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(Original Signature of Member)

116TH CONGRESS
2D SESSION

H. R. _____

To provide emergency rental assistance under the Emergency Solutions Grants program of the Secretary of Housing and Urban Development in response to the public health emergency resulting from the coronavirus, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. HECK introduced the following bill; which was referred to the Committee
on _____

A BILL

To provide emergency rental assistance under the Emergency Solutions Grants program of the Secretary of Housing and Urban Development in response to the public health emergency resulting from the coronavirus, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Emergency Rental As-
5 sistance and Rental Market Stabilization Act of 2020”.

1 **SEC. 2. EMERGENCY RENTAL ASSISTANCE.**

2 (a) AUTHORIZATION OF APPROPRIATIONS.—There is
3 authorized to be appropriated to the Secretary of Housing
4 and Urban Development (referred to in this section as the
5 “Secretary”) \$100,000,000,000 for grants under the
6 Emergency Solutions Grants program under subtitle B of
7 title IV of the McKinney-Vento Homeless Assistance Act
8 (42 U.S.C. 11371 et seq.) for fiscal year 2020, to remain
9 available until expended (subject to subsections (d) and
10 (n) of this section), to be used for providing rental assist-
11 ance in accordance with section 415(a)(4) of such Act (42
12 U.S.C. 11374(a)(4)) and this section.

13 (b) DEFINITION OF AT RISK OF HOMELESSNESS.—
14 Notwithstanding section 401(1) of the McKinney-Vento
15 Homeless Assistance Act (42 U.S.C. 11360(1)(A)), for
16 purposes of assistance made available with amounts made
17 available pursuant to subsection (a), the term “at risk of
18 homelessness” means, with respect to an individual or
19 family, that the individual or family—

20 (1) has an income below 80 percent of the me-
21 dian income for the geographic area as determined
22 by the Secretary, and

23 (2) has an inability to attain or maintain hous-
24 ing stability or has insufficient resources to pay for
25 rent or utilities due to financial hardships.

1 (c) INCOME TARGETING AND CALCULATION.—For
2 purposes of assistance made available with amounts made
3 available pursuant to subsection (a)—

4 (1) each grantee of such amounts shall use—

5 (A) not less than 40 percent of the
6 amounts received only for providing assistance
7 for persons or families experiencing homeless-
8 ness or at risk of homelessness, who have in-
9 comes not exceeding 30 percent of the median
10 income for the relevant geographic area as de-
11 termined by the Secretary;

12 (B) not less than 70 percent of the
13 amounts received only for providing assistance
14 for persons or families experiencing homeless-
15 ness or at risk of homelessness who have in-
16 comes not exceeding 50 percent of the median
17 income for the relevant geographic area as de-
18 termined by the Secretary; and

19 (C) the remainder of the amounts received
20 only for providing assistance to persons or fam-
21 ilies experiencing homelessness or at risk of
22 homelessness, who have incomes not exceeding
23 80 percent of the median income for the rel-
24 evant geographic as determined by the Sec-
25 retary, except that if a grantee demonstrates to

1 the satisfaction of the Secretary that the popu-
2 lation in the geographic area served by the
3 grantee having such incomes is sufficiently
4 being served with respect to activities eligible
5 for funding with such amounts, such grantee
6 may establish a higher percentage limit for pur-
7 poses of subsection (b)(1), which shall not in
8 any case exceed 120 percent of the area median
9 income; and

10 (2) in determining the income of a household—

11 (A) the calculation of income performed at
12 the time of application for such assistance shall
13 consider only income that the household is cur-
14 rently receiving at such time and any income
15 recently terminated shall not be included;

16 (B) the calculation of income performed
17 with respect to households receiving ongoing as-
18 sistance (such as medium-term rental assist-
19 ance) three months after initial receipt of as-
20 sistance shall consider only the income that the
21 household is receiving at the time of such re-
22 view; and

23 (C) the calculation of income performed
24 with respect to households receiving assistance
25 for arrearages shall consider only the income

1 that the household was receiving at the time
2 such arrearages were incurred.

3 (d) 3-YEAR AVAILABILITY.—

4 (1) IN GENERAL.—Each grantee of amounts
5 made available pursuant to subsection (a) shall—

6 (A) expend at least 60 percent of such
7 grant amounts within 2 years of the date that
8 such funds became available to the grantee for
9 obligation; and

10 (B) expend 100 percent of such grant
11 amounts within 3 years of such date.

12 (2) REALLOCATION AFTER 2 YEARS.—The Sec-
13 retary may recapture any amounts not obligated in
14 compliance with paragraph (1)(A) of this subsection
15 and reallocate such amounts to grantees in compli-
16 ance with the formula referred to in subsection
17 (h)(1)(A) of this section.

18 (3) RESCISSION AND REALLOCATION OF
19 FUNDS.—Any amounts made available pursuant to
20 subsection (a) that are not expended by a grantee to
21 provide assistance in accordance with this section by
22 the deadline under paragraph (1)(B) shall be reallo-
23 cated by the Secretary as follows:

24 (A) 65 percent shall be transferred and
25 credited to the Housing Trust Fund established

1 under section 1338 of the Federal Housing En-
2 terprises Financial Safety and Soundness Act
3 of 1992 (12 U.S.C. 4568).

4 (B) 35 percent shall be transferred or
5 credited to the Capital Magnet Fund under sec-
6 tion 1339 of the Federal Housing Enterprises
7 Financial Safety and Soundness Act of 1992
8 (12 U.S.C. 4569).

9 (e) RENT RESTRICTIONS.—

10 (1) INAPPLICABILITY.—Subsection (d) of sec-
11 tion 576.106(d) of title 24, Code of Federal Regula-
12 tions, shall not apply with respect to homelessness
13 prevention assistance made available with amounts
14 made available under subsection (a).

15 (2) AMOUNT OF RENTAL ASSISTANCE.—In pro-
16 viding homelessness prevention assistance with
17 amounts made available under subsection (a), the
18 maximum amount of rental assistance that may be
19 provided shall be the greater of —

20 (A) 120 percent of the higher of—

21 (i) the Fair Market Rent established
22 by the Secretary for the metropolitan area
23 or county; or

1 (ii) the applicable Small Area Fair
2 Market Rent established by the Secretary;
3 or
4 (B) such higher amount as the Secretary
5 shall determine is needed to cover market rents
6 in the area.

7 (f) SUBLEASES.—Notwithstanding the second sen-
8 tence of subsection (g) of section 576.106 of title 24 of
9 the Code of Federal Regulations, a program participant
10 may sublet, with rental assistance made available with
11 amounts made available pursuant to subsection (a) of this
12 section, a dwelling unit from a renter of the dwelling unit
13 if there is a legally binding, written lease agreement for
14 such sublease.

15 (g) HOUSING RELOCATION OR STABILIZATION AC-
16 TIVITIES.—A grantee of amounts made available pursuant
17 to subsection (a) may expend up to 25 percent of its allo-
18 cation for activities under section 415(a)(5) of the McKin-
19 ney-Vento Homeless Assistance Act (42 U.S.C.
20 11374(a)(5)), except that notwithstanding such section,
21 activities under such section may be provided only for indi-
22 viduals or families having incomes not exceeding 50 per-
23 cent of the area median income.

24 (h) ALLOCATION OF ASSISTANCE.—

1 (1) IN GENERAL.—In allocating amounts made
2 available pursuant to subsection (a), the Secretary
3 shall—

4 (A) for any purpose authorized in this sec-
5 tion, allocate 2 percent of such amount for In-
6 dian tribes and tribally designated housing enti-
7 ties (as such terms are defined in section 4 of
8 the Native American Housing Assistance and
9 Self-Determination Act of 1996 (25 U.S.C.
10 4103) under the formula established pursuant
11 to section 302 of such Act (25 U.S.C. 4152),
12 except that 0.3 percent of the amount allocated
13 under this subparagraph shall be allocated for
14 the Department of Hawaiian Home Lands;

15 (B)(i) not later than 7 days after the date
16 of the enactment of this Act and after setting
17 aside amounts under subparagraph (A), allocate
18 50 percent of any such remaining amounts
19 under the formula specified in subsections (a),
20 (b), and (e) of section 414 of the McKinney-
21 Vento Homeless Assistance Act (42 U.S.C.
22 11373) for, and notify, each State, metropolitan
23 city, and urban county that is to receive a di-
24 rect grant of such amounts; and

1 (ii) not later than 30 days after the date
2 of the enactment of this Act, obligate and dis-
3 burse the amounts allocated pursuant to clause
4 (i) in accordance with such allocations and pro-
5 vide such grantees with any necessary guidance
6 for use of the funds; and

7 (C)(i) not later than 45 days after the date
8 of the enactment of this Act, allocate any re-
9 maining amounts for eligible grantees according
10 to a formula to be developed by the Secretary
11 that takes into consideration the formula re-
12 ferred to in subparagraph (A) of this paragraph
13 and the need for emergency rental assistance
14 under this section, including severe housing cost
15 burden among extremely low- and very low-in-
16 come renters and disruptions in housing and
17 economic conditions, including unemployment;
18 and

19 (ii) not later than 30 days after the date
20 of the allocation of such amounts pursuant to
21 clause (i), obligate and disburse such amounts
22 in accordance with such allocations.

23 (2) ALLOCATIONS TO STATES.—Notwith-
24 standing subsection (a) of section 576.202 of title
25 24 of the Code of Federal Regulations, a State re-

1 cipient of an allocation under this section may elect
2 to administer up to 100 percent of its allocation to
3 carry out activities eligible under this section. Any
4 State recipient making such election shall serve
5 households throughout the entire State, including
6 households in rural communities and small towns.

7 (3) ELECTION NOT TO ADMINISTER.—If a
8 grantee elects not to receive funds under this sec-
9 tion, such funds shall be allocated to the State re-
10 cipient in which the grantee is located.

11 (4) PARTNERSHIPS AND SUBGRANTEES.—A re-
12 cipient of a grant under this section may distribute
13 funds through one or more partnerships, sub-
14 grantees, or contracts with an entity, including a
15 public housing agency (as such term is defined in
16 section 3(b) of the United States Housing Act of
17 1937 (42 U.S.C. 1437a(b))), capable of carrying out
18 a program under this section.

19 (i) INAPPLICABILITY OF MATCHING REQUIRE-
20 MENT.—Subsection (a) of section 416 of the McKinney-
21 Vento Homeless Assistance Act (42 U.S.C. 11375(a))
22 shall not apply to any amounts made available pursuant
23 to subsection (a) of this section.

24 (j) REIMBURSEMENT OF ELIGIBLE ACTIVITIES.—
25 Amounts made available pursuant to subsection (a) may

1 be used by a grantee to reimburse expenditures incurred
2 for eligible activities under this section after March 27,
3 2020.

4 (k) PROHIBITION ON PREREQUISITES.—None of the
5 funds made available pursuant to this section may be used
6 to require any individual receiving assistance under the
7 program under this section to receive treatment or per-
8 form any other prerequisite activities as a condition for
9 receiving shelter, housing, or other services.

10 (l) WAIVERS AND ALTERNATIVE REQUIREMENTS.—

11 (1) IN GENERAL.—

12 (A) AUTHORITY.—In administering the
13 amounts made available pursuant to subsection
14 (a), the Secretary may waive, or specify alter-
15 native requirements for, any provision of any
16 statute or regulation that the Secretary admin-
17 isters in connection with the obligation by the
18 Secretary or the use by the recipient of such
19 amounts (except for requirements related to fair
20 housing, nondiscrimination, labor standards,
21 prohibition on prerequisites, data reporting, and
22 the environment unless otherwise provided
23 under this paragraph), if the Secretary finds
24 that good cause exists for the waiver or alter-
25 native requirement and such waiver or alter-

1 native requirement is necessary to expedite the
2 use of funds made available pursuant to this
3 section, to respond to public health orders or
4 conditions related to the COVID-19 emergency,
5 or to ensure that eligible individuals can attain
6 or maintain housing stability. The Secretary
7 shall waive any regulatory requirements that re-
8 strict eligibility based upon prior receipt of as-
9 sistance under the program during the past
10 three years.

11 (B) PUBLIC NOTICE.—The Secretary shall
12 notify the public through the Federal Register
13 or other appropriate means of any such waiver
14 or alternative requirement, and that such public
15 notice may be provided, at a minimum, on the
16 internet at the appropriate Government website
17 or through other electronic media, as deter-
18 mined by the Secretary.

19 (2) PUBLIC HEARINGS.—

20 (A) INAPPLICABILITY OF IN-PERSON HEAR-
21 ING REQUIREMENTS DURING THE COVID-19
22 EMERGENCY.—A grantee may not be required
23 to hold in-person public hearings in connection
24 with its citizen participation plan, but shall pro-
25 vide citizens with notice, including publication

1 of its plan for carrying out this section on the
2 internet, and a reasonable opportunity to com-
3 ment of not less than 5 days. Following the pe-
4 riod that begins upon the date of the enactment
5 of this Act and ends upon the date of the termi-
6 nation by the Federal Emergency Management
7 Agency of the emergency declared on March 13,
8 2020, by the President under the Robert T.
9 Stafford Disaster Relief and Emergency Assist-
10 ance Act (42 U.S.C. 4121 et seq.) relating to
11 the Coronavirus Disease 2019 (COVID-19)
12 pandemic, and after the period described in
13 subparagraph (B), the Secretary shall direct
14 grantees to resume pre-crisis public hearing re-
15 quirements.

16 (B) VIRTUAL PUBLIC HEARINGS.—During
17 the period that national or local health authori-
18 ties recommend social distancing and limiting
19 public gatherings for public health reasons, a
20 grantee may fulfill applicable public hearing re-
21 quirements for all grants from funds made
22 available pursuant to this section by carrying
23 out virtual public hearings. Any such virtual
24 hearings shall provide reasonable notification
25 and access for citizens in accordance with the

1 grantee's certifications, timely responses from
2 local officials to all citizen questions and issues,
3 and public access to all questions and re-
4 sponses.

5 (m) DEVELOPMENT AND SUBMISSION OF PLANS.—

6 (1) RESUBMISSION OF PLANS.—A recipient of
7 funds made available pursuant to this section may
8 revise and resubmit its plan for executing a program
9 or programs under this section to the Secretary at
10 anytime during the first 180 days of initiating the
11 program.

12 (2) CONSULTATION.—In developing a plan to
13 carry out this section, each recipient of funds made
14 available pursuant to this section shall consult with
15 the applicable Continuum or Continuums of Care for
16 the geographic area served by the recipient and or-
17 ganizations representing underserved communities
18 and populations and organizations with expertise in
19 affordable housing.

20 (n) ADMINISTRATION.—

21 (1) BY SECRETARY.—Of any amounts made
22 available pursuant to subsection (a)—

23 (A) not more than the lesser of 0.5 per-
24 cent, or \$15,000,000, may be used by the Sec-
25 retary for staffing, training, technical assist-

1 ance, technology, monitoring, research, and
2 evaluation activities necessary to carry out the
3 program carried out under this section, and
4 such amounts shall remain available until Sep-
5 tember 30, 2024; and

6 (B) not more than \$2,000,000 shall be
7 available to the Office of the Inspector General
8 for audits and investigations of the program au-
9 thorized under this section.

10 (2) BY RECIPIENTS.—Subsection (a) of section
11 576.108 of title 24 of the Code of Federal Regula-
12 tions shall be applied, with respect to amounts made
13 available pursuant to this section, by substituting
14 “10” for “7.5”.