# Board of County Commissioners

# Office of Policy and Budgetary Affairs

## Memorandum

**To:** Honorable Commissioner Raquel A. Regalado

**From:** Jennifer Moon, Chief
Office of Policy and Budgetary Affairs

**Date:** January 27, 2021

**Subject:** Research Regarding Certain Federally Funded Economic Stimulus Programs

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The following information has been compiled by the Office of Policy and Budgetary Affairs in response to your request. Should you have any questions, please contact me at 305-375-5882.

cc: Rebecca Wakefield, District 7
Anthony Escarra, District 7
Catherine Carbonell, District 7
Office of Policy and Budgetary Affairs

## Federal Legislation

The Consolidated Appropriations Act, 2021[1] (the Act) was signed into law on December 27, 2020. The Act totaled $2.3 billion and included 12 different appropriation bills to fund federal agencies for fiscal year 2021 ($1.4 trillion) and a $900 billion COVID-19 economic relief package.

The allocations that make up the $900 billion economic relief package are further detailed in Attachment A provided by the firm Squire Patton Boggs.

## Emergency Rental Assistance

One of the components of the economic relief package was $25 billion to "provide financial assistance and housing stability services to eligible households." These funds are distributed directly to states, tribes, local governments and U.S. territories based on population. While the Coronavirus Aid, Relief and Economic Security (CARES) Act distributed funds to jurisdictions with populations greater than 500,000 people, the funds distributed as part of this second round of Emergency Rental Assistance were expanded to jurisdictions with populations greater than 200,000[2]. For Miami-Dade County this means that the cities of Hialeah and Miami will be directly receiving funding for Emergency Rental Assistance.

Exclusive of the distributions to the cities of Hialeah and Miami, Miami-Dade County is expected to receive $60.8 million based on the latest estimates provided by the Office of Mayor Daniella Levine Cava. An analysis provided by the Democratic Staff of the House Committee on Appropriations[3] explained that eligible households are defined as those who:

> *(1) have a household income not more than 80 percent of AMI; (2) have one or more household members who can demonstrate a risk of experiencing homelessness or housing instability; and (3) have one or more household members who qualify for unemployment benefits or experienced financial hardship due, directly or indirectly, to the pandemic.*

Eligible households may receive up to 12 months of assistance, plus an additional three months if the grantee determines the extra months are needed to ensure housing stability and funds are available. Assistance must be provided to reduce an eligible household's rental arrears before the household may receive assistance for future rent payments. Once a household's rental arrears are reduced, grantees may only commit to providing future assistance for up to three months at a time. Households may reapply for additional assistance at the end of the three-month period if needed and the overall time limit for assistance is not exceeded.

While Area Median Income (AMI) levels vary by jurisdiction, the County's Public Housing and Community Development publishes the most recent AMI income limits in Miami-Dade County. The current AMI for Miami-Dade County is $59,100. A household income of not more than 80 percent shall not exceed $73,100 for a family of four. The full table is included as Attachment B as reference.

Also incorporated as reference is the most recent Emergency Rental Assistance Frequently Asked Questions provided by the United States Department of the Treasury (Attachment C). Generally, Emergency Rental Assistance is limited to eligible households to cover rent, utilities and home energy costs, both in arrears

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[1] Full text of the Act can be found here.

[2] Eligible Units of Local Government can be found here.

[3] Full Analysis can be found here. Page 22 is cited above.

and prospective. Funds distributed through the Emergency Rental Assistance cannot be used to aid homeowners as only households that are obligated to pay rent on a residential dwelling are eligible.

### County Rental Assistance Programs

With the $474 million in Coronavirus Relief Fund dollars (CRF) provided through the CARES Act, Miami-Dade County was able to create two Emergency Rental Assistance Programs (ERAP). One program was Countywide in nature, another was limited in scope to the Unincorporated Municipal Service Area (UMSA). The first ERAP was established with $10 million in CRF and focused on rental assistance countywide. The Board also established an ERAP program for UMSA residents ($5 million). Additionally, the County received additional grant funding from the Florida Housing Finance Corporation ($9.2 million). In total, according to the latest figures provided by the administration, $19,589,366 was spent for rental relief which helped more than 7,500 families. Indirectly, all rental assistance programs benefitted landlords as they were able to receive payments that the eligible households may not have otherwise been able to make.

Once the funding is received, it is expected that the Board of County Commissioners will provide guidance and ultimately approve the methodology by which the $60.8 million in Emergency Rental Assistance funds are distributed.

### Homeless Emergency Solutions Grant

As part of the CARES Act, the Miami-Dade Homeless Trust received a $3.9 million Emergency Solutions Grant. These funds were provided separate from the Emergency Rental Assistance funds and were used by the Homeless Trust to support engaging homeless individuals and families living on the street, operating and improving the number and quality of emergency shelters, rapidly rehousing homeless individuals and families and preventing families/individuals from becoming homeless.

At this time, it is not known how much the County may receive in additional Emergency Solutions Grant funds to support the Homeless Trust. Under guidance provided by the Department of Treasury, an eligible household that occupies a federally subsidized residential or mixed-use property may receive Emergency Rental Assistance, provided that Emergency Rental Assistance funds are not applied to costs that have been or will be reimbursed under any other federal assistance. If an eligible household receives a monthly federal subsidy (e.g., a Housing Choice Voucher, Public Housing, or Project-Based Rental Assistance) and the tenant rent is adjusted according to changes in income, the renter household may not receive Emergency Rental Assistance.

### Additional Actions

At the January 21, 2021 meeting, the Board of County Commissioners adopted Resolution No. R-58-21 which directed the County Mayor and the Commissioner Auditor to provide monthly reports on new and pending residential and commercial evictions. Once this data becomes regularly available, the Office of Policy and Budgetary Affairs will collaborate with the Commission Auditor to determine where evictions are occurring, and which income levels are most adversely affected.

SQUIRE PATTON BOGGS

# Memorandum

**From:** Squire Patton Boggs

**Date:** December 22, 2020

**Subject:** REVISED: Preliminary Summary of COVID-19 Relief Provisions Relevant to Local Governments

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Yesterday, Congress approved a nearly 6,000-page end-of-year legislative package that included 12 FY 2021 spending bills totaling $1.4 trillion, a $908 billion COVID-19 relief package, the Water Resources Development Act (WRDA), and an energy package, among other policy provisions.

Overnight, the President signed a new CR through December 28, which will allow time for the omnibus/stimulus to be enrolled and prepared for his signature. Of import, the timelines established in the omnibus/stimulus will not be triggered until the bill is signed and enacted into law.

We will produce analyses of the various spending and legislative components of the bill throughout the coming days. This document highlights the provisions of the COVID-19 relief package most relevant to state and local governments.

As previously reported, the package does not include significant resources for state and local governments. Below we highlight those programs through which localities can receive direct funding: the new Housing and Rental Assistance program and CDC funding for distribution and administration of the COVID-19 vaccine.

The legislation extends by one year the deadline for state and local governments to use monies provided by the Coronavirus Relief Fund (CRF), but does NOT provide any additional flexibility for utilization, such as revenue loss.

Additionally, while many reports anticipated the legislation might provide additional Federal Emergency Management Agency (FEMA) Disaster Relief funds that could potentially be tapped by local governments, it did not do so, nor did it waive existing cost share requirements. The bill does provide $2 billion (100 percent federal match) to be paid through the FEMA Disaster Relief Fund for the express purpose of helping an "individual or household […] meet disaster-related funeral expenses."

## Housing and Rental Assistance

Through a new Department of Treasury program modeled on the CRF, the bill provides **$25 billion** to states, U.S. territories, tribes, and large localities to "provide financial assistance and housing stability services to eligible households." Financial assistance includes payment of rent, rental arrears, utilities, and home energy costs and arrears, and other expenses related to housing incurred due to COVID-19, as defined by the Secretary. This includes both retrospective and prospective rent, although prospective rent payments are limited to three months. This is the only significant funding that the legislation provides to state and local governments. The money must be distributed within 30 days of enactment.

Of the **$25 billion:**

- Each state (as well as the District of Columbia) shall receive at least **$200 million**
- **$800 million** is reserved for tribes
- **$400 million** is reserved for U.S. territories

The Department of the Treasury will distribute the funds in the same manner as the CARES Act's Coronavirus Relief Fund (42 U.S.C. 801); however, the bill expands eligible entities to any jurisdiction with a population greater than 200,000 (vs. 500,000 under the CARES Act). In order to receive a payment, a local government must provide a certification – like with the CARES Act – to Treasury indicating that the recipient will use the funds in a manner consistent with the law. The legislation provides that any amounts granted to local jurisdictions shall be reduced from the amount given to the state in which that jurisdiction is located.

While it is unclear how much money will be distributed to eligible entities, the National Low Income Housing Coalition has provided initial estimates as to how much funding will be provided to each state. It is worth noting that the bill is silent on how Treasury will handle scenarios where two eligible jurisdictions overlap, like an eligible city within an eligible county.

**Eviction Moratorium**

The legislation extends the Centers for Disease Control and Prevention (CDC) eviction moratorium through January 31, 2021.

## HEALTHCARE PROVISIONS

Resources for COVID-19 Testing and Vaccination

This legislation includes **$73 billion** to support public health concerns, including distribution and administration of vaccines and continued COVID-19 testing. These expenses include the following provisions.

- **$8.75 billion** to Centers for Disease Control and Prevention (CDC) for the distribution and administration of COVID-19 vaccines
  - This includes **$4.5 billion** in direct funding for states, localities, and territories.
  - This also includes **$300 million** to ensure vaccines are distributed to higher-risk and underserved populations.
- **$22.4 billion** for testing, contact tracing, and surveillance
  - This includes **$2.5 billion** to ensure testing is provided to higher-risk and underserved populations.
- **$19.7 billion** for the Biomedical Advanced Research and Development Authority (BARDA) for the manufacture and purchase of vaccines
- **$3.25 billion** for the National Strategic Stockpile

In addition, this legislation provides **$4.25 billion** for mental health and substance abuse support through the Substance Abuse and Mental Health Services Administration. At least **$125 million** must be set aside for tribal organizations. The mental health and substance abuse programs include:

- **$1.65 billion** for the Substance Abuse and Prevention Treatment Block Grant;
- **$1.65 billion** for the Mental Health Services Block Grant;
- **$600 million** for Certified Community Behavioral Health Clinics;
- **$50 million** for suicide prevention programs;
- **$50 million** for Project AWARE to support school-based mental health for children;
- **$240 million** for emergency grants to States; and
- **$10 million** for the National Child Traumatic Stress Network.

Additional Child Care Provisions

- **$10 billion** through the ACF Child Care and Development Block Grant for childcare, including direct support for child care providers for fixed costs and operating expenses, to help ensure working parents have access to child care so they can work or return to work.
- **$250 million** to help Head Start programs address additional costs related to COVID-19.

## TRANSPORTATION

Transit

The bill includes **$14 billion** for transit agencies. Funds are available for operating expenses to "prevent, prepare for, and respond to coronavirus," including the purchase of personal protective equipment and payment for administrative leave of operations personnel due to reductions in service dating back to January 20, 2020. To the maximum extent possible, funds shall be directed to payroll and public transit service.

The federal cost-share is 100 percent, and all funds must be allocated within 30 days of enactment.

Of the **$14 billion**:

- **$13.27 billion** is for urbanized area formula grants. No agency can receive more than 75 percent of its urbanized area's 2018 operating costs (based on the data in the National Transit Database) in combined CARES Act funding and funding under this bill.
- **$678.65 million** for formula grants for rural areas. No agency can receive more than 125 percent of its 2018 rural operating costs (based on the data in the National Transit Database) in combined CARES Act funding and funding under this bill.
- **$50 million** is for formula grants for the enhanced mobility of seniors and individuals with disabilities.

Airports

The bill includes **$2 billion** for airports, including:

- **$1.75 billion** for primary airports and certain cargo airports "for costs related to operations, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments," distributed via the Airport Improvement Program formulas;
- **$45 million** for general aviation and commercial service airports, **$5 million** of which is reserved for non-primary airports that participate in the FAA Contract Tower Program to cover "lawful expenses" to support FAA contract tower operations;
- **$200 million** for sponsors of primary airports to provide rent and minimum annual guarantee relief to airport car rental, on-airport parking, and in terminal airport concessions at the airports, which will be allocated based on enplanements; and
- **$5 million** for the Small Community Air Service Development Program.

In response to the CARES Act – in which some airports received tens of years of operating costs – the bill stipulates that no additional funding from this bill will be provided to any airport that was allocated more than four years of operating funds under the CARES Act. The federal cost share for this funding is 100 percent.

Highways

The bill also includes **$10 billion** for state departments of transportation to replace amounts lost because of COVID-19. These funds are designated for preventative or routine maintenance as well as operations and personnel costs.

Other Provisions

- The legislation requires that all airports receiving funding must employ at least 90 percent of the individuals employed by the airport as of March 27, 2020 through February 15, 2021.
- The Secretary of Transportation may waive the workforce retention requirement based on economic hardship or a reduction in aviation safety or security.
- The workforce retention requirement does not apply to non-hub and non-primary airports.

## USDA NUTRITION-RELATED PROVISIONS

This legislation has a number of nutrition related agricultural provisions. These include:

- **$13 billion** to fund a six-month, 15 percent increase in Supplemental Nutrition Assistance Program (SNAP) funding;
- Suspension of work requirements for SNAP-eligible college students;
- **$400 million** for the Emergency Food Assistance Program (TEFAP), which provides emergency food assistance; and
- **$400 million** for the Dairy Donation program, whereby the USDA purchases milk to be processed into dairy products and distributed to nonprofit food banks and similar entities.

### Paid Family and Sick Leave Extension

The provision extends the refundable payroll tax credits for paid sick and family leave, enacted in the Families First Coronavirus Response Act, through the end of March 2021.

NOTE: There is some confusion on the emergency leave section as to whether it extends the leave requirement or simply the tax credits. According to an initial analysis by our Employment and Labor colleagues, the bill extends only the tax credits, so that if an employer allows an employee to take time off through the end of March 2021, they can claim the tax credit, but the employer can deny the request for leave after December 31 and suffer no consequences.

### Economic Impact (Direct Cash Assistance) Payments

- The provision provides **$166 billion** for direct cash assistance like the Economic Impact Payments under the CARES Act – albeit half as much. The credit is **$600** per person, or **$1,200** for a married couple. It also includes **$600** per child. Based on 2019 tax returns, payments are based on income up to **$75,000** per person, **$112,000** if filing as a head of household, or **$150,000** per couple, and decrease at a rate of **$5** per **$100** of additional income over the designated threshold.
- Treasury Secretary Steven Mnuchin said the Internal Revenue Service (IRS) could begin distributing these payments as early as next week.

### Unemployment Insurance

- Provides **$300** per week for all workers receiving unemployment benefits through March 14, 2021
- Extends Pandemic Unemployment Assistance (PUA), with expanded coverage to the self-employed, gig workers, and others in nontraditional employment, and the Pandemic Emergency Unemployment Compensation (PEUC) program, which provides additional weeks of federally-funded unemployment benefits to individuals who exhaust their regular state benefits
- Increases the maximum number of weeks an individual may claim benefits through regular state unemployment plus the PEUC program, or through the PUA program, to 50 weeks
- Extends until March 31, 2021, the emergency unemployment relief for governmental entities and nonprofit organizations provided by the Families First Coronavirus Response Act (FFCRA), providing federal support for 50 percent of unemployment benefits for state and local government and nonprofit employees

### Aid for Small Businesses

- Provides funding for a second round of forgivable loans through the Paycheck Protection Program for small businesses and nonprofits experiencing significant revenue losses, makes programmatic improvements to PPP, funds grants to shuttered venues, and enacts emergency enhancements to other SBA lending programs.
    - **$284.45 billion** for Paycheck Protection Program Loans. Of these:

        - **$35 billion** is reserved for entities seeking their first loans;
        - **$15 billion** would be for first and second loans from community financial institutions;
        - **$15 billion** would be required to be provided by credit unions and other financial institutions holding less than $10 billion;
        - **$15 billion** for first loans for businesses with fewer than 10 employees or those in lower income areas; and
        - **$25 billion** set aside for second loans to groups in those same parameters.
            - In order to be eligible for a second loan, an entity would have fewer than 300 workers and be able to demonstrate a 25 percent decrease in revenue compared to an identical quarter in 2019.
    - **$25 million** for Minority Business Development Centers under the Minority Business Development Agency (MBDA) to assist minority business enterprises with technical assistance, such as applying for PPP
    - **$20 billion** for the Economic Injury Disaster Loan (EIDL) Advance program, of which **$20 million** is for the SBA Inspector General
    - Extends the covered period for EIDL Grants through December 31, 2021
    - **$3.5 billion** for continuing the Section 7(a) Debt Relief program
    - **$2 billion** to carry out SBA lending enhancements
- The legislation provides **$15 billion** to venue operators, movie theaters, zoo operators, and nonprofit museums that can demonstrate a 25 percent decrease in revenue compared to an identical quarter in 2019.

## COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) AND MINORITY DEPOSITORY INSTITUTIONS (MDI)

In addition to authorizing PPP lending through community-based lenders like CDFIs and MDIs, the package includes **$12 billion** for CDFIs and MDIs:

- **$3 billion** through the CDFI fund; and
- **$9 billion** to establish a new Department of Treasury Emergency Capital Investment Program (ECIP) to expand lending and investment in low-and moderate-income (LMI) and minority communities impacted by COVID-19.

## EDUCATION

The COVID-19 relief legislation provides a total of **$82 billion** in education-related funding, including:

- **$4.05 billion** for the Governor's Emergency Education Relief Act
    - This funding can be used at the governor's discretion for K-12 schools and institutions of higher education (IHEs).
    - **$2.75 billion** will be specifically allocated for non-public schools.
- **$54.3 billion** for the Elementary and Secondary School Emergency Relief Fund
- **$22.7 billion** for the Higher Education Emergency Relief Fund, of which:

- **$20 billion** will be allocated to all public and private nonprofit IHEs;
- **$908 million** will be distributed to for-profit colleges to provide financial aid to students;
- **$1.7 billion** will be set aside for Historically Black Colleges and Universities (HBCUs) and Minority Serving Institutions (MSIs); and
- **$113.5 million** will go to institutions with the most need, or IHEs who do not fall under the original distribution formula, such as independent graduate schools.

Colleges and universities can use the funds from this bill in the same way they used the funding they were awarded in the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* (Pub. L. 116-136). The funds will be distributed to institutions of higher education via a similar formula provided for in the CARES Act, and 50% of these funds must be provided in the form of direct aid to students. Although it was included in the draft legislation, the bill does not extend the pause on payments and interest accrual of federal student loans currently extended by Secretary of Education Betsy DeVos through February 1, 2021.

The relief legislation also provides an additional **$30 million** to the Student Aid Administration and **$5 million** to the Department of Education Office of the Inspector General. Finally, the agreement includes various policy provisions. First, the bill includes provisions that simplify the Free Application for Federal Student Aid (FAFSA), including reducing the number of questions on the FAFSA and allowing more students to have their eligibility automatically calculated. Additionally, the bill overturns a provision prohibiting incarcerated individuals from receiving Pell Grants.

### Tax Extenders

In addition to COVID-19 relief, this omnibus legislation included a package of extended tax deductions, known as "tax extenders." Some of these are especially relevant to state and local governments, including making permanent the four percent rate for calculating Low-Income Housing Tax Credits (LIHTC).

In addition to LIHTC, this legislation includes the following tax extenders.

It makes the following provisions permanent:

- Craft Beverage Excise Tax, with modifications to address importation issue
- 7.5 percent medical expense deduction
- Short-Line Railroad Maintenance Tax Credit (at a lower, 40 percent rate)
- Energy-efficient commercial buildings deduction (with updated standards)
- Higher Learning Tuition deduction (this higher learning tuition deduction is made permanent by increasing the phase-out limits in the permanent Lifetime Learning Credit)
- Volunteer firefighter income exclusion of state tax benefits (SECURE Act provision)

It extends the following tax credit to 2025:

- New Markets Tax Credit (NMTC)
- Work Opportunity Tax Credit (WOTC)
- CFC look-through
- Family Leave Credit
- Employer Paid Student Loan Income Exclusion (CARES Act provision)
- Motorsports Depreciation
- Empowerment Zones (repeal section 179 (which are obsolete) and capital gains benefits (which are expired))
- Film and Live Performances Expensing
- Oil Spill Liability Trust Fund
- Principal Residence COD at $750,000 (reduced from $2 million)

It extends the following tax credits through 2021:

- Private mortgage insurance (PMI) deduction
- Health Coverage Tax Credit
- Alternative fuels/mixture credit
- Second-generation biofuels credit
- Nonbusiness energy property credit
- 2-wheel electric plug-in credit
- Fuel cell motor vehicles credit
- Energy-efficient homes credit
- Alt fuel vehicle refueling property credit
- Renewable electricity credit
- American Samoa Economic Development Tax Credit
- Racehorse depreciation
- Indian business property depreciation
- Indian coal credit
- Indian employment credit
- Mine rescue training credit
- Black Lung Trust Fund

Attachment B

# Income Limits

**Income Limits Effective April 1, 2020**
Area Median Income (AMI) for Miami-Dade County: $59,100

| Family Size | Extremely Low Income 30% of AMI | Very Low Income 50% of AMI | Low Income 80% of AMI |
|---|---|---|---|
| 1 | $19,200 | $32,000 | $51,200 |
| 2 | $21,950 | $36,600 | $58,500 |
| 3 | $24,700 | $41,150 | $65,800 |
| 4 | $27,400 | $45,700 | $73,100 |
| 5 | $30,680 | $49,400 | $78,950 |
| 6 | $35,160 | $53,050 | $84,800 |
| 7 | $39,640 | $56,700 | $90,650 |
| 8 | $44,120 | $60,350 | $96,500 |
| 9 | $48,600 | $64,000 | $102,350 |
| 10 | $53,080 | $67,650 | $108,200 |

Source: U.S. Department of Housing and Urban Development for FY2019

Note: AMI is the household income for the median – or middle – household in a region.

**U.S. Department of the Treasury**
**Emergency Rental Assistance**
**Frequently Asked Questions**

**January 19, 2021**

The Department of the Treasury (Treasury) is providing these Frequently Asked Questions (FAQ) as guidance regarding the requirements of the Emergency Rental Assistance (ERA) program established by section 501 of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (Dec. 27, 2020) (the "Act"). These FAQ will be supplemented by additional guidance and FAQ on a rolling basis.

**1. The statute provides that ERA funds may be used for "utilities and home energy costs." How are those terms defined?**

Utilities and home energy costs are separately-stated charges related to the occupancy of rental property. Accordingly, utilities include separately-stated electricity, gas, water and sewer, trash removal and energy costs, such as fuel oil. Telecommunication services (telephone, cable, Internet) delivered to the rental dwelling are not considered to be utilities. Utilities that are covered by the landlord within rent will be treated as rent.

**2. Must a beneficiary of the rental assistance program have rental arrears?**

No. The statute does not prohibit the enrollment of households for only prospective benefits. Section 501(c)(2)(B)(iii) of Division N of the Act does provide that assistance to reduce rental arrears, if any, must be provided before prospective rental benefits may be provided. The statute also provides a limitation on prospective benefits of three months at one time.

**3. Must a grantee pay for all of a household's rental or utility arrears?**

No. The full payment of arrears is allowed up to the 12-month limit established by the statute if the arrears can be shown to be due to COVID-19. (Grantees may provide assistance for an additional three months if necessary to ensure housing stability for a household.) However, a grantee may structure a program to provide less than full coverage of arrears. When structuring their program, grantees should consider how to best minimize any incentives for the non-payment of rent or utilities by potential beneficiaries of the program.

**4. What outreach must be made by a grantee to a landlord or utility provider before determining that the landlord or utility provider will not accept direct payment from the grantee?**

Grantees must make reasonable efforts to obtain the cooperation of landlords and utility providers to accept payments from the ERA program. Outreach will be considered complete if a request for participation is sent in writing, by certified mail, to the landlord or utility provider, and the addressee does not respond to the request within 21 calendar days after mailing; or, if the grantee has made at least three attempts by phone or email over a 21 calendar-day period to request the landlord or utility provider's participation. All efforts must be documented. The cost of the mailing would be an eligible administrative cost.

**5. The statute limits eligibility to households with income that does not exceed 80 percent of area median income as defined by the Department of Housing and Urban Development (HUD) but does not provide a definition of household income. How is household income defined for purposes of the ERA program? How will income be documented and verified?**

The statute provides that grantees may determine income eligibility by reference to either (i) household total income for calendar year 2020 or (ii) sufficient confirmation of the household's monthly income at the time of application, as determined by the Secretary of the Treasury (Secretary).

With respect to each household applying for assistance, grantees may choose between using the definition of "annual income" as provided by HUD in 24 CFR 5.609 and using adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax purposes.

For determining annual income, grantees should obtain at the time of application source documents evidencing annual income (*e.g*., wage statement, interest statement, unemployment compensation statement), or a copy of Form 1040 as filed with the IRS for the household.

For determining monthly income, grantees must obtain income source documentation, as listed above, for at least the two months prior to the submission of the application for assistance. If an applicant qualifies based on monthly income, the grantee must redetermine the household income eligibility every three months for the duration of assistance.

**6. In addition to providing an attestation in writing, must applicants document that they have experienced a reduction in income, incurred significant costs, or experienced other financial hardship due to the COVID-19 outbreak?**

Yes, to the extent administratively feasible, grantees must require applicants to document that they have (i) qualified for unemployment benefits or (ii) experienced a reduction in income, incurred significant costs, or experienced other financial hardship due directly or indirectly to COVID-19 that threaten the household's ability to pay the costs of the rental property when due.

Grantees must also require applicants to demonstrate a risk of experiencing homelessness or housing instability, which may include past due rent and utility notices and eviction notices, if any, as part of the application process.

**7. Is there a requirement that the eligible household have been in its current rental home when the public health emergency with respect to COVID-19 was declared?**

No. However, payments under ERA are to be provided to households to meet housing costs that they are unable to meet as a result of the COVID-19 outbreak. There is no statutory requirement for the length of tenure in the current unit.

**8. What data should a grantee collect regarding households to which it provides rental assistance in order to comply with Treasury reporting and recordkeeping requirements?**

Treasury will provide instructions at a later time as to what information grantees must report to Treasury and how this information must be reported. At a minimum, in order to ensure that Treasury is able to fulfill its quarterly reporting requirements under section 501(g) of Division N of the Act and its ongoing monitoring and oversight responsibilities, grantees should anticipate the need to collect from households and retain records on the following:

- Address of the rental unit,
- Name, address, social security number, tax identification number or DUNS number, as applicable, for landlord and utility provider,
- Amount and percentage of monthly rent covered by ERA assistance,
- Amount and percentage of separately-stated utility and home energy costs covered by ERA assistance,
- Total amount of each type of assistance (*i.e.,* rent, rental arrears, utilities and home energy costs, utilities and home energy costs arrears) provided to each household,
- Amount of outstanding rental arrears for each household,
- Number of months of rental payments and number of months of utility or home energy cost payments for which ERA assistance is provided,
- Household income and number of individuals in the household, and
- Gender, race, and ethnicity for the primary applicant for assistance.

Grantees should also collect information as to the number of applications received in order to be able to report to Treasury the acceptance rate of applicants for assistance.

Treasury's Office of Inspector General may require the collection of additional information in order to fulfill its oversight and monitoring requirements.[1] Treasury will provide additional information regarding reporting to Treasury at a future date. Grantees will need to comply with the requirement in section 501(g)(4) of Division N of the Act to establish data privacy and security requirements for information they collect.

**9. The statute requires that ERA payments not be duplicative of any other federally-funded rental assistance provided to an eligible household. Are tenants of federally subsidized housing, *e.g*., Low Income Housing Credit, Public Housing, or Indian Housing Block Grant-assisted properties, eligible for ERA?**

An eligible household that occupies a federally-subsidized residential or mixed-use property may receive ERA assistance, provided that ERA funds are not applied to costs that have been or will be reimbursed under any other federal assistance.

If an eligible household receives a monthly federal subsidy (*e.g*., a Housing Choice Voucher, Public Housing, or Project-Based Rental Assistance) and the tenant rent is adjusted according to changes in income, the renter household may not receive ERA assistance.

If a household receives rental assistance other than the ERA, the ERA assistance may only be used to pay for costs, such as the tenant-paid portion of rent and utility costs, that are not paid for by the other rental assistance. Pursuant to section 501(k)(3)(B) of Subdivision N of the Act and 2 CFR 200.403, when providing ERA assistance, the grantee must review the household's income and sources of assistance to confirm that the ERA assistance does not duplicate any other assistance, including federal, state, and local assistance provided for the same costs.

[1] Note that this FAQ is not intended to address all reporting requirements that will apply to the ERA program but rather to note for grantees information that they should anticipate needing to collect from households with respect to the provision of rental assistance.

**10. May a grantee provide assistance to households for which the grantee is the landlord?**

Yes, a grantee may provide assistance to households for which the grantee is the landlord provided that the grantee complies with the all provisions of the statute and this guidance and that no preferences beyond those outlined in the statute are given to households that reside in the grantee's own properties.

**11. May a grantee provide assistance for arrears that have accrued before the date of enactment of the statute?**

Yes, but not before March 13, 2020, the date of the emergency declaration pursuant to section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5191(b).

**12. May a grantee provide assistance to a renter household with respect to utility or energy costs without also covering rent?**

Yes. A grantee does not need to provide assistance with respect to rent in order to provide assistance with respect to utility or energy costs. The limitations in section 501(c)(2)(B) of Division N of the Act limiting assistance for prospective rent payments do not apply to the provision of utilities or home energy costs.

**13. May a grantee provide ERA assistance to homeowners to cover their mortgage payment, utilities, or energy costs?**

No. The statute requires that ERA assistance be provided only to eligible households, which is defined to include only households that are obligated to pay rent on a residential dwelling.

**14. The statute provides that ERA funds may be used for "other expenses" as related to housing incurred due, directly or indirectly, to COVID-19, as defined by the Secretary. What are some examples of these "other expenses"?**

The Secretary has not made such a determination at this time.