



HOUSE BILL 110: Landlord Submission of HOPE Application.

2021-2022 General Assembly

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| Committee: | | Date: | February 7, 2022 |
| Introduced by: | | Prepared by: | Amy Darden Staff Attorney |
| Analysis of: | S.L. 2021-190 | | |

OVERVIEW: *S.L. 2021-190 does the following:*

- *Adds a new subsection to Session Law 2021-25 permitting a landlord to submit an application on behalf of a tenant under the Housing Opportunities and Prevention of Evictions Program (HOPE), provided that the application meets all the federal program requirements.*
- *Modifies Session Law 2021-25, Section 3.4(j) to clarify the specific uses of funds by the North Carolina Office of Recovery and Resiliency (NCORR).*
- *Modifies Session Law 2021-25, Section 3.4(g) to clarify that reasonable fees and actual utility costs are included in the amount awarded to recipients renting housing.*

This act became effective December 9, 2021.

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 provides 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 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 Session Law 2021-3, Section 1.4.

BILL ANALYSIS:

Section 1.(a) directs NCORR to accept an application submitted by a landlord on behalf of a tenant seeking rent or utility assistance through the HOPE program, 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.

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Director



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Section 1.(b) requires NCORR to do the following:

- Use HOPE Funds to:
 - 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.
 - 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 (amended by Section 1.(c) of this act) to the Joint Legislative Commission on Governmental Operations annually by January 15, until the program terminates.
- 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.

Section 1.(c) modifies Section 3.4(g) of S.L. 2021-25 to clarify that awards to recipients residing in the regions under subsection (f) of Session Law 2021-25 must be:

- In an amount equal to the actual amount of monthly rent owed, including reasonable fees authorized under the lease agreement; or
- In an amount equal to the actual amount of utility costs owed.

EFFECTIVE DATE: The act became effective December 9, 2021.