Senate Bill 1803 Self-Sufficiency Optimization Scale

Testimony Before the Texas Senate Local Government Committee

Chairman Bettencourt and Members of the Committee:

My name is Michele Steeb. I am appearing on behalf of the Texas Public Policy Foundation testifying in support of Senate Bill 1803 relating to the effectiveness of state-funded homeless programs at helping beneficiaries advance toward self-sufficiency.

Homelessness is rising rapidly across the United States. Texas is, unfortunately, not immune. Between 2016 and 2020 (the latest data available), the number of homeless Texans increased by 17.8% according to the Department of Housing and Urban Development (HUD) Annual Homeless Assessment Report.

HUD is the federal agency responsible for national policy to address America's homeless population. It is also the largest provider of homelessness assistance funding. Of important note, the majority of this funding is distributed via counties and Continuum of Cares (CoCs)—regional bodies established and empowered by HUD to coordinate and allocate its funding—thus HUD often drives local policy as well.

In 2013, HUD implemented a major shift in homeless policy that precipitated the growth in homelessness we confront today. They defunded all services such as mental health and substance abuse counseling—and employment training—to instead concentrate on the provision of permanent housing vouchers. With few exceptions, these are "subsidized for life" housing vouchers that are provided without preconditions, meaning no expectation of work or sobriety ever. What's more, the housed—nearly 80% of whom struggle with mental illness and addiction—are given the choice of whether to engage in treatment services such as mental health and substance abuse counseling, despite a reduced capacity to do so due to a corollary disease called Anosognosia—a deficit of self-awareness.

The primary metric of "success" for HUD funding recipients—including Texas counties and CoCs—is permanently and stably housed over a period of six months. Gone is any measurement of progress toward an individual increasing their well-being and increasing their capabilities in order to become self-sustaining.

Self-sufficiency is achievable for the majority of those struggling with homelessness, with the proper support services and incentives. For the small minority for whom full self-sufficiency may not be possible—the chronically homeless with severe mental illness and substance use disorder, which represents 10–20% of the overall population—the goal of improved health and capability should be no different.

SB 1803 seeks to ensure that state funding be supports improved well-being and capability for Texans struggling with homelessness. Accordingly, the Self-Sufficiency Optimization Scale will be the mechanism through which the state will determine the efficacy of an agency, a county, or nonprofit in helping the homeless advance toward self-sufficiency—to focus beyond "housed". Audit data can then be used to determine future funding allocations.

It is crucial that this committee pass SB 1803 to shift the HUD-driven narrative from what government can do to sustain the homeless to a Texas narrative: "What a liberated individual can do for themselves once healed and empowered." Texas will be the first state in the nation to do so!

Thank you for your time and consideration.

Michele Steeb is a senior fellow for the Texas Public Policy Foundation's Homeless Policy Reform initiative and author of Answers Behind the Red Door: Battling the Homeless Epidemic. Prior to her role at the Foundation, Michele served as CEO of Saint John's Program for Real Change in Sacramento. During her 13-year tenure, she transformed the 30-day shelter into a comprehensive, 18-month program that served 800 women and children annually by helping them address and overcome the root causes of their homelessness.

In 2012, Governor Brown appointed Michele to the California Prison Industry Authority Board- an agency that provides employment training and rehabilitative services to incarcerated individuals- where she served for eight years before relocating to Texas with her family.

Texas Public Policy Foundation