

- SUBJECT:** Funding projects to address homelessness, mental illness, substance abuse
- COMMITTEE:** Public Health — committee substitute recommended
- VOTE:** 7 ayes — Kolkhorst, Naishtat, Coleman, Collier, Cortez, S. Davis, Guerra
4 nays — S. King, Laubenberg, J.D. Sheffield, Zedler
- WITNESSES:** For — Jay Dunn, The Bridge; Lee Johnson, Texas Council of Community Centers; Gyl Switzer, Mental Health America of Texas; (*Registered, but did not testify*: Randy Cain, City of Dallas; Melody Chatelle, United Ways of Texas; Mindy Ellmer, Haven for Hope; Laurie Glaze, One Voice Texas; Marilyn Hartman; Cynthia Humphrey, Association of Substance Abuse Programs; Kathryn Lewis, Disability Rights Texas; Katharine Ligon, Center for Public Policy Priorities; Susan Milam, National Association of Social Workers – Texas Chapter; TJ Patterson, City of Fort Worth; Michelle Romero, Texas Medical Association; Josette Saxton, Texans Care for Children; Jim Short, Harris County; Andrea Usanga, Mental Health America of Greater Houston; Eric Woomer, Federation of Texas Psychiatry)

Against — None

On — (*Registered, but did not testify*: Lauren Lacefield Lewis, DSHS)
- DIGEST:** CSHB 2887 would require the Department of State Health Services to fund collaborative community projects that address homelessness, mental illness, and substance abuse.
- Grants.** If appropriated funds for this purpose, the department would have to make grants to community organizations and local entities, among others, to establish or expand collaborative community projects. These projects would bring together the public and private sectors to provide services and care to individuals affected by homelessness, mental illness, and substance abuse. A department’s grant could not be more \$7.5 million and would need to be matched by a private funding source.
- Acceptable projects.** An entity would have to use the department’s grant and private funding to establish or expand a collaborative community

project, and the project would need to be self-sustaining within seven years. Acceptable uses for the money would include infrastructure development, start-up costs, service provider operations, and the provision of services, among others.

If appropriate, an entity would have to utilize the department's Texas Electronic Registrar, transportation plans, and case managers. An entity would need to consider mentoring and volunteering opportunities, ways to help homeless youths, families and the recently incarcerated, and services for veterans. The entity would also have to consider ways for the targeted populations to help with the planning, governance, and oversight of the project. Ultimately, the projects would need to focus on successfully integrating individuals into the community.

Outcome measures. Each entity that received a grant would need to pick four outcome measures on which to focus through the implementation and operation of the project. The bill would specify seven possible outcome measures, primarily involving employment, housing, and decreased utilization of state services. A department could approve other outcome measures that addressed specific community needs.

Rules and review. The department would have to contract with a third party to assess whether a project is achieving the selected outcome measures. The department would need to develop procedures to reduce or terminate funding if a project is not achieving its outcome measures or is not self-sustaining after seven years. If this happened, the department would have to competitively redistribute the funds to high-performing projects. The executive commissioner of the Health and Human Services Commission would need to establish any rules needed to implement the grant program.

This bill would take effect on September 1, 2013.

**SUPPORTERS
SAY:**

CSHB 2887 would help break the cycle of homelessness, mental illness, and substance abuse by requiring the public and private sector to coordinate care. Without the proper the community services and supports, too many individuals will continue to struggle with these issues. The bill would provide funds and flexibility, allowing a local entity to develop a project that effectively addressed their community's unique needs.

Although opponents are concerned about the cost of the bill, there is

evidence that these projects could actually produce long-term cost savings to the state by reducing expensive incarcerations and hospitalizations. Further, these projects would require a private funding source, which also would reduce the cost to the state.

**OPPONENTS
SAY:**

CSHB 2887 would not be financially prudent. These projects aim to serve a worthy cause, but would cost the state too much money.

NOTES:

CSHB 2887 would have a negative fiscal impact of \$25.5 million through fiscal year 2015, primarily to fund grants to local entities.