To provide emergency assistance to homeowners to respond to the coronavirus pandemic, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 2021

Mr. DAVID SCOTT of Georgia (for himself and Ms. WATERS) introduced the following bill; which was referred to the Committee on Appropriations

A BILL

To provide emergency assistance to homeowners to respond to the coronavirus pandemic, and for other purposes.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Coronavirus Home-
owner Assistance Act of 2021”.

SEC. 2. HOMEOWNER ASSISTANCE FUND.

(a) APPROPRIATION.—There is appropriated, out of
amounts in the Treasury not otherwise appropriated, for
the fiscal year ending September 30, 2021, to remain
available until September 30, 2025, $9,961,000,000 to the
Homeowner Assistance Fund established under subsection (e) for qualified expenses that meet the purposes established under subsection (c) and expenses described in subsection (d)(1).

(b) DEFINITIONS.—In this section:

(1) CONFORMING LOAN LIMIT.—The term “conforming loan limit” means the applicable limitation governing the maximum original principal obligation of a mortgage secured by a single-family residence, a mortgage secured by a 2-family residence, a mortgage secured by a 3-family residence, or a mortgage secured by a 4-family residence, as determined and adjusted annually under section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) and section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)).

(2) DWELLING.—The term “dwelling” means any building, structure, or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more individuals.

(3) ELIGIBLE ENTITY.—The term “eligible entity” means—

(A) a State; or
(B) any entity eligible for payment under subsection (f).

(4) MORTGAGE.—The term “mortgage” means any credit transaction—

(A) that is secured by a mortgage, deed of trust, or other consensual security interest on a principal residence of a borrower that is (i) a 1-to 4-unit dwelling, or (ii) residential real property that includes a 1- to 4-unit dwelling; and

(B) the unpaid principal balance of which was, at the time of origination, not more than the conforming loan limit.

(5) FUND.—The term “Fund” means the Homeowner Assistance Fund established under subsection (c).

(6) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(7) STATE.—The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(c) ESTABLISHMENT OF FUND.—

(1) ESTABLISHMENT; QUALIFIED EXPENSES.— There is established in the Department of the Treas-
ury a Homeowner Assistance Fund to mitigate fi-
nancial hardships associated with the coronavirus
pandemic by providing such funds as are appro-
priated by subsection (a) to eligible entities, and to
require an eligible entity that receives funds pursu-
ant to this section to periodically submit to the Sec-
retary a report that describes the activities carried
out by the eligible entity using the funds provided
under this section, for the purpose of preventing
homeowner mortgage delinquencies, defaults, fore-
closures, loss of utilities or home energy services,
and displacements of homeowners experiencing fi-
nancial hardship after January 21, 2020, through
qualified expenses related to mortgages and housing,
which include—

(A) mortgage payment assistance;

(B) financial assistance to allow a home-
owner to reinstate a mortgage or to pay other
housing related costs related to a period of for-
bearance, delinquency, or default;

(C) principal reduction;

(D) facilitating interest rate reductions;

(E) payment assistance for—

(i) utilities, including electric, gas,

and water;
(ii) internet service, including broadband internet access service, as defined in section 8.1(b) of title 47, Code of Federal Regulations (or any successor regulation);

(iii) property taxes;

(iv) homeowner’s insurance, flood insurance, and mortgage insurance; and

(v) homeowner’s association, condominium association fees, or common charges;

(F) reimbursement of funds expended by a State, local government, or designated entity under subsection (e) during the period beginning on January 21, 2020, and ending on the date that the first funds are disbursed by the eligible entity under the Homeowner Assistance Fund, for the purpose of providing housing or utility payment assistance to individuals or otherwise providing funds to prevent foreclosure or eviction of a homeowner or tenant or prevent mortgage delinquency or loss of housing or utilities as a response to the coronavirus disease (COVID) pandemic; and
(G) any other assistance to promote housing stability for homeowners, including preventing eviction, mortgage delinquency or default, foreclosure, or the loss of utility or home energy services, as determined by the Secretary.

(2) TARGETING.—Not less than 60 percent of amounts made to each eligible entity allocated amounts under subsection (d) or (e) shall be used for qualified expenses that assist homeowners having incomes equal to or less than 100 percent of the area median income for their household size or equal to or less than 100 percent of the median income for the United States, as determined by the Secretary of Housing and Urban Development, whichever is greater. The eligible entity shall prioritize remaining funds to populations or geographies experiencing the greatest need.

(d) ALLOCATION OF FUNDS.—

(1) ADMINISTRATION.—Of any amounts made available under this section, the Secretary shall reserve—

(A) to the Department of the Treasury, an amount not to exceed $40,000,000 to administer and oversee the Fund, and to provide technical assistance to eligible entities for the cre-
ation and implementation of State and tribal programs to administer assistance from the Fund; and

(B) to the Inspector General of the Department of the Treasury, an amount not to exceed $2,600,000 for oversight of the program under this section.

(2) For States.—After the application of paragraphs (1), (4), and (5) of this subsection and subject to paragraph (3) of this subsection, the Secretary shall establish such criteria as are necessary to allocate the remaining funds available within the Homeowner Assistance Fund to each State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, taking into consideration, for such State relative to all States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, as of the date of the enactment of this Act—

(A) the number of individuals who are unemployed;

(B) the total number or mortgagors with—

(i) mortgage payments that are more than 30 days past due; or

(ii) mortgages in foreclosure.
(3) Small state minimum. —

(A) In general. — Each State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico shall receive no less than $40,000,000 for the purposes established in (b).

(B) Pro rata adjustments. — The Secretary shall adjust on a pro rata basis the amount of the payments for each State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico determined under this subsection without regard to this subparagraph to the extent necessary to comply with the requirements of subparagraph (A).

(4) Territory set-aside. — Notwithstanding any other provision of this section, of the amounts appropriated under subsection (d), the Secretary shall reserve $30,000,000 to be disbursed to eligible entities for Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands based on each such territory’s share of the combined total population of all such territories, as determined by the Secretary. For the purposes of this paragraph, population shall be determined based on the most recent year for which
data are available from the United States Census Bureau.

(5) **Tribal set-aside.**—The Secretary shall allocate funds to any eligible entity designated under subsection (f) pursuant to the requirements of that subsection.

(e) **Distribution of Funds to States.**—

(1) **In general.**—The Secretary shall make payments, beginning not later than 45 days after enactment of this Act, from amounts allocated under subsection (d) to eligible entities that have notified the Secretary that they request to receive payment from the Fund and that the eligible entity will use such payments in compliance with this section.

(2) **Reallocation.**—If a State does not request allocated funds by the 90th day after the date of enactment of this Act, such State shall not be eligible for a payment from the Secretary pursuant to this section, and the Secretary shall reallocate any funds that were not requested by such State among the States that have requested funds by the 90th day after the date of enactment of this Act. For any such reallocation of funds, the Secretary shall adhere to the requirements of subsection (d), except for paragraph (1), to the greatest extent possible,
provided that the Secretary shall also take into consideration in determining such reallocation a State’s remaining need and a State’s record of using payments from the Fund to serve homeowners at disproportionate risk of mortgage default, foreclosure, or displacement, including homeowners having incomes equal to or less than 100 percent of the area median income for their household size or 100 percent of the median income for the United States, as determined by the Secretary of Housing and Urban Development, whichever is greater, and minority homeowners.

(f) TRIBAL SET-ASIDE.—

(1) SET-ASIDE.—Notwithstanding any other provision of this section, of the amounts appropriated under subsection (a), the Secretary shall use 5 percent to make payments to entities that are eligible for payments under clauses (i) and (ii) of section 501(b)(2)(A) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116–260) for the purposes described in subsection (c).

(2) ALLOCATION AND PAYMENT.—The Secretary shall allocate the funds set aside under paragraph (1) using the allocation formulas described in
clauses (i) and (ii) of section 501(b)(2)(A) of sub-
title A of title V of division N of the Consolidated
Appropriations Act, 2021 (Public Law 116–260),
and shall make payments of such amounts to enti-
ties eligible for payment under clauses (i) and (ii) of
section 501(b)(2)(A) of subtitle A of title V of divi-
sion N of the Consolidated Appropriations Act, 2021
(Public Law 116–260) that notify the Secretary that
they intend to receive payments allocated by the Sec-
retary for purposes described under subsection (c)
and will use such payments in compliance with this
section.

(3) ADJUSTMENT.—Allocations provided under
this subsection may be further adjusted as provided
by section 501(b)(2)(B) of subtitle A of title V of di-
vision N of the Consolidated Appropriations Act,
2021 (Public Law 116–260).