



## **NATIONAL COALITION *for* HOMELESS VETERANS**

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### **Policy Statement: Homeless Providers Grant and Per Diem Program**

**WASHINGTON, May 23, 2025** — The Homeless Providers Grant and Per Diem (GPD) Program, permanently authorized by Congress in 2006 and administered by the U.S. Department of Veterans Affairs (VA), has been the foundation of community-based homeless veteran assistance since it was authorized in 1994. With nearly 12,000 beds nationwide, serving roughly 24,000 men and women each year, the GPD Program is often the first and most significant step toward recovery for veterans experiencing homelessness. By helping homeless veterans obtain stable housing, health services, employment, and other income supports, the GPD Program has helped hold the line against increases in veteran homelessness, despite continued economic stagnation, the housing crisis, high veteran unemployment, and the drawdown of active-duty forces from recent conflicts.

The effects of military service under stressful conditions – particularly combat exposure – typically do not manifest themselves right away. By maintaining the infrastructure of the homeless veteran response system – with the Grant and Per Diem Program at its core – and ramping up VA’s ability to prevent veteran homelessness through the Supportive Services for Veteran Families (SSVF) Program, America can ensure that returning veterans will always have the support they need in times of crisis.

#### ***How does the GPD Program work?***

The Grant and Per Diem Program is modeled on the idea that, for some populations of homeless veterans, the best way to help them exit homelessness is to address the causes of their homelessness and equip them to solve their problems permanently. These causes can include economic hardships, employment challenges, behavioral disorders, substance abuse disorders, or legal challenges, among many other potential challenges. In this model, the philosophy most closely mirrors the “teach a man to fish” maxim. Critically, the modern GPD must be chosen by the veteran as their preferred avenue to recovery.

GPD features several types of funding, two significant types are: “Capital” and “Per Diem” grants. Capital grants provide up to 65% of the cost to acquire, renovate or construct facilities that are used to provide short-term supportive housing and service centers for homeless veterans. These funds may also be used to purchase vans to conduct outreach or provide needed transportation for homeless veterans. The capital grant matching requirements were waived due to COVID-19 to decongregate facilities. The Consolidated Appropriations Act of 2023, Division U, Joseph Maxwell Cleland and Robert Joseph Dole Memorial Veterans Benefits and Health

Care Improvement Act of 2022 (P.L. 117-328), removed the matching grants requirement for VA capital grants until December 29, 2027. The law also removed real property disposition requirements for grantees.

Capital grant recipients receive priority for Per Diem grants, which fund GPD programs' operational costs at a maximum rate of \$71.53 per day per veteran housed. By incorporating additional funding streams and collaborating with other local community and faith-based service providers, grantees maximize the benefits of this relatively modest investment from the federal government with the objective of returning clients to permanent housing and income security as quickly as possible.

### ***Why is GPD critical?***

GPD often serves as a transition point for veterans as they obtain permanent housing; in 2024, approximately 24,000 veterans were served by GPD. GPD graduates receive treatment for primary and mental health issues, substance abuse disorders, or help with securing employment or other income, which allows them to achieve and sustain permanent housing without the use of long-term or permanent housing subsidies. The goal of GPD is permanent housing, with the majority of graduates housing themselves through employment or entitlement benefits. The most recent data from VA points to a need to maintain the current number of beds nationwide to continue to provide emergency housing and rapid stabilization services to homeless veterans with specialized needs. Most of these clients will be able to stabilize and advance to permanent housing with relatively short-term supports.

### ***What should Congress do?***

NCHV recommends that Congress increase appropriations for the Grant and Per Diem Program to \$350 million, to meet the level of need demonstrated in communities. The Senator Elizabeth Dole 21st Century Veterans Healthcare and Benefits Improvement Act (Elizabeth Dole Act), signed into law in January 2025, recognized these challenges and authorized higher funding for GPD to keep pace with rising costs and modernize facilities. The Dole Act specifically aims to address veteran homelessness by empowering VA to provide resources that reflect today's economic realities, and to ensure that veterans' needs—not outdated funding formulas—drive federal support. Funding authorization limits must be lifted in order to fully implement the per diem rate increase included in the Dole Act.

**NCHV recommends Congress pass H.R. 1518, the VA Home Loan Program Reform Act to lift the authorizing cap on the Homeless Per Diem Program.**