Facing a cost of more than \$1 billion, Healey proposes dramatic changes to emergency shelter system

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Governor Maura Healey said Friday she will seek to cap stays in emergency shelters for homeless and migrant families to six months, marking her latest effort to contain spending within a strained shelter system that is projected to cost the state nearly \$1.1 billion this fiscal year.

If approved by the Legislature, Healey's proposal would slice three months off the maximum time families are allowed in shelters, which itself was among the first restrictions the state put on shelter stays since the inception of <u>Massachusetts' right-to-shelter law</u> four decades ago.

The proposal is one of several dramatic changes Healey's administration will impose — or try to impose — in the coming weeks and months. State officials said Friday they intend to "phase out" the use of hotels and motels to shelter homeless families, a task that proved a years-long effort for Healey's predecessor. Healey said she will also ask lawmakers to increase subsidies available to families looking for long-term housing to help move more of them out of shelter.

More immediately, state officials said they are creating a new, two-track system for eligible homeless and migrant families seeking shelter. Starting Dec. 10, many families will be allowed to stay for 30 business days in so-called temporary respite centers; they're <u>currently capped at five days</u>, which critics have argued is "<u>cruel</u>" and has helped <u>push families to the street</u>.

The state had previously had a <u>30-day limit on overflow shelters</u>, sites that served as precursors to the temporary respite centers.

Families considered high-risk, such as women who have late-term pregnancies or families that include people with intellectual or developmental disabilities, will be allowed to stay for months under what state officials called a longer-term track.

Exactly how long they'd be allowed to stay could change. The Legislature passed a law in the spring <u>setting a nine-month limit</u> on most homeless families, but state officials say they want to lower the cap to six months, which

would require approval from lawmakers. State officials also want to change the criteria used to determine when a family is granted an extension, which currently can go to veterans, single parents, or others.

There are more than 7,000 families in the shelter system, according to state data. As of last week, 234 were in respite centers.

"We want to be clear with families: We are seeking six [months] so nobody feels they don't have the right expectations," Lieutenant Governor Kim Driscoll said in a phone interview Friday. "We think six months is achievable. I anticipate if folks can find housing sooner than six months, they'll take it."

Under the new system, families will not be able to choose between tracks for shelter they enter, and those who are given access to "intensive services" at a temporary respite center will not be eligible for placement in longer-term shelter, officials said.

Driscoll said she did not have a projection of how much the various changes could reduce costs, but said the administration is aiming to eventually limit costs to \$350 million per year.

The proposed changes build on the <u>broad recommendations a state</u> <u>commission</u> made earlier this week, including to reduce the state's reliance on hotels and motels for shelter and make the system more "fiscally sustainable." Driscoll, who chaired the commission, said the state's current approach is "not sustainable," with costs projected to reach \$1.09 billion this fiscal year.

Aides to House Speaker Ron Mariano and Senate President Karen E. Spilka said Friday they will review any bill that Healey files. "The House has been consistently open to discussions around how to ensure that the shelter system can remain viable in the long term," said Max Ratner, a Mariano spokesperson.

Gray Milkowski, a Spilka spokesperson, said the chamber is "proud of how the state has confronted a humanitarian crisis with both empathy and fiscal prudence."

The proposal stunned some advocates. Andrea Park, a staff attorney at the Massachusetts Law Reform Institute, said the current nine-month limit is already too little time for some families, and that barring families from being eligible for longer-term shelter once they're on the short-term track is a "very fundamental change" without legislative involvement.

"This is saying there is a category of people who are [shelter] eligible, but they're not eligible enough. That's potentially problematic," Park said. "Every change that has happened has been about restricting time, restricting access. We haven't seen a lot of details about the supports" families are getting.

Driscoll said the separate goal of phasing out the use of hotels would stretch across both this and next fiscal year. Currently, the state is housing families in 56 hotels or motels, she said, and "our goal is to go one by one."

"It's really dependent on how quickly our team can find housing" for families, she said.

Healey's predecessor, Charlie Baker, similarly moved to wean the system off using hotels and motels. His administration steadily cut the number of families staying in them, from 1,500 in 2015 to just a few dozen by fall 2018, when Baker won reelection. Then, as more migrant families entered Massachusetts, the <u>number began climbing again</u> as Baker prepared to leave office last year.

The state faces a far greater challenge now. More than double the number of families -3,369 — were in hotels as of Thursday, according to state data, and Massachusetts' housing crunch has only intensified in the decade since Baker first took office.

Phasing out hotels as housing is "an important goal and I support the goal. But what we're experiencing here is a major crisis in housing for the entire Commonwealth, for everybody. And the housing crisis has only gotten more acute," said Jeffrey Thielman, chief executive of the migrant aid nonprofit International Institute of New England. Staying in a hotel "should be very short term — in a perfect world."

The state will need the Legislature to approve hundreds of millions more this fiscal year for the shelter system, officials have said. Healey intends to file a supplemental spending bill that would ask for more money for the remainder of the fiscal year, as well propose that the rental stipend families can receive under the state's HomeBase program increase from \$15,000 per family per year to \$25,000 per family per year.

<u>HomeBASE</u> is currently designed to pair homeless families with landlords who have vacant units, and then subsidize rent and other expenses for up to three years. But in exchange for a higher allowance, Healey wants to limit the benefit to two years instead of three, to "manage expectations" as the state

tries to funnel families into permanent housing, according to her administration.

The program is viewed as a key piece in helping find long-term housing, but advocates have said it's also backed up and laden with red tape, meaning some applicants are missing out on vacant apartments, the <u>Globe has reported</u>.

In a statement, Healey touted improvements in a system that has, for most of the last two years, been overwhelmed, including by migrant families entering the state. Currently, <u>roughly 7,100 families</u> are in shelter, with 15 to 18 families on average seeking shelter every day. But that's a steep drop from the up to 40 families who were seeking shelter per day at its peak, according to Healey administration officials. Currently, about 65 percent of families in the system are considered "long-term Massachusetts" residents.

Healey said the "size of the system has remained stable for the past year."

Still, "more needs to be done so that Massachusetts taxpayers do not continue to be on the hook for this federal problem," Healey said in a statement.