



**STATEMENT TO THE HOUSE SUBCOMMITTEE ON OVERSIGHT AND
INVESTIGATIONS**

**ON BEHALF OF THE COUNCIL OF STATE COMMUNITY DEVELOPMENT
AGENCIES**

JULY 15, 2021

On behalf of the Board of Directors and membership of the Council of State Community Development Agencies (COSCDA), we respectfully submit the following comments for consideration by the Oversight and Investigations subcommittee of the House Financial Services Committee for the July 15, 2021 hearing, “CDBG Disaster Recovery: States, Cities, and Denials of Funding.”

The Community Development Block Grant – Disaster Recovery (CDBG-DR) program is a key federal resource in facilitating rebuilding and resiliency following severe natural disaster events. State and local governments receive supplemental funds to deliver aid to areas hardest hit by hurricanes, flooding, wildfires, and related impacts. Since the program’s initial appropriations in 1992, a total of \$89 billion has been dedicated to CDBG-DR with \$67 billion in active grants as of April 13, 2021 ([CDBG Disaster Recovery Grant History Report](#)).

States are leading CDBG-DR and CDBG-Mitigation (CDBG-MIT) implementation while ensuring accountability of funds, program compliance, and facilitating aid to projects supporting affected people and places. Unfortunately, challenges have been evident across the nation in program delivery. In examining ongoing issues faced by Texas and corresponding jurisdictions in activating funds, significant and comprehensive updates are necessary to improve facilitation of disaster recovery aid. COSCDA urges the subcommittee and Congress to establish

streamlined processes through codification of CDBG-DR and promote access to data across federal government.

Codification would establish CDBG-DR under the U.S. Department of Housing and Urban Development (HUD) and standardize processes involved in program administration. Currently, HUD must develop individual notices with each notice containing different rules and guidance. As a result, directives are inconsistent between allocations proving cumbersome to grantees and related stakeholders. Additionally, funding is delayed from reaching grantees to address on-the-ground needs.

Improved coordination of data among federal agencies would enhance disaster response as well. Access to information particularly between HUD, Federal Emergency Management Agency (FEMA), Small Business Administration (SBA), advances state and local assessments of damage and impacted populations. Better data in the immediate aftermath of disaster means stakeholders can expediently determine how resources can be targeted to inflicted areas and populations. Limited or no information on the other hand prohibits states and localities from adequately engaging on identifying needs, developing plans, and advancing recovery efforts.

CDBG-DR's underlying issues hinder recovery activities in all participating jurisdictions. While examining internal challenges, substantial updates to the program should be pursued. COSCDA welcomes renewed congressional engagement on CDBG-DR and offers its partnership in developing meaningful and responsive legislation.