

## Commonwealth of Massachusetts

# DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Charles D. Baker, Governor ◆ Karyn E. Polito, Lieutenant Governor ◆ Jennifer D. Maddox, Undersecretary

To: LHA and RAA (AA) Executive Directors Administering State Rental Assistance

From: Brendan Goodwin, Director, Division of Rental Assistance

Date: December 31, 2020

RE: December Coronavirus Relief Bill & State Rental Assistance Programs (MRVP, AHVP, DMHRSP)

The United State Congress passed the Consolidated Appropriation Act of 2021 (CAA) on December 22, 2020 which was then signed onto law on December 27, 2020. This \$900 billion COVID-19 relief bill (and general funding for the Federal Government) includes direct payments to individuals and extended and enhanced unemployment insurance (UI) benefits. This guidance directs AAs how the direct payments and enhanced UI should be treated for purposes of rent determination in state rental assistance programs, including the Massachusetts Rental Voucher Program (MRVP), Alternative Housing Voucher Program (AHVP), and Department of Mental Health Rental Subsidy Program (DMHRSP).

#### To summarize:

- \$600 Direct Payments to Individuals Exclude from Income for Rent Determination
- Enhanced UI Benefits Include in Income for Rent Determination

### <u>Direct Payments to Individuals – EXCLUDE from Income for Rent Determination</u>

The CAA includes one-time Economic Income Payments of \$600 per adult and child, though <u>not adult dependents</u>. All people earning less than \$75,000 in 2019 are eligible for the full payment, with payments phasing out between \$75,000-99,999 of income. Families with mixed-immigration status are newly eligible for these payments.

Following on previous DHCD guidance, due to the temporary, one-time nature of this benefit, DHCD deems that these payments are "gifts" and should **be excluded from income for purposes of tenant rent share determination and eligibility for all state rental assistance programs**. Participants do not need to report this income to AAs.

## Extended and Enhanced Unemployment Benefits – INCLUDE in Income for Rent Determination

The CAA extends Pandemic Unemployment Assistance (PUA), which provided UI benefits to contract and gig workers not typically covered by state UI systems, through March 14, 2021. The law also postpones the expiration of UI benefits for workers who have exhausted their state UI benefits through March 14, 2021. Both measures would have expired on December 26, 2020 without federal action. Both extended UI benefits and PUA benefits should be counted in income for both tenant rent share and eligibility.

The CAA also includes <u>11 weeks of \$300/week enhancements</u> to unemployment benefits payments from December 26, 2020 through March 14, 2021. Per earlier <u>DHCD guidance on September 17, 2020</u>, these enhanced unemployment insurance benefits should be **included in income for purposes of rent determination.** 



DHCD reminds AAs that they must continue to follow all program regulations and <u>previous DHCD guidance</u> regarding interim redetermination of rent when including this enhanced benefit in income for purposes of rent. Regulations require program participants report an increase in income within 30 days of the change and require AAs give participants written notice at least 30 days in advance of the effective date of an increase in tenant rent share. If a participant's household income decreases (taking into account unemployment insurance and enhanced benefit), the corresponding change in tenant rent share shall be made effective on the first day of the month following the change.

AAs should continue to disregard any temporary enhanced benefits (i.e. the additional \$300/week) when calculating income for the purposes of **eligibility** for state rental assistance programs.

If you have any questions, comments, or concerns, please do not hesitate to contact Cecilia Woodworth, Assistant Director of State Programs, at cecilia.woodworth@mass.gov.