



May 14, 2020

GENERAL NEWS

PIH Issues Letter to EDs with FAQs on CARES Act Notices

Yesterday HUD's Office of Public and Indian Housing ([PIH](#)) issued an email to executive directors regarding the administrative requirements, eligible uses, and other information related to the COVID-19 response funding set forth in the two recent CARES Act notices, [PIH 2020-07](#) and [PIH 2020-08](#). The letter states that since the publication of these notices, the PIH Office has received many questions from PHAs on a number of topics not included in the notices, including requests for clarifications on reporting thresholds and whether PHAs may use CARES Act funding to pay for expenses incurred prior to PIH's award of funding. Recognizing the sense of urgency for clarifying guidance, the letter includes the following four FAQs addressing these issues for both public housing and the Housing Choice Voucher ([HCV](#)) program:

Q: What is the start date for use of new public housing funds under the CARES Act? Is it the date of the implementation notice (April 28, 2020), the date they were awarded (May 1, 2020), or the date the CARES Act was passed (March 27, 2020)?

A: 2020 public housing funds were disbursed for public housing starting May 1, 2020. These funds can cover expenses, including expanded COVID-19 related expenses included in Notice PIH 2020-07, that were *incurred starting March 27, 2020*. CARES Act obligations should not relate back to a period any earlier than March 27, 2020.

Q: What is the start date for the use of new HCV program administrative fees awarded under the CARES Act?

A: 2020 HCV program administrative fee funds were disbursed starting May 7, 2020. HCV administrative fees can cover expenses, including expanded COVID-19 related expenses included in Notice PIH 2020-08, that were *incurred starting March 27, 2020*. CARES Act obligations should not relate back to a period any earlier than March 27, 2020.

Q: My PHA incurred a number of expenses related to COVID-19 prior to the arrival of the CARES Act funds, as our local outbreak started in February. Can these funds cover those expenses?

What if we used other funds to cover these expenses—can those accounts be reimbursed?

A: For the public housing program, expenses incurred beginning on March 27, 2020, can be paid for with CARES Act supplemental operating funds, public housing operating funds or public housing capital funds. For the HCV program, expenses incurred beginning on March 27, 2020, can be paid for with CARES Act funding or FY 2020 administrative fees. If the PHA used other accounts to pay expenses incurred on March 27th or later, they can be reimbursed by the CARES Act funding.

Q: Can you clarify the CARES Act reporting requirements?

A: As described in PIH Notice 2020-07 and PIH Notice 2020-08, the CARES Act requires that recipients of \$150,000 or more of CARES Act funding submit certain information regarding the use of CARES Act funds.

This reporting is required for “covered recipients,” defined as any entity that receives covered funds that amount to more than \$150,000. PHAs that receive CARES Act funds that amount to more than \$150,000 will be subject to this additional reporting requirement based on the total amounts awarded, not each individual grant award.

As outlined in the Office of Management and Budget (OMB) memorandum, M-20-21, existing reporting requirements are anticipated to meet the requirements of Section 15011, but the content and format for this reporting is still under development and will need to be reviewed against current program practices.

The Department will work in coordination with OMB to ensure that this requirement can be fulfilled by recipients of CARES Act funding in a manner that utilizes to the greatest extent possible existing reporting streams, providing the necessary transparency and accountability with minimal additional burden. If additional reporting is necessary, further guidance will be released by the Department in the near future.

DOJ Files Racial Discrimination Lawsuit against GA Housing Providers

In a [press release](#) yesterday, the Department of Justice ([DOJ](#)) announced that it has filed a [lawsuit](#) against the property owners and management company of two housing complexes in Georgia, alleging that the housing providers violated the federal [Fair Housing Act](#) by intentionally discriminating on the basis of race against African-American housing applicants.

According to the press release, the housing providers steered African-American housing applicants who are elderly or who have a disability from a predominantly white housing complex to a predominantly African-American housing complex that is inferior in appearance, location, and amenities. The housing providers also allegedly subjected African-American residents who are elderly or have a disability to less favorable rental terms, conditions, and privileges as compared to similarly situated white tenants, and denied African-American applicants more desirable units in the complex.

PH PROGRAM NEWS**PIH Posts EPIC Reporting Instructions for CARES Act Funding Notice**

The PIH Office has posted a set of [reporting instructions](#) for the Energy Performance Information Center (EPIC) system as related to the guidance set forth in the recent CARES Act funding notice, [PIH 2020-07](#). The document covers the following topics:

- Temporary suspension of edits checks on BLI 1406 – Transfer to Operations, through December 31, 2020
- Temporary revision to edit checks on BLI 1410 – Administration, through December 31, 2020
- Spending capital funds on conventional operating fund eligible activities
- Spending capital funds on the combatting coronavirus eligible activities

Further details on each of these topics can be found in the [document](#).



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