



# HOUSE BILL 110: Landlord Submission of HOPE Application.

2021-2022 General Assembly

<b>Committee:</b> Senate Rules and Operations of the Senate	<b>Date:</b> September 2, 2021
<b>Introduced by:</b> Reps. Hanig, Brody	<b>Prepared by:</b> Amy Darden
<b>Analysis of:</b> Third Edition	Staff Attorney

## **OVERVIEW:** *House Bill 110 would do the following:*

- *Create a new subsection to Session Law 2021-25 that would allow a landlord to submit an application, on behalf of a tenant, under the Housing Opportunities and Prevention of Evictions Program (HOPE), provided the application meets all the federal program requirements.*
- *Clarify specific uses of funds by NCORR.*

**CURRENT LAW:** The North Carolina HOPE program is managed by the North Carolina Office of Recovery and Resiliency (NCORR), a division of the Department of Public Safety. The program seeks to provide rent and utility bill assistance to low-income tenants who have been financially impacted during the pandemic. Low-income tenants must meet certain eligibility requirements to receive assistance and may apply by submitting an application with the NC HOPE Program. A tenant who is approved and awarded assistance enters into a legally binding agreement with their landlord and must abide by program requirements. Landlords cannot at this time apply for the HOPE program on behalf of a tenant, but may refer distressed tenants to the program, or complete a form requesting that the HOPE program follow-up with a tenant to start the application process.

The HOPE program's initial funding was provided by Community Development Block grants through the US Department of Housing and Urban Development and Coronavirus Relief Funds. The program was recently updated in May 2021 with a new program delivery model funded by the Emergency Rental Assistance Program administered by the US Department of Treasury. These funds were appropriated by the General Assembly in SL 2021-3, Section 1.4.

## **BILL ANALYSIS:**

**Section 1.(a)** would allow a landlord to submit an application seeking rent or utility assistance through the HOPE program on behalf of a tenant applicant, provided the application meets all the federal requirements of the program. Current requirements include proof of household income, landlord information, most recent utility bill, lease summary form, proof of payment showing deposit to the landlord for rent amount, attestation signature, and other information. An application containing the required information would be allowed to be submitted by the landlord on behalf of a tenant and the NCORR would be directed to accept the application.

**Section 1.(b)** would require NCORR to use HOPE funds do the following:

- Cover the cost of a hotel or motel room occupied by an eligible household that meets all other applicable program requirements.
- Cover the cost of reasonable accrued late fees due to a landlord.

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- Cover utility or energy costs for renters' households, irrespective of an application for or receipt of rental assistance.
- Require NCORR to provide a report of compliance with subsection (g) of Section 3.4 of S.L. 2021-21, due to the Joint Legislative Commission on Governmental Operations annually by January 15, until the program terminates. This subsection would prohibit an allowable average or formula-based calculation for allotments.
- Ensure assistance shall be provided for a period not to exceed 12 months except that NCORR may provide assistance for an additional three months only if necessary to ensure housing stability for a household subject to the availability of funds.
- Cover rental arrears accrued after March 13, 2020.

**EFFECTIVE DATE:** The bill would become effective when it becomes law.