

President Joseph Biden  
1600 Pennsylvania Ave. NW  
Washington, DC 20500

Dear Mr. President:

It is with great pleasure that the National Coalition for the Homeless (NCH), and House the Homeless, Inc. (HtH), endorse the urgings of-

“U.S. Senator Bob Menendez (D-N.J.), Chairman of the Senate Foreign Relations Committee and a senior member of the Senate Banking, Housing, and Urban Affairs Committee and Senate Finance Committee, who joined a group of 17 Senate Committee Chairs and Majority Leader Chuck Schumer (D-N.Y.) in sending [you] a letter urging the federal government to utilize a ‘whole-of-government’ approach to address the nation’s housing crisis.” (<https://tinyurl.com/4sz97mhy>)

**Proposal:** Housing is the single most expensive item in the budget of almost every American including Veterans who have slipped into homelessness. We have all learned that the antithesis of being housed is homelessness and vice versa. The two principal sources of funding at the bottom of the economic ladder are the Federal Minimum Wage (FMW) for those able to work, and the Supplemental Security Income (SSI) for those unable to work. Both originate from the Federal Government. Unfortunately, both of these sources of income fall well short of the amount necessary to access even a one-bedroom apartment all across the nation.

For those who are able to work, Congress has unfortunately been able to vote and raise the FMW only once over the last 2.5 decades. Continued Congressional inaction is compounding the situation and unintentionally keeping people in a state of homelessness and causing others to fall into homelessness.

We encourage all recipients of this letter to realize that taxpayers are bearing the entire burden of the homeless situation. We are proposing that the U.S. Congress engage more broadly and use the “whole-of-government” approach, to address our nation’s wage and housing needs.

Specifically, we urge that the needs of business be considered in this approach.



The Small Business Administration, SBA, tells us that 1 in 5 new businesses fail in the first years and 64% of businesses fail after only 4 years. SBA suggests that this may be related to the fact that we continue to create a de-stabilized workforce. By paying our workers less than the minimum amount needed to afford the basics of life (food, clothing, shelter) the workers and the businesses are in danger of de-stabilization. Businesses are benefiting from the labor of the worker. As a moral issue, every business should pay their basic employees enough to put a roof over their heads...other than a bridge.

Businessman and automotive visionary, Henry Ford, facing economic collapse as a result of exorbitant retraining costs due to high employee turnover, was forced to replace every employee four times a year (then retrain them). He also found that absenteeism was at an equally unproductive level, with employees working second and third jobs to make ends meet - which is much the same today. To address this concern, he almost doubled the daily wage of his workers to \$5.00 per day.

Surprisingly, the immediate result was:

- Significant reduction in employee turnover,
- Significant reduction in retraining costs,
- Significant reduction in unscheduled absenteeism,
- Almost complete stoppage of internal theft (roughly 50% of the theft in today's retail world is committed by a business's own employees - feeling they are due a more just wage, no doubt).

Furthermore, Henry Ford created a true **economic stimulus** because workers spent discretionary funds right back into his company as purchasing consumers. They bought the very cars they were making with their new found funds. In today's scenario, we believe that the local and national, low end housing construction of efficiency apartments, will blossom. At the same time that this living wage stabilizes the individual, it also stabilizes the business itself...a win-win situation as economic homelessness would end, and the needed housing would be produced all **without tax dollars**.

The key is for Congress to reassume its role as wage standard bearer. Anyone who has traveled realizes that we are a nation of not simply one economy (\$7.25 per hour wage) but rather hundreds, if not thousands, of local economies of varying wages. Despite growing housing costs across the country, there remain large differences in regional costs of living (see ULW <https://universallivingwage.org/wage-calculator/>).



So, the response is to link the wage to the local cost of housing for an efficiency apartment. Then, if the workers put in their 40 hours of work, (be it from one job or more) they will be able to afford basic food, clothing, housing, and public transportation to and from their place of work.

This pulls the workers off the dole as 90% of the people experiencing homelessness say they want to work.

This brings low-wage workers back into the workforce. In this fashion, (businesses, who benefit from the work of the laborer), also benefit from their stabilization, which in turn, *stabilizes the business itself.*

Fixing the wage rate will put desperately needed dollars into the pockets of all minimum wage workers...who all need the same *thing: Affordable Housing.* The construction industry will respond.

For those who are disabled and unable to work, they can also use the same basic formula to enhance their SSI stipend and/or people on public assistance, unemployment, SSDI, SS, SNAPs (without financial consequence to the recipient) and enable them to also attain housing. This also further stimulates the local/national construction industry. Note. \* We recognize there will need to be included in legislation tax credits/subsidies to small businesses and many non-profits to be able to pay livable income indexed to the local cost of housing.

### **Veterans:**

\*One portion of the homeless population that needs particular attention are our damaged Veterans.

A study released 2022-09-17 by, III, Leo Shane, published in Military Times, in collaboration with Alabama and Duke Universities, "Veteran Suicides may double Federal calculations, bringing suicide estimates to 44 Veteran suicides per day."

<https://www.militarytimes.com/veterans/2022/09/17/veterans-suicide-rate-may-be-double-federal-estimates-study-suggests/>

"...The National Coalition for Homeless Veterans, NCHV, strongly believes that all programs designed to assist homeless Veterans must focus on helping Veterans reach the point where they can obtain and sustain gainful employment. If not, clients will be unable to find and maintain safe, decent, permanent housing."



While expressing a desire to work, “a Veteran’s military occupation skills are not always transferable to the civilian workforce”, thus **relegating most Veterans to minimum wage jobs.**

### **Benefits/results of fixing/tweaking the Federal Minimum Wage:**

- By linking the FMW to the local cost of housing using the HUD Fair Market Rents, anyone working a 40-hour week will be able to afford: basic food, clothing, an efficiency apartment, telephone, and transportation to and from work...wherever that work is done throughout the nation
- Businesses will become more stable as their workers become stable
- Business budget line items such as covering employee wages, will be known in advance thus further stabilizing the business
- There will be major savings for Taxpayers who currently pay all the costs of responding to the crisis of homelessness (which result from the housing crisis)
- Any transitional wage adjustments can be addressed over a ten-year period
- Taxpayers will continue to support disabled workers
- By bringing entirely “new” money to the problem, everyone will benefit
- Living Wages will also greatly enhance stabilization of businesses
- Bringing “new money” to the table will stimulate local and national construction industries
- Fixing the Federal Minimum Wage creates affordable housing both locally and nationally
- Fixing the FMW using the ULW, (now known as the National Locality Wage) will have zero impact on the National Debt Ceiling
- Damaged Veterans will be housed and economically stabilized along with everyone else.

Then, with the new dollars coming from the new, relevant wage, businesses will be paying “a fair wage for a fair day’s work” for those who can work, referred to as the Universal Living Wage, ULW (now referred to as The National Locality Wage, NLW). \*Additionally, taxpayers will continue to support those who cannot work.

**The Final Result will be more stabilized workers, more successful businesses, the end of economic homelessness *and* more affordable housing.**



With respect, we again ask that this approach of fixing/tweaking the Federal Minimum Wage be included along with a “whole-of-government” approach to address the nation’s housing crisis.”

Sincerely,



Dr. Rajni Shankar-Brown  
Board President- NCH



Donald Whitehead  
Executive Director- NCH



Richard R. Troxell  
Board Member- NCH  
Founder & National Education Director- HtH  
Vietnam Veteran



Sue Watlov Phillips  
Board Member - NCH  
Executive Director, Metropolitan Interfaith Council on Affordable Housing (MICAH)



**NATIONAL  
COALITION** FOR  
**THE  
HOMELESS**



**House** the  
**Homeless, Inc.**

CC: U.S. Senator Bob Menendez (D-N.J.), Majority Leader Chuck Schumer (D-N.Y.) Senator Sherrod Brown (D-Ohio), Senator Ron Wyden (D-Ore.), Senator Patty Murray (D-Wash.), Senator Jack Reed (D-R.I.), Senator Brian Schatz (D-Hawaii), Senator Debbie Stabenow (D-Mich.), Senator Bob Casey (D-Pa.), Senator Ben Cardin (D-Md.), Senator Sheldon Whitehouse (D-R.I.), Senator Martin Heinrich (D-N.M.), Senator Tom Carper (D-Del.), Senator Mark Warner (D-Va.), Senator Chair Dick Durbin (D-Ill.), Senator Gary Peters (D-Mich.), Senator Bernie Sanders (I-Vt.), Senator Amy Klobuchar (D-Minn.), and Senator Tina Smith (D-Minn.).

