



**House  
Legislative  
Analysis  
Section**

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**HOMELESS: PROVIDE SHELTERS**

**RECEIVED**

House Bill 4188 as introduced  
First Analysis (5-06-87)

**MAY 22 1987**

Sponsor: Rep. Ethel Terrell  
Committee: Civil Rights

Mich. State Law Library

***THE APPARENT PROBLEM:***

In 1986, the Governor's Task Force on the Homeless estimated that 90,000 people may be homeless in Michigan. This is a group of individuals and families that traditional social programs have failed to accommodate. They have been displaced from their homes through unemployment, domestic violence, illness, and other crises. The legislature appropriated \$5 million in fiscal year 1986 to be used by the Department of Social Services (DSS) in support of local agencies serving the homeless. These shelters are overtaxed by the burden of serving individuals with multiple problems and operate on a very tenuous funding base. Many shelters continually open and close and experience high levels of staff turnover because they have difficulties meeting payroll commitments. The task force recommended that every major city in Michigan have shelter space available on a 24-hour basis and that additional resources be committed to alleviating the inadequacies of services to the homeless population of the state.

***THE CONTENT OF THE BILL:***

The bill would amend the Social Welfare Act to create a shelter-for-the-homeless fund within the state treasury that would be funded by contributions from individuals, corporations, or associations and could receive federal or state appropriations. The bill would require DSS to use the fund to contractually support shelters for people left homeless due to unemployment, domestic conflict, illness or other emergencies until they are able to return to regular residential housing. The department could seek and accept donations of goods and services for the shelters.

MCL 400.18e and 400.18f

***BACKGROUND INFORMATION:***

A similar bill, House Bill 5463, passed the House in 1986.

***FISCAL IMPLICATIONS:***

The House Fiscal Agency reports that the bill would have no fiscal implications. (5-5-87)

***ARGUMENTS:***

***For:***

The creation of a shelter-for-the-homeless fund would provide an additional source of money for the Department of Social Services to use in providing temporary shelter to the homeless in Michigan. The Governor's Task Force on the Homeless clearly indicated the need for increased resources to deal with the problem of homelessness in Michigan.

***Against:***

The bill would only set up a fund for providing shelter for the homeless and permit various sources to contribute to the fund. It would not, however, mandate or ascertain that

any money accrues to the account. If the fund yielded no additional financing, the bill would not provide anything new. The Department of Social Services already contracts with local public and private agencies to provide temporary shelter to homeless people. In order to improve or expand those services they need more money. (Note: House Bill 4191, which would allow taxpayers to designate their entire state tax obligation to the fund for the homeless, is tie-barred to House Bill 4188 and currently in the House Taxation Committee.)

***Against:***

Homelessness is not only a problem in itself but is actually the result of many other problems. Financing an effort to temporarily house the homeless is of little benefit to society if it is not accompanied by funds for assisting transitionally homeless persons to become self-sufficient. The Governor's Task Force on the Homeless reported that while costs of providing emergency housing and managing the case of a homeless individual may be as little as \$25 per day, the average daily costs for providing hospitalization, institutionalization, and intensive substance-abuse treatment can be as much as \$100 to \$300. Thus, providing increased funding for the temporary shelter of the homeless will have few constructive long-range effects if it is not accompanied by increased funding for assistance to homeless people such as job training and for the provision of low income housing.

***POSITIONS:***

The Department of Social Services supports the concept of the bill. (5-5-87)

H.B. 4188 (5-6-87)