

105TH CONGRESS
1ST SESSION

H. R. 1144

To amend the Stewart B. McKinney Homeless Assistance Act to revise and extend programs providing urgently needed assistance for the homeless, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 1997

Mr. VENTO introduced the following bill; which was referred to the Committee on Banking and Financial Services

A BILL

To amend the Stewart B. McKinney Homeless Assistance Act to revise and extend programs providing urgently needed assistance for the homeless, 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 AND TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Stewart B. McKinney Homeless Assistance Amendments
6 Act of 1997”.

7 (b) TABLE OF CONTENTS.—The table of contents for
8 this Act is as follows:

Sec. 1. Short title and table of contents.

TITLE I—GENERAL PROVISIONS

Sec. 101. Budget compliance.

TITLE II—INTERAGENCY COUNCIL ON THE HOMELESS

Sec. 201. Authorization of appropriations.

Sec. 202. Chairperson.

Sec. 203. Extension.

TITLE III—FEDERAL EMERGENCY MANAGEMENT AGENCY FOOD AND SHELTER PROGRAM

Sec. 301. Authorization of appropriations.

TITLE IV—HOUSING ASSISTANCE

Sec. 401. Short title.

Subtitle A—Reorganization of Certain McKinney Act Housing Provisions

Sec. 411. Flexible grant program.

Sec. 412. Regulations and transition provisions.

Sec. 413. Report on single room occupancy assistance.

Subtitle B—Other Housing Assistance Programs for the Homeless Under McKinney Act

Sec. 421. Section 8 assistance for single room occupancy dwellings.

Sec. 422. Section 8 assistance for shelter plus care single room occupancy dwellings.

Sec. 423. Rural homelessness grant program.

Sec. 424. Clerical amendment.

Subtitle C—Miscellaneous Homeless Housing Provisions

Sec. 431. Strategy to eliminate unfit transient facilities.

1 **TITLE I—GENERAL PROVISIONS**

2 **SEC. 101. BUDGET COMPLIANCE.**

3 (a) IN GENERAL.—This Act and the amendments
4 made by this Act may not be construed to provide for new
5 budget authority, budget outlays, or new entitlement au-
6 thority, for fiscal year 1998, 1999, 2000, 2001, or 2002
7 in excess of the appropriate aggregate levels established
8 by the concurrent resolution on the budget for such years

1 for the programs authorized by this Act and the amend-
 2 ments made by this Act.

3 (b) DEFINITIONS.—For purposes of this section, the
 4 terms “budget authority”, “budget outlays”, “concurrent
 5 resolution on the budget”, and “entitlement authority”
 6 have the meanings given such terms in section 3 of the
 7 Congressional Budget Act of 1974.

8 **TITLE II—INTERAGENCY** 9 **COUNCIL ON THE HOMELESS**

10 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

11 Section 208 of the Stewart B. McKinney Homeless
 12 Assistance Act (42 U.S.C. 11318) is amended to read as
 13 follows:

14 **“SEC. 208. AUTHORIZATION OF APPROPRIATIONS.**

15 “There are authorized to be appropriated to carry out
 16 this title \$1,000,000 for fiscal year 1998 and such sums
 17 as may be necessary for each of fiscal years 1999, 2000,
 18 2001, and 2002.”.

19 **SEC. 202. CHAIRPERSON.**

20 Section 202(b) of the Stewart B. McKinney Homeless
 21 Assistance Act (42 U.S.C. 11312(b)) is amended to read
 22 as follows:

23 “(b) CHAIRPERSON AND VICE CHAIRPERSON.—

24 “(1) CHAIRPERSON.—The Council shall elect an
 25 Chairperson from among its members, who shall

1 have a term of 2 years. A member of the Council by
2 reason of any of paragraphs (1) through (16) of
3 subsection (a) who serves as Chairperson for a term
4 may not be elected to serve as Chairperson for the
5 succeeding term. The preceding sentence shall not
6 apply to any member serving as Chairperson on the
7 date of the enactment of the Stewart B. McKinney
8 Homeless Assistance Amendments Act of 1997.

9 “(2) VICE CHAIRPERSON.—The Vice Chair-
10 person of the Council shall have a term of 2 years
11 and shall be—

12 “(A) the Secretary of Housing and Urban
13 Development, if such Secretary is not elected as
14 the Chairperson of the Council; or

15 “(B) elected by the Council from among its
16 members, if the Secretary of Housing and
17 Urban Development is elected as the Chair-
18 person of the Council.”.

19 **SEC. 203. EXTENSION.**

20 Section 209 of the Stewart B. McKinney Homeless
21 Assistance Act (42 U.S.C. 11319) is amended by striking
22 “October 1, 1994” and inserting “October 1, 2002”.

1 **TITLE III—FEDERAL EMER-**
 2 **GENCY MANAGEMENT AGEN-**
 3 **CY FOOD AND SHELTER PRO-**
 4 **GRAM**

5 **SEC. 301. AUTHORIZATION OF APPROPRIATIONS.**

6 Section 322 of the Stewart B. McKinney Homeless
 7 Assistance Act (42 U.S.C. 11352) is amended to read as
 8 follows:

9 **“SEC. 322. AUTHORIZATION OF APPROPRIATIONS.**

10 “There are authorized to be appropriated to carry out
 11 this title \$130,000,000 for fiscal year 1998 and such sums
 12 as may be necessary for each of fiscal years 1999, 2000,
 13 2001, and 2002.”.

14 **TITLE IV—HOUSING ASSISTANCE**

15 **SEC. 401. SHORT TITLE.**

16 This title may be cited as the “Stewart B. McKinney
 17 Homeless Housing Assistance Amendments Act of 1997”.

18 **Subtitle A—Reorganization of Certain**
 19 **McKinney Act Housing Provisions**

20 **SEC. 411. FLEXIBLE GRANT PROGRAM.**

21 Title IV of the Stewart B. McKinney Homeless As-
 22 sistance Act (42 U.S.C. 11361 et seq.) is amended—

23 (1) by striking subtitles A, B, C, D, and F;

24 (2) by striking the headings for subtitles E and
 25 G;

1 (3) by redesignating sections 441 (as amended
2 by the preceding provisions of this Act), 491, and
3 592 (as added by section 1414 of the Housing and
4 Community Development Act of 1992) as sections
5 451, 453, and 454, respectively;

6 (4) by striking sections 442 and 443; and

7 (5) by inserting after the heading for the title
8 the following:

9 **“Subtitle A—Flexible Grant Program**

10 **“CHAPTER 1—GENERAL PROVISIONS**

11 **“SEC. 401. PURPOSES.**

12 “The purposes of this subtitle are to—

13 “(1) expand and reorganize the Federal com-
14 mitment to alleviate homelessness by providing
15 States and localities with the resources to more effi-
16 ciently and effectively design a comprehensive sys-
17 tem to address the shelter, service, and permanent
18 housing needs of homeless individuals and families
19 in the United States;

20 “(2) help very low-income families avoid becom-
21 ing homeless;

22 “(3) meet the emergency shelter needs of home-
23 less persons and families;

1 “(4) provide transitional or specialized perma-
2 nent housing to facilitate the movement of homeless
3 persons and families to independent living;

4 “(5) provide supportive services to help home-
5 less persons and families lead independent and dig-
6 nified lives;

7 “(6) encourage the cooperation and participa-
8 tion of the States and units of general local govern-
9 ment, together with private nonprofit organizations,
10 in planning and implementing comprehensive home-
11 less assistance programs;

12 “(7) reduce the costs to States, units of general
13 local government, and private nonprofit organiza-
14 tions in applying for and using Federal housing as-
15 sistance for families and persons who are homeless;
16 and

17 “(8) begin meeting the needs of most of the
18 Nation’s homeless population through the existing
19 Federal programs providing basic assistance for low-
20 income families and persons.

21 **“SEC. 402. AUTHORIZATION OF APPROPRIATIONS.**

22 “‘There are authorized to be appropriated—

23 “(1) \$855,000,000 for fiscal year 1998 for
24 grants in accordance with section 412(b) of the

1 Stewart B. McKinney Homeless Assistance Amend-
2 ments Act of 1997; and

3 “(2) such sums as may be necessary for each
4 of fiscal years 1999, 2000, 2001, and 2002 for
5 grants under this subtitle.

6 Any amounts appropriated pursuant to this section shall
7 remain available until expended.

8 **“SEC. 403. DEFINITIONS.**

9 “For purposes of this subtitle, the following defini-
10 tions shall apply:

11 “(1) The term ‘allocation unit of general local
12 government’ means a metropolitan city and an
13 urban county.

14 “(2) The term ‘applicant’ means an eligible
15 grantee that submits an application under section
16 408 for a grant under this subtitle.

17 “(3) The term ‘disability’ means—

18 “(A) a disability as defined in section 223
19 of the Social Security Act;

20 “(B) to be determined to have, pursuant to
21 regulations issued by the Secretary, a physical,
22 mental, or emotional impairment which (i) is
23 expected to be a long-continued and indefinite
24 duration, (ii) substantially impedes an individ-
25 ual’s ability to live independently, and (iii) of

1 such a nature that such ability could be im-
2 proved by more suitable housing conditions;

3 “(C) a developmental disability as defined
4 in section 102 of the Developmental Disabilities
5 Assistance and Bill of Rights Act; or

6 “(D) the disease of acquired
7 immunodeficiency syndrome or any conditions
8 arising from the etiologic agency for acquired
9 immunodeficiency syndrome.

10 Subparagraph (D) shall not be construed to limit eli-
11 gibility under subparagraphs (A) through (C) or the
12 provisions referred to in subparagraphs (A) through
13 (C).

14 “(4) The term ‘eligible grantee’ means—

15 “(A) an allocation unit of general local
16 government or insular area, or a consortium of
17 such entities, that elects to administer a grant
18 under section 410(a)(1);

19 “(B) a public agency or a private nonprofit
20 organization (or a consortium of such organiza-
21 tions) designated by the Secretary under section
22 410(a)(3) to administer grant amounts for an
23 allocation unit of general local government or
24 insular area;

1 “(C) an entity eligible to receive grant
2 amounts from the Secretary under section
3 410(a)(4);

4 “(D) a State that elects under section
5 410(b)(1)(A) to administer a grant;

6 “(E) a unit of general local government se-
7 lected under section 410(b)(5) to receive grant
8 amounts from the Secretary; and

9 “(F) a private nonprofit organization se-
10 lected under section 410(b)(4) to receive grant
11 amounts from the Secretary.

12 “(5) The term ‘families’ has the same meaning
13 given the term under section 3(b) of the United
14 States Housing Act of 1937.

15 “(6) The term ‘grantee’ means—

16 “(A) an allocation unit of general local
17 government or insular area, or a consortium of
18 such entities, that receives a grant under this
19 subtitle and administers the grant under section
20 410(a)(1);

21 “(B) an allocation unit of general local
22 government or insular area that receives a
23 grant under this subtitle and designates a pub-
24 lic agency or private nonprofit organization (or
25 a consortium of such organizations) to admin-

1 ister grant amounts for the jurisdiction under
2 section 410(a)(2);

3 “(C) a public agency or a private nonprofit
4 organization (or a consortium or such organiza-
5 tions) designated by the Secretary under section
6 410(a)(3) to administer grant amounts for an
7 allocation unit of general local government or
8 insular area, and that receives grant amounts
9 under this subtitle;

10 “(D) an entity that receives grant amounts
11 from the Secretary under section 410(a)(4);

12 “(E) a State that receives grant amounts
13 under this subtitle and administers such
14 amounts under section 410(b)(1)(A);

15 “(F) a unit of general local government
16 that receives grant amounts from the Secretary
17 under section 410(b)(5); and

18 “(G) a private nonprofit organization that
19 receives grant amounts from the Secretary
20 under section 410(b)(4).

21 “(7) The term ‘homeless family’ means a group
22 of one or more related individuals who are homeless
23 individuals.

1 “(8) The term ‘insular area’ means the Virgin
2 Islands, Guam, American Samoa, and the Common-
3 wealth of the Northern Mariana Islands.

4 “(9) The term ‘low-demand services and refer-
5 rals’ means the provision of health care, mental
6 health, substance abuse, and other supportive serv-
7 ices and referrals for services in a noncoercive man-
8 ner, which may include medication management,
9 education, counseling, job training, and assistance in
10 obtaining entitlement benefits and in obtaining other
11 supportive service including mental health treatment
12 and substance abuse treatment.

13 “(10) The term ‘metropolitan city’ has the
14 meaning given the term in section 102(a) of the
15 Housing and Community Development Act of 1974.

16 “(11) The term ‘operating costs’ means ex-
17 penses of operating any housing assisted under this
18 subtitle with respect to—

19 “(A) the administration, maintenance, re-
20 pair, and security of such housing;

21 “(B) utilities, fuels, furnishings, and equip-
22 ment for such housing; and

23 “(C) the conducting of the assessments of
24 and the provision of supportive services to the
25 residents of such housing.

1 “(12) The term ‘outpatient health services’
2 means outpatient health care, outpatient mental
3 health services, outpatient substance abuse services,
4 case management services and child immunization.

5 “(13) The term ‘private nonprofit organization’
6 means an organization—

7 “(A) no part of the net earnings of which
8 inures to the benefit of any member, founder,
9 contributor, or individual;

10 “(B) that has a voluntary board;

11 “(C) that has an accounting system or has
12 designated a fiscal agent in accordance with re-
13 quirements established by the Secretary; and

14 “(D) that practices nondiscrimination in
15 the provision of assistance.

16 “(14) The term ‘project’ means a structure or
17 a portion of a structure that is acquired or rehabili-
18 tated with assistance provided under this subtitle or
19 with respect to which the Secretary provides tech-
20 nical assistance or annual payments for operation
21 costs.

22 “(15) The term ‘project sponsor’ means an en-
23 tity that—

24 “(A) provides housing or assistance for
25 homeless individuals or families by carrying out

1 eligible activities under chapter 2 that are as-
2 sisted under this subtitle; and

3 “(B) meets such minimum standards as
4 the Secretary considers appropriate.

5 “(16) The term ‘recipient’ means a grantee
6 (other than a State distributing grant amounts to
7 State recipients) and a State recipient.

8 “(17) The term ‘Secretary’ means the Secretary
9 of Housing and Urban Development.

10 “(18) The term ‘State’ means a State of the
11 United States and the Commonwealth of Puerto
12 Rico, or any agency or instrumentality thereof that
13 is established pursuant to legislation and designated
14 by the chief executive to act on behalf of the juris-
15 diction with regard to provisions of this subtitle.

16 “(19) The term ‘State recipient’ means—

17 “(A) a unit of general local government
18 within a State (other than an allocation unit of
19 general local government) that receives grant
20 amounts from the State under section
21 410(b)(3); and

22 “(B) a private nonprofit organization that
23 receives grant amounts from a State under sec-
24 tion 410(b)(4).

1 “(20)(A) The term ‘supportive services’ means
2 assistance that—

3 “(i) addresses the special needs of home-
4 less persons, such as deinstitutionalized per-
5 sons, families with children, persons with men-
6 tal disabilities, other persons with disabilities,
7 the elderly, and veterans intended to be served
8 by a project; and

9 “(ii) assists in accomplishing the purposes
10 of the different types of housing for the home-
11 less eligible for assistance under this subtitle.

12 “(B) Such term includes—

13 “(i) food services, child care, substance
14 abuse treatment, assistance in obtaining perma-
15 nent housing, outpatient health services, em-
16 ployment counseling, nutritional counseling, se-
17 curity arrangements for the protection of resi-
18 dents of facilities to assist the homeless, and
19 such other services essential for maintaining or
20 moving toward independent living as the Sec-
21 retary determines to be appropriate; and

22 “(ii) assistance to homeless persons in ob-
23 taining other Federal, State, and local assist-
24 ance available for such individuals, including
25 public assistance benefits, mental health bene-

1 fits, employment counseling, and medical assist-
2 ance.

3 “(C) Such term does not include the provision
4 of major medical equipment.

5 “(D) All or part of the supportive services may
6 be provided directly by the project sponsor or by ar-
7 rangements with other public or private service pro-
8 viders.

9 “(21) The term ‘unit of general local govern-
10 ment’ means—

11 “(A) a city, town, township, county, parish,
12 village, or other general purpose political sub-
13 division of a State;

14 “(B) the District of Columbia; and

15 “(C) any agency or instrumentality thereof
16 that is established pursuant to legislation and
17 designated by the chief executive to act on be-
18 half of the jurisdiction with regard to provisions
19 of this subtitle.

20 The term includes a consortium of geographically
21 contiguous units of general local government if the
22 Secretary determines that the consortium—

23 “(i) has sufficient authority and adminis-
24 trative capability to carry out the purposes of

1 this subtitle on behalf of its member jurisdic-
2 tions; and

3 “(ii) will, according to a written certifi-
4 cation by the State (or State, if the consortium
5 includes jurisdictions in more than one State),
6 direct its activities to alleviation of problems of
7 homeless individuals or families within the
8 State or States.

9 “(22) The term ‘urban county’ has the meaning
10 given the term in section 102(a) of the Housing and
11 Community Development Act of 1974.

12 “(23) The term ‘very low-income families’ has
13 the same meaning given the term under section 104
14 of the Cranston-Gonzalez National Affordable Hous-
15 ing Act.

16 **“SEC. 404. PROVISION OF GRANTS.**

17 “(a) AUTHORITY AND USE.—The Secretary may
18 make grants to eligible grantees in accordance with the
19 provisions of this subtitle. Grants under this subtitle may
20 be used only—

21 “(1) to carry out activities under chapter 2 for
22 assisting homeless individuals and families that are
23 conducted to provide comprehensive homeless assist-
24 ance required under section 405; and

1 “(2) for administrative expenses, to the extent
2 provided in section 436.

3 “(b) GENERAL RULE FOR AWARD OF GRANTS.—Ex-
4 cept as provided in subsection (c), the Secretary shall
5 make grants using amounts appropriated under section
6 402 in the manner provided in this subtitle.

7 “(c) INSUFFICIENT APPROPRIATIONS.—

8 “(1) TRIGGER.—If the amounts appropriated
9 pursuant to section 402 for any fiscal year are less
10 than 50 percent of the amount authorized to be ap-
11 propriated under such section for the year, the Sec-
12 retary shall use such amounts to make grants under
13 the provisions of this title as in effect immediately
14 before the enactment of the Stewart B. McKinney
15 Homeless Assistance Amendments Act of 1997.

16 “(2) GRANT REQUIREMENTS.—The Secretary
17 shall establish requirements for grants made under
18 this subsection, as the Secretary considers appro-
19 priate, that are additional or alternative to the re-
20 quirements under the provisions of this title as in ef-
21 fect immediately before the enactment of the Stew-
22 art B. McKinney Homeless Assistance Amendments
23 Act of 1997.

24 “(3) GRANT CRITERIA.—The criteria for award-
25 ing grants under this subsection shall include—

1 “(A) the extent to which there is a need
2 for assistance for homeless individuals and fam-
3 ilies in the jurisdiction in which the grant will
4 be used;

5 “(B) the extent to which the activities pro-
6 posed to be carried out with grant amounts will
7 further the provision of comprehensive homeless
8 assistance required under section 405(b)(1);

9 “(C) the extent to which private nonprofit
10 organizations providing assistance to homeless
11 individuals and families in the jurisdiction have
12 been, and will be, included in planning for the
13 receipt of assistance under this subtitle, the de-
14 velopment of the application under section 408,
15 and the execution of the proposed activities;
16 and

17 “(D) such other criteria as the Secretary
18 considers appropriate to further the purposes of
19 this subsection and this subtitle.

20 **“SEC. 405. COMPREHENSIVE HOMELESS ASSISTANCE.**

21 “(a) ESTABLISHMENT AND MAINTENANCE.—Each
22 applicant shall, based on information provided in the cur-
23 rent comprehensive affordable housing strategy for the ap-
24 propriate jurisdiction under section 105 of the Cranston-
25 Gonzalez National Affordable Housing Act or such other

1 plan as the Secretary may prescribe, use assistance pro-
2 vided under this subtitle in a manner that ensures that
3 comprehensive homeless assistance is established and
4 maintained within the jurisdiction of the applicant.

5 “(b) REQUIREMENTS.—For purposes of this subtitle,
6 comprehensive homeless assistance required under this
7 section shall include—

8 “(1) providing a system of outreach and assess-
9 ment for—

10 “(A) determining whether an individual or
11 family is homeless, needs assistance to avoid
12 being homeless, or needs other assistance; and

13 “(B) ensuring that individuals and families
14 so identified receive appropriate housing and
15 supportive services;

16 “(2) providing assistance to the extent nec-
17 essary to avoid eviction (or foreclosure) and termi-
18 nation of utility services of low- and very low-income
19 families to prevent such families from becoming
20 homeless;

21 “(3) making emergency shelters with appro-
22 priate supportive services available to the extent nec-
23 essary to ensure that homeless individuals and fami-
24 lies for which such housing is appropriate receive
25 adequate shelter, including during any period in

1 which an assessment referred to in paragraph (1)
2 is performed for such an individual or family;

3 “(4) making transitional housing with appro-
4 pate supportive services available to the extent nec-
5 essary to ensure that homeless individuals and fami-
6 lies for which such housing is appropriate are pre-
7 pared for increased responsibility and permanent
8 housing, or permanent supportive housing, after the
9 transition period;

10 “(5) making permanent supportive housing,
11 available to the extent necessary to meet the long-
12 term housing needs of all homeless individuals and
13 families;

14 “(6) providing assistance to meet specific needs
15 of various subpopulations of the homeless, especially
16 the unique needs of homeless veterans; and

17 “(7) providing for coordination of assistance
18 provided under this subtitle and assistance provided
19 under other Federal, State, and local programs that
20 may be used to assist homeless individuals and fami-
21 lies, including—

22 “(A) assistance under the programs for
23 public housing and section 8 rental assistance
24 under the United States Housing Act of 1937
25 (including the program for section 8 assistance

1 for moderate rehabilitation under section 451 of
2 this Act and the shelter plus care program for
3 such assistance under section 452 of this Act),
4 the HOME Investment Partnerships Act, the
5 community development block grant program
6 under title I of the Housing and Community
7 Development Act of 1974, the program for sup-
8 portive housing for the elderly under section
9 202 of the Housing Act of 1959, the program
10 for supportive housing for persons with disabil-
11 ities under section 811 of the Cranston-Gon-
12 zalez National Affordable Housing Act, and the
13 program for housing opportunities for persons
14 with AIDS under subtitle D of title VIII of the
15 Cranston-Gonzalez National Affordable Hous-
16 ing Act;

17 “(B) programs administered by the Direc-
18 tor of the Federal Emergency Management
19 Agency;

20 “(C) programs administered by the Sec-
21 retary of Labor, including programs for employ-
22 ment and training;

23 “(D) programs administered by the Sec-
24 retary of Health and Human Services, including
25 programs for health care, mental health care,

1 social services, income support services, run-
2 away youth, and unfit transient facilities;

3 “(E) programs administered by the Sec-
4 retary of Veterans Affairs (including programs
5 for compensation benefits, health care, and
6 mental health care, and other services and pro-
7 grams) that are specifically designed to assist
8 homeless veterans;

9 “(F) programs administered by the Sec-
10 retary of Education, including programs for
11 adult education and education for homeless
12 children and youth;

13 “(G) programs administered by the Cor-
14 poration for National and Community Service,
15 including programs for national service; and

16 “(H) such other assistance as the Sec-
17 retary shall prescribe upon consultation with
18 the Interagency Council on the Homeless.

19 **“SEC. 406. MATCHING REQUIREMENTS.**

20 “(a) IN GENERAL.—Except as provided in subsection
21 (c), each recipient shall supplement the amount of grants
22 provided under this subtitle to the recipient with an
23 amount of funds from non-Federal sources equal to the
24 amount of the Federal grant, which shall include funds

1 from project sponsors receiving assistance from the recipi-
2 ent.

3 “(b) SUPPLEMENTAL FUNDS.—Supplemental funds
4 may include (1) the value of any donated material or
5 building, the value of any lease on a building, (2) any sal-
6 ary paid to staff to carry out the program of a project
7 sponsor, (3) the value of the time and services contributed
8 by volunteers to carry out the program of project sponsor
9 at a rate determined by the Secretary, and (4) the pro-
10 ceeds from bond financing validly issued by a State or unit
11 of general local government, agency, or instrumentality
12 thereof, and repayable with revenues derived from a
13 project assisted under this subtitle, except that not more
14 than 25 percent of the contribution required may be de-
15 rived from the proceeds of such bond financings. Any
16 State or local government funds used independently from
17 the program under this title, or designated for such use,
18 to assist the homeless by carrying out activities that would
19 be eligible for assistance under this subtitle shall be con-
20 sidered supplemental funds under this section.

21 “(c) STATES.—In the case of a State administering
22 grant amounts under section 410(b)(1)(A), in each fiscal
23 year, the State shall supplement the amount of grants pro-
24 vided under this subtitle with an amount of funds from
25 sources other than this subtitle equal to the amount re-

1 ceived under this subtitle. Each grantee that is a State
 2 shall obtain any supplemental amounts from State recipi-
 3 ents receiving amounts under the grant.

4 “(d) PROHIBITION OF SUBSTITUTION OF FUNDS.—
 5 Assistance provided under this subtitle may not be used
 6 to replace other public funds previously used, or des-
 7 ignated for use, to assist persons who are homeless.

8 “(e) CERTIFICATION.—Each recipient shall certify, to
 9 the satisfaction of the Secretary, its compliance with the
 10 provisions of this section, which shall describe the sources
 11 and amounts of supplemental funds provided pursuant to
 12 this section.

13 **“SEC. 407. RESPONSIBILITIES OF RECIPIENTS AND**
 14 **PROJECT SPONSORS.**

15 “(a) USE OF ASSISTANCE THROUGH PRIVATE NON-
 16 PROFIT ORGANIZATIONS.—Each recipient shall make
 17 available more than 50 percent of the grant amounts it
 18 receives for any fiscal year to project sponsors that are
 19 private nonprofit organizations to carry out eligible activi-
 20 ties under chapter 2, except that the Secretary may waive
 21 the applicability of this requirement if the recipient dem-
 22 onstrates to the Secretary that the requirement interferes
 23 with the ability of the recipient to provide assistance under
 24 this subtitle because of a paucity of qualified private non-
 25 profit organizations in the jurisdiction of the recipient.

1 “(b) HOUSING QUALITY.—Each recipient shall en-
2 sure that housing assisted with grant amounts provided
3 under this subtitle is decent, safe, and sanitary and, when
4 appropriate, complies with all applicable State and local
5 housing codes, building codes, and licensing requirements
6 in the jurisdiction in which the housing is located.

7 “(c) PREVENTION OF UNDUE BENEFIT.—The Sec-
8 retary may prescribe such terms and conditions as the
9 Secretary considers necessary to prevent project sponsors
10 from unduly benefiting from the sale or other disposition
11 of projects other than a sale or other disposition resulting
12 in the use of the project for the direct benefit of very low-
13 income families.

14 “(d) CONFIDENTIALITY.—Each recipient shall de-
15 velop and implement procedures to ensure the confiden-
16 tiality of records pertaining to any individual provided
17 family violence prevention or treatment services under any
18 project and to ensure that the address or location or any
19 family violence shelter project assisted with grant amounts
20 under this subtitle will, except with written authorization
21 of the person or person responsible for the operation of
22 such shelter, not be made public.

23 “(e) EMPLOYMENT OF HOMELESS INDIVIDUALS.—
24 To the maximum extent practicable, the Secretary shall
25 ensure that recipients involve, through employment, volun-

1 teer services, or otherwise, homeless individuals and fami-
2 lies in constructing, renovating, maintaining, and operat-
3 ing facilities assisted with grant amounts under this sub-
4 title, in providing services so assisted, and in providing
5 services for occupants of facilities so assisted.

6 “(f) PARTICIPATION OF HOMELESS INDIVIDUALS.—
7 The Secretary shall, by regulation, provide that each recip-
8 ient shall require each project sponsor receiving assistance
9 under this subtitle from the recipient to provide for the
10 participation of not less than one homeless individual or
11 formerly homeless individual on the board of directors or
12 other equivalent policy making entity of the project spon-
13 sor, to the extent that such entity considers and makes
14 policies and decision regarding any project, facility, serv-
15 ices, or other activities assisted with grant amounts under
16 this subtitle. A recipient may grant waivers to project
17 sponsors unable to meet the requirement under the pre-
18 ceding sentence if the project sponsor agrees to otherwise
19 consult with homeless or formerly homeless individuals in
20 considering and making such policies and decisions.

21 **“SEC. 408. APPLICATION.**

22 “(a) REQUIREMENT.—Except as otherwise provided
23 in section 404(c), the Secretary may make a grant under
24 this subtitle only to an eligible grantee that submits an

1 application under this section that is approved by the Sec-
2 retary.

3 “(b) FORM AND PROCEDURE.—Applications shall be
4 submitted in such form and in accordance with such proce-
5 dures as the Secretary shall, by regulation, establish.

6 “(c) CONTENT.—An application under this section
7 shall—

8 “(1) include a detailed description, based on in-
9 formation provided in the current comprehensive
10 housing affordability strategy under section 105 of
11 the Cranston-Gonzalez National Affordable Housing
12 Act for the appropriate jurisdiction or such other
13 plan as the Secretary may prescribe, of—

14 “(A) the existing population of homeless
15 individuals and families for the jurisdiction of
16 the applicant; and

17 “(B) the existing facilities and services de-
18 signed to assist such population;

19 “(2) include a detailed description of the com-
20 prehensive homeless assistance under section 405 to
21 be established and maintained within the jurisdiction
22 of the applicant;

23 “(3) provide an assessment of what is required
24 to establish and maintain the provision of com-

1 comprehensive homeless assistance required under sec-
2 tion 405 for the jurisdiction of the applicant;

3 “(4) set forth a multiyear strategy for estab-
4 lishing and maintaining the provision of comprehen-
5 sive homeless assistance for the jurisdiction, as de-
6 scribed pursuant to paragraph (2), and include time-
7 tables, goals, and budget estimates for accomplishing
8 each element of the strategy;

9 “(5) set forth a 1-year action plan that identi-
10 fies all activities to be carried out with assistance
11 under this subtitle and demonstrates how such ac-
12 tivities will further the strategy set forth pursuant to
13 paragraph (4);

14 “(6) except in the case of an application by a
15 State that elects under section 410(b)(1)(A) to ad-
16 minister grants under this subtitle, describe the
17 means the applicant will use to distribute grant
18 amounts to project sponsors and whether such
19 amounts will be awarded on a competitive or non-
20 competitive basis;

21 “(7) contain certifications or other such forms
22 of proof of commitments of financial and other re-
23 sources from each public agency or private nonprofit
24 organization that has a role in establishing and
25 maintaining the provision of comprehensive homeless

1 assistance for the jurisdiction of the applicant, re-
2 quired under section 405;

3 “(8) contain assurances satisfactory to the Sec-
4 retary that activities carried out under chapter 2
5 with grant amounts under this subtitle will comply
6 with the requirements of this subtitle;

7 “(9) in the case of an application by a State
8 that elects to under section 410(b)(1)(A) administer
9 grants under this subtitle, describe the method of
10 distribution of such amounts to State recipients;

11 “(10) except with respect to an application by
12 a State that elects under section 410(b)(1)(A) to ad-
13 minister grants under this subtitle, contain a certifi-
14 cation from the public official responsible for sub-
15 mitting the comprehensive housing affordability
16 strategy under section 105 of the Cranston-Gonzalez
17 National Affordable Housing Act for the State or
18 unit of general local government within which a
19 project is to be located (or such other plan as the
20 Secretary may require) that the proposed project is
21 consistent with the approved housing strategy of
22 such State or unit of general local government;

23 “(11) contain a certification that the applicant
24 will comply with the requirements of the Fair Hous-
25 ing Act, title VI of the Civil Rights Act of 1964, sec-

1 tion 504 of the Rehabilitation Act of 1973, and the
2 Age Discrimination Act of 1975, and will affirma-
3 tively further fair housing; and

4 “(12) contain a certification that the applicant
5 will comply with the requirements of this subtitle
6 and other applicable laws.

7 “(d) RELATIONSHIP TO CHAS AND CONSOLIDATED
8 PLAN.—In establishing requirements for applications
9 under this section, the Secretary shall provide that if an
10 applicant includes in the application information also re-
11 quired under the comprehensive housing affordability
12 strategy for the appropriate jurisdiction under section 105
13 of the Cranston-Gonzalez National Affordable Housing
14 Act or such other plan as the Secretary may require, the
15 requirements under such subsection regarding such infor-
16 mation shall be considered to be fulfilled by the submission
17 of the application.

18 **“SEC. 409. ALLOCATION AND DISTRIBUTION OF FUNDS.**

19 “(a) INSULAR AREAS.—In each fiscal year, from any
20 amounts appropriated for such year to carry out this sub-
21 title, the Secretary shall allocate amounts to insular areas
22 in accordance with an allocation formula established by
23 the Secretary.

24 “(b) STATES AND ALLOCATION UNITS OF GENERAL
25 LOCAL GOVERNMENT.—

1 “(1) FORMULA ALLOCATION.—

2 “(A) IN GENERAL.—For each fiscal year,
3 of the amounts that remain after amounts are
4 reserved for insular areas under subsection (a),
5 the Secretary shall allocate assistance according
6 to this paragraph.

7 “(B) FORMULA.—The Secretary shall allo-
8 cate amounts under this paragraph using a for-
9 mula established by the Secretary that allocates
10 amounts for allocation units of general local
11 government and States in a manner that pro-
12 vides that the percentage of the total amount
13 referred to in subparagraph (A) for any fiscal
14 year that is allocated for any State or allocation
15 unit of general local government is equal to the
16 percentage of the total amount available for
17 section 106 of the Housing and Community De-
18 velopment Act of 1974 for the prior fiscal year
19 that was allocated for such State or allocation
20 unit of general local government.

21 “(C) MINIMUM AMOUNT.—If, in any fiscal
22 year, allocation under the provisions of subpara-
23 graphs (A) and (B) would result in any alloca-
24 tion unit of general local government receiving
25 a grant of less than 0.05 percent of the

1 amounts appropriated to carry out this subtitle
2 for the fiscal year, such amount shall instead be
3 reallocated to the State for use under section
4 410(b).

5 “(D) 70 PERCENT FOR UNITS OF GENERAL
6 LOCAL GOVERNMENT.—In each fiscal year, the
7 amount allocated under this paragraph for each
8 allocation unit of general local government shall
9 be the amount that results from increasing all
10 of the amounts determined pursuant to the pre-
11 ceding subparagraphs for allocation units of
12 general local government on a pro rata basis so
13 that the sum of such amounts is equal to 70
14 percent of the remainder of the amount appro-
15 priated for the year to carry out this subtitle
16 after amounts are allocated for insular areas
17 under subsection (a).

18 “(E) 30 PERCENT FOR STATES.—In each
19 fiscal year, the amount allocated under this
20 paragraph for each State shall be the amount
21 that results from decreasing all of the amounts
22 determined pursuant to the preceding subpara-
23 graphs for States on a pro rata basis so that
24 the sum of such amounts is equal to 30 percent
25 of the remainder of the amount appropriated

1 for the year to carry out this subtitle after
2 amounts are allocated for insular areas under
3 subsection (a).

4 “(2) GRANT AMOUNT FOR STATES AND ALLO-
5 CATION UNITS OF GENERAL LOCAL GOVERNMENT.—

6 “(A) IN GENERAL.—The amount allocated
7 for a fiscal year under paragraph (1) for an al-
8 location unit of general local government or a
9 State shall be the maximum amount that the
10 allocation unit or State may receive under this
11 subtitle for the fiscal year.

12 “(B) REDUCTION.—In any fiscal year, the
13 Secretary may provide a grant under this sub-
14 title for a State or for an allocation unit of gen-
15 eral local government in an amount less than
16 the amount allocated under paragraph (1), if
17 the Secretary determines based upon review of
18 the application of the jurisdiction under section
19 408 or as a result of the annual performance
20 review and audit under section 413, that the ju-
21 risdiction has failed to comply fully with the re-
22 quirements under section 408 or 411 or that
23 such action is otherwise appropriate.

24 “(3) MINIMUM STATE ALLOCATION.—Notwith-
25 standing paragraph (2), if, in allocating amounts for

1 States under paragraph (1) for any fiscal year, the
2 amount allocated for the year for a State is less
3 than \$2,000,000, the allocation for the State shall
4 instead be \$2,000,000 and the increase shall be de-
5 ducted pro rata from the allocations of other States.

6 “(c) REALLOCATIONS.—Any amounts that a State or
7 an allocation unit of general local government is eligible
8 to receive for a fiscal year under subsection (b) that are
9 not received for use in the jurisdiction, as provided by sub-
10 sections (a) and (b) of section 410, or that become avail-
11 able as a result of actions under section 413(b), shall be
12 added to amounts available for allocation under this sec-
13 tion for the succeeding fiscal year.

14 **“SEC. 410. ADMINISTRATION OF PROGRAM.**

15 “(a) GRANTS TO ALLOCATION UNITS OF GENERAL
16 LOCAL GOVERNMENT AND INSULAR AREAS.—

17 “(1) IN GENERAL.—Except as provided in para-
18 graphs (2), (3), and (4), an allocation unit of gen-
19 eral local government or insular area shall admin-
20 ister grant amounts for any fiscal year received
21 under section 409 by such grantees.

22 “(2) ADMINISTRATION BY DESIGNEES OF JU-
23 RISDICTION.—

24 “(A) AUTHORITY TO ELECT.—An alloca-
25 tion unit of general local government or insular

1 area may elect for any fiscal year to designate
2 a public agency or a private nonprofit organiza-
3 tion (or a consortium of such organizations) to
4 administer grant amounts under section 409 for
5 the jurisdiction.

6 “(B) ELECTION REQUIREMENTS.—The
7 Secretary shall prescribe the manner and time
8 for making an election under subparagraph (A),
9 and shall establish criteria for the approval of
10 agencies and organizations designated, which
11 shall require such agencies and organizations to
12 demonstrate experience of the entity in provid-
13 ing assistance to homeless individuals and fami-
14 lies in the jurisdiction.

15 “(C) DIRECT PROVISION OF ASSIST-
16 ANCE.—The Secretary may, at the request of
17 the jurisdiction, provide grant amounts directly
18 to the agency or organization designated under
19 this paragraph.

20 “(3) ADMINISTRATION BY DESIGNEES OF SEC-
21 RETARY.—If an allocation unit of general local gov-
22 ernment or insular area, or (if appropriate) a public
23 agency or private nonprofit organization designated
24 by the jurisdiction under paragraph (2), does not re-
25 ceive a grant under section 409 for any fiscal year

1 because of failure to meet the application require-
2 ments of section 408, the Secretary may designate
3 an agency or organization meeting the criteria estab-
4 lished under paragraph (2)(B) to receive the grant.

5 “(4) ADMINISTRATION BY SECRETARY.—If for
6 any fiscal year the Secretary determines that the
7 grant amounts allocated under section 409 for an al-
8 location unit of general local government or insular
9 area will not be used in the jurisdiction as provided
10 by the preceding provisions of this subsection, the
11 Secretary may administer such amounts for the ju-
12 risdiction. The Secretary shall prescribe such proce-
13 dures and requirements as the Secretary considers
14 appropriate for administering grant amounts under
15 this paragraph.

16 “(b) GRANTS TO STATES.—

17 “(1) IN GENERAL.—To receive an allocation
18 under section 409, each State shall elect—

19 “(A) to administer grant amounts received
20 under section 409, as provided in paragraphs
21 (2) and (3); or

22 “(B) to have the Secretary administer such
23 grant amounts for the State, as provided in
24 paragraph (5).

1 If a State elects to administer grant amounts under
2 subparagraph (A), the election shall be irrevocable.

3 “(2) STATE PROGRAM.—A State administering
4 grant amounts as provided in paragraph (1)(A)—

5 “(A) shall distribute the amounts remain-
6 ing after use in accordance with subparagraph
7 (B) to State recipients for use under this sub-
8 title;

9 “(B) may use up to 15 percent of the
10 grant amounts received under section 409 to
11 carry out its own homeless assistance program
12 under this subtitle, except that—

13 “(i) such amounts may only be used
14 for eligible activities under chapter 2 for
15 which States are eligible recipients under
16 this subtitle; and

17 “(ii) the Secretary may increase the
18 percentage limitation under this subpara-
19 graph in the case of any State homeless
20 assistance program that is limited to pro-
21 viding assistance in areas of the State that
22 are not allocation units of general local
23 government; and

24 “(C) may retain not to exceed 5.0 percent
25 of the amount to be distributed under subpara-

1 graph (A) to State recipients to defray the cost
2 of carrying out its responsibilities under this
3 subtitle.

4 Unless a State demonstrates to the satisfaction of
5 the Secretary that the needs for assistance for ac-
6 tivities under this subtitle in areas of the State that
7 are not allocation units of general local government
8 have been fulfilled, grant amounts received by State
9 may only be used to carry out activities in areas of
10 the State that do not include allocation units of gen-
11 eral local government.

12 “(3) DISTRIBUTION OF AMOUNTS TO STATE RE-
13 CIPIENTS.—

14 “(A) CHOICE OF ADMINISTRATION.—A
15 State administering grant amounts as provided
16 in paragraph (1)(A) shall, for each fiscal year,
17 afford each such recipient the options of—

18 “(i) administering the grant amounts
19 on its own behalf;

20 “(ii) designating a public agency or a
21 private nonprofit organization (as provided
22 by subsection (a)(2)) to administer the
23 grant amounts for the jurisdiction; or

24 “(iii) entering into an agreement with
25 the State, in consultation with private non-

1 profit organizations providing assistance to
2 homeless individuals and families in the ju-
3 risdiction, under which the State will ad-
4 minister the grant amounts for the juris-
5 diction.

6 A recipient may choose to exercise such options
7 at such time and in accordance with such cri-
8 teria as the Secretary may prescribe.

9 “(B) DIRECT PROVISION OF ASSIST-
10 ANCE.—A State may, at the request of the
11 State recipient, provide grant amounts directly
12 to the agency or organization designated under
13 subparagraph (A)(ii).

14 “(C) DISTRIBUTION OF AMOUNTS.—The
15 State shall distribute amounts to State recipi-
16 ents (or to agencies or organizations designated
17 under subparagraph (A)(ii), as appropriate) on
18 the basis of an application containing such in-
19 formation as the State may prescribe. Each ap-
20 plication shall evidence an intent to establish
21 and maintain the provision of comprehensive
22 homeless assistance in the jurisdiction of the re-
23 cipient, except that the State may waive this re-
24 quirement with respect to one or more proposed
25 activities, where the State determines that—

1 “(i) the activities are necessary to
2 meet the needs of homeless individuals and
3 families within the jurisdiction; and

4 “(ii) comprehensive homeless assist-
5 ance is not necessary, due to the nature
6 and extent of homelessness in the jurisdic-
7 tion.

8 “(D) PREFERENCE FOR CERTAIN STATE
9 RECIPIENTS.—In selecting State recipients and
10 making awards under subparagraph (C), the
11 State shall give preference to applications that
12 demonstrate higher relative levels of homeless
13 need and fiscal distress.

14 “(4) STATE OR HUD ADMINISTRATION OF
15 GRANTS FOR INDIVIDUAL STATE RECIPIENTS.—If in
16 any fiscal year a State distributes grant amounts to
17 a State recipient, but the recipient fails to receive
18 the amounts pursuant to paragraph (3)(A), the Sec-
19 retary or the State, as the Secretary may provide,
20 may distribute the amounts to private nonprofit or-
21 ganizations in the jurisdiction. If the Secretary dis-
22 tributes the amounts, the Secretary shall deduct the
23 amounts distributed from the grant provided to the
24 State for the fiscal year.

1 “(5) HUD ADMINISTRATION OF STATE PRO-
2 GRAM.—If a State elects pursuant to paragraph
3 (1)(B) to have the Secretary administer grant
4 amounts for the State received under section 409,
5 the Secretary may distribute grant amounts to State
6 recipients for the State, in accordance with require-
7 ments and procedures prescribed by the Secretary.
8 The Secretary shall establish criteria for selecting
9 recipients and making awards under this paragraph,
10 which shall include giving preference to applications
11 that demonstrate higher relative levels of homeless
12 need and fiscal distress.

13 **“SEC. 411. CITIZEN PARTICIPATION.**

14 “(a) IN GENERAL.—Each grantee who is not a State
15 recipient shall ensure that citizens, and appropriate pri-
16 vate nonprofit organizations and other interested groups
17 and entities, participate fully in developing and carrying
18 out the program for providing assistance under this sub-
19 title in the jurisdiction of the recipient. The Secretary
20 shall prescribe such requirements to carry out this section
21 as the Secretary deems appropriate, which shall include
22 requirements applicable to the homeless assistance plan-
23 ning boards referred to in subsection (b) and the citizen
24 participation provisions of subsection (c), and the timing

1 of, and sequence for, carrying out the requirements of
2 such subsections.

3 “(b) HOMELESS ASSISTANCE PLANNING BOARDS.—

4 “(1) ESTABLISHMENT.—As a condition of a
5 grantee who is not a State recipient receiving assist-
6 ance under this subtitle, the chief executive officer of
7 the appropriate unit government in the jurisdiction
8 of the grantee shall establish and provide support
9 for the operation of a homeless assistance planning
10 board under this subsection.

11 “(2) FUNCTIONS.—Each board under this sub-
12 section shall assist the recipient in—

13 “(A) determining whether grant amounts
14 of the grantee should be administered by the
15 grantee, a public agency or private nonprofit or-
16 ganization, or the State or the Secretary, under
17 subsections (a) and (b) of section 410;

18 (B) developing the application under sec-
19 tion 408;

20 (C) overseeing the activities carried out
21 with assistance under this subtitle; and

22 (D) evaluating the performance of the
23 grantee (and recipients of the grantee) in carry-
24 ing out such activities.

1 “(3) MEMBERSHIP.—Each board under this
2 subsection shall consist of members appointed by the
3 chief executive officer referred to in paragraph (1)
4 (subject to recommendations in accordance with
5 paragraph (4)), and shall include—

6 “(A) not less than one member represent-
7 ing homeless individuals and families;

8 “(B) not less than one member represent-
9 ing homeless advocates;

10 “(C) not less than one member represent-
11 ing individuals and entities providing assistance
12 to homeless individuals and families, including
13 agencies of units of general local government
14 providing Federal assistance;

15 “(D) not less than one member represent-
16 ing the business community;

17 “(E) not less than one member represent-
18 ing labor;

19 “(F) not less than one member who is a
20 community representative;

21 “(G) not less than one member of the local
22 board established for the jurisdiction for pur-
23 poses of allocating amounts under the emer-
24 gency food and shelter program of the Federal
25 Emergency Management Agency;

1 “(H) not less than one member represent-
2 ing the grantee; and

3 “(I) in the case of a grantee that is a
4 State—

5 “(i) one member representing the
6 State agency or instrumentality dealing
7 with mental health; and

8 “(ii) one member representing the
9 State agency or instrumentality dealing
10 with education.

11 “(4) DISTRIBUTION OF MEMBERSHIP.—Not less
12 than 50 percent of the members of each board under
13 this subsection (including the members required
14 under subparagraphs (A), (B), (C), and (G) of para-
15 graph (3)) shall be members of the board that rep-
16 resent homeless individuals and families, homeless
17 advocates, or nongovernmental entities that provide
18 assistance to homeless individuals and families. They
19 shall be individuals who were recommended for
20 membership by individuals and entities other than a
21 unit of general local government or any agency
22 thereof.

23 “(5) BOARD REVIEW.—

24 “(A) APPLICANTS.—No eligible grantee
25 may submit an application to the Secretary

1 under section 408, and no grantee may submit
2 to the Secretary a performance report under
3 subsection 413(a), unless the board under this
4 subsection for the jurisdiction of the grantee
5 has reviewed, and been provided an opportunity
6 to include any comments of the board in, the
7 application or report.

8 “(B) STATE RECIPIENTS.—No State recip-
9 ient may submit an application under section
10 410(b)(3) or a performance report to a State,
11 unless the board under this subsection for the
12 jurisdiction has reviewed, and been provided an
13 opportunity to include any comments of the
14 board in, the application or report.

15 “(6) REVIEW BY SECRETARY.—A member or
16 members of the board under this subsection for a ju-
17 risdiction or other members of the community may
18 request the Secretary to review process for constitut-
19 ing or operating the board to determine whether the
20 process is fair. If the Secretary finds that the proc-
21 ess is unfair and submits a written justification to
22 the board within 15 days of the request for review,
23 the Secretary may disapprove the application under
24 section 408 for the jurisdiction or refuse to accept
25 a performance report under section 413(a).

1 “(7) CONFLICTS OF INTEREST.—The Secretary
2 shall prescribe standards governing potential con-
3 flicts of interest under which members of boards
4 under this subsection may participate in activities
5 carried out under this subtitle.

6 “(c) INVOLVEMENT OF CITIZENS AND OTHERS.—

7 “(1) IN GENERAL.—Each recipient shall—

8 “(A) make available to its citizens, public
9 agencies, and other interested parties informa-
10 tion concerning the amount of assistance the ju-
11 risdiction expects to receive and the range of
12 activities that may be undertaken with the as-
13 sistance;

14 “(B) publish the proposed application in a
15 manner that, in the determination of the Sec-
16 retary, affords affected citizens, public agencies,
17 and other interested parties a reasonable oppor-
18 tunity to examine its content and to submit
19 comments on it;

20 “(C) hold one or more public hearings to
21 obtain the views of citizens, public agencies, and
22 other interested parties on the housing needs of
23 the jurisdiction; and

24 “(D) provide citizens, public agencies, and
25 other interested parties with reasonable access

1 to records regarding any uses of any assistance
2 the recipient may have received under this sub-
3 title during the preceding 5 years.

4 “(2) NOTICE AND COMMENT.—Before submit-
5 ting any performance report under section 413(a) or
6 any substantial amendment to an application under
7 section 408, a recipient shall provide citizens with
8 reasonable notice of, and opportunity to comment
9 on, the performance report or application.

10 “(3) CONSIDERATION OF COMMENTS.—A recipi-
11 ent shall consider any comments or views of citizens
12 in preparing a final application, amendment to an
13 application, or performance report for submission. A
14 summary of such comments or views shall be at-
15 tached when an application, amendment to an appli-
16 cation, or performance report is submitted. The sub-
17 mitted application, amendment, or report shall be
18 made available to the public.

19 “(4) AUTHORITY OF SECRETARY.—The Sec-
20 retary shall establish procedures appropriate and
21 practicable for providing a fair hearing and timely
22 resolution of citizen complaints related to applica-
23 tions or performance reports under this subtitle.

1 “(d) REQUIREMENTS FOR CITIZEN PARTICIPATION
2 FOR STATE RECIPIENTS AND RECIPIENTS OF AMOUNTS
3 FROM THE SECRETARY.—

4 “(1) STATE RECIPIENTS.—The State may pre-
5 scribe citizen participation requirements comparable
6 (to the extent appropriate) to the requirements
7 under the preceding provisions of this section for
8 cases in which a State distributes grant amounts to
9 State recipients, as provided in section 410(b)(2).

10 “(2) RECIPIENTS FROM SECRETARY.—The Sec-
11 retary may prescribe citizen participation require-
12 ments comparable (to the extent appropriate) to the
13 requirements under the preceding provisions of this
14 section for cases in which the Secretary—

15 “(A) administers the grant amounts of an
16 allocation unit of general local government, as
17 provided in section 410(a)(4); or

18 “(B) distributes grant amounts to recipi-
19 ents, as provided in paragraph (3), (4), or (5)
20 of section 410(b).

21 “(3) INAPPLICABLE LAWS.—The Federal Advi-
22 sory Committee Act and section 12 of the Depart-
23 ment of Housing and Urban Development Act shall
24 not apply with respect to the actions of the Sec-
25 retary referred to in paragraph (2). The Secretary

1 shall establish appropriate standards under this
2 paragraph to ensure the integrity of the process for
3 awarding assistance.

4 **“SEC. 412. APPLICABILITY OF OTHER PROVISIONS.**

5 “(a) FLOOD ELEVATION REQUIREMENTS.—Flood
6 protection standards applicable to housing acquired, reha-
7 bilitated, or assisted under this subtitle shall be no more
8 restrictive than the standards applicable to any other pro-
9 gram administrated by the Secretary.

10 “(b) ENVIRONMENTAL PROTECTION.—The provi-
11 sions of, and regulations and procedures applicable under,
12 section 104(g) of the Housing and Community Develop-
13 ment Act of 1974 shall apply to assistance and projects
14 under this subtitle.

15 “(c) GAO AUDITS.—Insofar as they relate to funds
16 provided under this subtitle, the financial transactions of
17 grantees and project sponsors may be audited by the Gen-
18 eral Accounting Office under such rules and regulations
19 as may be prescribed by the Comptroller General of the
20 United States. The representatives of the General Ac-
21 counting Office shall have access to all books, accounts,
22 records, reports, files and other papers, things, or property
23 belonging to, or in use by such grantees, and project spon-
24 sors pertaining to the financial transactions and necessary
25 to facilitate the audit.

1 **“SEC. 413. REPORTS, REVIEWS, AND AUDITS.**

2 “(a) GRANTEE PERFORMANCE REPORT.—Each
3 grantee shall submit to the Secretary a performance and
4 evaluation report concerning the use of funds made avail-
5 able under this subtitle. The report shall be submitted at
6 such time and contain such information as the Secretary
7 shall prescribe, and shall be made available to the relevant
8 boards referred to in section 411(b) and to citizens, public
9 agencies, and other interested parties in the jurisdiction
10 of the grantee in sufficient time to permit the board and
11 the citizens, public agencies, and other interested parties
12 to comment on the report before submission.

13 “(b) REVIEWS AND AUDITS.—The Secretary shall, at
14 least on an annual basis, make such reviews and audits
15 as may be necessary or appropriate to determine—

16 “(1) in the case of a grantee (other than a
17 grantee referred to in paragraph (2)), whether the
18 grantee—

19 “(A) has carried out its activities in a
20 timely manner;

21 “(B) has made progress toward establish-
22 ing and maintaining the comprehensive home-
23 less assistance system in conformity with its ap-
24 plication under this subtitle;

1 “(C) has carried out its activities and cer-
2 tifications in accordance with the requirements
3 of this subtitle and other applicable laws; and

4 “(D) has a continuing capacity to carry
5 out its activities in a timely manner; and

6 “(2) in the case of States distributing grant
7 amounts to State recipients, whether the State—

8 “(A) has distributed amounts to State re-
9 cipients in a timely manner and in conformance
10 with the method of distribution described in its
11 application;

12 “(B) has carried out its activities and cer-
13 tifications in compliance with the requirements
14 of this subtitle and other applicable laws; and

15 “(C) has made such reviews and audits of
16 the State recipients as may be necessary or ap-
17 propriate to determine whether they have satis-
18 fied the applicable performance criteria con-
19 tained in paragraph (1).

20 The Secretary may make appropriate adjustments in the
21 amount of grants in accordance with the Secretary’s find-
22 ings under this subsection. With respect to assistance
23 made available for State recipients, the Secretary may ad-
24 just, reduce, or withdraw such assistance, or take other
25 action as appropriate in accordance with the Secretary’s

1 reviews and audits under this subsection, except that
2 amounts already properly expended on eligible activities
3 under this subtitle shall not be recaptured or deducted
4 from future assistance to such recipients.

5 **“SEC. 414. NONDISCRIMINATION IN PROGRAMS AND AC-**
6 **TIVITIES.**

7 “(a) IN GENERAL.—No person in the United States
8 shall on the ground of race, color, national origin, religion,
9 or sex be excluded from participation in, be denied the
10 benefits of, or be subjected to discrimination under any
11 program or activity funded in whole or in part with funds
12 made available under this subtitle. Any prohibition against
13 discrimination on the basis of age under the Age Discrimi-
14 nation Act of 1975 or with respect to an otherwise quali-
15 fied handicapped individual, as provided in section 504 of
16 the Rehabilitation Act of 1973, shall also apply to any
17 such program or activity.

18 “(b) HAWAIIAN HOME LANDS.—The provisions of
19 this subtitle relating to discrimination on the basis of race
20 shall not apply to the provision of assistance under this
21 subtitle to the Hawaiian Home Lands.

22 **“SEC. 415. CONSULTATION.**

23 “In carrying out the provisions of this subtitle, in-
24 cluding the issuance of regulations, the Secretary shall
25 consult with other Federal agencies administering pro-

1 grams affecting homeless individuals and families through
2 the Interagency Council on the Homeless established
3 under title II.

4 **“SEC. 416. RECORDS, REPORTS, AND AUDITS.**

5 “(a) KEEPING OF RECORDS.—Any recipient (includ-
6 ing a State distributing grant amounts to State recipients
7 as provided in section 410(b)(2)) shall keep such records
8 as may be reasonably necessary—

9 “(1) to disclose the amounts and the disposition
10 of the grant amounts; and

11 “(2) to ensure compliance with the require-
12 ments of this subtitle.

13 “(b) ACCESS TO DOCUMENTS BY SECRETARY.—The
14 Secretary shall have access for the purpose of audit and
15 examination to any books, documents, papers, and records
16 of any recipient specified in subsection (a) that are perti-
17 nent to grant amounts received in connection with, and
18 the requirements of, this subtitle.

19 “(c) ACCESS TO DOCUMENTS BY COMPTROLLER
20 GENERAL.—The Comptroller General of the United
21 States, or any of the duly authorized representatives of
22 the Comptroller General, shall have access for the purpose
23 of audit and examination to any books, documents, papers,
24 and records of any recipient specified in subsection (a)

1 that are pertinent to grant amounts received in connection
 2 with, and the requirements of, this subtitle.

3 **“SEC. 417. REPORTS TO CONGRESS.**

4 “The Secretary shall submit a report to the Congress
 5 annually, summarizing the activities carried out under this
 6 subtitle and setting forth the findings, conclusions, and
 7 recommendations of the Secretary as a result of the activi-
 8 ties. The report shall be submitted not later than 4
 9 months after the end of each fiscal year (except that, in
 10 the case of fiscal year 1998, the report shall be submitted
 11 not later than 6 months after the end of the fiscal year).

12 **“CHAPTER 2—ELIGIBLE ACTIVITIES**

13 **“SEC. 431. HOMELESSNESS PREVENTION.**

14 “(a) ELIGIBLE ACTIVITIES.—A recipient may use
 15 grant amounts under this subtitle for activities designed
 16 to help persons and families described in subsection (b)
 17 avoid becoming homeless, which shall include assistance
 18 for making mortgage payments, rental payments, and util-
 19 ity payments and any activities other than those found by
 20 the Secretary to be inconsistent with the purposes of this
 21 Act.

22 “(b) REQUIREMENTS FOR ASSISTANCE.—Assistance
 23 may be provided under this section only to very low-income
 24 persons and families who have received eviction (or mort-

1 gage delinquency or foreclosure) notices or notices of ter-
2 mination of utility services and who—

3 “(1) are unable to make the required payments
4 due to a sudden reduction in income;

5 “(2) need such assistance to avoid the eviction
6 or termination of services; and

7 “(3) have a reasonable prospect of being able to
8 resume payments within a reasonable period of time.

9 **“SEC. 432. EMERGENCY SHELTER.**

10 “(a) **ELIGIBLE ACTIVITIES.**—A recipient may use
11 grant amounts under this subtitle for—

12 “(1) the renovation, major rehabilitation, or
13 conversion of a building or buildings to be used as
14 emergency shelters;

15 “(2) the provision of supportive services, if such
16 services do not supplant any services provided by the
17 local government during any part of the 12-month
18 period ending on the date of the commencement of
19 the operation of the emergency shelter; and

20 “(3) maintenance, operation, insurance, utili-
21 ties, and furnishings for emergency shelters.

22 “(b) **DEFINITION.**—A project shall be considered
23 emergency shelter for purposes of this section if the
24 project is designed to provide overnight sleeping accom-
25 modations for homeless persons. An emergency shelter

1 may include appropriate eating and cooking accommoda-
2 tions.

3 “(c) PROGRAM REQUIREMENTS.—A recipient may
4 use grant amounts under this subtitle for an emergency
5 shelter project only if the project sponsor has agreed that
6 it will—

7 “(1) in the case of assistance involving major
8 rehabilitation or conversion of a building, maintain
9 the building as a shelter for homeless individuals
10 and families for not less than a 10-year period un-
11 less, within such 10-year period, the need for main-
12 taining the building as a full-time shelter ceases to
13 exist and the building is used for the remainder of
14 such period to carry out other eligible activities
15 under this subtitle;

16 “(2) in the case of assistance involving rehabili-
17 tation (other than major rehabilitation or conversion
18 of a building), maintain the building as a shelter for
19 homeless individuals and families for not less than
20 a 3-year period; or

21 “(3) in the case of assistance involving only ac-
22 tivities described in paragraphs (2) and (3) of sub-
23 section (a), provide services or shelter to homeless
24 individuals and families at the original site or struc-
25 ture or other sites or structures serving the same

1 general population for the period during which such
2 assistance is provided;

3 “(4) comply with the standards of habitability
4 prescribed under subsection (d) by the Secretary and
5 (if applicable) the State or unit of general local gov-
6 ernment; and

7 “(5) assist homeless persons in obtaining—

8 “(A) appropriate supportive service, includ-
9 ing permanent housing, medical and mental
10 health treatment, counseling, supervision, and
11 other services essential for achieving independ-
12 ent living; and

13 “(B) other Federal, State, local, and pri-
14 vate assistance available for homeless persons.

15 “(d) MINIMUM STANDARDS OF HABITABILITY.—The
16 Secretary shall prescribe such minimum standards of hab-
17 itability as the Secretary determines to be appropriate to
18 ensure that emergency shelters assisted under this section
19 are environments that provide appropriate privacy, safety,
20 and sanitary and other health-related conditions for home-
21 less persons and families. Grantees may establish stand-
22 ards of habitability in addition to those prescribed by the
23 Secretary.

1 **“SEC. 433. SUPPORTIVE HOUSING FOR THE HOMELESS.**

2 “(a) **ELIGIBLE ACTIVITIES.**—A recipient may use
3 grant amounts under this subtitle to provide assistance to
4 a project sponsor of supportive housing in the following
5 manners:

6 “(1) **ACQUISITION AND REHABILITATION.**—As-
7 sistance may be provided in the form of an advance
8 in an amount not exceeding cost of acquisition, sub-
9 stantial rehabilitation, or acquisition and rehabilita-
10 tion of an existing structure for use as supportive
11 housing. The repayment of any outstanding debt
12 owed on a loan made to purchase an existing struc-
13 ture shall be considered to be a cost of acquisition
14 eligible for an advance under this paragraph if the
15 structure was not used as supportive housing before
16 the receipt of assistance.

17 “(2) **MODERATE REHABILITATION.**—Assistance
18 may be provided in the form of a grant for moderate
19 rehabilitation of an existing structure for use as sup-
20 portive housing. Assistance under this paragraph
21 shall not preclude assistance under paragraph (1).

22 “(3) **OPERATING COSTS.**—Assistance may be
23 provided in the form of annual payments for operat-
24 ing costs of supportive housing (including supportive
25 housing that is newly constructed with assistance
26 provided from sources other than this subtitle) in an

1 amount not exceeding 75 percent of the annual oper-
2 ating costs of such housing.

3 “(4) TECHNICAL ASSISTANCE.—Technical as-
4 sistance may be provided in—

5 “(A) establishing supportive housing in an
6 existing structure;

7 “(B) operating supportive housing in exist-
8 ing structures and in structures that are newly
9 constructed with assistance provided from
10 sources other than this subtitle; and

11 “(C) providing supportive services to the
12 residents of supportive housing (including sup-
13 portive housing that is newly constructed with
14 assistance provided from sources other than
15 this subtitle).

16 “(5) EMPLOYMENT ASSISTANCE PROGRAM.—
17 Assistance may be provided in the form of a grant
18 for establishing and operating an employment assist-
19 ance program for the residents of supportive hous-
20 ing, which shall include—

21 “(A) employment of residents in the oper-
22 ation and maintenance of the housing; and

23 “(B) the payment of the transportation
24 costs of residents to places of employment.

1 “(6) SUPPORTIVE SERVICES.—Assistance may
2 be provided in the form of a grant for costs of sup-
3 portive services provided to homeless individuals.
4 Any project sponsor, including program recipients
5 under title IV of this Act before the date of the en-
6 actment of the Stewart B. McKinney Homeless As-
7 sistance Amendments Act of 1997, may reapply for
8 such assistance or for the renewal of such assistance
9 to continue services funded under prior grants or to
10 provide other services.

11 “(7) CHILD CARE SERVICES.—Assistance may
12 be provided in the form of a grant to establish and
13 operate a child care services program for homeless
14 families, which shall—

15 “(A) include—

16 “(i) establishing, licensing, and oper-
17 ating an onsite child care facility for the
18 residents of transitional housing;

19 “(ii) making contributions for the
20 child care costs of residents of transitional
21 housing to existing community child care
22 programs and facilities; and

23 “(iii) counseling designed to inform
24 the residents of transitional housing of

1 public and private child care services for
2 which they are eligible; and

3 “(B) provide only child care services that
4 comply with any applicable State and local laws
5 and regulations.

6 A grant under this paragraph for any child care
7 services program may not exceed the amount equal
8 to 75 percent of the cost of operating the program
9 for a period not exceeding 5 years.

10 “(b) SUPPORTIVE HOUSING.—Housing for homeless
11 individuals shall be considered to be supportive housing
12 for purposes of this section if—

13 “(1) the housing is safe and sanitary and meets
14 any applicable State and local housing codes and li-
15 censing requirements in the jurisdiction in which the
16 housing is located;

17 “(2) the housing is—

18 “(A) transitional housing;

19 “(B) permanent housing for homeless per-
20 sons with disabilities; or

21 “(C) a particularly innovative project for,
22 or alternative methods of, meeting the imme-
23 diate and long-term needs of homeless individ-
24 uals and families (or is part of such a project);
25 and

1 “(3) supportive services are provided in connec-
2 tion with the housing to address the special needs of
3 homeless individuals intended to be served by the
4 housing.

5 “(c) TRANSITIONAL HOUSING.—For purposes of this
6 section, the term ‘transitional housing’ means housing, the
7 purpose of which is to facilitate the movement of homeless
8 individuals and families to permanent housing within 24
9 months or such longer period as the Secretary determines
10 necessary.

11 “(d) PERMANENT HOUSING FOR HOMELESS PER-
12 SONS WITH DISABILITIES.—For purposes of this section,
13 the term ‘permanent housing for homeless persons with
14 disabilities’ means community-based housing for homeless
15 persons with disabilities that—

16 “(1) is a home designed solely for housing
17 homeless persons with disabilities or dwelling units
18 in a multifamily housing project, condominium
19 project, or cooperative project;

20 “(2) in the case of a home, is located on a site
21 that does not contain another home used for the
22 same purposes and that is not contiguous to another
23 site containing a home used for the same purposes;
24 and

1 “(3) provides long-term housing and supportive
2 services for not more than—

3 “(A) 8 such persons in a single structure
4 or contiguous structures;

5 “(B) 16 such persons, but only if not more
6 than 20 percent of the units in a structure are
7 designated for such persons; or

8 “(C) more than 16 persons if the applicant
9 demonstrates that local market conditions dic-
10 tate the development of a large project and
11 such development will achieve the neighborhood
12 integration objectives of the program within the
13 context of the affected community.

14 “(e) PROGRAM REQUIREMENTS.—

15 “(1) REQUIRED AGREEMENTS.—A recipient
16 may use grant amounts under this subtitle for a
17 supportive housing project under this section only if
18 the project sponsor for the project has agreed—

19 “(A) to operate the proposed project as
20 supportive housing for not less than 10 years;

21 “(B) to conduct an ongoing assessment of
22 the supportive services required by the residents
23 of the project;

24 “(C) to provide such residential supervision
25 as the Secretary determines is necessary to fa-

1 facilitate the adequate provision of supportive
2 services to the residents of the project; and

3 “(D) to comply with such other terms and
4 conditions as the Secretary or recipient may es-
5 tablish for purposes of carrying out this pro-
6 gram in an effective and efficient manner.

7 “(2) OCCUPANT CHARGE.—Each homeless indi-
8 vidual or family residing in a project assisted under
9 this section that provides supportive housing may be
10 required to pay an occupancy charge in an amount
11 determined by the project sponsor, which may not
12 exceed the amount determined under section 3(a) of
13 the United States Housing Act of 1937. Occupancy
14 charges paid may be reserved, in whole or in part,
15 to assist residents in moving to permanent housing.

16 “(f) SINGLE ROOM OCCUPANCY DWELLINGS.—A
17 project assisted under this section may provide supportive
18 housing or supportive services in dwelling units that do
19 not contain bathrooms or kitchen facilities and are appro-
20 priate for use as supportive housing or in projects contain-
21 ing some or all such dwelling units.

22 **“SEC. 434. SAFE HAVENS FOR HOMELESS INDIVIDUALS.**

23 “(a) ELIGIBLE ACTIVITIES.—A recipient may use
24 grant amounts under this subtitle for—

1 “(1) the construction of a structure for use in
2 providing a safe haven or the acquisition, rehabilita-
3 tion, or acquisition and rehabilitation of an existing
4 structure for use in providing a safe haven;

5 “(2) the leasing of an existing structure for use
6 in providing a safe haven;

7 “(3) operating costs of a safe haven;

8 “(4) costs of administering a safe haven pro-
9 gram, in an amount not exceeding 10 percent of the
10 amounts made available for activities under para-
11 graphs (1) through (3);

12 “(5) conducting outreach activities designed to
13 inform eligible persons about and attract them to a
14 safe haven program;

15 “(6) the provision of low-demand services and
16 referrals for residents of a safe haven; and

17 “(7) conducting other activities that further the
18 purposes of this section, including the modification
19 of an existing facility to use a portion of a facility
20 to provide a safe haven.

21 “(b) DEFINITION.—For purposes of this section, the
22 term ‘safe haven’ means housing for homeless persons
23 who, at the time, are unwilling or unable to participate
24 in mental health treatment programs or to receive other
25 supportive services. Such a facility may provide—

1 “(1) 24-hour residence for eligible persons who
2 may reside for an unspecified duration;

3 “(2) private or semiprivate accommodations;

4 “(3) common use of kitchen facilities, dining
5 rooms, and bathrooms;

6 “(4) supportive services to eligible persons who
7 are not residents on a drop-in basis; and

8 “(5) overnight occupancy limited to no more
9 than 25 persons.

10 **“SEC. 435. SHELTER PLUS CARE.**

11 “(a) ELIGIBLE ACTIVITIES.—A recipient may use
12 grant amounts under this subtitle to provide shelter plus
13 care for homeless persons with disabilities (primarily per-
14 sons who have severe and persistent mental or emotional
15 impairments that seriously limit a person’s ability to live
16 independently, have chronic problems with alcohol, drugs,
17 or both, or have acquired immunodeficiency syndrome and
18 related diseases) and the families of such persons.

19 “(b) DEFINITION.—For purposes of this section, the
20 term ‘shelter plus care’ means rental housing assistance,
21 in connection with supportive services funded from sources
22 other than under this section. Such rental housing assist-
23 ance may be tenant-based, project-based, or sponsor-
24 based.

1 **“SEC. 436. ADMINISTRATIVE AND CAPACITY-BUILDING EX-**
2 **PENSES.**

3 “(a) AVAILABILITY OF GRANT AMOUNTS.—A recipi-
4 ent may use grant amounts under this subtitle for the fol-
5 lowing expenses:

6 “(1) ADMINISTRATIVE EXPENSES.—During—

7 “(A) the first year in which a recipient re-
8 ceives grant amounts under this subtitle, for
9 administrative expenses in connection with
10 planning the development of, and establishing,
11 its program under this subtitle;

12 “(B) subsequent years, to defray the cost
13 of administering the program; and

14 “(C) any year in which a recipient receives
15 grant amounts under this subtitle, to defray the
16 cost of establishing and operating the board re-
17 ferred to in section 411(b).

18 Not more than 5 percent of any amounts provided
19 to a recipient under this subtitle for a fiscal year
20 may be used for activities under this paragraph.

21 “(2) CAPACITY BUILDING FOR NONPROFIT OR-
22 GANIZATIONS.—For building the capacity of private
23 nonprofit organizations to participate in the com-
24 prehensive homeless assistance system of the recipi-
25 ent, except that not more than 2 percent of any
26 amounts provided to a recipient under this subtitle

1 for a fiscal year may be used for activities under this
2 paragraph.

3 “(b) PROVISION OF ADMINISTRATIVE EXPENSES FOR
4 CERTAIN ENTITIES.—

5 “(1) PROVISION OF AMOUNTS.—Any recipient
6 under paragraph (2) shall make available, to defray
7 the administrative expenses of the designee or the
8 State, not more than 5 percent from amounts eligi-
9 ble for this purpose under subsection (a)(1).

10 “(2) RECIPIENTS COVERED.—The recipients
11 under this paragraph shall be—

12 “(A) any allocation unit of general local
13 government or insular area, that designates a
14 public agency or a private nonprofit organiza-
15 tion under section 410(a)(2);

16 “(B) any State recipient that designates a
17 public agency or a private nonprofit organiza-
18 tion under section 410(b)(3)(A)(ii); and

19 “(C) any State recipient that enters into
20 an agreement under section 410(b)(3)(A)(iii)
21 with a State.

22 **“SEC. 437. INNOVATIVE HOMELESS INITIATIVES.**

23 “(a) ELIGIBLE ACTIVITIES.—A recipient may use
24 grant amounts under this subtitle for—

1 “(1) establishing innovative programs to dem-
2 onstrate methods of undertaking comprehensive
3 strategies for assisting homeless individuals and
4 families (including homeless individuals who have
5 the disease of acquired immunodeficiency syndrome
6 or who are infected with HIV), through cooperative
7 efforts in partnership with other levels of govern-
8 ment and the private sector (including nonprofit or-
9 ganizations, foundations, and communities) and
10 through a variety of activities, including the coordi-
11 nation of efforts and the filling of gaps in available
12 services and resources; and

13 “(2) to obtain technical assistance in establish-
14 ing a program for providing homeless assistance in
15 accordance with the provisions of this subtitle, ex-
16 cept that not more than 10 percent of the amount
17 provided to a recipient under this subtitle for a fiscal
18 year may be used under this paragraph.

19 “(b) REQUIREMENTS.—A recipient may use grant
20 amounts to establish an innovative program under sub-
21 section (a)(1) only if—

22 “(1) the existing public and private systems for
23 homelessness prevention, outreach, assessment, shel-
24 ter, services, transitional services, transitional hous-
25 ing, and permanent housing available within the ju-

1 jurisdiction of the recipient would benefit from addi-
2 tional resources to achieve a comprehensive ap-
3 proach to meeting the needs of individuals and fami-
4 lies who are homeless, or who are very low-income
5 and at risk of homelessness;

6 “(2) the recipient works cooperatively with the
7 Department of Housing and Urban Development,
8 nonprofit organizations, foundations, other private
9 entities, and the community, to the extent feasible,
10 to design and implement the program; and

11 “(3) the recipient obtains a commitment from
12 the jurisdiction to make necessary changes in policy
13 and procedure to provide sufficient flexibility and re-
14 sources as necessary to implement and sustain the
15 program.

16 **“SEC. 438. OTHER APPROVED ACTIVITIES.**

17 “The Secretary, in cooperation with grantees, recipi-
18 ents, and other appropriate parties, shall develop addi-
19 tional activities to carry out the purposes of this subtitle.
20 A recipient may use grants amounts under this subtitle
21 to carry out any such activities developed and approved
22 by the Secretary.

1 **“Subtitle B—Other Permanent Housing**
2 **Assistance Programs for the Homeless”.**

3 **SEC. 412. REGULATIONS AND TRANSITION PROVISIONS.**

4 (a) IN GENERAL.—Not later than May 1, 1998, the
5 Secretary of Housing and Urban Development (in this sec-
6 tion referred to as the “Secretary”) shall publish final reg-
7 ulations to implement the amendments made by this sub-
8 title. The final rule shall be published after notice and op-
9 portunity for public comment in accordance with section
10 553 of title 5, United States Code.

11 (b) TRANSITION PROVISIONS.—

12 (1) EMERGENCY SHELTER GRANTS PROGRAM.—

13 Notwithstanding any other provision of law, during
14 fiscal year 1998, the Secretary shall allocate grants
15 from amounts available for such year under subtitle
16 A of title IV of the Stewart B. McKinney Homeless
17 Assistance Act (as amended by this Act) in accord-
18 ance with the provisions of subtitle B of title IV of
19 the Stewart B. McKinney Homeless Assistance Act
20 (relating to emergency shelter grants), as such pro-
21 visions existed immediately before the enactment of
22 this Act.

23 (2) FAILURE TO PUBLISH REGULATIONS.—

24 (A) IN GENERAL.—If the Secretary fails to
25 publish final regulations as provided by sub-

1 section (a), the Secretary shall distribute the
2 amounts available for fiscal year 1998 under
3 subtitle A of title IV of the Stewart B. McKin-
4 ney Homeless Assistance Act (as amended by
5 this Act) (excluding amounts allocated under
6 paragraph (1)) in accordance with the following
7 provisions of title IV of the Stewart B. McKin-
8 ney Homeless Assistance Act, as such provi-
9 sions existed immediately before the enactment
10 of this Act:

11 (i) Subtitle C (relating to supportive
12 housing).

13 (ii) Subtitle D (relating to safe ha-
14 vens).

15 (iii) Subtitle F (relating to shelter
16 plus care).

17 (B) PROCEDURE.—For purposes of award-
18 ing assistance under this paragraph, the Sec-
19 retary may, as appropriate—

20 (i) provide for use of a single applica-
21 tion; and

22 (ii) publish a single notice of funding
23 availability.

24 (3) MINIMUM AMOUNTS.—The Secretary shall
25 determine the amount to be allocated for each of the

1 programs referred to in this subsection, but the
2 amount so allocated for each such program shall not
3 be less than the amount appropriated for the pro-
4 gram for fiscal year 1997.

5 (c) TECHNICAL ASSISTANCE.—Of any amounts ap-
6 propriated to carry out section 2 of the HUD Demonstra-
7 tion Act of 1993 in fiscal year 1998, the Secretary may
8 use not more than 10 percent for providing technical as-
9 sistance to assist recipients under subtitle A of title IV
10 of the Stewart B. McKinney Homeless Assistance Act (as
11 amended by this subtitle) to establish a program for pro-
12 viding homeless assistance in accordance with the provi-
13 sions of such subtitle A.

14 **SEC. 413. REPORT ON SINGLE ROOM OCCUPANCY ASSIST-**
15 **ANCE.**

16 Not later than July 1, 1998, the Secretary shall sub-
17 mit a report to the Congress evaluating the effectiveness
18 of combining the programs for assistance for single room
19 occupancy dwellings under sections 451 and 452 of the
20 Stewart B. McKinney Homeless Assistance Act (as so re-
21 designated and amended by this Act) into the program
22 for assistance under subtitle A of title IV of such Act and,
23 if effective, describing how to provide such assistance
24 under the program under such subtitle A.

1 **Subtitle B—Other Housing Assistance Pro-**
2 **grams for the Homeless Under McKinney**
3 **Act**

4 **SEC. 421. SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCU-**
5 **PANCY DWELLINGS.**

6 (a) IN GENERAL.—Section 451 of the Stewart B.
7 McKinney Homeless Assistance Act (42 U.S.C. 11401(a)),
8 as so redesignated by section 411(3) of this Act, is amend-
9 ed—

10 (1) in the second sentence of subsection (c), in
11 the matter preceding paragraph (1), by striking
12 “containing” and inserting the following: “for the
13 provision of assistance under this section that is spe-
14 cifically provided for in the comprehensive homeless
15 assistance described in the application under section
16 408 of the relevant eligible grantee and that con-
17 tains”; and

18 (2) in subsection (j)(1), by inserting “recipient
19 under subtitle A,” after “authority,”.

20 (b) FUNDING.—Section 451(a) of the Stewart B.
21 McKinney Homeless Assistance Act (42 U.S.C. 11401(a)),
22 as so redesignated by section 411(3) of this Act, is amend-
23 ed to read as follows:

24 “(a) INCREASE IN BUDGET AUTHORITY.—The budg-
25 et authority available under section 5(c) of the United

1 States Housing Act of 1937 for assistance under section
 2 8(e)(2) of such Act (as in effect immediately before Octo-
 3 ber 1, 1991) is authorized to be increased by
 4 \$200,000,000 on or after October 1, 1997, by such sums
 5 as may be necessary on or after October 1, 1998, by such
 6 sums as may be necessary on or after October 1, 1999,
 7 by such sums as may be necessary on or after October
 8 1, 2000, and by such sums as may be necessary on or
 9 after October 1, 2001.”.

10 **SEC. 422. SECTION 8 ASSISTANCE FOR SHELTER PLUS CARE**

11 **SINGLE ROOM OCCUPANCY DWELLINGS.**

12 Title IV of the Stewart B. McKinney Homeless As-
 13 sistance Act (42 U.S.C. 11361 et seq.) is amended by in-
 14 serting after section 451, as so redesignated by section
 15 411(3) of this Act, the following new section:

16 **“SEC. 452. SECTION 8 ASSISTANCE FOR SHELTER PLUS**

17 **CARE SINGLE ROOM OCCUPANCY DWELL-**
 18 **INGS.**

19 “(a) PURPOSE.—The purpose of the program under
 20 this section is to provide assistance for the moderate reha-
 21 bilitation of single room occupancy housing to be made
 22 available for rental, in connection with supportive services
 23 funded from sources other than this section, to homeless
 24 persons with disabilities (primarily persons who are seri-
 25 ously mentally ill, have chronic problems with alcohol,

1 drugs, or both, or have acquired immunodeficiency syn-
2 drome and related diseases) and the families of such per-
3 sons.

4 “(b) MODERATE REHABILITATION ASSISTANCE.—
5 The Secretary may use amounts made available to carry
6 out this section for moderate rehabilitation of single room
7 occupancy housing described in section 8(l) of the United
8 States Housing Act of 1937 for occupancy by eligible per-
9 sons in accordance with this section. Such amounts may
10 be used in connection with the moderate rehabilitation of
11 efficiency units if the building owner agrees to pay the
12 additional cost of rehabilitating and operating the effi-
13 ciency units.

14 “(c) FUNDING LIMITATIONS.—

15 “(1) TARGETED POPULATIONS.—To the maxi-
16 mum extent practicable, the Secretary shall reserve
17 not less than 50 percent of all amounts made avail-
18 able to carry out this section for homeless individ-
19 uals who are seriously mentally ill or have chronic
20 problems with alcohol, drugs, or both.

21 “(2) GEOGRAPHICAL LIMITATION.—Of the as-
22 sistance made available under this section for any
23 fiscal year, not more than 10 percent may be used
24 for programs located within any one unit of general
25 local government.

1 “(d) SUPPORTIVE SERVICES REQUIREMENTS.—

2 “(1) REQUIREMENT OF MATCHING AMOUNTS.—

3 Each recipient of assistance under this section shall
4 supplement the assistance provided under this sec-
5 tion with an equal amount of funds for supportive
6 services from sources other than this section. Each
7 recipient shall certify to the Secretary its compliance
8 with this paragraph, and shall include with the cer-
9 tification a description of the sources and amounts
10 of such supplemental funds.

11 “(2) DETERMINATION OF MATCHING
12 AMOUNTS.—In calculating the amount of supple-
13 mental funds provided under this section, a recipient
14 may include the value of any lease on a building, any
15 salary paid to staff to carry out the program of the
16 recipient, and the value of the time and services con-
17 tributed by volunteers to carry out the program of
18 the recipient at a rate determined by the Secretary.

19 “(3) RECAPTURE.—If the supportive services
20 and funding for the supportive services required by
21 this subsection are not provided by a recipient, the
22 Secretary may recapture any unexpended housing
23 assistance provided under this section to the recipi-
24 ent.

1 “(e) CONTRACT REQUIREMENTS.—Each contract for
2 annual contributions entered into by the Secretary with
3 a public housing agency to obligate budget authority made
4 available to carry out this section shall—

5 “(1) commit the Secretary to make the author-
6 ity available to the public housing agency for an ag-
7 gregate period of 10 years, and require that any
8 amendments increasing the authority shall be avail-
9 able for the remainder of such 10-year period;

10 “(2) provide the Secretary with the option to
11 renew the contract for an additional period of 10
12 years, subject to the availability of authority;

13 “(3) provide that, notwithstanding any other
14 provision of law, first priority for occupancy of hous-
15 ing rehabilitated under this section shall be given to
16 homeless persons; and

17 “(4) require installation in the housing assisted
18 of a sprinkler system that protects all major spaces,
19 hard-wired smoke detectors, and any other fire safe-
20 ty improvements as may be required by State or
21 local law.

22 For purposes of this subsection, the term ‘major spaces’
23 means hallways, large common areas, and other areas
24 specified in local fire, building, or safety codes.

25 “(f) APPLICATIONS.—

1 “(1) IN GENERAL.—An application for rental
2 housing assistance under this section shall be sub-
3 mitted by an applicant in such form and in accord-
4 ance with such procedures as the Secretary shall es-
5 tablish.

6 “(2) MINIMUM CONTENTS.—The Secretary
7 shall require that an application identify the need
8 for the assistance in the community to be served and
9 shall contain at a minimum—

10 “(A) a request for housing assistance
11 under this section specifying the number of
12 units requested and the amount of necessary
13 budget authority;

14 “(B) a description of the size and charac-
15 teristics of the population of eligible persons;

16 “(C) an identification of the need for the
17 program in the community to be served;

18 “(D) the identity of the proposed service
19 provider or providers (which may be, or include,
20 the applicant) and a statement of the qualifica-
21 tions of the provider or providers;

22 “(E) a description of the supportive serv-
23 ices that the applicant proposes to assure will
24 be available for eligible persons;

1 “(F) a description of the resources that
2 are expected to be made available to provide the
3 supportive services required by subsection (d);

4 “(G) a description of the mechanisms for
5 developing a housing and supportive services
6 plan for each person and for monitoring each
7 person’s progress in meeting that plan;

8 “(H) reasonable assurances satisfactory to
9 the Secretary that the supportive services will
10 be provided for the full term of the housing as-
11 sistance under this section and a certification
12 from the applicant that it will fund the support-
13 ive services itself if the planned resources do
14 not become available for any reason;

15 “(I) a certification by the public official re-
16 sponsible for submitting the comprehensive
17 housing affordability strategy under section 105
18 of the Cranston-Gonzalez National Affordable
19 Housing Act that the proposed activities are
20 consistent with the approved housing strategy
21 of the unit of general local government within
22 which housing assistance under this section will
23 be provided; and

1 “(J) identification of the specific struc-
2 tures that the recipient is proposing for assist-
3 ance.

4 “(g) SELECTION CRITERIA.—The Secretary shall es-
5 tablish selection criteria for a national competition for as-
6 sistance under this section which shall include—

7 “(1) the ability of the applicant to develop and
8 operate the proposed assisted housing and support-
9 ive services program, taking into account the quality
10 of any ongoing program of the applicant;

11 “(2) geographic diversity among the projects to
12 be assisted;

13 “(3) the need for a program providing housing
14 assistance and supportive services for eligible per-
15 sons in the area to be served;

16 “(4) the quality of the proposed program for
17 providing supportive services and housing assistance;

18 “(5) the extent to which the proposed funding
19 for the supportive services is or will be available;

20 “(6) the extent to which the project would meet
21 the needs of the homeless persons proposed to be
22 served by the program;

23 “(7) the extent to which the program integrates
24 program recipients into the community served by the
25 program;

1 “(8) the cost-effectiveness of the proposed pro-
2 gram; and

3 “(9) such other factors as the Secretary speci-
4 fies in regulations to be appropriate for purposes of
5 carrying out the program established by this section
6 in an effective and efficient manner.

7 “(h) PARTICIPATION OF HOMELESS INDIVIDUALS.—
8 The Secretary shall, by regulation, require each recipient
9 of assistance under this section to provide for the consulta-
10 tion and participation of not less than one homeless indi-
11 vidual or former homeless individual on the board of direc-
12 tors or other equivalent policymaking entity of the recipi-
13 ent, to the extent that such entity considers and makes
14 policies and decisions regarding any housing assisted
15 under this section or services for such housing. The Sec-
16 retary may grant waivers to recipients unable to meet the
17 requirement under the preceding sentence if the recipient
18 agrees to otherwise consult with homeless or formerly
19 homeless individuals in considering and making such poli-
20 cies and decisions.

21 “(i) REQUIRED AGREEMENTS.—The Secretary may
22 not approve assistance under this section for an applicant
23 unless the applicant agrees—

24 “(1) to operate the proposed program in ac-
25 cordance with the provisions of this section;

1 “(2) to conduct an ongoing assessment of the
2 housing assistance and supportive services required
3 by the participants in the program;

4 “(3) to ensure the adequate provision of sup-
5 portive services to the participants in the program;

6 “(4) to comply with such other terms and con-
7 ditions as the Secretary may establish for purposes
8 of carrying out the program in an effective and effi-
9 cient manner; and

10 “(5) to the maximum extent practicable, to in-
11 volve homeless individuals and families, through em-
12 ployment volunteer services, or otherwise, in con-
13 structing or rehabilitating housing assisted under
14 this section and in providing services required under
15 this section.

16 “(j) HOUSING STANDARDS AND RENT REASONABLE-
17 NESS.—

18 “(1) STANDARDS REQUIRED.—The Secretary
19 shall require that—

20 “(A) before any assistance may be pro-
21 vided to or on behalf of a person, each unit as-
22 sisted under this section shall be inspected by
23 the applicant directly or by another entity, in-
24 cluding the local public housing agency, to de-
25 termine that the unit meets the housing quality

1 standards under section 8 of the United States
2 Housing Act of 1937 and that the occupancy
3 charge for the dwelling unit is reasonable; and

4 “(B) the recipient shall make at least an-
5 nual inspections of each unit assisted under this
6 section during the term of the contract for such
7 assistance.

8 “(2) PROHIBITION.—No assistance may be pro-
9 vided under this section for a dwelling unit (A) for
10 which the occupancy charge is not reasonable, or (B)
11 which fails to meet the housing standards, unless the
12 owner promptly corrects the deficiency and the re-
13 cipient verifies the correction.

14 “(k) TENANT RENT.—Each tenant of a dwelling unit
15 assisted under this section shall pay as rent an amount
16 that does not exceed the amount determined in accordance
17 with the provisions of section 3(a)(1) of the United States
18 Housing Act of 1937.

19 “(l) ADMINISTRATIVE FEES.—From amounts made
20 available to carry out this section, the Secretary shall
21 make amounts available to pay the entity administering
22 the housing assistance an administrative fee in an amount
23 determined appropriate by the Secretary for the costs of
24 administering the housing assistance.

25 “(m) OCCUPANCY.—

1 “(1) OCCUPANCY AGREEMENT.—The occupancy
2 agreement between a tenant and an owner of a
3 dwelling unit assisted under this section shall be for
4 at least 1 month.

5 “(2) VACANCY PAYMENTS.—If an eligible per-
6 son vacates a dwelling unit assisted under this sec-
7 tion before the expiration of the occupancy agree-
8 ment, no assistance payment may be made with re-
9 spect to the unit after the month that follows the
10 month during which the unit was vacated, unless it
11 is occupied by another eligible person.

12 “(n) TERMINATION OF ASSISTANCE.—

13 “(1) AUTHORITY.—If an eligible individual who
14 receives assistance under this section violates pro-
15 gram requirements, the recipient may terminate as-
16 sistance in accordance with the process established
17 pursuant to paragraph (2).

18 “(2) PROCEDURE.—In terminating assistance
19 under this paragraph, the recipient shall provide a
20 formal process that recognizes the rights of individ-
21 uals receiving such assistance to due process of law.

22 “(o) DEFINITIONS.—For purposes of this section, the
23 following definitions shall apply:

24 “(1) The term ‘acquired immunodeficiency syn-
25 drome and related diseases’ has the meaning given

1 such term in section 853 of the Cranston-Gonzalez
2 National Affordable Housing Act.

3 “(2) The term ‘applicant’ means a State, unit
4 of general local government, or public housing
5 agency.

6 “(3) The term ‘eligible person’ means a home-
7 less person with disabilities (primarily persons who
8 are seriously mentally ill, have chronic problems with
9 alcohol, drugs, or both, or have acquired
10 immunodeficiency syndrome and related diseases)
11 and the family of such a person.

12 “(4) The term ‘nonprofit organization’ has the
13 meaning given such term by section 104 of the
14 Cranston-Gonzalez National Affordable Housing
15 Act, and includes community mental health centers
16 established as public nonprofit organizations.

17 “(5) The term ‘person with disabilities’ has the
18 meaning given such term in section 811 of the Cran-
19 ston-Gonzalez National Affordable Housing Act.

20 “(6) The term ‘public housing agency’ has the
21 meaning given such term in section 3(b) of the
22 United States Housing Act of 1937.

23 “(7) The term ‘recipient’ means an applicant
24 approved for participation in the program to provide
25 assistance under this section.

1 “(8) The term ‘Secretary’ means the Secretary
2 of Housing and Urban Development.

3 “(9) The term ‘seriously mentally ill’ means
4 having a severe and persistent mental or emotional
5 impairment that seriously limits a person’s ability to
6 live independently.

7 “(10) The term ‘State’ means each of the sev-
8 eral States, the District of Columbia, the Common-
9 wealth of Puerto Rico, the Commonwealth of the
10 Northern Mariana Islands, the Virgin Islands,
11 Guam, American Samoa, and any other territory or
12 possession of the United States.

13 “(11) The term ‘supportive services’ means as-
14 sistance that the Secretary determines (A) addresses
15 the special needs of eligible persons; and (B) pro-
16 vides appropriate services or assists such persons in
17 obtaining appropriate services, including health care,
18 mental health services, substance and alcohol abuse
19 services, child care services, case management serv-
20 ices, counseling, supervision, education, job training,
21 and other services essential for achieving and main-
22 taining independent living. Inpatient acute hospital
23 care shall not qualify as a supportive service.

24 “(12) The term ‘unit of general local govern-
25 ment’ has the meaning given such term in section

1 102 of the Housing and Community Development
2 Act of 1974.

3 “(p) AUTHORIZATION OF APPROPRIATIONS.—For
4 purposes of providing assistance under this section, there
5 are authorized to be appropriated \$75,000,000 for fiscal
6 year 1998 and such sums as may be necessary for each
7 of fiscal years 1999, 2000, 2001, and 2002.”.

8 **SEC. 423. RURAL HOMELESSNESS GRANT PROGRAM.**

9 (a) IN GENERAL.—Section 453 of the Stewart B.
10 McKinney Homeless Assistance Act, as so redesignated by
11 section 411(3) of this Act, is amended—

12 (1) in subsection (a), by striking “Secretary of
13 Housing and Urban Development” and inserting
14 “Secretary of Agriculture”; and

15 (2) in subsection (k), by striking paragraph (3)
16 and inserting the following new paragraph:

17 “(3) The term ‘Secretary’ means the Secretary
18 of Agriculture.”.

19 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
20 453(l)(1) of the Stewart B. McKinney Homeless Assist-
21 ance Act (42 U.S.C. 11408(l)(1)), as so redesignated by
22 section 411(3) of this Act, is amended to read as follows:

23 “(1) IN GENERAL.—There are authorized to be
24 appropriated to carry out this section \$30,000,000
25 for fiscal year 1998 and such sums as may be nec-

1 essary for each of fiscal years 1999, 2000, 2001,
 2 and 2002.”.

3 **SEC. 424. CLERICAL AMENDMENT.**

4 The table of contents in section 101(b) of the Stewart
 5 B. McKinney Homeless Assistance Act is amended by
 6 striking the items relating to title IV and inserting the
 7 following new items:

“TITLE IV—HOUSING ASSISTANCE

“Subtitle A—Flexible Grant Program

“CHAPTER 1—GENERAL PROVISIONS

- “Sec. 401. Purposes.
- “Sec. 402. Authorization of appropriations.
- “Sec. 403. Definitions.
- “Sec. 404. Provision of grants.
- “Sec. 405. Comprehensive homeless assistance.
- “Sec. 406. Matching requirements.
- “Sec. 407. Responsibilities of grantees and project sponsors.
- “Sec. 408. Application.
- “Sec. 409. Allocation and distribution of funds.
- “Sec. 410. Administration of program.
- “Sec. 411. Citizen participation.
- “Sec. 412. Applicability of other provisions.
- “Sec. 413. Reports, reviews, and audits.
- “Sec. 414. Nondiscrimination in programs and activities.
- “Sec. 415. Consultation.
- “Sec. 416. Records, reports, and audits.
- “Sec. 417. Reports to Congress.

“CHAPTER 2—ELIGIBLE ACTIVITIES

- “Sec. 431. Homelessness prevention.
- “Sec. 432. Emergency shelter.
- “Sec. 433. Supportive housing for the homeless.
- “Sec. 434. Safe havens for homeless individuals.
- “Sec. 435. Shelter plus care.
- “Sec. 436. Administrative and capacity-building expenses.
- “Sec. 437. Innovative homeless initiatives.
- “Sec. 438. Other approved activities.

“Subtitle B—Other Permanent Housing Assistance Programs for the
 Homeless

- “Sec. 451. Section 8 assistance for single room occupancy dwellings.
- “Sec. 452. Section 8 assistance for shelter plus care single room occupancy
 dwellings.

“Sec. 453. Rural homelessness grant program.

“Sec. 454. Use of FMHA inventory for transitional housing for homeless persons and for turnkey housing.”.

1 **Subtitle C—Miscellaneous Homeless Housing** 2 **Provisions**

3 **SEC. 431. STRATEGY TO ELIMINATE UNFIT TRANSIENT FA-** 4 **CILITIES.**

5 Section 825(b) of the Cranston-Gonzalez National
 6 Affordable Housing Act (42 U.S.C. 11301 note) is
 7 amended—

8 (1) in paragraph (2), by striking “and” at the
 9 end;

10 (2) in paragraph (3), by striking the period at
 11 the end and inserting “; and”; and

12 (3) by adding at the end the following new
 13 paragraph:

14 “(4) that States and units of general local gov-
 15 ernment shall eliminate the use of unfit transient fa-
 16 cilities as housing for homeless families with children
 17 not later than July 1, 1998, in the manner provided
 18 under the strategy.”.

○