

Testimony to Support HB1436
Office of the Attorney General – Federal- and State-Assisted
Housing Programs – Grievance Process

Economic Matters Committee
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The U.S Department of Housing and Urban Development (HUD)'s Title 24, Part 578, is only one of an exhausting array of regulations that spell out obligations regarding contract enforcement for grantees. Specifically, they **MUST** “ensure **supportive services** are provided”; “comply with **[their own] written standards**”; “**require subrecipients** to comply”; “**certify in a grant agreement that they are following the HUD-approved consolidated plan**”; “**enforce compliance with program requirements**”; “**develop binding contracts with subrecipients and contractors**”; “**evaluate program results** against stated objectives”; “**provide program participants with information on rights and remedies available under applicable laws**”; “document compliance of subrecipients with federal requirements”; “retain copies of **documentation for all monitoring and sanctions of subrecipients, including any monitoring findings and corrective actions required**”.

Essentially, if you write a grant requesting HUD funding for your housing program, you not only agree to comply with all required regulations and laws pertaining to the program, you agree to ensure that anyone you subcontract to is in compliance as well.

I was a Committee Chair, serving on the Montgomery County Interagency Commission on Homelessness (ICH) since 2019, and received an award for my work during the Summer of 2025. I had the privilege of writing standards and reviewing contracts. When violations were brought to my attention by shelter residents, I was told by representatives of the Montgomery County Services to End and Prevent Homelessness (SEPH) that they would not or could not enforce their contracts with emergency shelter and transitional housing providers when clients came forward with grievances and complaints of harm due to violations of the County's own Written Standards, its own Consolidated Funding Application, and HUD requirements.

When I suggested inviting a representative from Legal Aid to a meeting to inform SEPH that clients could sue them under the Consumer Protection Act, I was promptly forced to resign my volunteer position from participating in any way on this all-volunteer CoC Advisory Board.

Similarly, I participated on the Garrett County Roundtable for Homelessness, the local CoC Advisory Board in Garrett –the Montgomery County ICH equivalent, from 2021 up until it was disbanded in 2025 by the Roundtable Chair (who also serves as the CoC and PHA contractor in Garrett). The Garrett County CoC is actually a member of Maryland Dept. of Housing and Community Development (DHCD)'s CoC –Balance of State (BoS), along with eight other counties. BoS submits a Consolidated Funding Application for these counties through the Department. Thus, the Department is also considered the CoC as well as the PHA for these counties, even though they contract out services in these locations.

While there are many egregious violations of CoCs and PHAs from across the nation, and notorious stories where clients failed to receive services that HUD had already paid the CoC and/or PHA to perform, I will share one example. In 2025, DHCD (our CoC) reported that Garrett County had an unhoused population of zero, despite documented reports of a population sleeping outside, in abandoned buildings, and in vehicles –often as high as eighty people, with weekly calls to police from local homeowners to sweep them out from under the bridge in downtown Oakland. Eighty and zero are vastly different numbers –these eighty residents cannot simply become invisible because we don't want to report them, or provide services to them, or add their names to the homeless database. Yet, those are the very services that the Garrett County CoC has already been paid \$180,000 to provide.

HUD requires a Grievance Process. However, the processes are written so that the CoCs and PHAs arbitrate the client's grievance against itself –thus clear and compelling evidence of noncompliance with federal regulation, existing state law, and with the Maryland Administrative Plan is ignored. Egregious contractual violations are rampant throughout the state, and because DHCD is itself a PHA and CoC for nine counties in the state, they are complicit. There is no accountability, other than to file a lengthy and costly legal suit under the Consumer Protection Act.

Our vulnerable low-income Marylanders, eligible for federal and/or state assistance, deserve to have the protection of federal and state laws and regulations, to receive the services that these organizations have already been paid to provide, and to feel safe when they must enter an emergency shelter because they have absolutely no other option.

What we need is an arbiter who is not located within a PHA or a CoC acting in their own self-interest, to investigate client grievances, review evidence, hear both sides, apply regulations and laws to the circumstances, and negotiate fair and lawful agreements.

Please vote favorably for HB1436.

FAQ SHEET

HUD provides to Maryland:

\$1.3 billion in federal rental assistance (2023)
\$29 million for affordable housing and homelessness prevention (2023)
\$69 million to support homeless services (2024)

A Public Housing Authority (PHA) and a Housing Continuum of Care (CoC) exists in each jurisdiction

PHA Administered Programs:

Own / manage public (subsidized) housing projects
Housing Choice Voucher (Section 8)

CoC Administered Programs:

Conduct Point-In-Time (PIT) Counts
Homeless Management Information System
Distribute HUD CoC Program funds to support:
Emergency shelters
Rapid rehousing
Permanent supportive housing
System / Program monitoring

HUD outlines services to be provided within these programs

PHA Services:

Determine eligibility for program applicants
Applicant income verification
Manage housing program waitlists
Inspect units - ensure Housing Quality Standards (HQS)
Work with / educate landlords RE: laws
Make subsidy payments to landlords
Serve as landlord for Public (subsidized) Housing Projects
Ensure HQS compliance for public housing projects
Ensure compliance with federal and state laws
Measure program outcomes - ensure compliance
Case management / housing counseling
Remove barriers to housing for clients
Assist clients with house search and lease-up
Monitor voucher program to ensure compliance
Develop emergency client transfer plans

CoC Services:

Apply for funding to meet local needs
Homeless resident outreach
Identify and track homeless populations
Referral to services
Assist clients with house search and lease-up
Maintain database - homeless resident contacts
Case conferencing
Client counseling
Remove barriers to housing for clients
Facilitate emergency transfer plans
Facilitate cold-weather shelter options
Coordinate with PHA programs

PHA key responsibilities include (HUD Exchange; eCFR (.gov)):

- **Program Administration:** Managing waiting lists, processing applications, and determining eligibility based on income and, in some cases, other criteria.
- **Rental Assistance:** Administering the Section 8 Housing Choice Voucher program, including inspecting units, approving landlords, and making subsidy payments.
- **Property Management:** Operating, maintaining, and repairing public housing projects.
- **Financial Oversight:** Establishing rent charges, managing budgets, and investing funds.
- **Compliance:** Ensuring all operations adhere to federal and state laws.

CoC key responsibilities and duties include (HUD Exchange; eCFR (.gov)):

- **Coordinated Entry:** Establishing and operating a centralized system to assess and refer individuals/families at risk of or experiencing homelessness to appropriate housing and services.
- **Planning and Coordination:** Developing a community-wide strategy to end homelessness, which includes conducting annual, point-in-time (PIT) counts of homeless populations.
- **Data and Performance Management:** Implementing and managing the Homeless Management Information System (HMIS) to collect data on homelessness and assess the performance of recipient projects.
- **Funding Administration:** Applying for and distributing HUD CoC Program funds to support emergency shelters, rapid rehousing, and permanent supportive housing.
- **System Monitoring:** Monitoring the performance of recipients and subrecipients to ensure effective use of funds and compliance with regulations.
- **System Coordination:** Ensuring that various service providers in the area (nonprofits, governments, housing authorities) work together to prevent, rather than create, gaps in service.
- **Policy Development:** Creating local plans and setting priorities for addressing homelessness, including developing emergency transfer plans to comply with the Violence Against Women Act (VAWA).