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LEGISLATIVE ALERT



Highlights from the Stimulus Bill of 12/20

Senator Portman (R-OH) worked hard to get a deal done on additional COVID-19 relief, and was a key negotiator on housing related issues, especially the Emergency Rental Assistance, detailed below. The bill passed with only a handful of Senators and several Congressmen opposing it. The bipartisan package authorizes a second round of PPP loans for the hardest hit small businesses, additional unemployment benefits, support for health care providers, additional funding for vaccine development and distribution, funding for testing and tracing, and funding for a litany of smaller programs.

The \$25 Billion will be parceled out in a block grant to states on per person share with funds likely arriving by February. Additionally, cities and counties with populations over 200,000 will receive a direct allocation of the Emergency Rental Assistance funds.

This new set of funds will have the following guidelines, mainly due to leadership by Senator Portman, providing for a block grant that is pretty hands off and gives states lots of flexibility. But there are a few key guardrails:

- \$25 billion for emergency rental assistance and utility payments will be funded through the Coronavirus Relief Fund and administered by the U.S. Department of the Treasury;
- Assistance can cover up to 12 months of back and forward rent, with an additional three months in certain cases;
- The CDC's eviction moratorium will be extended one month to Jan. 31.
- Households below 80 percent area median income (AMI) are eligible for rental assistance funds if they qualified for unemployment insurance or experienced reduced household income or financial hardship due to the pandemic; and are at risk of homelessness or housing instability;

- States and localities must prioritize households below 50 percent of AMI and/or those who have been unemployed for 90 days;
- Property Owner/Managers can apply for assistance on the resident's behalf but tenant must cosign the application. Payments must be used to pay the resident's rental obligations;
- Cities and states can make payments directly to Property Owner/Managers or utility companies on behalf of renters. If a Property Owner/Manager refuses to accept rental assistance, it goes directly to resident to pay to Property Owner/Managers or utility provider;
- Up to 10 percent of funds can be used to provide case management and other services intended to help keep households stably housed;
- Extends the deadline for spending previously allocated Coronavirus Relief Funds to Dec. 31, 2021

Congress also passed fiscal year 2021 appropriations (for the fiscal year that started October 2020) with increases for many of the regular housing and homelessness programs administered by HUD and the USDA. The spending bill likely provides enough funding to renew existing contracts for the Housing Choice Voucher program and Project-Based Rental Assistance. Congress also increased many other HUD programs for 2021.

[Click here to read the Emergency Rental Assist section of 12-20 Stimulus bill.](#)

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