



CATHOLIC CHARITIES  
of St. Paul and Minneapolis

1200 Second Avenue South  
Minneapolis, MN 55403  
612-204-8500  
cctwincities.org

May 3, 2021

Representative Tina Liebling, Chair  
Representative Jennifer Schultz  
Representative Aisha Gomez  
Representative Dave Pinto  
Representative Joe Schomacker

Senator Michelle Benson, Chair  
Senator Jim Abeler  
Senator Paul Utke  
Senator Mark Koran  
Senator John Hoffman

**RE: HF2128/SF2360 (HHS Omnibus Budget Bill) – Housing and Homelessness**

Chair Liebling, Chair Benson and Members of the HHS Conference Committee,

The state's biennial budget presents Minnesota with an opportunity to make long overdue investments needed to address our state's housing and homelessness crisis, which existed prior to the COVID-19 pandemic and which will persist afterward unless we commit to bold actions now. As you negotiate the final terms of the HHS omnibus budget bill, we urge you to include these provisions, which received strong bipartisan support throughout session and build on existing programs with a track record of results:

**Emergency Services Program (ESP)**

**We ask you to adopt the House position to invest \$9 million in annual funding for the Emergency Services Program (HF315/SF455).** Emergency shelters have been working tirelessly on the frontlines since before the pandemic to respond to our state's housing and homelessness crisis, and the need for their services will remain long after COVID-19 has gone.

ESP is the state's most flexible funding source for emergency shelters. It can be used for operations and services like housing navigators, medical and mental health help, employment counseling and job placements, transportation and more. The House's proposed investment will fill a critical gap in public funding for our state's emergency shelter system, providing the resources needed to strengthen and stabilize shelter operations across Minnesota, while also giving flexibility to pursue locally driven solutions to the homelessness crisis.

**Housing Support**

**We ask you to adopt the Senate position to strengthen Housing Support (SF319/HF601).** This provision would increase base rate funding by \$100 per month for recipients living in community settings—those places where individuals have their own lease—allowing providers to work directly with private market landlords across Minnesota to create more pathways to stable housing. It represents a unique public-private partnership serving nearly 5,000 individuals at risk of homelessness, with the potential to serve more in all regions of the state.

We appreciate that both the Senate and House include language allowing for extended Housing Support absences for individuals seeking healthcare treatment. Housing Support recipients are currently limited to 18-day absences before losing their housing benefit. For those requiring hospitalization for chronic medical conditions or longer-term substance use or mental health treatment, this forces them to choose between their apartment key or their health. This much-needed policy update will ensure tenants have the peace of mind knowing they can get the treatment they need and still have a home to return to after.

*Catholic Charities serves those most in need. We are a leader at solving poverty, creating opportunity, and advocating for justice in the community.*

The COVID-19 pandemic has repeatedly called attention to housing as healthcare and to the inequities that exist in our housing and healthcare systems. As our state begins to build back to better, we need sustainable state investments for both the Emergency Services Program (ESP) and Housing Support so we can meet the needs of those in immediate crisis and move them forward to a stable home.

### **Recuperative Care**

**We also ask you to include the Senate position on recuperative care.** Recuperative care decreases emergency room visits and hospital readmissions, helps prevent the need for higher-cost components of medical care, and provides a safe place for people experiencing homelessness to heal. Catholic Charities currently operates recuperative care programs as part of innovate partnerships with hospitals and healthcare systems at both Higher Ground Saint Paul and Exodus Residence in downtown Minneapolis. In the two years prior to COVID-19, we served nearly 700 individuals at Higher Ground Saint Paul alone, leading to more than \$1 million in estimated annual cost savings and nearly 2,000 avoidable hospital days each year. Directing DHS to develop a Medical Assistance recuperative care service is a necessary next step to grow and strengthen such life-saving partnerships throughout the state, better support individuals experiencing homelessness, and alleviate strains on health systems—and as proposed, this policy provision would have no fiscal impact to the state.

On behalf of Catholic Charities and the more than 23,000 men, women, children and families we serve each year, we respectfully ask for your support.

Sincerely,



Wendy Underwood  
Vice President, Social Justice Advocacy & Engagement  
[wendy.underwood@cctwincities.org](mailto:wendy.underwood@cctwincities.org)  
651-206-8847 (cell)



Lorna Schmidt  
Public Policy Manager  
[lorna.schmidt@cctwincities.org](mailto:lorna.schmidt@cctwincities.org)  
920-242-2748 (cell)

cc:

Governor Tim Walz  
Speaker Melissa Hortman  
House Majority Leader Ryan Winkler  
House Minority Leader Kurt Daudt  
Senate Majority Leader Paul Gazelka  
Senate Minority Leader Susan Kent  
Commissioner Jodi Harpstead  
Hali Kolkind  
Kristy Graume  
Brittany Johnson  
Patrick McQuillan  
Bailey Strand  
Yingya Vang

*Catholic Charities serves those most in need. We are a leader at solving poverty, creating opportunity, and advocating for justice in the community*