

## The Coronavirus Aid, Relief, and Economic Security Act

April 3, 2020



#### The CARES Act

- The President signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, into law on March 27, 2020
- Under the CARES Act, HUD received \$12.4 billion, with \$2.24 billion allocated to PIH in supplemental budget authority to respond to the national impacts of the COVID-19 pandemic
- Provides additional funding to HUD to prevent, prepare for, and respond to the national impacts of the coronavirus pandemic
- Provides broad waiver authority and flexibilities, allowing public housing agencies (PHAs) to continue the mission of providing decent, safe, and affordable housing
- The FY 2020 Coronavirus Relief and Economic Act (CARES) can be found online at: <u>https://www.congress.gov/116/bills/hr748/BILLS-116hr748enr.pdf</u> (HUD section starts on page 321)



Total PIH Supplemental Funding: \$2.24 Billion

### PIH's FY 2020 Supplemental

PIH's \$2.24B portion of the supplemental is allocated as follows:

- Tenant Based Rental Assistance (TBRA): \$1.250B
  - \$850M Administrative Expenses
  - \$400M Housing Assistance Payments
- Public Housing Operating Fund: \$685M
- Native American Programs: \$300M
  - \$200M Formula Native American Housing Block Grant (NAHBG)
  - \$100M Indian Community Development Block Grant (ICDBG)
- Salaries & Expenses: \$5M



### Tenant-Based Rental Assistance Highlights

- \$1.25B for Housing Assistance Payment (HAP) and administrative fees.
  - \$400 million in HAP: to PHAs that (1) experience a significant increase in voucher per-unit costs due to extraordinary circumstances or (2) would be required to terminate rental assistance for families as a result of insufficient funding
  - \$850 million in administrative fees: used for both section 8 administrative expenses and other expenses, including new eligible activities to support or maintain the health and safety of assisted individuals and families, and costs related to retention and support of participating owners.
- FY 2020 administrative fees can be used for expanded eligible uses
- Remain available until expended



## Public Housing Operating Fund Highlights

- \$685M to maintain normal operations and take other necessary action to prevent, prepare for, and respond to coronavirus.
  - Activities may include health and safety of assisted individuals and families, and support education and childcare for impacted families in public housing.
  - Fungibility between FY20 and prior years' Operating and Capital Fund eligible activities



#### Waivers and FAQs

- The CARES Act provides HUD with broad authority to waive statutes and regulations (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) for public housing and HCV administered programs.
- HUD expects to issue a PIH notice waiving numerous statutory and regulatory requirements shortly.
- PHAs are strongly encouraged not to submit individual waiver requests in the interim.
- HUD is holding all previously submitted waiver requests until the notice is issued.
- PIH posted its second round of FAQs on 3/31/20: <u>https://www.hud.gov/sites/dfiles/PIH/documents/COVID19\_FAQ\_PIH\_3-30-20.pdf</u>



#### **Temporary Eviction Moratorium**

- The CARES Act established a 120-day moratorium on evictions for the public housing and HCV programs
- A PHA/owner cannot issue a notice to vacate or file a legal action to evict with the court for:
  - (1) nonpayment of rent or other fees or charges; or
  - (2) charge fees, penalties, or other charges related to the nonpayment of rent.
- After the 120-day period expires, all notices to vacate must provide the tenant with a 30-day notice.
- The Department will be issuing guidance shortly



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# Questions, Comments, Suggestions?