Overview and Recommendations:

Rent-Utility Assistance Program created in COVID-19 Relief Bill

January 2021
Today’s Speakers

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What we will cover:

• Overview of keys parts of the combination spending bill and COVID-19 relief package signed into law by the President on 12/27/20
  – Rent/Utility Assistance
  – Water Assistance
  – LIHEAP Regular Funds for FY21
• Key components of the Rental/Utility Assistance Program in the legislation
• What does it mean for utility assistance providers and those eligible for these services?
• What can states/providers/utilities do to facilitate the dialogue and use of these funds for utility assistance?
Overview: Bipartisan COVID-19 Relief and Spending Bill

“Problem solvers” caucus
- U.S. Senators Joe Manchin (D-WV), Susan Collins (R-ME), Mark Warner (D-VA), Bill Cassidy (R-LA), Jeanne Shaheen (D-NH), Lisa Murkowski (R-AK), Angus King (I-ME), Mitt Romney (R-UT), Maggie Hassan (D-NH), Rob Portman (R-OH), and Dick Durbin (D-IL)

- Representatives Josh Gottheimer (D-NJ-5) and Tom Reed (R-NY-23)

Signed into law by the President on December 27, 2020

Includes $908 billion in COVID-19 relief:

*Bipartisan State and Local Support and Small Business Protections Act* - $160 billion for state and local relief

*Emergency Coronavirus Relief Act* - $748 billion in other assistance, including $25 billion for emergency rental/utility assistance
Emergency Rental/Utility Assistance

TITLE V—BANKING; Subtitle A—Emergency Rental Assistance; SEC. 501. EMERGENCY RENTAL ASSISTANCE

- $25 billion for emergency rent and utility assistance
- Funds are available through September 30, 2021
- Administered by the U.S. Department of the Treasury
- $500 million to U.S. territories
- $800 million to tribal communities
- Remaining funds to be distributed to states and cities with populations of 200,000 or more
- State minimum allocation: $200 million
- Eviction moratorium has been extended to January 31, 2021
Use of Funds

- At least 90 percent for direct financial assistance
- Up to 10 percent for case management/housing stability and administration
- Prospective rent payments can be made for up to 3 months
- No specific definition has been provided yet for “utilities” (Energy, Water, Delivered fuels, Broadband, Telephone, etc.)

(i) rent; (ii) rental arrears; (iii) utilities and home energy costs; (iv) utilities and home energy costs arrears; and (v) other expenses related to housing incurred due, directly or indirectly, to the novel coronavirus disease (COVID-19) outbreak, as defined by the Secretary
Eligibility

Income determination is based on the monthly income received by the household at the time of application (can also use annual income for all of 2020) - Gross, Net

Households are eligible for emergency rental or utility assistance funds if one or more individuals living in the household meet ALL of the following:

(1) has qualified for unemployment benefits or has experienced a reduction in household income, incurred significant costs, or experienced other financial hardship due to or during the pandemic;
(2) can demonstrate a risk of homelessness or housing instability; and
(3) has a household income below 80% AMI.

https://www.huduser.gov/portal/datasets/il.html

Rental assistance provided through the CRF would not be regarded as income or considered when determining eligibility for federal benefits or federally-assisted programs.
Priority

- Preference for households below 50% AMI

- Households with one or more individuals who have been unemployed for past 90 days, including at time of application

**Important:** other priorities can be determined by the grantee:

Nothing in this section shall be construed to prohibit an eligible grantee from providing a process for the further prioritizing of applications for financial assistance and housing stability services from a payment made under this section, including to eligible households in which one (1) or more individuals within the household were unable to reach their place of employment or their place of employment was closed because of a public health order imposed as a direct result of the COVID-19 public health emergency.
Important Dates

January 12 – In order for a state or locality to get its share of ERA funds, a completed payment information and signed acceptance of award terms must have been submitted by 11:59 pm ET on January 12, 2021.

December 31, 2021 – Funds for this program shall remain available until this date.

October 1, 2022 – Last day to obligate funds for utility assistance. Any funds not obligated by this date may only be used to provide affordable housing to very low income or extremely low-income families, pending approval of such a plan by the Treasury Secretary.
Helpful Resources:

National Low Income Housing Assistance Coalition

*ESTIMATED ALLOCATIONS FOR EMERGENCY RENTAL ASSISTANCE* and
*BEST PRACTICES FOR STATE AND LOCAL EMERGENCY RENTAL ASSISTANCE PROGRAMS*, which provides valuable lessons for the programs that will be administering the $25 billion in emergency rental/utility assistance and an extensive Q&A

U.S. Department of the Treasury

*EMERGENCY RENTAL ASSISTANCE PROGRAM Data and Methodology for State, Local Government, and Territory Allocations* and *List of Eligible Entities by State*

National Community Action Partnership

Q&A from their webinar held last week on the Rental Assistance Program

U.S. Department of Housing and Urban Development

Information on Area Median Income (AMI)
$3.75 billion for the regular LIHEAP appropriation

- $10 million increase from FY20

- $3.36 billion of these funds already released by the U.S. Department of Health and Human Services

- Language retained stating that each state will receive at least 97 percent of previous state formula allocation
Water and Wastewater Bill Assistance

$638 million

- First federal legislation of its kind

- Will provide bill assistance to low-income customers for drinking water and wastewater utility bills

- Administered by U.S. Department of HHS
Q&A

If you would like more information from any of the speakers, please feel free to contact them at their emails below:

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