

January 25, 2022

The Honorable Al Green
Chair
House Financial Services Committee
Subcommittee on Oversight and Investigations
2129 Rayburn House Office Building
Washington, District of Columbia 20515

The Honorable Tom Emmer
Ranking Member
House Financial Services Committee
Subcommittee on Oversight and Investigations
2129 Rayburn House Office Building
Washington, District of Columbia 20515

Dear Chairman Green and Ranking Member Emmer:

Thank you for your leadership in hosting the committee hearing, “Ensuring Equitable Delivery of Disaster Benefits to Vulnerable Communities and Peoples: An Examination of GAO’s Findings of the CDBG Program.” The hearing provided an opportunity for exchange on issues critical to recovery and resiliency for populations impacted by major natural disasters. The Government Accountability Office’s (GAO) examination of the Community Development Block Grant–Disaster Recovery program (CDBG-DR) offers relevant and meaningful insight on how to improve the federal disaster response framework.

The Council of State Community Development Agencies (COSCAR) promotes advocacy and training attending to the needs of state CDBG-DR administrators. As grantees in implementing recovery and mitigation activities, COSCAR realizes the need for multiple changes to expedite deployment of federal aid moving forward. For instance, appropriations for the 2020 disaster events was enacted in September 2021 and a federal register notice has yet to be published. Funding will not be available to grantees to distribute for more than a year and a half following these events including Hurricanes Laura and Zeta. It is especially important to devote resources to vulnerable and underserved populations, as highlighted by this hearing. We share responses to the GAO’s recommendations below as well as perspectives on reforms to CDBG-DR.

GAO recommendation to improve data collection and availability on vulnerable populations

The report published by GAO in November 2021, “Better Data Are Needed to Ensure HUD Block Grant Funds Reach Vulnerable Populations,” shares key circumstances surrounding data collection and reporting on disadvantaged and hard-to-reach households. COSCAR commends GAO for exploring this topic not only with HUD and other federal agencies but also with grantees through feedback from relevant parties in this activity. GAO correctly identified how the process plays out and the leading challenges in capturing information on populations affected by disasters.

The U.S. Department of Housing and Urban Development (HUD) does require specific information on beneficiaries to be reported by grantees, but the system utilized in reporting this information only allows input

of certain data. Currently, targeting key information about beneficiaries served captures essential information that HUD can use to track how CDBG-DR supports disaster-impacted households. Further consideration may be pursued on generating additional demographic data about both beneficiaries served and applicants for assistance. GAO is accurate in reporting that grantees collect information beyond what is required for HUD's system, and use this information for internal purposes in determining need and further assistance measures. COSCDA also agrees with GAO's assertion that the flexibility of program funds is an important aspect of responding to recovery and mitigation activities for individual states and communities. This includes the type of information that should be gathered in order to accommodate further support to households in their respective jurisdictions. Efforts to report on information not relevant to disaster recovery measures prove inefficient and unresponsive to proper use of federal funds. Any additional reporting requirement or data collection activity must also consider grantee capacity and ability to respond accordingly.

Additionally, significant delays are rooted in the lengthy process involved in receiving data from the Federal Emergency Management Agency (FEMA). FEMA data availability informs HUD's DR allocations. Access to this data typically takes considerable time and restricts HUD's ability to advance administrative processes with grantees. Grantees also rely on data-sharing agreements with FEMA and the Small Business Administration (SBA). Issues persist, though, as grantees find it difficult to coordinate these agreements. A more streamlined approach of data-sharing between federal recovery agencies and impacted local governments would greatly assist in identifying and serving vulnerable populations, and would mean populations in need are served more quickly.

GAO also lists several obstacles for grantees and vulnerable populations in securing information on beneficiaries.

Grantee difficulty in reaching vulnerable populations

COSCD A agrees with GAO's assessment that disaster recovery response occurs across varying federal agencies and information on unmet needs is not properly accommodated by other federal partners. Grantees must therefore use their best effort and resources in capturing data on unmet needs. Additionally, it is accurate that vulnerable populations prove hard to reach in many cases; GAO reports this may be caused by a distrust in government support and unavailability of disaster victims since many flee homes and communities following disaster. Grantees actively pursue solutions to remedy these issues, but outreach remains one of the most challenging aspects of the program.

Vulnerable populations face challenges accessing and using CDBG-DR assistance

GAO reports on several barriers to vulnerable populations accessing and using CDBG-DR resources. COSCDA concurs with the issues cited: transportation access, language barriers, meeting program requirements, and home reconstruction management. State and local-based solutions may be the best way to proceed in resolving these issues. For instance, GAO highlights that Florida's mobile information setup and at-home intake service provide a way to better engage disaster-affected populations. Grantee oversight of housing reconstruction also reduces the burden on disaster victims and proves more efficient in helping victims recover their homes. Continued identification and sharing these innovative practices allows grantees to learn from one another and improve their respective outreach. Both HUD and COSCDA provide this support through training opportunities with state and local grantees. We also encourage Congress to reinforce HUD's technical assistance on adapting best practices in guidance and training activities.

Regarding overcoming language barriers and helping beneficiaries meet program requirements, support from HUD is critical to pursue a better path forward. Improvements in communications can be assisted nationwide by HUD connecting grantees to leading language practitioners and promoting better avenues on translating documents, updating standard forms, and improving outreach to non-English speaking households. Likewise,

reduced documentation is necessary to help persons overcoming loss of property to understand rules and processes in accessing aid. COSCDA applauds HUD's efforts to streamline requirements regarding CDBG-DR individual assistance; this engagement should continue, and grantees offer their help in removing barriers to aid for disaster victims. Additionally, we encourage HUD to coordinate with FEMA and SBA on documentation. The intent is to improve processes across the agencies, which could include simplifying documents for applicants and partnering on standard forms across agencies. Disaster-affected households, businesses, and individuals are burdened enough in the aftermath of disaster. Federal disaster aid should be more accessible and easier to pursue than any other federal program based on the circumstances faced by disaster victims.

Funding delays and limited grantee capacity affect vulnerable populations

COSCD A agrees with GAO's assessment on the extensive time required to deliver CDBG-DR aid to recipients as well as grantee capacity limitations. Vulnerable populations are most affected by current administrative processes that drastically slow the deployment of resources and pose the greatest obstacles to direct aid, especially for underserved households. Timeliness issues have been a major impediment in the CDBG-DR program over the course of its existence. Vulnerable populations are the most impacted by these delays, as they do not have the financial resources to remain in temporary living situations for extended periods of time. Earning the trust and confidence of vulnerable populations is challenging on its own, and only further challenged by funding delays rooted in current administrative processes. Further, grantee capacity varies greatly among states and localities; however, continued gaps exist for all grantees to meet the broad and diverse needs of their respective jurisdictions. Administrative streamlining, improved guidance, and increased resources for staff and technical assistance would all be meaningful to strengthening grantee response.

Recommendations on Program Improvements

CDBG-DR administrators support legislative action responsive to program needs. The program's slow delivery of funds is linked to the many layers of administration involved to create rules, define need, execute grant agreements, and distribute aid. Requirements posed by the program are also burdensome to administrators, applicants for assistance, and related stakeholders. Guidance between notices remains inconsistent, posing complex directives between each lot of disaster aid. Similarly, guidance between HUD grant managers can vary greatly, resulting in conflicting directives and misunderstandings of requirements. Navigating multiple sources of assistance is also problematic, as disaster survivors must contend with different sets of rules and documentation to receive federal aid. A focus of this hearing, data access and availability, remains essential to determining needs; challenges posed by incomplete or non-existent information cause considerable delays in disaster response as well.

COSCD A strongly urges Congress to permanently authorize CDBG-DR while establishing timelines and other meaningful directives for improved program performance and outcomes. We encourage approval of the bipartisan bill to codify the program, the *Reforming Disaster Recovery Act* (RDRA) ([S. 2471](#), [H.R. 4707](#)). Many of the reforms proposed in the legislation would also accommodate deployment of CDBG-DR and MIT resources. Codifying the program positions HUD to develop notices on a timely basis while also improving program rules through regulatory updates directly related to disaster aid. The legislation installs worthwhile changes including setting timelines on HUD and grantee activities, creating an office to coordinate federal disaster recovery and resiliency, and establishing a fund supporting ongoing capacity and technical assistance for states and localities.

While advocating for enactment of this key legislation, we propose revisions to further streamline federal disaster aid. COSCD A's [recommendations](#) for the RDRA are a) maintaining the low- and moderate-income (LMI) threshold for public infrastructure at 50%, while increasing the LMI to 70% as proposed for housing and economic recovery activities; b) broadening the ability to use other agency environmental reviews to other

federal compliance standards for labor, relocation, and procurement; and c) solidifying the certification process to account for each grantee's ability to carry out CDBG-DR resources.

We are grateful to the committee for the continued interest and pursuit of improvements to CDBG-DR. Vulnerable populations should continue to be the focus of stakeholders updating the program to be more responsive to disadvantaged and underserved communities. Better information collection and reporting are a priority in this effort. COSCDA will continue to engage with Congress and HUD on data availability moving forward. Further changes to CDBG-DR as proposed in the *Reforming Disaster Recovery Act* would certainly drive enhanced outcomes in disaster recovery and resiliency.

Sincerely,

A handwritten signature in black ink, appearing to read "Dianne E. Taylor". The signature is fluid and cursive, with the first name being the most prominent.

Dianne E. Taylor
Executive Director