

## **Analysis of Homeless Definition Changes**

October 24, 2007

Congress is working on reauthorizing HUD's homeless assistance programs. Numerous changes have been proposed to modify eligibility for assistance, including changing the definition of homelessness, creating funding to serve people who are at risk of homelessness, and expanding eligibility in rural and high performing communities.

This analysis shows that the Community Partnership to End Homelessness Act (S. 1518) allows communities to serve people who are doubled up or in precarious situations without the dangerous consequences of a dramatically expanded definition. The definition expansion proposed in the Homeless Emergency Assistance and Rapid Transition to Housing Act (H.R. 840) would likely reduce resources for people who are currently homeless, particularly children, youth, and adults who live in emergency shelters, on the streets, or in other places not meant for human habitation.

### **Impact: Community Partnership to End Homelessness Act**

- Every community could serve people who are at risk of homelessness, including those who are doubled up for economic reasons.
- Rural communities and communities that are successfully reducing homelessness could use more funding to serve people who are doubled up or in other precarious housing situations.
- People who move frequently between friends, family, or hotels (commonly referred to as couch surfing) would be defined as homeless.
- In communities with a large number of families with children or individuals living on the streets or spending long periods of time in shelter, homeless assistance would continue to focus on serving people who are literally homeless.

### **Impact: Expanding the Definition of Homelessness**

- People who are homeless in emergency shelters or transitional housing or on the streets would have to compete for resources with people who are doubled up.
- Resources would shift from serving homeless children and adults living on the streets and in shelters, lengthening their homelessness.
- The expansion would disproportionately hurt veterans and people with disabilities.

### **Recommendations**

- Changes must not reduce assistance to people who are currently homeless.
- As accurately as possible, the definition of homelessness should include people who are literally homeless.
- The definition of homelessness should be clear and specific.

## Analysis: An Expanded Definition

### **How many people are doubled up and experiencing economic hardship?**

The Alliance analyzed 2005 American Community Survey data and found that between 2.4 and 10.5 million people are doubled up and face economic hardship. Based on one set of criteria—people who are below the poverty line and living with friends or relatives, but do not identify themselves as partners or roommates—the Alliance estimates that there are 3.8 million people doubled up. This change alone would increase the number of homeless people by a factor of five.

### **What are the drawbacks of dramatically expanding the definition of homelessness?**

HUD's homeless assistance programs have nowhere near the resources needed to serve people who are currently homeless. Each night, 44 percent of homeless people—322,000 children, youth, and adults—are unsheltered. Without a commensurate increase in homeless assistance resources, expanding the definition of homelessness could leave more families and individuals, particularly veterans and those with disabilities, living in emergency shelters and on the streets.

Expanding the definition of homelessness would divert resources from serving families and individuals who are living in emergency shelters or living on the streets to serve people living doubled up. For every doubled up child with a disability served, a literally homeless child with a disability would not be served. For every domestic violence survivor living with family members who is served, a domestic violence survivor living on the streets or in shelter would not be served. Serving a young person staying with friends would come at the expense of serving a young person who has no friends or family he or she can stay with.

The groups most likely to be harmed by this change include veterans and people with disabilities, such as mental illness or chronic health problems. Veterans and people with disabilities are disproportionately more likely to be homeless than people who are doubled up. The situation is particularly stark for homeless veterans. Fewer than 3 percent of people who live doubled up are veterans, while 26 percent of people who are literally homeless are veterans. Any shift of resources from people who are living on the streets or in shelters to people living doubled up would likely reduce the amount of resources serving veterans and people with disabilities.

Expanding the definition of homelessness is similar to other recent efforts to reduce the focus of housing programs on the most acute housing needs. For example, Congress has considered proposals to eliminate targeting of Section 8 to extremely low income households and to reduce targeting of the proposed National Affordable Housing Trust Fund. In each case, arguments were made that the changes were needed to increase local flexibility, and in each case, Congress correctly maintained the focus on the most acute housing needs.

### **What are the benefits of expanding the definition of homelessness?**

There would be few benefits to significantly expanding the definition of homelessness. Most doubled up people would not benefit from and do not want the assistance provided by HUD homeless assistance programs. What they need and want is affordable housing. Currently, through its Section 8 and Public Housing Programs, HUD assists approximately 4.5 million households, about a quarter of those who are eligible.<sup>1</sup> If the definition of homelessness were expanded to include people doubled up with economic hardship, there would be approximately 4.6 million people competing for approximately 209,000 beds of permanent supportive housing, a ratio of over twenty to one.<sup>2</sup> Even under an expanded definition of homelessness, doubled up households would have a far better chance of getting permanent affordable housing through HUD's Section 8 and Public Housing programs than through homeless assistance programs.

There are, however, several circumstances when it would be beneficial for homeless assistance programs to serve people not covered under the current definition of homelessness:

- While most people in doubled up situations have a relatively stable living situation, there are some who do not. They move frequently between family, friends, and occasionally hotels, a situation commonly referred to as couch surfing.
- Some rural areas have low rates of homelessness or have many people who live in extremely poor housing conditions because there is no emergency shelter.
- Communities that make significant progress toward reducing homelessness may be more effective by focusing resources on prevention.
- Communities should have some homeless assistance resources available to prevent homelessness for people who are highly likely to become homeless without assistance.

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<sup>1</sup> *The State of the Nation's Housing 2007*. Joint Center for Housing Studies, Harvard University.

<sup>2</sup> *Annual Homeless Assessment Report*. U.S. Department of Housing and Urban Development. 2007

## **Analysis: The Community Partnership to End Homelessness Act**

The Community Partnership to End Homelessness Act (S. 1518) was unanimously approved by the Senate Banking Committee in September. It gives communities new resources to serve people living doubled up or on the brink of homelessness without removing the focus or resources from people who are literally homeless—living in an emergency shelter, transitional housing program, or sleeping on the streets or in other places not meant for human habitation. Further, it expands the definition of homelessness to include people who do not meet the current definition but who are homeless—those who move frequently and live doubled up or in a hotel.

### **Serving People At Risk of Homelessness**

Communities would receive formula funding to prevent homelessness or to find more appropriate housing for people at very high risk of becoming homeless, including people who are doubled up, living in hotels, about to be evicted, or in other precarious situations.

### **Enabling Successful Communities to Focus on Prevention**

If a community can successfully meet the needs of everyone who is literally homeless, it makes sense for them to be able to start using HUD homeless assistance to help people with less acute housing needs, but who may be at risk of becoming homeless. The Senate's bill would allow them to do so.

### **More Flexibility for Rural Areas**

Many rural areas lack shelters and people may live in severely substandard housing or doubled up. Under the Community Partnership to End Homelessness Act, rural communities would determine who they should serve, including people who are homeless or in the worst housing conditions in their community.

### **People Who Are “Couch Surfing” Are Homeless**

Homeless assistance providers have identified a group of people who move frequently between hotels or the housing of friends, family, and occasionally strangers—a process commonly known as "couch surfing." They are not stably housed and the Senate's bill would define them as homeless.

## Recommendations: Principles for Moving Forward

Congress should use the following criteria to identify who is homeless and who should be served by HUD's homeless assistance programs.

**At a minimum, reauthorization must not reduce resources that serve people who are currently homeless.**

By dramatically increasing the number of people eligible for all of HUD's homeless assistance resources without a proportionate increase in resources, the HEARTH Act would likely divert resources that would serve children, youth, and adults who are living on the streets and in emergency shelters.

**The definition of homelessness should describe people who are literally homeless.**

People who are at risk of becoming homeless or in a poor housing situation should not be defined as homeless simply because they may have a housing related problem. There are better ways to address their needs, including through mainstream housing programs, or by using homeless assistance resources targeted to improve their housing stability. Simply defining them as homeless will not effectively address their needs, and it will divert resources from serving people who are literally homeless.

**The definition of homelessness should be as clear and specific as possible.**

Communities need to be able to accurately assess the number of homeless people and determine whether their strategies are having a positive impact. A vague definition of homelessness that is frequently being reinterpreted will undermine the planning and performance assessment that are necessary to ensure that communities are making tangible progress.