



National Council of  
State Housing Agencies

## **Coronavirus Relief Fund Payments for Rental Assistance**

*The following summary is of the rental assistance program provided in the bipartisan 908 Coalition coronavirus relief legislation*

*December 15, 2020*

Total Funding:	\$25 billion
Eligible Grantees:	Of the total funding available, \$23.7 billion to be distributed to states and local governments; \$500 million to the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, the Northern Mariana Islands and American Samoa; and \$800 million to Indian tribes and the Department of Hawaiian Homelands.
Distribution Formula:	Funding to be distributed to states based on the state's proportional rate of the total US population according to 2019 Census data. 45 percent of a state's allocation may be accessed by local governments above population of 200,000. States will receive no less than \$200 million.
Federal Administration:	The program is to be administered under the jurisdiction of the Treasury Department. The Treasury Department Inspector General is responsible for monitoring and oversight of the receipt, disbursement, and use of funds.
Eligible Recipients:	Renter households with incomes no more than 80 percent of area median income (AMI) who meet the following conditions: <ul style="list-style-type: none"><li>• One or more individual in the household 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 coronavirus outbreak; <u>and</u></li><li>• One or more individual in the household can demonstrate a risk of experiencing homelessness or housing instability which includes:<ul style="list-style-type: none"><li>○ A past due utility, home energy, or rent notice or an eviction notice;</li><li>○ Unsafe or unhealthy living conditions; or</li></ul></li></ul>

- Any other evidence of such risk as determined by the grantee

Grantees must prioritize assistance to households with incomes of no more than 50 percent of AMI (the statute does not specify how preference may be made).

Landlords and owners may apply on behalf of tenants meeting the eligibility requirements, so long as the tenant cosigns the application, the landlord provides documentation to the tenant, and the payments are used to satisfy the tenant's rental obligation to the owner.

**Income Determination:** For eligibility purposes, grantees must only consider monthly income that the household is receiving at the time of application and not consider any income terminated prior to the application.

**Eligible Activities:** At least 90 percent of funds must be used for the following activities:

- Rent;
- Rental arrears;
- Utilities and home energy costs;
- Utilities and home energy arrears; or
- Other expenses related to housing.

The remaining 10 percent of funds may be used for housing stability services, including:

- Case management;
- Services to connect eligible households to other public supports and long-term housing assistance;
- Referrals to other services for behavioral, emotional, and mental health issues, domestic violence, child welfare, employment, substance abuse treatment, and other services;
- Rehousing services; or
- Eviction prevention services.

**Time Limitation:** Payments, including arrearages and future payments, may not exceed 18 months for any individual household.

**Payment:** Grantees must make payments directly to a lessor or utility/home energy provider on behalf of the eligible household unless the lessor or utility/home energy provider does not agree to accept the payment, in which case the grantee may make payments directly to the eligible household.

Administration Fees:	Up to 10 percent of funds may be used for grantees' administrative costs attributable to providing assistance under this program, including for data collection and reporting requirements.
Use of Funds Timeframe:	Funding may be used during FY 2021 and FY 2022. Unused funds as of October 1, 2022 may be used for other affordable housing purposes serving very low-income or extremely low-income households so long as the grantee submits and the Secretary of the Treasury approves a plan describing the proposed use of funds and the grantee demonstrates that it engaged in a good faith effort to implement an emergency rental assistance program.
Reporting Requirements:	<p>The Secretary of the Treasury in consultation with the Secretary of Housing and Urban Development must provide quarterly public reports on the use of funds, including the following information on each grantee's program:</p> <ul style="list-style-type: none"> <li>• The amount of funds allocated to the grantee;</li> <li>• The amount of funds disbursed by the grantee;</li> <li>• The number of households receiving assistance;</li> <li>• The acceptance rate of applicants for assistance;</li> <li>• The type of assistance provided to each household;</li> <li>• The average amount of funding provided per household per type of assistance;</li> <li>• For each type of assistance, the average number of payments received by households; and</li> <li>• The outcome for the eligible household at the end of the assistance period.</li> </ul> <p>The data above must be available by household zip code; income level (less than or equal to 30 percent of AMI, between 30 and 50 percent of AMI, between 50 and 80 percent of AMI); and gender, race, and ethnicity of primary applicant.</p>
Treatment of Assistance:	Payments made on behalf of households are not treated as income of the household for purposes of taxation or for determining eligibility for or extent of other benefits or assistance under other federal, state, or local programs.
Statutory Reference:	Amends Title VI of the Social Security Act (42 U.S.C. 801) by adding new Section 602.
Eviction Moratorium:	The CDC eviction moratorium extended until January 31, 2021.