

January 25, 2021

The Honorable Amy Klobuchar 425 Dirksen Senate Building Washington, DC 20510

The Honorable Tina Smith
720 Hart Senate Office Building
Washington, DC 20510

Via email

Re: U.S. Department of Treasury's Frequently Asked Questions (FAQ), issued January 19, 2021, for the emergency rental assistance (ERA) program authorized by Congress, must be amended or reissued

Dear Senator Klobuchar and Senator Smith:

On behalf of the Minnesota Housing Partnership (MHP) and the organizations signed below, we express significant concern about the <u>Frequently Asked Questions (FAQ)</u>, issued by the U.S. Department of Treasury on January 19, 2021, regarding the emergency rental assistance program (ERA). We ask you to contact Secretary Designate Yellen to urge that the U.S. Department of Treasury amend or rescind the FAQ and replace it with improved guidance.

The January 19 FAQ will prevent under-resourced households from getting critical assistance, in a timely fashion, to ensure housing stability; in short, unnecessary red tape and barriers to accessing funds allocated by Congress will make it difficult to apply and receive these emergency funds. These barriers to accessing emergency rental assistance created by the FAQ will also prevent or delay property owners from paying their mortgage and other critical operating bills, further destabilizing the housing market and exacerbating unsafe living conditions.

We agree with the National Low Income Housing Coalition's recommendations for changes to the FAQ, described in its <u>January 21, 2021 letter</u> to President Biden, Secretary Designate Yellen, and Secretary Designate Fudge. Of particular concern:

• Burdensome and unnecessary documentation requirements must be removed. While the statute specifically states that renters may self-certify that they meet certain criteria, the FAQ provides that documentation requirements may be imposed, creating a situation undermining statutory intent. Minnesota's experience with its 2020 state housing assistance program (COVID-19 Housing Assistance Program or chap) revealed that self-certification and removal of unnecessary red tape was essential to ensuring the program worked for residents in need of quick assistance as well as for landlords. As emphasized by NLIHC, Treasury must clarify that self-certification is the standard, and the preferred method of documenting eligibility (I.e. income, financial hardship, risk of homelessness or housing instability). Without this clarification, state and local units of government will require more, not less, documentation to conservatively ensure they are in full compliance with this federal program – red tape that will result in thousands not getting the assistance they need.



• Direct assistance to renters must be an option more quickly available. The statute provides that assistance may be granted directly to renters if their landlord does not participate in the program. The timeline allowed for a program administrator to determine if a landlord is participating is 21 days – this is an unreasonably long period of time, for a program intended as *emergency* rental assistance. As does the NLIHC, we recommend this time be shortened to 7 days.

We are grateful for Congress' action to support and agree on a COVID-19 stimulus package and FY21 omnibus in late December. We have previously communicated with Minnesota Members of Congress to express thanks for the bipartisan work resulting in the emergency rental assistance program and other important provisions. We hope to have your support in urging the U.S. Department of Treasury to revise or reissue its FAQ to ensure that allocated emergency rental assistance funds get to those in need, as soon as possible.

Sincerely,

Aeon

Affordable Housing Connections

African Career and Education Resources (ACER)

African Development Center (ADC)

Alliance Housing Inc.

Catholic Charities of St. Paul and Minneapolis

City of Winona

Corporation for Supportive Housing (CSH)

**Duluth HRA** 

DW Jones, Inc.

East Metro Civic Alliance

Family Housing Fund (FHF)

**Integrated Community Solutions** 

Greater Minnesota Housing Fund (GMHF)

Guild

**HOME Line** 

Homes for All Minnesota (270+ member coalition)

Landon Group

LISC Duluth Local Initiatives Support Corporation

Mental Health Resources

Metropolitan Consortium of Community Developers (MCCD)

MICAH- Metropolitan Interfaith Council on Affordable Housing

Minneapolis Public Housing Authority

Minneapolis Regional Chamber

Minnesota Community Action Partnership (MinnCAP)

Minnesota Council on Latino Affairs

MHP (Minnesota Housing Partnership)

Minnesota State Building and Construction Trades Council

Our Spring Lake Store

PRG, Inc.

Project for Pride in Living (PPL)

Southeastern MN Multi-County Housing & Redevelopment Authority (SEMMCHRA)

Solid Ground



The Alliance
Three Rivers Community Action
Voices for Racial Justice
Volunteers of America – Minnesota and Wisconsin

Encl:

January 21, 2021 letter from NLIHC to President Biden, Secretary Designate Yellen, and Secretary Designate Fudge requesting Treasury rescind its January 19 Frequently Asked Questions for the Emergency Rental Assistance program. <a href="https://nlihc.org/sites/default/files/NLIHC-Letter-on-FAQ\_01212021\_Fi-nal.pdf?utm\_source=NLIHC+All+Subscribers&utm\_campaign=e541f354f5-DHRC-Update-1.21.2021&ut-m\_dedium=email&utm\_term=0\_e090383b5e-e541f354f5-291775137&ct=t(DHRC-Update-1.21.2021)</a>