

July 22, 2020

Highlights of HEROES Act For Senate Advocacy

HR 6800, the “Health and Economic Recovery Omnibus Emergency Solutions Act” or the “HEROES Act” is a massive legislative package, over 1,815 pages, and estimated at around three trillion dollars to provide relief to states, cities, local jurisdictions, medical front-line workers, first responders, unemployed persons, consumers, students, renters, homeowners, housing providers, and more.

Supplemental funding passed by the House in the HEROES Act would provide additional appropriations of \$4 billion for TBRA, \$2 billion for the Operating Fund, \$100 billion in emergency rental assistance, and \$750 million for PBRA, totaling more than \$106.75 billion for housing providers. Between the CARES Act and the HEROES Act, the two funding measures provide additional appropriations of almost \$110 billion to housing providers in FY20.

- **Tenant-Based Rental Assistance (TBRA) would receive an additional \$4 billion.** TBRA would receive funding under the same authority and conditions as the additional appropriations for fiscal year 2020 as in the CARES Act.
- The bill also added language to make it clear that flexibility and fungibility from administrative fees to HAP is authorized, despite the previous HUD notice disallowing it,
- and that all allowable costs incurred by housing authorities due to coronavirus are covered notwithstanding the date the costs were incurred.
- From that \$4 billion, it would provide \$2.5 billion for adjustments in the calendar year 2020 Section 8 renewal funding allocations, \$500 million for administrative fees, and
- \$1 billion for new single-issue incremental vouchers targeted to individuals and families who are homeless, at risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, or stalking. This version is a modification from the CBPP proposal we spoke about earlier, and would further restrict the funds to only the targeted population.
- \$750 million additional for Project-Based Rental Assistance [under the same authority and conditions as the additional appropriations for fiscal year 2020 as in the CARES Act].
- **The Public Housing Operating Fund would receive an additional \$2 billion.** The funds would be provided under the same authority and conditions as the additional appropriations for fiscal year 2020 as in the CARES Act, and like the voucher funds, the funding may be used to cover or reimburse all allowable costs incurred by housing authorities due to coronavirus are covered notwithstanding the date the costs were incurred.
- The bill would protect funding that is shortly due to expire under Choice Neighborhoods by extending funding through September 30, 2021.

- The bill provides **\$100 billion for Emergency Rental Assistance under the Emergency Solutions Grants program (ESG)** [*“for grants to be used for providing short or medium-term assistance with rent and rent-related costs (including tenant-paid utility costs, utility- and rent arrears, fees charged for those arrears, and security and utility deposits.”*)]
- The bill also provides an additional \$11.5 billion under Homeless Assistance Grants for the ESG program

Other housing and community development programs receiving funding include:

- \$5 billion in Community Development Block Grants
- \$1.2 billion to provide staffing, services, and other resources for Section 202 properties, plus
- \$500 million in additional funding for elderly housing, with \$300 million going to service coordinators
- \$1 billion for Community Development Financial Institutions (CDFI) in distressed communities
- \$309 million for rural rental assistance
- \$200 million for housing for persons with disabilities in Section 811 properties