

# COVID-19 Relief Legislation

---

By Alayna Calabro, Housing Policy Analyst, NLIHC

Congress enacted three major bills to provide essential resources and protections to address the health and housing needs of America's lowest-income renters and people experiencing homelessness during the COVID-19 pandemic: the "Coronavirus Aid, Relief, and Economic Security (CARES) Act" enacted in March 2020, additional relief enacted through the "Consolidated Appropriations Act" in December 2020, and the "American Rescue Plan" enacted in March 2021. The legislation provides urgently needed COVID-19 relief resources to help prevent millions of low-income people from losing their homes during the pandemic and provide cities and states with the resources they need to help people experiencing homelessness be safely housed during and after the pandemic.

## "CARES ACT"

Overall, the "CARES Act" provided more than \$12 billion in funding for U.S. Department of Housing and Urban Development (HUD) programs, including: \$4 billion for Emergency Solutions Grants-CARES (ESG-CV) for homelessness assistance, \$5 billion in Community Development Block Grants-CARES (CDBG-CV), \$1.25 billion for the Housing Choice Voucher program, \$1 billion for project-based rental assistance, \$685 million for public housing, \$300 million for tribal nations, \$65 million for Housing for Persons with AIDS, \$50 million for Section 202 Housing for the Elderly, and \$15 million for Section 811 Housing for Persons with Disabilities.

ESG-CV funds were provided to help prevent and respond to outbreaks among sheltered and unsheltered people experiencing homelessness. The funds could be used for eviction prevention assistance, including rapid rehousing, housing counseling, and rental deposit assistance to help mitigate the adverse impacts of the pandemic.

Of the \$5 billion provided for CDBG-CV, \$2 billion was allocated to states and units of local governments that received an allocation under the FY20 formula. Another \$1 billion went directly to states and insular areas based on public health needs, the risk of transmission, the number of coronavirus cases, and economic and housing market disruptions. The remaining \$2 billion were allocated to states and units of local government based on the prevalence and risk of COVID-19 and related economic and housing disruptions resulting from coronavirus. Some jurisdictions used CDBG-CV funds to provide emergency rental assistance.

Congress provided in the legislation a \$150 billion Coronavirus Relief Fund (CRF) for state, tribal, and local governments to help broadly cover any "necessary expenditures incurred due to the public health emergency" created by COVID-19. Many cities and states used these funds to provide emergency rental assistance.

In addition to resources, the bill instituted a temporary moratorium on evictions for residents of federally subsidized apartments, including those supported by HUD or the U.S. Departments of Agriculture (USDA) or Treasury.

## "CONSOLIDATED APPROPRIATIONS ACT OF 2021"

Congressional leaders reached a deal on an emergency COVID-19 relief bill in December 2020, the "Consolidated Appropriations Act of 2021," that included \$25 billion in emergency rental assistance and an extension of the federal eviction moratorium issued by the Centers for Disease Control and Prevention (CDC) through January 31. President Biden further extended the federal eviction moratorium three additional times through March, June, and July.

The "Consolidated Appropriations Act" established a \$25 billion emergency rental assistance (ERA) program administered by the U.S. Department of the Treasury. At least 90%

of the funds must be used to provide financial assistance, including back and forward rent and utility payments, and other housing expenses. Assistance can be provided for up to 15 months. Funds must be used for households with incomes below 80% of area median income (AMI), and states and localities must prioritize households below 50% of AMI or those who are unemployed and have been unemployed for 90-days.

The bill also extended the deadline from December 30, 2020 to December 31, 2021 for funds provided by Congress in the “CARES Act” through the Coronavirus Relief Fund (CRF).

## “AMERICAN RESCUE PLAN ACT”

Congress enacted and President Biden signed into law the “American Rescue Plan Act” (ARP) in March 2021. The legislation includes nearly \$50 billion in essential housing and homelessness assistance, including over \$27 billion for rental assistance and \$5 billion in new funding for states and cities to provide housing stability for tens of thousands of people experiencing homelessness.

The relief package includes:

- \$27.4 billion for rental housing assistance, including \$21.55 billion for emergency rental assistance (ERA), \$750 million for tribal housing needs, \$100 million for rural housing, and \$5 billion in emergency housing vouchers.
- \$5 billion to assist people experiencing homelessness with immediate and longer-term assistance through HUD’s HOME Investment Partnerships Program (HOME-ARP).
- \$9.96 billion for homeowner assistance.
- \$120 million for housing counseling and fair housing.
- \$5 billion in utility and water assistance.
- \$1,400 individual stimulus checks.
- \$350 billion in Coronavirus State and Local Fiscal Recovery Funds, which can be used for affordable housing.
- Other critical resources for states, communities, and people.

## OTHER NEEDED MEASURES

NLIHC urged the Administration and Congress to extend, strengthen, and enforce the federal eviction moratorium issued by the CDC and extended by Congress in the December 2020 COVID relief package. President Biden extended the moratorium three additional times through March, June, and July. While advocates urged the Biden Administration to improve and extend these vital protections for renters through the duration of the public health emergency, the eviction moratorium expired on July 31. As a result of the extraordinary advocacy of congressional champions and advocates, the Biden Administration announced on August 3 a new limited eviction moratorium through October 3 that covered renters living in communities experiencing a substantial or high level of COVID-19 transmission. The moratorium continued to face legal challenges, however, and the Supreme Court ruled on August 26 to end the temporary stay on a lower court ruling seeking to overturn it. In doing so, the ruling invalidated the federal eviction moratorium, eliminating vital protections that kept millions of households in their homes during the pandemic. Legislation to enact a federal eviction moratorium and failed to garner the congressional support needed.

The COVID-19 pandemic and its economic fallout underscore the need for a stronger housing safety net in the U.S. Beyond addressing and averting the immediate eviction crisis, Congress must address the underlying and long-standing shortage of affordable, accessible homes and insufficient renter protections for the lowest-income people. NLIHC launched the HoUsed campaign in March 2021 to advance anti-racist policies and achieve the large-scale, sustained investments and reforms necessary to ensure renters with the lowest incomes have an affordable and accessible place to call home. The HoUsed campaign advocates for four solutions to America’s housing crisis:

1. Bridge the gap between incomes and housing costs by expanding rental assistance to every eligible household.

2. Expand and preserve the supply of rental homes affordable and accessible to people with the lowest incomes.
3. Provide emergency rental assistance to households in crisis by creating a national housing stabilization fund.
4. Strengthen and enforce renter protections.

The first and best opportunity to advance the HoUSed campaign's priorities is through the "Build Back Better Act." The House-approved bill includes historic resources to expand rental assistance, preserve public housing, and increase the supply of homes affordable to people with the lowest incomes by expanding the national Housing Trust Fund. At the time of publication, however, the fate of the bill and its investments in affordable housing are unclear. For more information about long-term solutions to the housing crisis, see *HoUSed Campaign* in chapter 2 of this *Advocates' Guide*.

## FOR MORE INFORMATION

The "Coronavirus Aid, Relief, and Economic Security (CARES) Act" (Pub. L. No. 116-136), <https://bit.ly/36HqwrX>.

NLIHC's Analysis of the "CARES Act," <https://bit.ly/2JODPxe>.

The "Consolidated Appropriations Act of 2021" (Pub. L. No. 116-260), <https://www.congress.gov/bill/116th-congress/house-bill/133>.

NLIHC's Fact Sheet on the December 2020 COVID-19 Relief Package, <https://bit.ly/30BCn6H>.

The "American Rescue Plan Act of 2021" (Pub. L. No: 117-2), <https://bit.ly/30BD8wz>.

NLIHC's Fact Sheet on the "American Rescue Plan Act," <https://bit.ly/2PMf08b>.

NLIHC's HoUSed Campaign, <https://nlihc.org/housed>.