

## CORONAVIRUS (COVID-19)

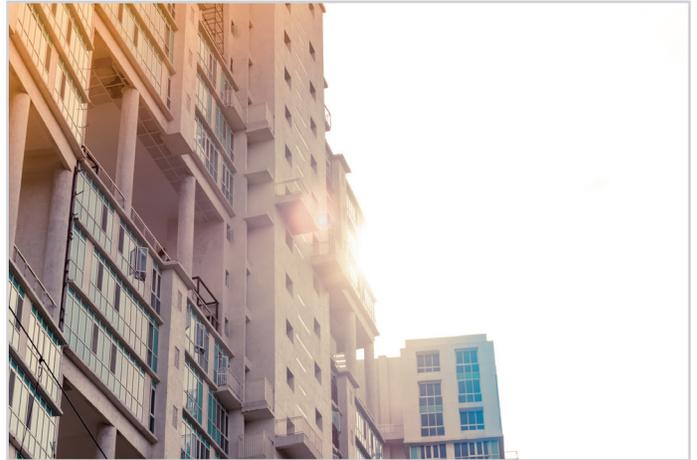
# Cares Act Analysis: Housing Funding

## Moratoriums and Evictions

- Institutes a moratorium on foreclosures for all federally-backed mortgages, including those covered by the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture, the Federal Housing Administration, the Department of Veterans Affairs, Fannie Mae, and Freddie Mac, for 60 days beginning on March 18, 2020. Under the bill, a borrower with a federally-backed mortgage experiencing financial hardship due to Coronavirus (COVID-19) may also request a forbearance for up to 180 days, which may be extended for another 180 days at the request of the borrower.
- Institutes a moratorium on filings for evictions for renters in homes covered by a federally-backed mortgage for 120 days of enactment.

## Emergency Solution Grants

- Appropriates \$4 billion in Emergency Solutions Grants to help prevent an outbreak among sheltered and unsheltered people experiencing homelessness and very low-income households (earning less than 50% of area median income) who are at risk of homelessness. The funds can also be used for eviction prevention assistance, including rapid rehousing, housing counseling, and rental deposit assistance to mitigate the adverse impacts of the pandemic.
  - \$2 billion may be distributed according to allocations made in fiscal year (FY) 2020 within 30 days of enactment.
- These funds could be used for the following:
  - Temporary Emergency Shelters.
  - Waiving federal habitability and environmental review standards.
  - Staff costs.



- Training.
- Hazard pay.
- Allows funds allocated in previous fiscal years to be used for this purpose.
- Under no circumstances may these funds be used to require people experiencing homelessness to receive treatment or perform any other prerequisite activities as a condition for obtaining shelter, housing or other services.

## Community Development Block Grants

- Allocates \$5 billion for Community Development Block Grants (CDBGs) to cities and states.
  - \$2 billion will be allocated to states and units of local governments that received an allocation under the FY 2020 formula.
  - \$1 billion will go directly to states and insular areas based on public health needs, risk of transmission, number of virus cases and economic and housing market disruptions.
  - \$2 billion will go to states and units of local governments based on the prevalence and risk of COVID-19 and related economic and housing disruptions resulting from the virus.

- Eliminates the cap on the amount of funds a grantee can spend on public services, removes the requirement to hold in-person public hearings to comply with national and local social gathering requirements, and allows grantees to be reimbursed for COVID-19 response activities regardless of the date the costs were incurred.
- This funding builds on the additional \$6.7 billion provided in FY 2019 and FY 2020 by allowing grantees to combine prior year funds with new funding to prevent, prepare for, and respond to COVID-19.
- Appropriates \$150 billion in flexible funds to state and local governments through the Coronavirus Relief Fund for many of the same purposes as CDBG.

## Tenant-Based Rental Assistance

- \$1.25 billion for tenant-based rental assistance to help public housing agencies maintain normal operations.
  - \$850 million can be used for a combination of administrative costs and other expenses for activities including those to “support and maintain the health and safety of assisted households” and to retain and support participating landlords.
  - \$400 million is to adjust renewal funding for public housing agencies that experience a significant increase in voucher per-unit costs and would otherwise need to terminate rental assistance for families due to the lack of funds.
- The funds will be distributed based on need, as determined by the HUD secretary, and provides broad authority to the secretary to waive or set alternative requirements, for any statute or regulation, outside of those related to fair housing, nondiscrimination, labor standards, and the environment, if necessary for the safe and effective administration of these funds to prevent and respond to coronavirus.

## Project-Based Rental Assistance

- \$1 billion for project-based rental assistance to maintain normal operations and to take any other necessary actions during the period that the program is impacted by COVID-19.
- Provides broad authority to HUD secretary to waive or set alternative requirements for any statute or regulation, outside of those related to fair housing, nondiscrimination, labor standards, and the environment, if necessary, to expedite these funds in responding to COVID-19.

## Public Housing

- \$685 million for the public housing operating fund to maintain normal operations and to take any other necessary actions.
- Allows—through the end of the 2020 calendar year—for public housing agencies to combine its capital and operating funds, including some funds from past fiscal years, to respond to COVID-19.
- Allows the HUD secretary to extend this flexibility in additional 12-month increments if needed, and it provides broad authority to the secretary to waive or set alternative requirements for any statute or regulation, outside of those related to fair housing, nondiscrimination, labor standards, and the environment, if necessary for the safe and effective administration of these funds to respond to COVID-19.

## Native American Housing Programs

- Allocates \$300 million to address tribal housing issues.
  - \$200 million would be for Native American Housing Block Grants, which will use the same formula used for FY 2020.
  - \$100 million will be allocated to the Indian Community Development Block Grant to prioritize activities to prevent, prepare for and respond to the virus.

## Housing for Persons with AIDs

- Provides \$65 million for Housing for Persons with AIDs to address operations, rental assistance, and other actions to prepare for and respond to COVID-19.
  - \$50 million is to be provided via the formula used in FY 2020.
  - \$10 million can be used for one-time, non-renewable grants to permanent supportive housing providers, made proportionally to their existing grants.
    - ▶ May be used to cover rent, mortgage, utility payments for up to 24 months.
    - ▶ Not to be used for supportive housing but may be used to help individuals isolate and self-quarantine or relocate to hotels.
    - ▶ Up to 2% may be used to increase technical assistance.

## Elderly and Persons with Disabilities

- \$50 million for Section 202 Housing for the Elderly.
- \$10 million for service coordinators.
- \$15 million for Section 811 Housing for Persons with Disabilities.
- Provides broad authority to the HUD secretary to waive or set alternative requirements for any statute or regulation, outside of those related to fair housing, nondiscrimination, labor standards, and the environment, if necessary, to expedite these funds in responding to COVID-19.
- A total of \$2.5 million will be provided for fair housing activities, including:
  - \$1.5 million for the Fair Housing Assistance Program Partnership for Special Enforcement grants.
  - \$1 million for the Fair Housing Initiatives Program.

## Coronavirus Relief Fund

- Appropriates \$150 billion for state, local and tribal governments to help broadly cover any “necessary expenditures incurred due to the public health emergency” created by COVID-19.
  - Due to the broad nature of these funds, governments could use these funds to help address the needs of people experiencing homelessness and low-income renters.
  - \$3 billion for territorial governments.
  - \$8 billion for tribal governments.



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**Tim Storey, Executive Director**

7700 East First Place, Denver, Colorado 80230, 303-364-7700 | 444 North Capitol Street, N.W., Suite 515, Washington, D.C. 20001, 202-624-5400

[www.ncsl.org](http://www.ncsl.org)

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