Coburn Amendment #1754— To prevent grant recipients from using federal funds to meet the matching requirements of some Homeless Assistance program grants

This amendment would strike a provision in the FY2014 THUD appropriations bill allowing Homeless Assistance grant recipients to use federal funds to meet the matching requirements applied to some of the grants.

<u>Matching requirements encourage state, local, and private sector buy-in to</u> federal programs.

Homelessness is a devastating condition. Not only are the homeless left without the help they need, the effect on communities is also negative. Because of the inherent locally nature of homelessness, addressing and preventing it requires local solutions.

A matching requirement generally says that for a particular federal program, grantees must contribute state, local, or private sector funds. The tool serves a means to gaining commitment from grantees to use the funds wisely and achieve the program's goals.

Adding the requirement to some federal Homeless Assistance grants is no exception. The Urban Institute has documented the history of the government's response to homelessness in the U.S. Its study found that before the passage of the McKinney-Vento Homeless Assistance Act of 1987, some "states and localities...had never committed any of their own money toward programs for the homeless."

By allowing grantees of any federal program to utilize other federal funds to meet a matching requirement contradicts its intent. To ensure complete buy-in from states and localities, funds used for a matching requirement should be from nonfederal sources.

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¹ Martha Burt, Laudan Aron, Edgar Lee, and Jesse Valente, <u>Helping America's Homeless</u>, Urban Institute, 2001.