

119TH CONGRESS
1ST SESSION

H. R. 2206

To establish a Housing Stabilization Fund to provide emergency housing assistance to extremely low-income renters and homeowners, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 2025

Mr. LIEU (for himself, Mr. MULLIN, and Mr. JACKSON of Illinois) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To establish a Housing Stabilization Fund to provide emergency housing assistance to extremely low-income renters and homeowners, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Prevent Homelessness
5 Act of 2025”.

6 **SEC. 2. HOUSING STABILIZATION FUND.**

7 (a) ESTABLISHMENT.—The Secretary of Housing
8 and Urban Development, acting through the Office of Spe-
9 cial Needs Assistance Programs of the Office of Commu-

1 nity Planning and Development, shall establish and ad-
2 minister a fund to be known as the Housing Stabilization
3 Fund.

4 (b) GRANTS.—Amounts in the Fund shall be avail-
5 able, to the extent provided in advance in appropriations
6 Acts, only for making annual grants under this section,
7 in the amount determined pursuant to subsection (f), to
8 continua of care to provide short-term assistance under
9 emergency housing assistance programs that the Secretary
10 determines, pursuant to applications under subsection (e),
11 meet the requirements of subsection (c).

12 (c) EMERGENCY HOUSING ASSISTANCE PROGRAM
13 REQUIREMENTS.—An emergency housing assistance pro-
14 gram shall be considered to meet the requirements of this
15 subsection only if the program—

16 (1) is carried out by a continuum of care or
17 other agency, organization, or entity selected by a
18 continuum of care;

19 (2) operates within the geographical area served
20 by the continuum of care;

21 (3) provides financial assistance only on behalf
22 of extremely low-income families and very low-in-
23 come families who—

24 (A) are unable to meet housing-related ob-
25 ligations (as described in subsection (d) of this

1 section) due to a financial hardship, which shall
2 include the situations described in clause (i) of
3 section 3(a)(3)(B) of the United States Hous-
4 ing Act of 1937 (42 U.S.C. 1437a(a)(3)(B)(i)),
5 a family or health crisis, unexpected expenses,
6 unsafe or unhealthy living conditions, and such
7 other situations as the Secretary may provide;
8 and

9 (B) provide evidence of such inability to
10 meet housing related obligations, which may in-
11 clude past-due utilities or rent notices, eviction
12 notices, and such other evidence as the Sec-
13 retary may provide, except that a continuum of
14 care may, in consultation with the Secretary,
15 provide for additional manners of identifying in-
16 ability to meet housing related obligations in
17 situations in which such notices are not avail-
18 able;

19 (4) provides for coordination with any local
20 homeless prioritization criteria, including the Coordi-
21 nated Entry System or any other evidence-based
22 analytic targeting tool, applicable within the area in
23 which the program will be carried out, in accordance
24 with such requirements as the Secretary shall pro-
25 vide; and

1 (5) meets such other requirements as the Sec-
2 retary may establish.

3 (d) ELIGIBLE FINANCIAL ASSISTANCE.—Amounts
4 from grants under this section for an emergency housing
5 assistance program shall be used to provide financial as-
6 sistance only to meet housing-related obligations, includ-
7 ing—

8 (1) prospective rent due, except that such as-
9 sistance may not—

10 (A) be provided for a family for more than
11 8 months (whether consecutive or not) within
12 the preceding 12 months; or

13 (B) exceed on a monthly basis the amount
14 that the Secretary determines is reasonable in
15 comparison with rents charged for comparable
16 dwelling units located in the same area in the
17 private, unassisted local market;

18 (2) rental arrears, with payments based on ac-
19 tual rent amount due;

20 (3) mortgage payments due, including amounts
21 past due, except that such assistance may not be
22 provided for a household for more than 8 months
23 (whether consecutive or not) within the preceding 12
24 months and may not exceed on a monthly basis such
25 amount as the Secretary shall determine;

1 (4) utility payments due, including amounts
2 past due;

3 (5) housing repairs necessary to make the
4 premises habitable, including installing insulation,
5 window repair, door repair, roof repair, and other re-
6 pairs;

7 (6) costs of obtaining services for behavioral,
8 emotional, and mental health issues, domestic vio-
9 lence issues, child welfare issues, employment coun-
10 seling, substance abuse treatment, or other services;

11 (7) costs of obtaining housing counseling or ad-
12 vice, including outreach, mediation, and case man-
13 agement;

14 (8) costs of obtaining legal assistance relating
15 to eviction, foreclosure, and other issues relating to
16 a family retaining its housing;

17 (9) security deposit payments due; and

18 (10) other short-term costs the payment of
19 which increase housing stability for an extremely
20 low-income family or a very low-income family, in-
21 cluding costs for gas, groceries, automotive repair,
22 public transportation, furniture, application fees, re-
23 unification services, and such other costs as the Sec-
24 retary may provide.

1 (e) APPLICATIONS.—The Secretary shall require, for
2 a continuum of care to receive a grant under this section
3 for a fiscal year, that the continuum of care submit to
4 the Secretary, and the Secretary approve, an application
5 containing such information as the Secretary considers
6 necessary to ensure that grant amounts are used in ac-
7 cordance with this section.

8 (f) AMOUNT OF GRANTS.—

9 (1) ALLOCATION.—

10 (A) FISCAL YEAR 2027.—For fiscal year
11 2027, any amounts made available from the
12 Fund for grants under this section shall be allo-
13 cated for grants to continua of care according
14 to the formula established pursuant to para-
15 graph (2).

16 (B) SUCCEEDING FISCAL YEARS.—For
17 each fiscal year thereafter, of any amounts
18 made available from the Fund for grants under
19 this section—

20 (i) 80 percent shall be allocated for
21 grants to continua of care according to the
22 formula established pursuant to paragraph
23 (2); and

1 (ii) 20 percent shall be allocated for
2 grants to continua of care according to a
3 competition pursuant to paragraph (3).

4 (2) FORMULA.—

5 (A) IN GENERAL.—The Secretary shall, by
6 regulation, establish a formula for use to allo-
7 cate amounts in the Fund for grants for a fiscal
8 year, in accordance with paragraph (1), for
9 continua of care whose applications for such
10 year for such assistance have been approved
11 pursuant to subsection (e).

12 (B) FACTORS.—The formula required by
13 subparagraph (A) shall be designed to take into
14 consideration, for the area served by a con-
15 tinuum of care—

16 (i) the extent of the population that
17 are extremely low-income families, includ-
18 ing the homeless population that is
19 unsheltered, who are severely cost-bur-
20 dened by housing-related costs, including
21 obligations described in subsection (d);

22 (ii) the extent of the population that
23 are very low-income families; and

24 (iii) such other factors as the Sec-
25 retary may provide.

1 The Secretary shall determine data to be used
2 for the factors considered under the formula
3 based on the most recently conducted Point-In-
4 Time Homeless Count administered by the Sec-
5 retary.

6 (3) COMPETITION.—The Secretary shall, by
7 regulation, establish a competition for use to allocate
8 amounts in the Fund for grants for a fiscal year for
9 continua of care pursuant to paragraph (1)(B)(ii),
10 which shall be based on measurable criteria that—

11 (A) to the greatest extent possible, are re-
12 quired to be collected and reported to the De-
13 partment of Housing and Urban Development
14 or any other Federal agency under other provi-
15 sions of law already in effect or otherwise do
16 not impose new burdens on continua of care;

17 (B) provide for targeting of assistance
18 made available under an emergency housing as-
19 sistance program to households having the low-
20 est incomes;

21 (C) encourage the leveraging of other non-
22 Federal funds for providing assistance under an
23 emergency housing assistance program;

24 (D) encourage emergency housing assist-
25 ance programs assisted with grants under this

1 section to provide preventive assistance to avoid
2 homelessness; and

3 (E) encourage problem-solving and diver-
4 sion methods, including the applicant’s capacity
5 and interest in providing innovative delivery of
6 housing stability interventions and connecting
7 households to other public benefits that pro-
8 mote housing stability.

9 (g) DEFINITIONS.—For purposes of this Act, the fol-
10 lowing definitions shall apply:

11 (1) CONTINUUM OF CARE.—The term “con-
12 tinuum of care” means a collaborative applicant es-
13 tablished and operating for a geographic area for
14 purposes of the Continuum of Care Program under
15 subtitle C of title IV of the McKinney-Vento Home-
16 less Assistance Act (42 U.S.C. 11381 et seq.).

17 (2) EXTREMELY LOW-INCOME FAMILY; VERY
18 LOW-INCOME FAMILY.—The terms “extremely low-
19 income family” and “very low-income family” have
20 the meanings given such terms in section 3(b) of the
21 United States Housing Act of 1937 (42 U.S.C.
22 1437a(b)).

23 (3) FUND.—The term “Fund” means the
24 Housing Stabilization Fund established under sub-
25 section (a).

1 (4) SECRETARY.—The term “Secretary” means
2 the Secretary of Housing and Urban Development.

3 (h) AUTHORIZATION OF APPROPRIATIONS.—There is
4 authorized to be appropriated for the Fund \$100,000,000
5 for each of fiscal years 2027 through 2031.

