

# **NEW JERSEY ADVOCACY NETWORK TO END HOMELESSNESS**

## **Testimony before the Senate Budget and Appropriations Committee On S2354, the Homeless Trust Fund Bill**

My name is Richard W. Brown.

I am here today on behalf of the New Jersey Advocacy Network to End Homelessness, in favor of S2354 the Homeless Trust Fund bill.

In March, we had several speakers from across the state speak in favor of this bill. They included Freeholder Blanquita B. Valenti of Middlesex County, Freeholder Terry Duffy of Passaic County, Sandra D. Jackson, Vice President of Adult Programs, Dooley House and Chair of Permanent Affordable and Supportive Housing (PASH) of the Homeless Network Planning Committee of Camden County and, Daniel A. Altilio, President and CPO of the United Way of Hudson County. In addition, Catherine A. DeCheser the President of CPAC in Camden County submitted written testimony.

Today we have more than one hundred (100) concerned citizens, formerly homeless people, passionate advocates and housing providers attended the hearing of the Senate Budget and Appropriations Committee. All of them wanted to speak today because of the importance of this piece of legislation.

However, out of respect for the members of the committee, it was agreed that only I would speak today.

I want to highlight some of the key parts of this bill.

Both A3101 and S2354, which are identical, permit a county to establish a surcharge of \$3 on each document recorded with a county, for deposit into a county homelessness trust fund, five per cent of which may be used annually for administrative costs related to the administration of the fund, and the remainder of the monies in the fund may be used solely for the operation of a homelessness housing grant program.

The key is that the fund and the surcharge are optional. A county would need a plan to end homelessness as well as affirmatively opt in to establish a Homeless Trust Fund and collect the surcharge. In previous testimony before this and other committees, freeholders from counties with plans have spoken about why they favor this legislation. They have been the driving force for this legislation because of the benefits they see for their communities.

One of these benefits is the ability to leverage other resources. Counties that have established these funds in other states have reported leveraging their trust fund dollars with other public and private funding sources at an average rate of 1:5.

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In addition, these funds are an investment in ending homelessness and not in managing a problem that only grows larger and more expensive every year. The counties that support this bill have plans to end homelessness and want to have local resources that they can use to change the homeless delivery system.

The types of programs that will be funded by the Homeless Trust Fund are evidence based best practices that have saved tax payer resources by reducing emergency room visits, imprisonment and other related costs. On average, these programs save \$30,000 a year in public sector costs per person.

The uses are:

1. for the acquisition, construction, or rehabilitation of housing projects, or units within housing projects, that supply permanent affordable housing for homeless persons or families, including those at risk of homelessness;
2. rental assistance vouchers, including tenant and project based subsidies, for affordable housing projects or units within housing projects that provide permanent affordable housing for homeless persons or families, including those at risk of homelessness;
3. supportive services as may be required by homeless individuals or families in order to obtain or maintain, or both, permanent affordable housing; and
4. Prevention services for at risk homeless individuals or families so that they can obtain and maintain permanent affordable housing.

The choice we face in New Jersey is one between continuing to manage homelessness or making a decision to end homelessness.

If we continue the current course of action, our public sector costs will only increase. These costs will be in the form of health care, corrections and hospital costs as our emergency rooms, jails and prisons, and state hospitals continue to be the de facto shelters for the homelessness.

This piece of legislation will allow the counties that choose to establish a trust fund to begin to lower those costs as they end homelessness in their communities.

When we prepare our 2009 Legislative Report Card, this will be one of the issues that we will include in the scoring.

We encourage each member of the Budget and Appropriations Committee to support S2354 in the vote at the Senate Budget and Appropriations Committee as well as on the floor of the Senate.