

the use of public buildings to aid the homeless, and provides comprehensive assistance for particularly innovative approaches to homeless assistance.

- Assistance for Single Room Occupancy Dwellings, under section 8 of the United States Housing Act of 1937, is intended to encourage renovation of buildings for use by the homeless.

Results in Brief

Homeless assistance funds administered by HUD and FEMA are distributed to several thousand local organizations, including government and private nonprofit shelters and other assistance providers. Funds appropriated prior to the McKinney Act were to be used predominantly for food, rent and utility assistance, and operations and maintenance of shelters.

None of the funds appropriated pursuant to the McKinney Act has been disbursed in time for GAO to examine their use. Although the agencies have made progress toward implementing the McKinney Act, they have had some difficulty in meeting legislatively mandated milestones, such as publishing draft regulations.

Questions that need to be addressed concerning the implementation of the McKinney Act include:

- Is HUD appropriately implementing congressional intent concerning the circumstances in which funding assistance may be provided for capital improvements to shelters operated by religious organizations?
- Do HUD and FEMA target their programs to the segments of the homeless population required by the act?
- Do the HUD and FEMA formulas for distributing funds, which yield different results, accurately measure the need for funds in a given area?
- Should the use of federal funds as matching funds be permitted?

GAO's Analysis

Pre-McKinney Act Activities

Although no funds appropriated pursuant to the McKinney Act had been disbursed by September 30, 1987, disbursements had been made from earlier 1987 appropriations to aid the homeless.

Final accounts for pre-McKinney Act funds were not available at the time of GAO's review, but planned expenditures indicate that nearly 50

Introduction

The number of homeless people in the United States is large and believed to be growing. It is difficult to arrive at an accurate estimate of the homeless population, however, because many are living in such places as the streets or abandoned buildings. As a result, the range of estimates of the homeless population is quite broad. In 1983, an advocacy organization for the homeless estimated the population at 2 to 3 million,¹ while in 1984 the Department of Housing and Urban Development (HUD) estimated the homeless population was 250,000 to 350,000.² In 1986, the United States Conference of Mayors surveyed 25 cities and found an increase of 20 percent in the demand for shelters; 24 percent of the total demand went unmet.³

To provide a more effective and responsible role for the federal government in assisting the homeless, the Congress passed the Stewart B. McKinney Homeless Assistance Act on June 30, 1987. Signed by the President on July 22, 1987, the act authorized \$412 million for fiscal year 1987 and \$506 million for fiscal year 1988, of which \$355 million was appropriated for fiscal year 1987. The amount of funds authorized and appropriated for fiscal year 1987 pursuant to the act are shown in table 1.1.

¹The Community for Creative Non-Violence, an organization located in Washington, D.C., provided this estimate.