



COVID-19 EMERGENCY BILLS

Over the past few days Congress has been discussing and negotiating a third Coronavirus (COVID-19) emergency response bill. Both the Senate and the House have put forth supplemental funding and emergency policy bills. This *Direct News* reviews the HUD related funding and policy provisions of each bill.

The House bill contains higher funding levels for HUD programs and negotiations are on-going between Congressional leadership and the White House. Contact your legislators now to tell them to support the higher funding in the House bill through [NAHRO's Advocacy Action Center](#).

Both the Senate and the House bills include additional funds for HUD's Public and Indian Housing (PIH), Community Planning and Development (CPD), and Office of Housing programs. The chart below provides the amounts of the supplemental funding for select HUD programs from both the Senate and House bills.

Supplemental Funding Bill Comparison (\$Millions)		
Program	Senate	House
Tenant-Based Rental Assistance	\$1,250	\$1,500
<i>HAP adjustments (included above)</i>	<i>\$400</i>	<i>\$500</i>
<i>Admin Fee (included above)</i>	<i>\$850</i>	<i>\$1,000</i>
Public Housing Operating Fund	\$685	\$720
Native Housing Programs	\$300	\$350
HOPWA	\$65	\$130
CDBG	\$10,000	\$15,000
Homeless Programs	\$4,000	\$5,000
Project-Based Rental Assistance	\$1,000	\$1,000
Sec. 202 – Elderly	\$50	\$75
Sec. 811 – Disabled	\$15	\$25
Fair Housing	\$2.5	\$7
Emergency Rental Assistance	\$0	\$100,000
Housing Assistance Fund	\$0	\$35,000

In addition to the supplemental funding both bills include several policy provisions including limited statutory and regulatory waivers. The program policy provision along with the funding for each are described below.

Tenant-Based Rental Assistance (TBRA)

The House bill provides \$1.5 billion to “maintain operations and take other necessary actions to prevent, prepare for, and respond to coronavirus.” The Senate bill provides \$1.25 billion for tenant-based rental assistance.

Administrative Expenses – Of the House bill’s \$1.5 billion for the TBRA account, there is \$1 billion in the House bill for additional administrative and other expenses PHAs encounter in administering Section 8 programs, including mainstream vouchers, in response to coronavirus. The bill states that these expenses shall be new eligible activities to be defined by HUD and shall be activities to “support or maintain the health and safety of assisted individuals and families and costs related to retention and support of current participating landlords.” Funds from the FY 2020 appropriations bill may also be used for these expenses.

The Senate bill contains \$850 million for administrative expenses out of the \$1.25 billion TBRA funds with similar language on its use.

Housing Assistance Payments (HAP) Adjustments – Of the House bill’s \$1.5 billion for the TBRA account, \$500 million will be available for “adjustments in the calendar year 2020 section 8 renewal funding allocations, including Mainstream vouchers.” These adjustments will be for those PHAs that “experience a significant increase in voucher per-unit costs due to extraordinary circumstances or that, despite taking reasonable cost savings measures,” as determined by HUD, would be forced to terminate voucher assistance.

Need-based allocation – The Department is instructed to allocate the above funding based on need as determined by HUD.

The Senate bill provides \$400 million for HAP adjustments with similar language on its use to the House bill.

Section 811 – Both the Senate and House bills allows for any amounts previously awarded, including administrative expenses, that remain available after funding renewals and administrative expenses, the Department will award no less than 50 percent of the remaining amounts for the same purpose within 60 days.

Waivers – The House bill allows that the Department may “waive, or specify alternative requirements for, any provision of any statute or regulation that [HUD] administers in connection with the use of the amounts made available” in this bill or the FY 2020 appropriations act, upon a finding by HUD that waivers “are necessary for the safe and effective administration of these funds to prevent, prepare for, and respond to coronavirus.”

Notice of waivers – The Department must notify the public through the *Federal Register* or “other appropriate means to ensure the most expeditious allocation of this funding” of waivers or alternative requirements. A public notice at the appropriate government website may suffice.

Length of waivers – Waivers or alternative requirements will remain in effect for the time and duration specified by HUD by public notice and may be extended by HUD.

The Senate bill has similar language around waivers.

Assisted Housing Stability

Project-based rental assistance – Both bills provide \$1 billion for project-based rental assistance. These funds are to supplement funds already available for “expiring or terminating section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for amendments to section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts) for contracts entered into pursuant to section 441 of the McKinney-Vento Homeless Assistance Act, for renewal of section 8 contracts for units in projects that are subject to approved plans of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income housing Preservation and Resident homeownership Act of 1990, and for administrative and other expenses associated with project-based activities and assistance funded.” One percent of the awards may be used to make new awards or increase prior awards made to existing technical assistance providers, without competition, to provide an immediate increase in capacity building and technical assistance.

Waivers – the Department may “waive, or specify alternative requirements for, any provision of any statute or regulation that [HUD] administers in connection with the use of the amounts made available” in this bill, upon a finding by HUD that waivers are necessary to use such amounts.

Notice of waivers – The Department must notify the public through the *Federal Register* or other appropriate means.

Public Housing

Public Housing Operating Fund – The House bill would provide \$720 million and the Senate bill would provide \$685 million to the Operating Fund. These funds would be distributed by the Operating Fund formula.

Public Housing Subsidy Flexibility – Both the House and Senate bill allow PHAs fungibility of their Operating and Capital Funds so long as the funds are used to prevent, prepare for, and respond to coronavirus. This includes Operating and Capital funds appropriated to PHAs prior to these bills. The ability to transfer funds between the Operating and Capital accounts will remain available through December 31, 2020. HUD can extend this provision in 12-month increments if needed.

Waivers – The bills allow HUD to provide waivers for statutory and regulatory requirements related to the Capital and Operating Fund if those waivers would help PHAs prepare for, prevent, and respond to coronavirus. These waivers would be released in the *Federal Register*.

Community Development Programs

HOPWA – The House bill would provide \$130 million for the Housing Opportunities for Persons with AIDS (HOPWA). Not less than \$100 million would be distributed via formula, no more than \$20 million would be provided as a one-time, non-renewable grant to existing contracts for permanent support housing that were initially made in FY 2010 and prior years. The Senate bill would provide \$65 million to HOPWA - \$50 million to be distributed by formula and \$10 million by one-time, non-renewable grants to existing contracts for permanent support housing that were initially made in FY 2010 and prior years.

Both bills would allow these funds to be used to help individuals living with HIV-AIDS relocate for the purposes of self-isolation, quarantine, or provide other coronavirus control services as recommended by the CDC.

Community Development Block Grant – in the House bill, the Community Development Fund would receive \$15 billion to be distributed as Community Development Block Grants (CDBG). Of this funding, \$8 billion would be distributed to entitlement communities by formula and \$5 billion would go directly to states to prepare for and respond to coronavirus based on need. The need-based formula would consider public health needs, the number of COVID-19 cases compared to the national average, and economic and housing disruptions. Allocations would be made within 45 days of enactment of the bill. HUD would have the discretion to distribute the remaining funds to states or local governments. The Senate bill would provide \$10 billion for CDBG and would require allocations to be made by formula within 30 days of enactment of the bill. Both bills allow up to \$10 million to be used for capacity building and technical assistance related to coronavirus response.

Neither bill would require entities to amend their statements of activities to engage in coronavirus activities but would require entities to prepare a report within 180 days after the end of the crisis highlighting activities. In-person meetings for citizen participation plans are not required, but entities must provide notice a comment period of no less than 15 days in the House bill and no less than 5 days in the Senate bill to receive public input. Virtual meetings are also allowed.

Homeless Assistance Grants – The House bill would provide \$5 billion for the Emergency Solutions Grants (ESG) program. Of this, \$1.5 billion would be distributed as formula grants and \$1.5 billion would be distributed to states by a formula developed by HUD. The formula would consider risk of transmission of coronavirus, rising rate of sheltered and unsheltered homeless individuals, disruptions to economic and housing markets, and other factors. Every 60 days thereafter, \$500 million in additional funding would be released to the states via the formula developed by HUD. The Senate bill would provide \$4 billion for ESG. This funding would be provided directly to States using a formula that considers risk of transmission of coronavirus, rising rate of sheltered and unsheltered homeless individuals, disruptions to economic and housing markets, and other factors.

Both bills would allow the funding to be used for temporary emergency shelters, costs related to infectious disease prevention, and hazard pay. The Secretary would have the ability to waive statutory and regulatory waivers as needed to prepare for, prevent, and respond to coronavirus. Ten percent of the funds could be used for administrative purposes. Up to one percent of the funds could be used to increase prior technical assistance awards that relate to providing health care services. None of the funds provided could be used to require homeless individuals to enter treatment or perform any other prerequisite activity as a condition of receiving shelter, housing, or other services.

Emergency Rental Assistance – The House bill would create an emergency rental assistance fund of \$100 billion that would remain available until expended. Funds would be made available for families earning 80 percent of area median income (AMI) with fifty percent of the funds going to families earning 50 percent AMI. Families must be at risk of homelessness.

Housing Assistance Fund – The House bill would create an emergency Housing Assistance Fund of \$35 billion that would remain available until expended. These funds would be provided to State

Housing Finance Agencies. States would receive no less than \$125 million with the rest of the funding distributed by formula based on unemployment claims

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