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## [H.R. 1047, Housing Assistance Efficiency Act](#)

### FLOOR SITUATION

On Tuesday, July 14, 2015, the House will consider [H.R. 1047](#), *the Housing Assistance Efficiency Act*, under suspension of the rules. H.R. 1047 was introduced on February 24, 2015 by Rep. Scott Peters (D-CA) and was referred to the Committee on Financial Services.

### SUMMARY

H.R. 1047 authorizes private non-profit organizations to administer permanent housing rental assistance provided through the Continuum of Care Program under the McKinney-Vento Homeless Assistance Act. The bill also requires the Secretary of the Department of Housing and Urban Development (HUD) to reallocate any assistance provided under the Emergency Solutions Grants Program at least once each fiscal year instead of twice as required by current law.

### BACKGROUND

The Continuum of Care (CoC) program allows the “use funds for rapid rehousing, a process through which grantees help homeless individuals and families find housing, and support them for a period of time until they are stable.”<sup>1</sup> Eligible grant recipients are state governments, local governments, instrumentalities of state and local governments, Public Housing Authorities, and private nonprofit organizations. Grantees may provide housing and services by acquiring, rehabilitating, or constructing properties; leasing properties; providing rental assistance, whether tenant-based, project-based, or sponsor-based; and by paying operating costs.<sup>2</sup> Private non-profits previously could directly administer rental assistance through the CoC program. In 2009, a change precluded such organizations from directly administering such assistance. H.R. 1047 permanently enables non-profits to administer this assistance.

The Emergency Solutions Grants (ESG) Program is a program through which formula grants are distributed to state and local governments who then distribute all or a portion of the funds to private nonprofit organizations that provide assistance to homeless individuals. ESG funds may be used in

<sup>1</sup> See CRS Report—“[Homelessness: Targeted Federal Programs and Recent Legislation](#),” June 10, 2015 at 14.

<sup>2</sup> Id.

two categories: (1) emergency shelter and related services, and (2) homelessness prevention and rapid rehousing.<sup>3</sup> HUD has to reallocate ESG program funds that are unused, returned, or otherwise become available for the program twice each fiscal year. However, since there generally are not unused or returned funds in the program, requiring the reallocation of assistance amounts to a reporting requirement that is inefficient, unnecessary, and administratively burdensome. H.R. 1047 reduces this requirement to once each fiscal year instead of twice.

The House passed an identical bill (H.R. 2790) by voice vote on December 2, 2014. The Senate did not act on the bill before the 113<sup>th</sup> Congress adjourned.

### **COST**

A Congressional Budget Office (CBO) cost estimate is currently unavailable.

### **STAFF CONTACT**

For questions or further information please contact [Jerry White](#) with the House Republican Policy Committee by email or at 5-0190.

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<sup>3</sup> Id.