

110TH CONGRESS  
2D SESSION

# H. R. 6572

To encourage States and units of general local government to use amounts received under the community development block grant program and the community mental health services and substance abuse block grant programs to provide housing counseling and financial counseling for individuals before their release from inpatient or residential institutions for individuals with mental illness and periodic evaluation of the appropriateness of such counseling after such release.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 22, 2008

Ms. EDDIE BERNICE JOHNSON of Texas (for herself, Mr. DAVIS of Illinois, Ms. KAPTUR, and Ms. LEE) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To encourage States and units of general local government to use amounts received under the community development block grant program and the community mental health services and substance abuse block grant programs to provide housing counseling and financial counseling for individuals before their release from inpatient or residential institutions for individuals with mental illness and periodic evaluation of the appropriateness of such counseling after such release.

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

3 **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Community Assistance  
5 Act for Persons with Mental Illness”.

6 **SEC. 2. FINDINGS.**

7       The Congress finds the following:

8           (1) Many homeless individuals in the United  
9 States are individuals who have been discharged  
10 from inpatient or residential institutions for individ-  
11 uals with mental illness.

12           (2) With proper predischarge housing coun-  
13 seling and related services, many such individuals  
14 can be accommodated in existing housing facilities.

15           (3) Residential institutions for individuals with  
16 mental illness are funded and operated by States  
17 and units of general local government without direct  
18 Federal involvement.

19 **SEC. 3. DEFINITIONS.**

20       Section 1919 of the Public Health Service Act (42  
21 U.S.C. 300x-8) is amended by adding at the end the fol-  
22 lowing new paragraphs:

23           “(4) HOUSING COUNSELING.—The term ‘hous-  
24 ing counseling’ means counseling furnished to an in-  
25 dividual before the individual’s release from an inpa-

1       tient or residential institution for individuals with  
2       mental illness that includes discussions with an ac-  
3       credited or experienced advisor from a community-  
4       based non-profit organization on, and distribution to  
5       such individual by such an advisor of, information  
6       about how the application and grant processes work  
7       for Federal, State, and local housing assistance,  
8       about selection preferences for such housing assist-  
9       ance, about how rent is determined for applicable  
10      public housing, and about the duration for which the  
11      individual would be eligible to stay in such public  
12      housing. Such counseling shall include information  
13      on any of the following topics, as appropriate:

14               “(A) Housing choice vouchers under sec-  
15               tion 8(o) of the United States Housing Act of  
16               1937 (42 U.S.C. 1437f(o)).

17               “(B) Direct housing subsidies.

18               “(C) Non-profit housing.

19               “(D) Public housing (as such term is de-  
20               fined in section 3(b) of the United States Hous-  
21               ing Act of 1937 (42 U.S.C. 1437a(b)).

22               “(E) Rent supplements and assistance pro-  
23               grams.

24               “(F) Co-operative housing.

25               “(G) Permanent supportive housing.

1           “(H) Private-sector housing affordable to  
2           the individual.

3           “(I) Tax credit programs.

4           “(J) Local laws regarding renters’ rights.

5           “(K) Home mortgages.

6           “(L) Mortgage refinancing.

7           “(M) Home equity loans.

8           “(N) Home repair loans.

9           “(O) Property taxes.

10           “(P) Other housing options for low-income  
11           individuals or other applicable groups of indi-  
12           viduals.

13           “(5) FINANCIAL COUNSELING.—The term ‘fi-  
14           nancial counseling’ means counseling furnished to an  
15           individual before the individual’s release from a resi-  
16           dential institution for individuals with mental illness  
17           that includes discussions with an accredited or expe-  
18           rienced advisor from a community-based non-profit  
19           organization on, and distribution to such individual  
20           by such an advisor of, information about issues re-  
21           lating to financial literacy and education to promote  
22           an understanding of consumer, economic, and per-  
23           sonal finance issues and concepts, including the fol-  
24           lowing, as appropriate:

25           “(A) Saving for retirement.

- 1 “(B) Managing credit.  
2 “(C) Long-term care.  
3 “(D) Estate planning.  
4 “(E) Predatory lending.  
5 “(F) Identity theft.  
6 “(G) Financial abuse schemes.  
7 “(H) Work incentives.  
8 “(I) Money management skills building.”.

9 **SEC. 4. USE OF CERTAIN BLOCK GRANT FUNDS FOR HOUS-**  
10 **ING COUNSELING, FINANCIAL COUNSELING,**  
11 **AND PERIODIC EVALUATION.**

12 (a) USE OF FUNDS UNDER EXISTING PROGRAM  
13 PERMITTED.—Funds made available to States and units  
14 of general local government under the community develop-  
15 ment block grant program under title I of the Housing  
16 and Community Development Act of 1974 (42 U.S.C.  
17 5301 et seq.), and under the block grant programs for  
18 community mental health services and for the prevention  
19 and treatment of substance abuse under part B of title  
20 XIX of the Public Health Service Act (42 U.S.C. 300x  
21 et seq.), may be used for purposes of providing housing  
22 counseling and financial counseling (as such terms are de-  
23 fined in paragraphs (3) and (4), respectively, of section  
24 1919 of the Public Health Service Act (42 U.S.C. 300x-  
25 8), as added by section 3) for individuals before their re-

1 lease from inpatient or residential institutions for individ-  
2 uals with mental illness and for purposes of biannual eval-  
3 uations of the appropriateness of such counseling provided  
4 for such individuals following such release.

5 (b) SENSE OF CONGRESS ABOUT USING FUNDS FOR  
6 THIS PURPOSE.—It is the sense of Congress that States  
7 and units of general local government should use a reason-  
8 able portion of the funds described in subsection (a) to  
9 provide for housing counseling, financial counseling, and  
10 biannual evaluations described in such subsection.

11 **SEC. 5. AMENDMENTS TO THE HOUSING AND COMMUNITY**  
12 **DEVELOPMENT ACT OF 1974 AND PUBLIC**  
13 **HEALTH SERVICE ACT.**

14 (a) STATEMENT OF PROJECTED USE OF FUNDS AND  
15 REPORTS BY RECIPIENTS OF COMMUNITY DEVELOPMENT  
16 BLOCK GRANT FUNDS.—

17 (1) STATEMENT OF PROJECTED USE OF FUNDS  
18 TO INCLUDE FUNDS USED FOR HOUSING COUN-  
19 SELING AND FINANCIAL COUNSELING.—Section  
20 104(a)(1) of the Housing and Community Develop-  
21 ment Act of 1974 (42 U.S.C. 5304(a)(1)) is amend-  
22 ed by adding at the end the following new sentence:  
23 “Each statement of projected use of funds required  
24 under this paragraph shall include a specific state-  
25 ment of the portion of funds received under section

1 106 that are expected to be used pursuant to section  
2 4(a) of the Community Assistance Act for Persons  
3 with Mental Illness to provide housing counseling  
4 and financial counseling (as such terms are defined  
5 in section 1919 of the Public Health Service Act) for  
6 individuals before their release from inpatient or res-  
7 idential institutions for individuals with mental ill-  
8 ness and for biannual evaluations of the appropriate-  
9 ness of such counseling provided for such individuals  
10 following such release.”.

11 (2) REPORTS ON HOUSING COUNSELING AND  
12 FINANCIAL COUNSELING PROVIDED.—Section 104(e)  
13 of the Housing and Community Development Act of  
14 1974 (42 U.S.C. 5304(e)) is amended by inserting  
15 after the third sentence the following new sentences:  
16 “The report shall include a specific statement of the  
17 portion of funds received by the grantee under sec-  
18 tion 106 that were used pursuant to section 4(a) of  
19 the Community Assistance Act for Persons with  
20 Mental Illness to provide housing counseling and fi-  
21 nancial counseling (as such terms are defined in sec-  
22 tion 1919 of the Public Health Service Act) for indi-  
23 viduals before their release from inpatient or resi-  
24 dential institutions for individuals with mental ill-  
25 ness, a description of the housing counseling and fi-

1 nancial counseling provided, a specific statement of  
2 the portion of such funds used to evaluate bian-  
3 nually the appropriateness of such counseling pro-  
4 vided for such individuals following such release, and  
5 a description of the type of the evaluations made.  
6 The report shall also include recommendations for  
7 the further improvement of such counseling and  
8 such biannual evaluations.”.

9 (b) STATE PLAN AND REPORTS BY STATES RECEIV-  
10 ING BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH  
11 SERVICES AND FOR PREVENTION AND TREATMENT OF  
12 SUBSTANCE ABUSE.—

13 (1) INCLUSION OF HOUSING COUNSELING AND  
14 FINANCIAL COUNSELING IN STATE PLAN FOR COM-  
15 PREHENSIVE COMMUNITY-BASED MENTAL HEALTH  
16 SYSTEMS.—The second sentence of section  
17 1912(b)(1) of the Public Health Service Act (42  
18 U.S.C. 300x-2(b)(1)) is amended—

19 (A) by inserting “housing counseling (as  
20 defined in section 1919(4)), financial counseling  
21 (as defined in section 1919(5),” after “medical  
22 and dental care,”; and

23 (B) by inserting “, including individuals  
24 who are released from inpatient or residential

1 institutions,” after “support services to be pro-  
2 vided to individuals”.

3 (2) REPORTS ON HOUSING COUNSELING AND  
4 FINANCIAL COUNSELING PROVIDED.—Section  
5 1942(a) of such Act (42 U.S.C. 300x-52(a)) is  
6 amended—

7 (A) in paragraph (1), at the end by strik-  
8 ing at the end “and”;

9 (B) in paragraph (2), at the end by strik-  
10 ing the period and inserting “; and”; and

11 (C) by adding at the end the following new  
12 paragraph:

13 “(3) with respect to a grant under section  
14 1911, the number of individuals in the State who  
15 were transitioned out of inpatient or residential in-  
16 stitutions for individuals with mental illness, the  
17 housing counseling and financial counseling fur-  
18 nished to such individuals for purposes of such tran-  
19 sition into the community, and the number of such  
20 individuals who returned to such an institution after  
21 being released from such institution and the reasons  
22 for such return.”.

23 (c) REPORTS BY SECRETARY OF HOUSING AND  
24 URBAN DEVELOPMENT AND SECRETARY OF HEALTH AND  
25 HUMAN SERVICES.—

1           (1) Not later than 6 months after the date of  
2           the enactment of this Act, the Secretary of Housing  
3           and Urban Development and the Secretary of  
4           Health and Human Services shall each submit to the  
5           Congress a report describing the projected use of  
6           funds received under the applicable block grant pro-  
7           gram referred to in section 4(a) for fiscal year 2010  
8           to provide housing counseling and financial coun-  
9           seling (as such terms are defined in paragraphs (4)  
10          and (5) of section 1919 of the Public Health Service  
11          Act (42 U.S.C. 300x-8), as added by section 3) for  
12          individuals before their release from inpatient or res-  
13          idential institutions for individuals with mental ill-  
14          ness and biannual evaluations of the appropriateness  
15          of such counseling provided for such individuals fol-  
16          lowing such release.

17          (2) Not later than September 30, 2010, and an-  
18          nually thereafter, the Secretary of Housing and  
19          Urban Development and the Secretary of Health  
20          and Human Services shall each submit to the Con-  
21          gress a report describing the actual use of amounts  
22          received under the applicable block grant program  
23          referred to in section 4(a) for the previous 12-month  
24          period to provide the housing counseling, financial

1 counseling, and biannual evaluation described in  
2 paragraph (1). Each such report shall include—

3 (A) an analysis of the feasibility and desir-  
4 ability of requiring, as a condition of receipt of  
5 funds under the applicable block grant pro-  
6 gram, that each State and unit of general local  
7 government either have a program providing for  
8 such housing counseling, financial counseling,  
9 and biannual evaluation or for the development  
10 of a prerelease housing plan;

11 (B) an analysis of the feasibility and desir-  
12 ability of requiring States and units of general  
13 local government to reserve for such purpose a  
14 certain portion or amount of the funds received  
15 under such block grant program; and

16 (C) any recommendations of the applicable  
17 Secretary for legislative changes in such block  
18 grant program.

19 (d) EFFECTIVE DATE.—The amendments made by  
20 subsections (a) and (b) shall apply to grants made for pe-  
21 riods beginning on or after October 1, 2009.

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