The Subcommittee on Oversight and Investigations will hold a virtual hearing entitled, “Ensuring Equitable Delivery of Disaster Benefits to Vulnerable Communities and Peoples: An Examination of GAO's Findings of the CDBG-DR Program.” on Wednesday, January 19, 2022, at 10:00 a.m. via Cisco WebEx. There will be one panel with the following witnesses:

- Diane Yentel, President and CEO, National Low Income Housing Coalition
- Chrishelle Calhoun-Palay, Director, HOME Coalition
- Andreaneia Morris, Executive Director, Housing NOLA

Background

Increasingly, large-scale natural disasters have resulted in catastrophic damage around the United States, often with disproportionate impacts on vulnerable populations and contributing to wealth inequality.1 This hearing will assess a study2 of aspects of the Community Development Block Grant – Disaster Recovery (CDBG-DR) program undertaken by the Government Accountability Office (GAO) at the request of Chairwoman Maxine Waters and Representative Al Green in January 2020. Specifically, GAO was asked to assess the accessibility of CDBG-DR program benefits to members of vulnerable populations, including: (1) persons who are older and/or who have disabilities; (2) persons of low or moderate-income; and (3) racial minorities and members of the LGBTQ+ communities. As a result, GAO evaluated the approaches of the Department of Housing and Urban Development (HUD) and CDBG-DR grantees (in Texas, Florida, Puerto Rico, the Virgin Islands, Louisiana, and New Jersey) to assisting

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1 See, e.g., Howell and Elliott, Damages Done: The Longitudinal Impacts of Natural Hazards on Wealth Inequality in the United States, Social Problems, (Aug. 2019); Ratcliffe, Congdon, et al., Insult to Injury: Natural Disasters and Residents’ Financial Health, Urban Institute (April 2019); see also NAACP, In the Eye of the Storm: A People’s Guide to Transforming Crisis and Advancing Equity in the Disaster Continuum (Sept. 2018); Roth, Marcie, et al., Getting It Wrong: An Indictment with a Blueprint for Getting It Right, Partnership for Inclusive Disaster Strategies (May 2018).
2 GAO-22-104452, DISASTER RECOVERY: Better Data Are Needed to Ensure HUD Block Grant Funds Reach Vulnerable Populations (Dec. 2021). The full report will be released by GAO to the public on December 7, 2021. The content of the report is described herein and GAO’s Highlights summary of the report is attached as Appendix 1.
vulnerable communities, as well as the challenges faced by grantees and vulnerable communities in dispensing or accessing CDBG-DR resources.

Issued on Inauguration Day 2021, President Biden’s Executive Order 13985 described the need for better data collection and transparency on assistance to vulnerable populations and created an interagency Equitable Data Working Group to address existing impediments to measuring and advancing equity that result when federal datasets are not appropriately disaggregated (e.g., by race, ethnicity, religion, gender, disability, income, etc.). 3

**GAO Report Findings**

*Applicants, Beneficiaries, and Grantees Face Challenges That are Greater for Vulnerable Populations*

In brief, GAO found that vulnerable communities and peoples face obstacles to accessing relief in the form of language barriers, limited transportation, and excessive documentation, and other requirements. According to GAO’s report, some grantees have addressed these challenges by acquiring translation services and developing physical outreach plans to reach vulnerable populations. 4 Grantees, in turn, face challenges reaching vulnerable populations after a disaster and collecting accurate data on their unmet needs. 5 Often the data available to grantees on unmet needs underestimate the needs of the lowest-income survivors, which leads to insufficient resources being allocated where they are most needed. 6 Moreover, GAO found that grantees collect more demographic data than they report to HUD, including data on applicants as well as recipients of relief. 7

**HUD and CDBG-DR are Focused on Vulnerable Populations**

GAO found that HUD and CDBG-DR are focused on vulnerable populations, and appropriately so. For example, in recent Federal Register notices, HUD has directed applicants for CDBG-DR funds to demonstrate how their programs will promote housing for vulnerable populations. 8 According to the report, grantees generally must spend 70% of funds on low- and moderate-income people, and grantee action plans submitted to HUD must describe how grant funds will be used and the populations to be served, including vulnerable populations such as racial minorities, the elderly, or persons with disabilities. 9

Furthermore, HUD provides tools, such as strategies for reaching people with limited English proficiency, to help grantees serve these populations. When reviewing grantees’ draft plans, HUD officials told GAO they typically require revisions to clarify the populations defined as vulnerable, how funds will be used to help them, and how grantees will reach out to traditionally underserved populations. 10 Importantly, HUD officials also noted that vulnerable populations vary locally and regionally based on

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3 86 Fed. Reg. 7009 (Jan. 20, 2021). The E.O. calls for, inter alia, a study to identify the best methods to assist agencies in assessing equity with respect to race, ethnicity, religion, income, geography, gender identity, sexual orientation, and disability.
4 Supra, note 2 at 23-26.
5 Id. at 21-23.
6 Id. at 21, citing National Low Income Housing Coalition, Fixing America’s Broken Disaster Housing System: Part One – Barriers to a Complete and Equitable Recovery (2020).
7 Supra, note 2 at 13-17.
8 Id. at 10.
9 Id. at 10-12.
10 Id.
factors such as geography, housing stock, and policy, and described steps they are taking to develop and include a definition in upcoming Federal Register notices.

**More Comprehensive Data are Needed From Grantees Regarding Applications of and Assistance to Vulnerable Populations**

GAO further concluded that more robust demographic data is needed to permit a comprehensive assessment of whether CDBG-DR funds equitably reach the most vulnerable. This finding echoes E.O. 13985 and aligns with the data reporting provisions of H.R. 4707, the Reforming Disaster Recovery Act of 2021. Similarly, as noted in a recent report by the National Low Income Housing Coalition (NLIHC), data and data transparency are critical for public and private entities to accurately identify gaps in disaster recovery resources. The NLIHC report also indicated that in the past, a systemic lack of data transparency has made it more difficult to target and distribute aid to those with the greatest need.

Based on its findings, GAO issued one principal recommendation for executive action: The Assistant Secretary for Community Planning and Development should collect, analyze, and publish demographic data from CDBG-DR grantees on vulnerable populations who apply for and receive assistance. Such data would capture the profiles not only of beneficiaries but also of those who apply but do not receive assistance, information that is critical to measuring program outcomes and effectiveness.

**Codification of the CDBG-DR Program Remains Essential**

GAO’s report noted that Congress has “not permanently authorized CDBG-DR or a similar program” to provide permanent statutory authority, which is necessary to “provide a more consistent framework for administering funds . . . and clearly define[ing] requirements for grantees.” Therefore, in this latest report, GAO reiterates prior recommendations that Congress “permanently authorize[e] a disaster assistance program that meets unmet needs in a timely manner.” Enactment of the Reforming Disaster Recovery Act of 2021 (H.R. 4707 and S. 2471), which was introduced in both chambers in July 2021 with bipartisan support, would accomplish this result and numerous other program enhancements, including the reporting by grantees of additional data on those assisted.

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11 *Id.* at 11.
12 *Id.* at 30.
14 *Supra*, note 2 at 29.
15 *Id.*
Better Data Are Needed to Ensure HUD Block Grant Funds Reach Vulnerable Populations

What GAO Found

Recent Federal Register notices for the Department of Housing and Urban Development's (HUD) Community Development Block Grant Disaster Recovery (CDBG-DR) funds direct grantees to demonstrate how their programs will promote housing for vulnerable populations. Grantees generally have been required to spend 70 percent of their funds on low- and moderate-income people. Draft action plans that grantees submit to HUD are to describe how grant funds will be used and the populations to be served, including vulnerable populations such as racial minorities, the elderly, or persons with disabilities. HUD provides tools, such as strategies for reaching people with limited English proficiency, to help grantees serve these populations. When reviewing grantees' draft plans, HUD officials told GAO they typically require revisions to clarify the populations defined as vulnerable, how funds will be used to help them, and how grantees will reach out to traditionally underserved populations. HUD officials also noted that vulnerable populations can be difficult to define because they vary locally and regionally based on factors such as geography, housing stock, and policy, but described steps they plan to take to develop and include a definition in upcoming Federal Register notices.

CDBG-DR grantees told GAO they assist low- and moderate-income people who are members of vulnerable populations; however, HUD does not collect and analyze key demographic data needed to fully assess the extent. HUD requires grantees to report selected data (race and ethnicity and the gender of singleheaded households) for those served by activities that directly benefit households or individuals (such as housing). However, HUD only requires grantees to report these data on individuals actually served, not on all those who apply. The six grantees GAO reviewed gather additional demographic information on both applicants and those served, including age, disability status, and primary language. A 2021 Executive Order cited the need for better data collection and transparency on assistance to vulnerable populations, noting that a lack of data impedes efforts to measure and advance equity. By collecting, analyzing, and publicly reporting these additional demographic data, HUD and grantees could better assess whether they are effectively reaching the populations CDBG-DR activities are intended to serve.

According to grantees and organizations GAO interviewed, and studies GAO reviewed, vulnerable populations may experience several challenges accessing CDBG-DR assistance. These include language barriers, such as the need for translation services for those with limited English proficiency; limited access to transportation, especially for individuals without physical access to assistance intake centers or with mobility impairments; and program requirements, such as those that involve extensive documentation. Some grantees have addressed these challenges by acquiring translation services and developing outreach plans to reach vulnerable populations.