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**Testimony**

Before the Committee on Government Reform, House of  
Representatives

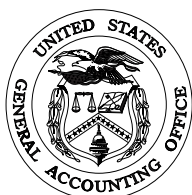
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For Release on Delivery  
Expected at  
12:00 a.m. EST  
Tuesday  
March 23, 1999

**HOMELESSNESS**

**Overview of Current Issues  
and GAO Studies**

Statement of Stanley J. Czerwinski, Associate Director,  
Housing and Community Development Issues,  
Resources, Community, and Economic  
Development Division



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Mr. Chairman and Members of the Committee:

We are here today to provide you with information on GAO's recently issued report<sup>1</sup> and ongoing and planned body of work on homelessness. As you are aware, homelessness has persisted in America for decades. While no one knows exactly how many people in the United States are homeless, according to the most widely accepted estimate, up to 600,000 people may be homeless on any given night. Moreover, the causes of homelessness have become more complex, and its effects are now more widespread than in the past. The homeless population no longer consists primarily of transient adult males but also includes women, families with children, the mentally ill, the unemployed, and those who are dependent on drugs or alcohol. Addressing the needs of homeless people is often a formidable challenge because many of them face a combination of personal, social, and economic problems that prevent them from maintaining permanent housing.

Recognizing that states, localities, and private organizations had been unable to respond to the crisis of homelessness in America, the Congress enacted the Stewart B. McKinney Homeless Assistance Act in 1987. The McKinney Act was the first comprehensive law designed to address the diverse needs of the homeless and was intended to provide both shelter and supportive services.<sup>2</sup> Over time, some McKinney Act programs have been consolidated or eliminated and some new programs have been added.

Recently, several Members of the Congress, including you, Mr. Chairman and Representative Kucinich of this Committee, have become increasingly concerned about the apparent lack of impact that federal programs have had on homelessness. This concern has arisen because federal agencies seem to have made little progress in addressing the root causes of homelessness, and federal programs seldom focus on preventing homelessness. Some congressional leaders are further concerned because, in trying to solve the problems of homeless people, the federal government has created a separate system of programs designed specifically to serve the homeless that often mirror existing federal and state social service programs that serve other populations (generally called mainstream social

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<sup>1</sup>Homelessness: Coordination and Evaluation of Programs Are Essential (RCED-99-49, Feb. 26, 1999).

<sup>2</sup>Supportive services include those that provide day care, education, employment and training, legal assistance, health care, mental health care, and substance abuse treatment.

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service programs)—raising questions about efficiency in the use of limited federal resources. To address some of these issues, GAO initiated a body of work in 1998 on homelessness that we would like to describe for you today. First, we will discuss the results of a recently completed review, and then we will briefly describe four additional pertinent assignments that we have started or planned.

Last month, we completed a study identifying key federal programs that could potentially serve the homeless. Entitled Homelessness: Coordination and Evaluation of Programs Are Essential, this study identifies 50 programs, administered by eight federal agencies, that either are specifically targeted to the homeless or are nontargeted and therefore available to low-income people in general, including those who are homeless. We found that both the targeted and “nontargeted” programs provide an array of services, such as housing, health care, job training, and transportation. In some cases, programs operated by more than one agency offer the same type of service. For example, we found that 23 programs operated by four federal agencies offer housing services, and 26 programs operated by six agencies offer food and nutrition services. We also determined that over \$1.2 billion was obligated in fiscal year 1997 for programs that specifically served the homeless and about \$215 billion was obligated for programs that served low-income populations, including the homeless. Although information is not available on how much of the funding for nontargeted programs is used to assist homeless people, we estimate that a significant portion of the funding is not likely to benefit them.

Given the multiple agencies and the large number of programs that can potentially serve the homeless, we believe that coordination among federal agencies and evaluations of programs’ effectiveness are essential to ensure that these programs achieve their desired outcomes in a cost-effective manner. Through our review, we found that federal efforts to assist the homeless are coordinated in several ways, and many agencies have established performance measures as required by the Government Performance and Results Act of 1993. For example, coordination can take place through the Interagency Council on the Homeless, which brings representatives of federal agencies addressing homelessness together, and through compliance with the requirements of the Results Act. The Results Act requires federal agencies to identify crosscutting responsibilities, specify in their strategic plans how they will work together to avoid unnecessary duplication of effort, and develop appropriate measures for evaluating their programs’ results.

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We found that most agencies that administer targeted programs for the homeless have identified crosscutting responsibilities related to homelessness, but few have attempted the more challenging task of describing how they expect to coordinate their efforts with those of other agencies or develop common outcome measures. In addition, we found that while most federal agencies have established process or output measures for the services they provide to the homeless through their targeted programs, they have not consistently developed results-oriented and outcome measures for homelessness in their plans. While some agencies have developed outcome measures for their targeted programs, other agencies either plan to develop outcome measures in the future or told us that developing such measures would be too difficult. Consequently, we concluded that federal agencies have not yet taken full advantage of the Results Act and that their efforts could be strengthened through increased coordination and the development of common outcome measures for federal programs that serve the homeless.

To address the other issues raised by congressional leaders, we have started or planned work in the following areas:

- State and Local Efforts to Integrate and Evaluate Programs for the Homeless. To provide the wide range of services that homeless people often need, local communities sometimes have to find ways to better integrate their services for the homeless with mainstream social service systems. In addition, some states are increasing their use of outcome measures to ensure that their programs do not only focus on providing services, but also on the goal of moving people out of homelessness. Our ongoing study will describe how some states and localities have tried to (1) link their homeless programs to mainstream social service systems to better serve the homeless and (2) use program outcome evaluations to better manage their programs. For this study, we identified and visited Massachusetts, Minnesota, Ohio, and Washington. According to national experts on homelessness, these states are generally recognized as having made good progress in integrating or evaluating their programs for the homeless. We believe that the examples included in our study will be useful to other communities seeking to better integrate and evaluate their own programs, as well as provide information that can be used by federal agencies attempting similar improvements at the national level.
- Use of Grants Under the Supportive Housing Program to Provide Services to the Homeless. The Congress established the Supportive

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Housing Program as one of the nonemergency housing programs under the McKinney Act.<sup>3</sup> This program recognizes that many homeless people will need supportive services, such as mental health treatment, substance abuse treatment, and employment assistance, along with housing to help them make the transition from homelessness and live as independently as possible. In fiscal year 1997, the Department of Housing and Urban Development obligated \$620 million for this program. These funds were then awarded through a competitive grant process to providers of services for the homeless, nationwide; about 60 percent of the funds were used to provide supportive services. Our ongoing review of the Supportive Housing Program will provide information on the (1) types of housing and supportive services that grant applicants provide for the homeless, (2) other sources of federal and nonfederal funding that grant applicants rely on to fund supportive service programs for the homeless, and (3) the importance of the Supportive Housing Program's funds to grant applicants' programs. To provide this information, we will analyze data obtained through a nationwide survey of about 1,200 service providers who applied for Supportive Housing Program grants.

- Programs That Serve Homeless Veterans. According to the Department of Veterans Affairs (VA), veterans make up about one-third of the adult homeless population. To address the needs of homeless veterans, over the past decade VA has established a number of targeted programs, and in fiscal year 1997 it spent approximately \$84 million on these programs. Our ongoing review of VA's programs for the homeless is designed to (1) describe the various programs that serve homeless veterans, (2) determine what VA knows about the effectiveness of its programs for the homeless, and (3) identify some promising approaches that serve the needs of different groups of homeless veterans.
- Barriers to Accessing Services. We also plan to study the barriers faced by homeless people when they try to gain access to and use services provided by mainstream social service systems. As part of this review, we will determine how existing mainstream social service systems can be changed to facilitate homeless people's access to services. Making mainstream programs and services more accessible to homeless people would expand the range of programs and services available to them.

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<sup>3</sup>The Supportive Housing Program was originally established as a demonstration program; the Congress made the program permanent in 1992.

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In conclusion, Mr. Chairman, homelessness has been and continues to remain a formidable challenge facing our nation. Given the federal government's high level of investment and involvement in developing solutions to this problem, we believe that addressing homelessness will continue to be a priority for the Congress, federal agencies, states and localities, private organizations that serve the homeless, and the public. Consequently, work on homelessness will continue to be important for GAO, and we look forward to providing the Congress and the public with the information they need to address this issue in the future.

Mr. Chairman, this completes our prepared statement. We would be happy to respond to any questions that you or Members of the Committee may have.

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