

RESCUE THE HOMELESS RESPONSE SYSTEM

FACT SHEET—Strengthen Community-based Homeless Response Organizations and Provide Pay Equity for Their Essential Frontline Staff



The Current Situation

Connecticut's Homeless Response System has been historically underfunded. The pandemic and the increase in homelessness in our state, **up 39%*** this year, has put added pressure on an already overstressed system. Rising costs, including payroll, health insurance, utilities and rent, have made matters more dire, further challenging the nonprofits providing critical homeless services.

Preventing and ending homelessness rests squarely on the shoulders of community-based non-profits and the frontline professionals they employ. Every day these essential workers assist people in navigating one of life's most devastating circumstances—finding themselves and their family homeless. While their work is critical, they are considerably underpaid and many are, themselves, just one paycheck away from homelessness.

Rising costs of health insurance, rent, utilities and other goods and services make it impossible for organizations to offer competitive salaries, severely limiting the to recruit, hire, train, and retain qualified frontline staff. We've reached a crisis point.

*By-Name-List Version 1 (BNL V.1) 2021-2022

What is Connecticut's Homeless Response System?

Community-based nonprofit organizations provide shelter, homeless outreach, diversion, rapid re-housing, housing navigation, supportive housing, housing case management, and call center assistance. Additionally, they activate and operate the Cold Weather Emergency Response System when the Governor declares a cold weather emergency. They are on the front line of Connecticut's homeless response system. As part of the state's safety net, their services are just as critical as first responders.

Budget Request

CT CAN End Homelessness requests **\$50 million**, of which **\$37,046,452** will fund two critical needs:

1. One-time adjustment to existing state contracts to address the financial shortfalls facing homeless response organizations due to higher operating costs. These higher costs are driven by the pandemic, inflation, and years of underinvestment in the homeless response system.
2. Establish a livable and competitive wage in the sector for frontline workers, whose essential services help mitigate the adverse medical, financial and social effects of homelessness on individuals, families, local communities and the state. Wage equity will contribute to our ability to recruit, retain and train staff to deliver services, run community-based programs, operate emergency programs, and transform these positions from underappreciated jobs to careers of choice.

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Budget Request (Cont.)

The funding request is designated as follows:

- ⇒ **\$28,155,326** increase in DOH Housing/Homeless Services line
- ⇒ **\$7,713,799** increase in DMHAS Housing/Supports Services line
- ⇒ **\$967,373** increase in DOH Homeless Youth line
- ⇒ **\$209,954** increase in DOH Municipal Housing/Homeless Services line

This request accounts for direct and non-direct wage inflation and increases in the Consumer Price Index since 2016. Hereafter, increases should be tied to increases in the general price increases in the State of Connecticut. This funding also accounts for the loss of critical Emergency Solutions Grants-CARES Act (ESG-CV) funding from the federal government set to expire in June 2023.

This funding would allow Connecticut's homeless response system to work as designed – to respond to people's housing emergencies and allow housing and homeless service providers to hire and retain qualified staff.

The Benefits

- ⇒ Better equip homeless services providers to support individuals, families and youth experiencing homelessness.
- ⇒ Provide the necessary resources for staff and operational capacity, ensuring that Connecticut's Homeless Response System is able to respond to housing crises quickly and effectively, provide compensation to essential workers for essential work, and ultimately ensure homelessness is infrequent and short-term, saving lives and public dollars.
- ⇒ Increase exits from homelessness to housing, improved housing stability and income, and improved overall health and well-being of participants.
- ⇒ Savings to the State: Homelessness currently costs the state **\$100+ million** a year.
- ⇒ Reduction in chronic homelessness, which costs the state **79% more**, due to high-cost emergency health care and public mental health services, and cycling rapidly through various public institutions at a high cost to taxpayers.
- ⇒ Housing stability = employment stability, contributing to our state's economic vitality.
- ⇒ Improves overall wellbeing, especially for children who are traumatized emotionally, socially, and academically when living with housing insecurity or being homeless.