



Housing Alliance
of Pennsylvania

Emergency Rental Assistance 1 & 2 Program Comparison Chart

The following chart compares:

- Emergency Rental Assistance Program (ERAP 1), created by section 501 of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (Dec. 27, 2020),
- Pennsylvania Act 1, which allocated the state portion of the ERAP 1 program,
- ERAP 2 created by Section 3201 of the American Rescue Plan Act of 2021, and
- Pennsylvania Act 24 Amending the Fiscal Code, which allocated the state portion of ERAP 2.

Beginning in January of 2021 and most recently in November of 2021, we will update this chart is periodically to reflect new legislative language at the state and federal levels and latest guidance issued from the US Treasury.

Text underlined and in orange reflects the latest guidance and clarifications of these programs. In this release, the updates are a result of the updated [Frequently Asked Questions](#) and [supporting documents](#) released by the US Treasury on August 24, 2021 and the [Reallocation Plan](#) released on October 4, 2021 and [supporting information](#) released October 25, 2021.

Contact Gale Schwartz at gale@housingalliancepa.org for more information and questions.

	ERAP 1	PA ERAP 1	ERAP 2	PA ERAP 2
Enacted	December 27, 2020	February 5, 2021	March 11, 2021	June 30, 2021
Administrative Costs	<p>No more than 10% of each grantee's total grant amount may be used for administrative costs, both direct and indirect.</p> <p>U.S. Treasury FAQ further clarified that administrative costs must be attributed to either costs associated with financial assistance (not less than 90% of total allocation) or costs associated with housing stability services (no more than 10% of total allocation), not to exceed 10% of either category. This in essence made additional administrative funding available.</p>	As amended by Act 24 of June 30th, 2021, admin costs and housing stabilization services are not to exceed 9.09%.	No more than 15% of award to grantees.	No more than 15% of award to grantees.
Housing Stabilization Services (HSS)	Up to 10%	Up to 9.09% (Admin fees are included in the total 9.09%)	Up to 10%	Up to 10%

	ERAP 1	PA ERAP 1	ERAP 2	PA ERAP 2
Eligible Grantees	<p>Funding to be distributed to states based on population.</p> <p>Localities with a population of 200,000 or more may apply to receive funding directly from Treasury. The sum total of amount of funding provided directly to localities cannot exceed 45% of the state allotment.</p>	<p>All 67 counties are to receive funding based on population. Those counties receiving direct funds from Treasury will have that amount subtracted from the state calculated allotment.</p>	<p>Follows the same distribution formula as ERAP 1.</p> <p>\$2.5 billion is reserved for “high need grantees” to be determined based on the following factors:</p> <ul style="list-style-type: none"> • Number of households at 50% AMI paying more than 50% of income on rent or living in substandard/overcrowded conditions; • Rental market costs; and • Change in employment since February 2020. 	<p>Follows same distribution formula as PA ERAP 1. (There is also additional “high needs communities” funding).</p>

	ERAP 1	PA ERAP 1	ERAP 2	PA ERAP 2
Eligible Households	<p>Must meet all criteria:</p> <p>1) One or more individuals within the household has qualified for unemployment benefits or experienced a reduction in household income, incurred significant costs, or experienced other financial hardship due, directly or indirectly, to the COVID-19 outbreak;</p> <p>2) One or more individuals within the household can demonstrate a risk of experiencing homelessness or housing instability; and</p> <p>3) The household has a household income at or below 80% of area median income.</p> <p>Grantees must prioritize assistance to households with incomes of no more than 50% of AMI and to households in which one or more household members is unemployed and has been unemployed for 90 days.</p>	<p>Directs the Administering Entity to comply with programmatic and eligibility requirements under Federal law and Federal guidance and is prohibited from adding any additional requirements.</p> <p>(As amended by Act 24 of June 30, 2021, counties are also explicitly prohibited from adding any eligibility or assistance requirements additional to Federal law or guidance)</p>	<p><u>(Text underlined highlights differences compared to ERAP 1)</u></p> <p>Must meet all criteria:</p> <p>1) one or more individuals in the household has qualified for unemployment benefits or has experienced a reduction in household income, incurred significant costs, or experienced other financial hardship <u>during or</u> due directly or indirectly to the coronavirus outbreak;</p> <p>2) one or more individuals in the household can demonstrate a risk of experiencing homelessness or housing instability; and</p> <p>3) The household has a household income at or below 80% of area median income.</p>	<p>Follows federal program requirements.</p> <p>Act 24 also explicitly prohibits counties from adding any eligibility or assistance requirements additional to Federal law or guidance.</p>
	<p>As of May 7, 2021, U.S. Treasury clarified that grantees are to report to Treasury on the methods they have established to implement this prioritization of assistance and to publicly post a description of their prioritization methods, including on their program web page if one exists, by July 15, 2021.</p>			

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Eligible Uses of Rental Assistance	Rent/rental arrears; utility/utility arrears; applicable late fees; internet; relocation cost including application fees and security deposits; mobile home lot fees; motel/hotel costs when serving as shelter; telecommunications.	Same as ERAP 1 with the exception that telecommunications, including phone, cable TV service, and internet was not allowed as an eligible use of utility assistance.	Same as ERAP 1. Starting October 1, 2022, grantees may also use funds for affordable rental housing and eviction prevention serving very low income families, as long as at least 75% of the grantee's allocation has already been obligated by the grantee	Telecommunications, including phone, cable TV service, and internet is not allowed as an eligible use of utility assistance.
<u>US Treasury FAQ (released August 24, 2021 and is applicable to ERAP 1 & 2) Grantees can offer additional rent payments to landlords to incentive them to rent to tenants with barriers to securing a lease, including history of eviction or homelessness in the past year.</u>				
Limits on Assistance	Housing related costs incurred since March 13, 2020 not to exceed 12 months (plus 3 additional months to ensure stability of the household).	Same as ERAP 1.	Not to exceed 18 months (combined with assistance provided from ERAP 1 if applicable).	Not to exceed 18 months (combined with assistance provided from ERAP 1 if applicable).

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Documentation Requirements	To the extent that a household's income is not verifiable due to the impact of COVID-19 (for example, because a place of employment has closed) grantees may accept a written attestation from the household. Grantees may rely on an attestation from a caseworker or other professional with knowledge of a household's circumstances as well.	Directs the administering entity to comply with programmatic and eligibility requirements under Federal law and Federal guidance and is prohibited from adding any additional requirements. As amended by Act 24 of June 30th, 2021, a county is prohibited from placing any stipulations, restrictions or limitations on assistance or eligibility that are in addition to federal and state law or guidance.	Not specified in legislation; but see note below.	A county is prohibited from placing any stipulations, restrictions or limitations on assistance or eligibility that are in addition to federal and state law or guidance. Act 24 also explicitly states that applicants may self-certify income eligibility to the extent permitted by Federal guidelines.
	<p>US Treasury FAQ (released May 7, 2021, and applicable to ERAP 1 & 2) states grantees should be flexible as to the particular form of documentation they require, including digital documents, attestations from others with knowledge of the household's circumstances, and utilizing fact-specific proxy, such as such as reliance on data regarding average incomes in the household's geographic area. Treasury strongly encourages grantees to avoid establishing documentation requirements that are likely to be barriers to participation for eligible households, including those with irregular incomes such as those operating small business or gig workers.</p> <p><u>US Treasury FAQ (released August 24, 2021 and is applicable to ERAP 1 & 2) states self-attestation can be used in documenting each aspect of a household's eligibility for ERA including for financial hardship, the risk of homelessness or housing instability, and income. In addition, it clarifies that during the public health emergency grantees may use self-attestation alone for determining income to aid delivering assistance as quickly as possible.</u></p>			

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Payment Recipients	Landlords will receive payments directly but if a landlord refuses to participate, direct-to-tenant payments are to be offered as of May 7, 2021 FAQ. U.S. Treasury FAQ outlines the outreach process that is required prior to a tenant receiving a payment. Process was updated on May 7, 2021.	Specifies that if a landlord or utility provider refuses to participate in the program, a payment received by a tenant must be forwarded to the landlord or utility provider to reduce the tenant's obligation.	Not specified in legislation. Clarified in FAQ: Grantees may offer direct-to-tenant payments first. Grantees are also required to offer direct-to-tenant assistance if the landlord does not participate.	Aligns with PA ERAP 1.
	<u>US Treasury FAQ (released August 24, 2021 and is applicable to ERAP 1 & 2) allows grantees to provide bulk payments for large landlords and utilities who are working with a number of tenants and agree to repay funds for applications never completed or not approved.</u>			
Eligible Applicants	Both tenants and landlords on behalf of a qualifying tenant are able to apply for financial assistance. There should only be one application. In case where the landlord applies, the tenant must sign-off and verify their need.	Defaults to ERAP 1 As amended by Act 24 of June 30th, 2021, a county is prohibited from placing any stipulations, restrictions or limitations on assistance or eligibility that are in addition to federal and state law or guidance.	Not specified in legislation- defaults to ERAP 1.	Not specified in legislation- defaults to Federal law and guidance. A county is prohibited from placing any stipulations, restrictions or limitations on assistance or eligibility that are in addition to federal and state law or guidance.

	ERAP 1	PA ERAP 1	ERAP 2	PA ERAP 2
Eligible Uses of Housing Stability Services (HSS)	To provide eligible households with case management and other services related to the COVID-19 outbreak. Includes, among other services, “eviction prevention and eviction diversion programs; mediation between landlords and tenants; housing counseling; fair housing counseling” (List was amended by the June 24th revision to include additional categories, including mediation and eviction diversion).	Includes “case management and other services intended to keep households stably housed.”	Same as ERAP 1 but services do not need to be related to COVID- 19 as stated in May 7, 2021 FAQ.	Not specified in legislation- defaults to PA ERAP 1 and federal guidance.

	ERAP 1	PA ERAP 1	ERAP 2	PA ERAP 2
Recapture & Reallocation of Excess Funds	<p>No sooner than September 30, 2021, Treasury must begin recapturing 'excess funds' (as determined by Treasury) that have not been obligated. Recaptured funds must be reallocated to grantees that have obligated at least 65% of the amount originally allocated.</p> <p><u>As indicated in the Recapture Plan issued October 4, 2021:</u></p> <ul style="list-style-type: none"> <u>Grantees that have not hit the target of funds spent on direct assistance in a given month will be deemed to have excess funds for recapture.</u> <u>Grantees that have not obligated 65% of total funds as of September 30, 2021 will need to submit program performance plan.</u> <p><u>As indicated on October 24, 2021, Treasury will begin to recapture excess funds in mid-November 2021 and expects to distribute recaptured funds every other month.</u></p>	<p>Amended June 30, 2021 by Act 24, the total amount of excess funding or shortfall identified by a county as of September 20, 2022, or as of any updated federal deadline for the use of funds for ERAP 1, whichever is later.</p> <p>By July 31, 2021, counties must certify to DHS the percentage of its grant funds obligated.</p>	<p>Starting on March 31, 2022, Treasury must begin reallocating funds that were not yet paid out. Grantees must have obligated at least 50% of total allocated funds to be eligible to receive reallocations.</p>	<p>Counties must certify to DHS by January 1, 2022, and as frequently thereafter as determined by DHS: (1) the percentage of its grant funds obligated; and (2) the projection of any excess funding or fund shortfalls.</p>

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Deadline for use of funds	By September 30, 2022, unspent funds revert to Treasury. (The original deadline of 12/31/2021 was amended by the American Rescue Plan Act)	Not specified in legislation- defaults to Federal expenditure deadline.	Funds are to be spent by September 30, 2025.	Aligns with federal deadlines and allows flexibility to automatically follow changes to federal program without further legislative action.
Participant Protections	U.S. Treasury FAQ (released May 7, 2021 and applicable to ERAP 1 & 2) states grantees must prohibit landlords from evicting tenants for the period when payments are being made. In addition, Treasury strongly recommends grantees extend eviction protections for a period of 30 to 90 days after assistance ends.	A landlord or utility service provider shall not be required to waive any outstanding obligations for rent or utility payments as a condition to participate in the program.	U.S. Treasury FAQ (released May 7, 2021 and applicable to ERAP 1 & 2) states grantees must prohibit landlords from evicting tenants for the period when payments are being made. In addition, Treasury strongly recommends grantees extend eviction protections for a period of 30 to 90 days after assistance ends.	A landlord or utility service provider shall not be required to waive any outstanding obligations for rent or utility payments as a condition to participate in the program.