



Emergency Rental Assistance

Background

The Coronavirus Response and Relief Supplemental Appropriations Act of 2021 included needed emergency rental assistance for households economically impacted by COVID-19. The package included \$25 billion for emergency rental assistance to be distributed and overseen by the U.S. Department of the Treasury. Funds will be sent to States and local jurisdictions to operate emergency rental assistance programs for local landlords and tenants. Each state, the District of Columbia and local jurisdictions of 200,000 or more people will receive direct funding from the Treasury Department. The Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa will share \$400 million of the funds. Indian Tribes that were eligible for last fiscal year’s Native American Housing Block Grant program are also eligible for these rental assistance funds and will share \$800 million. NAHRO anticipates that the Treasury Department will provide additional guidance about the distribution and use of these funds in January 2021.

The coronavirus relief package includes \$25 billion to help households impacted by the COVID-19 pandemic

Public Housing Authorities (PHAs) will not be direct recipients of rental assistance funds from the Treasury Department. PHAs interested in assisting in the distribution of these rental assistance funds should contact the grantee (state or local jurisdiction) that serves their community to offer to act as a subgrantee.

Eligibility

Eligible households include families that have:

- Income below 80 percent of the area median income
- An obligation to pay rent
- A household member that has a reduction of income or other financial hardship due to COVID-19
- Experienced or are at risk of experiencing homelessness

Eligible uses of funds include payment of:

- Rent
- Rental arrears
- Utilities and home energy costs
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- Other expenses related to housing incurred due to COVID-19

Language in the bill notes that to the extent feasible, an eligible grantee shall ensure that any rental assistance provided to an eligible household is not duplicative of any other Federally funded rental assistance.

The local emergency rental assistance programs must have an application process that prioritizes families that are 50 percent or below area median income or households where one or more individuals within the household are unemployed as of the date of the application and have not been employed for 90 days preceding the date of the application. States and localities will be able to create additional preferences in the distribution of rental assistance.

No more than 10% of the amount paid to a state or locality can be used for administrative costs to carry out the program.

Nothing in the Emergency Rental Assistance program shall be construed to invalidate any otherwise legitimate eviction outside of the Centers for Disease Control (CDC) eviction moratorium, which has been extended until January 31, 2021.

Payments

Landlords or property owners may apply on behalf of their residents or tenants may apply on behalf of themselves. If a landlord or property owner applies, tenants must cosign the landlord's application and the landlord must inform the tenant that the landlord applied. Any funds the landlord receives must be applied to the tenant's rental obligations.

Assistance received by households cannot be used to determine eligibility to other federal assistance programs

Direct payments will be made to the landlord or utility company unless the landlord or utility provider does not agree to accept such payments. In these instances, the direct payment will be made to the eligible household for the purpose of making payments to the landlord or the utility provider.

Assistance received by households cannot be used to determine eligibility for other federal assistance programs and will not be taxable to the household.

Length of Program

Funds remain available through December 31, 2021

Funds will remain available through December 31, 2021. Assistance shall not be provided to a household for more than 12 months, except that households may receive an additional 3 months to ensure housing stability, subject to funding availability. Should households have rental arrears, assistance to reduce these arrears must be made prior to committing assistance towards the household's prospective rent.

Eviction Moratorium

The CDC Eviction Moratorium is extended through January 31, 2021

The emergency coronavirus relief bill also includes an eviction moratorium extension. Specifically, the current Centers for Disease Control and Prevention (CDC) Eviction Moratorium will be extended to Thursday, January 31, 2021. All aspects of the CDC Eviction Moratorium will remain in place. Current tenant declarations will remain in effect until January 31, 2021 and new tenant declarations may be provided to landlords until January 31, 2021.