



# OREGON'S SENATOR JEFF MERKLEY

## *Coronavirus Resources: Housing*

### *American Rescue Plan*

Oregon's U.S. Senator Jeff Merkley pushed for passage of President Biden's *American Rescue Plan* to get stimulus checks in Americans' bank accounts, help Main Street businesses stay afloat, and save the unemployment insurance program that 20 million Americans are relying on to make ends meet.

With this bill, urgently needed resources will be delivered to state, local, and tribal governments so they support the health of communities, and also pay firefighters, first responders, and other critical employees. Resources will go to schools and educators so they can safely get students back in the classroom. Resources will go to struggling families who are balancing work, school, and childcare from home. Resources will get personal protective equipment in the hands of frontline health heroes. And resources will mobilize a massive, national vaccine distribution plan to get shots into arms, and get past this pandemic.

### *Housing Resources in the Bill*

**Eviction Moratorium for Renters:** On January 29, 2021 the Centers for Disease Control and Prevention (CDC) extended the eviction moratorium until at least March 31, 2021.

- Landlords are prohibited from filing for eviction or charging any fees for unpaid rent and fees during the moratorium and must issue a notice to tenants to vacate 30 days before an eviction once the moratorium ends.
- After the CDC moratorium period ends, renters will be responsible for making payments.

**Emergency Rental Assistance:** An additional \$21.5 billion is included for rental housing assistance, which is on top of the \$25 billion which was appropriated in December. These funds will help the tens of millions of Americans who are currently struggling to pay rent or are not up to date on their rent payments due to the coronavirus pandemic.

- Funding will help low-income and working class Americans avoid evictions and minimize any impacts caused by loss of employment, child care, or any other unforeseen circumstances related to COVID19. Experts estimate that rental assistance, coupled with enhanced unemployment benefits and the eviction moratorium have kept millions in their homes throughout the pandemic.
  - The \$21.5 billion in funds can be used for financial assistance, including rent payments, utilities and energy costs, housing stability services, program administration, and other affordable rental housing and eviction prevention activities. Funds should be available no less than 60 days after the enactment of the American Rescue Plan.
  - This program is eligible to individuals or households that had 1 or more members qualify for unemployment benefits, experienced a reduction in household income, are at risk of experiencing homelessness, are a low-income family as defined by the U.S. Housing Act of 1937, and/or experienced other financial hardship due to (directly or indirectly) the coronavirus pandemic.

**Homeowner Assistance:** \$9.961 billion is included for the creation of the Homeowner Assistance Fund, which creates programs and provides funds to assist homeowners who are struggling to stay up

to date with their mortgage payments. Homeowners are estimated to owe almost \$90 billion in missed payments, putting millions of Americans at a high risk of foreclosure.

- Funding will help prevent homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities, or home energy services, and displacements of homeowners experiencing financial hardship due to the coronavirus pandemic.
  - The \$9.961 billion in funds can be used for: mortgage payment assistance, financial assistance to allow a homeowner to reinstate a mortgage or pay other housing related costs related to a period of forbearance, delinquency, or default, principal reduction, utilities, internet services, homeowners insurance, homeowner's association fees, and other assistance to promote housing stability for the homeowner.
  - The program is targeted, but not limited to, "socially or economically disadvantaged individuals" and aims to support low-income and minority homeowners.
  - Each state will receive no less than \$40 million and states must request funds no later than 45 days after the enactment of the act.

**Emergency Solution Grants:** \$11 billion is included to address the impact of COVID-19 among individuals and families who are homeless or at risk of homelessness, tribal communities, and individuals and families who are in need of additional housing support due to the pandemic.

- \$5 billion for the HOME for Homelessness Assistance and Supportive Services program, which can be used for supportive services, transitional housing, housing counseling, homeless prevention programs, as well as the acquisition and development of non-congregate shelter units.
- \$5 billion for emergency vouchers which will help individuals and families who are homeless or at risk of homelessness due to the COVID-19 pandemic.
- \$100 million for emergency assistance for rural housing, which can help with debt forgiveness or rent payments for eligible households.
- \$100 million for housing counseling, which will target counseling services for low-income and minority communities facing housing instability. Housing counseling services include tenant and owner direct counseling, education, outreach, and training. These funds will be administered by NeighborWorks.
- \$750 million for tribal housing to help prevent, prepare for, and respond to the coronavirus pandemic, including increased funding for the Indian Community Block Grants and Housing Block Grants.
- \$39 million for direct loans made for section 502 and section 504 loan borrowers.
- \$20 million for the Fair Housing Initiatives Program, to ensure fair housing organizations have additional resources to address fair housing inquiries, complaints, investigations, education and outreach activities, and costs of delivering or adapting services during or related to the coronavirus pandemic.

**Foreclosure Moratorium and Expanded Forbearance for Homeowners:** On February 16, 2021 the White House announced that the Department of Housing and Urban Development, Department of Veterans Affairs, and Department of Agriculture are implementing a coordinated extension and expansion of the forbearance and foreclosure relief programs.

- These forbearance and foreclosure relief programs do the following:
  - Extend the foreclosure moratorium for homeowners through June 30, 2021.
  - Extend the mortgage payment forbearance enrollment window until June 30, 2021 for borrowers who wish to request forbearance.
  - Provide up to six months of additional mortgage payment forbearance, in three-month increments, for borrowers who entered forbearance on or before June 30, 2020.
- On February 25, 2021 the Federal Housing Financial Agency (FHFA) announced that Fannie Mae and Freddie Mac are extending the moratoriums on single-family foreclosures and real estate owned evictions until June 30, 2021.

- Borrowers with a mortgage backed by Fannie Mae or Freddie Mac may also be eligible for an additional forbearance extension of up to three months.
- Eligibility for extension is limited to borrowers who are on a COVID-19 forbearance plan as of February 28, 2021, and other limits may apply.
- Further, COVID-19 Payment Deferral for borrowers with Enterprise-backed mortgage can now cover up to 18 months of missed payments.
  - COVID-19 Payment Deferral allows borrowers to repay their missed payments at the time the home is sold, refinanced, or at a mortgage maturity.

***For updates:*** Visit [merkley.senate.gov/coronavirus](https://merkley.senate.gov/coronavirus) for updates on these and other resources.