary community supports; estimated cost to expand Housing First into both Rutland and Bennington Counties: \$498,000)
- **Assistive Community Care Services** – \$0.75 increase per diem to ACCS providers (\$111,459 General Fund, \$241,200 gross; program helps elders and people with physical and mental health disabilities to live in assisted living residencies and residential care facilities; providers are not reimbursed for the full cost of services and lose money on every Vermonter they assist)

Lastly, we are deeply concerned about the Governor's \$2 million in unspecified cuts to AHS grants and the \$1.1 million in unspecified cuts to Reach Up service providers. These cuts potentially threaten grants from the successful AHS programs just mentioned. We also urge you to reinvest Reach Up caseload reduction savings in supports for Reach Up families; restore the cut to families with disability income made a few years ago; and reverse the Administration's proposed cuts to Children's Integrated Services and AHS Direct Service funds. In addition, please support the House budget's restoration of the harmful cuts to Developmental Disability Services, Attendant Care, and Legal Aid.

Thanks again for your time.