



# UPDATES TO ERA PROGRAM

| PROGRAM ISSUE   | PREVIOUS U.S. TREASURY GUIDANCE (March 26, 2021)   | REVISED U.S. TREASURY GUIDANCE (May 7, 2021)   |
|---|--|--|
| <p><b>Direct-to-Tenant Option</b></p>                             | <p>Grantees must conduct outreach to landlords prior to offering assistance directly to tenants, but no direct-to-tenant option is encouraged or required.</p> | <p>Under <b>ERA1</b>, grantees are strongly encouraged to provide a direct-to-tenant option. The new guidance also reduces the amount of time grantees must wait before offering assistance directly to tenants. Previously, administrators had to wait 14 days when reaching out by mail or 10 days when reaching out by phone, text or email. These waiting periods have been shortened to 7 days and 5 days, respectively.</p> <p>Under <b>ERA2</b>, grantees are required to allow tenants to apply directly for assistance. <b>ERA2</b> funds can be used to provide assistance to renters first and immediately.</p> |
| <p><b>Prioritization of Households With the Greatest Need</b></p> | <p>Previous FAQs did not provide guidance or establish reporting requirements around prioritization of assistance for high-need households.</p>                | <p>Under <b>ERA1 &amp; 2</b>, grantees should establish a preference system for prioritizing assistance to high-need households.</p> <p>Under <b>ERA1 &amp; 2</b>, grantees must report how they will implement prioritization of assistance and must place this information on their website by July 15, 2021.</p>  |
| <p><b>Eviction Prohibition</b></p>                                | <p>Previous guidance did not require grantees to obtain any eviction protections for renters receiving assistance.</p>   | <p>Under <b>ERA1 &amp; 2</b>, grantees must prohibit landlords receiving ERA funds from evicting tenants during the period covered by assistance.</p> <p>Under <b>ERA1 &amp; 2</b>, grantees are encouraged to prohibit landlords receiving ERA funds from evicting tenants for 30 to 90 days after the period covered by assistance.</p>  |
| <p><b>Documentation Requirements</b></p>                          | <p>Previous guidance allowed renters to self-certify or assure they met various programmatic criteria.</p>   | <p>Under <b>ERA1 &amp; 2</b>, grantees are strongly encouraged to avoid establishing rigorous documentation requirements.</p> <p>Under <b>ERA1 &amp; 2</b>, Grantees are allowed to verify eligibility based on reasonable, fact-specific proxies, such as the average income in the neighborhood where the renter lives.</p>  |



## KEY DIFFERENCES BETWEEN ERA1 AND ERA2

| PROGRAM ISSUE                     | ERA1  | ERA2   |
|-----------------------------------|---|--|
| <b>Spending Deadline</b>          | Funding expires September 30, 2022.   | Funding expires September 30, 2025   |
| <b>Reallocation of Funds</b>      | Beginning September 30, 2021, Treasury will recapture any excess unobligated funds and reallocate them to grantees that have obligated at least 65 percent of their funds   | Beginning September 30, 2022, Treasury will reallocate unobligated funds to grantees that have obligated at least 50 percent of their funds.   |
| <b>Direct to Tenant Option</b>    | Grantees must make reasonable efforts to obtain the cooperation of landlords and utility providers to accept payments.<br><br>Outreach will be considered complete if the landlord does not respond within 7 days after reaching out by mail or 5 days when reaching out by phone, text or email. | Grantees are not required to obtain the cooperation of the landlord or utility provider before providing direct assistance to the tenant.  |
| <b>Administrative Costs</b>       | Not more than 10 percent of the amount paid to a grantee may be used for administrative costs attributable to providing financial assistance and housing stability services to eligible households.   | Up to 15 percent of the amount paid to a grantee may be used for administrative costs attributable to providing financial assistance, housing stability services and other affordable rental housing and eviction prevention activities. |
| <b>Administrative Cap</b>         | An eligible household may receive up to 12 months of assistance, plus an additional 3 months if necessary to ensure housing stability and depending on availability of funds.   | An eligible household may receive up to 18 months of assistance, including any assistance provided under ERA1.   |
| <b>Housing Stability Services</b> | Housing stability services include case management and other services related to the COVID-19 outbreak.   | Housing stability services include case management and other services but do not have to be related to the COVID-19 outbreak.  |
| <b>Other Expenses</b>             | Other expenses must be related to housing and incurred due, directly or indirectly, to the COVID-19 outbreak.   | Other expenses must be related to housing but are not required to be incurred due to the COVID-19 outbreak.  |
| <b>Rental Arrears</b>             | If an applicant has rental arrears, the grantee cannot make commitments for prospective rent payments unless it has also provided payments towards the rental arrears.  | Grantees are not required to make payments towards an applicant's rental arrears before committing to prospective rent payments.   |

**Federally Assisted Housing**

Federally Assisted Housing Eligible households living in federally assisted housing may receive ERA assistance, as long as ERA1 funds are not applied to costs that have been or will be covered under any other federal assistance.

When providing assistance under ERA1, grantees must review the household's income and sources of assistance to ensure assistance will not be duplicative. However, grantees may rely on an attestation from the applicant regarding non-duplication.

Grantees are prohibited from refusing assistance to households solely on the basis that they live in federally assisted housing.

When providing assistance under ERA2, there is no requirement that grantees review the household's income and source of assistance to ensure there is no duplication. However, grantees are encouraged to minimize the provision of duplicative assistance.