

ASSISTANCE FOR HOMEOWNERS & RENTERS

Congress has passed several rounds of financial assistance and relief in response to the COVID-19 pandemic, including most recently the *American Rescue Plan*. The *American Rescue Plan* includes the following assistance for homeowners and renters.

*** WHAT IS NEW IN THE AMERICAN RESCUE PLAN ***

The *American Rescue Plan* provides Hawaii with \$166 million in new rent and utility assistance for renters and \$50 million in mortgage assistance for homeowners. Details are below.

In addition to the *American Rescue Plan*, you may be eligible for ongoing relief provided by the *Families First Coronavirus Response Act* (“Families First”), the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*, and the *Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (COVID relief law)*.

ASSISTANCE FOR RENTERS

The *American Rescue Plan* provides Hawaii with \$166 million in dedicated rent and utility assistance funding through the Department of Treasury’s ***Emergency Rental Assistance Program***. This funding is in addition to the \$200 million Hawaii received in the December COVID relief law. These funds are separate from *CARES Act* funding that supported the rental assistance program currently administered by Aloha United Way and Catholic Charities on behalf of the State of Hawaii and other rental assistance programs administered by the Department of Hawaiian Home Lands and the counties.

Who is Eligible?

Renter households with incomes no more than 80 percent of area median income (AMI) who meet the following conditions:

- One or more individual in the household has qualified for unemployment benefits or has experienced a reduction in household income, incurred significant costs, or experienced other financial hardship due to or during the coronavirus outbreak; and
- One or more individual in the household can demonstrate a risk of experiencing homelessness or housing instability which includes:
 - A past due utility, home energy, or rent notice or an eviction notice;
 - Unsafe or unhealthy living conditions; or
 - Any other evidence of such risk as determined by the State or county grantee.
- Households with incomes of no more than 50 percent of AMI will receive priority.

Eligible Assistance

Assistance can be used to pay for:

- Future rent and rental arrears;
- Future utilities and home energy costs and delinquent payments; or
- Other expenses related to housing.

Assistance will be paid directly to the landlord or utility company unless the landlord refuses to accept the funds, in which case the assistance can be paid to the renter. Landlords and owners may apply on behalf of tenants meeting the eligibility requirements, so long as the tenant cosigns the application, the landlord provides documentation to the tenant, and the payments are used to satisfy the tenant's rental obligation to the owner.

How to Apply

Honolulu

The City and County of Honolulu's Rental and Utility Relief Program began taking applications on April 5, 2021 and again on May 3, 2021, before being paused to process the applications received. The program announced that it would begin accepting applications again beginning on June 7th. Interested renters can visit [this page](#) for more information.

Hawaii County

The Hawaii County Emergency Rental Assistance Program began taking applications on April 12, 2021. Six Hawaii Island-based nonprofit partners will process applications and payments will be made directly to landlords, property managers, or utility providers. Information on program requirements and how to apply can be found at www.HawaiiCountyERAP.org.

Kauai County

The County of Kauai's emergency rental assistance program, administered by the Kauai Government Employees Federal Credit Union, began accepting applications on May 10, 2021. Families can apply online at [this site](#) or can apply in person at one of [these locations](#).

Maui County

Maui County's relief program, administered by Catholic Charities, has begun accepting applications. Families and landlords can apply online for the program [at this site](#).

Other Rental Assistance in the *American Rescue Plan*

The COVID-19 relief bill also includes \$6.5 million in Native Hawaiian Housing Assistance, including:

- \$5 million to the DHHL COVID-19 Emergency Rental Assistance Program, which is estimated to aid 800 households, including beneficiaries and non-beneficiaries. The DHHL program helps renters both on and off Hawaiian Home Lands pay for rent, utilities, security deposits and other expenses related to housing incurred due to the pandemic.
- \$1.5 million to DHHL to help homesteaders. Funds can be used for mortgage assistance, assistance after forbearance, principal reduction, utilities, property taxes, and other expenses to prevent foreclosure, default, or utility shut off.

More information on DHHL rent and mortgage assistance programs can be found at <https://dhhl.hawaii.gov/covid-19/>.

EVICTION MORATORIUM FOR RENTERS

The December COVID relief law extended the current Centers for Disease Control and Prevention (CDC) eviction moratorium through January 31, 2021. On January 29, 2021, the CDC officially extended the eviction moratorium until at least March 31, 2021. On March 29, 2021, the CDC further extended the eviction moratorium until June 30, 2021.

Landlords are prohibited from filing for eviction or charging any fees for unpaid rent and fees during the moratorium and must issue a notice to tenants to vacate 30 days before an eviction once the moratorium ends. After the CDC moratorium period ends, renters will be responsible for making payments.

Renters seeking information on whether they are covered by the moratorium should contact Legal Aid Society of Hawaii or a HUD approved housing counselor. You can find the nearest housing counselor [here](#) or by calling (800) 569-4287.

ASSISTANCE FOR HOMEOWNERS

The *American Rescue Plan* also included at least \$50 million for Hawaii in **Homeowner Assistance Fund** funding for families who are behind on their mortgages or already in foreclosure as a result of the pandemic. Funds can be used to provide homeowners with assistance to cover mortgage payments, property taxes, utility payments, or other resources to help them stay in their homes.

Who is Eligible?

The program is intended to serve homeowners who have fallen behind or at risk of falling behind on their mortgage, property tax, or utility payments due to the coronavirus pandemic. Although specific eligibility criteria will be determined by the state, at least 60 percent of the funds must go to households at or below 100 percent of area median income. You can find area median income for your community [here](#).

How to Apply

Funds will be administered through the state and information on how to apply will be available soon.

FORECLOSURE MORATORIUM AND EXPANDED FORBEARANCE

On February 16, 2021, the White House announced that the Department of Housing and Urban Development, Department of Veterans Affairs, and Department of Agriculture are implementing a coordinated extension and expansion of forbearance and foreclosure relief programs which would:

- Extend the foreclosure moratorium for homeowners through June 30, 2021;

- Extend the mortgage payment forbearance enrollment window until June 30, 2021 for borrowers who wish to request forbearance;
- Provide up to six months of additional mortgage payment forbearance, in three-month increments, for borrowers who entered forbearance on or before June 30, 2020.

On February 25, 2021, the Federal Housing Finance Agency (FHFA) announced that Fannie Mae and Freddie Mac are extending the moratoriums on single-family foreclosures and real estate owned evictions until June 30, 2021. The FHFA also announced that borrowers with a mortgage backed by Fannie Mae or Freddie Mac may be eligible for an additional forbearance extension of up to three months. Eligibility for the extension is limited to borrowers who are on a COVID-19 forbearance plan as of February 28, 2021, and other limits may apply. In addition, Further, COVID-19 Payment Deferral for borrowers with an Enterprise-backed mortgage can now cover up to 18 months of missed payments. COVID-19 Payment Deferral allows borrowers to repay their missed payments at the time the home is sold, refinanced, or at mortgage maturity.

In addition to the COVID relief laws, Congress previously provided relief to homeowners in the *CARES Act* that remains in effect.

Mortgage payment forbearance

The *CARES Act* provides relief for homeowners with government-guaranteed mortgages.

If the coronavirus pandemic has caused job loss, income reduction, sickness, or other issues, federally held mortgages are eligible for relief. Mortgages backed by FHA, USDA, VA, HUD Sec 184, Fannie Mae, or Freddie Mac are eligible for interest and penalty free forbearance for at least 6 months and up to one year.

- Forbearance puts your payments on pause. You will still have to make these payments eventually; however, interest will not accrue during this coronavirus-related forbearance period.
- Your credit will not suffer. Negative credit reporting is also suspended.

Homeowners in need of the forbearance should reach out to their mortgage servicers as soon as possible or contact a HUD-approved housing counselor. Contact information for a homeowner's mortgage servicer can be found in monthly mortgage statements or coupon book. The nearest housing counselor can be found at <https://www.consumerfinance.gov/find-a-housing-counselor/> or by calling (800) 569-4287.

Q: How do I know if my mortgage is eligible for relief (or federally held)?

A: To find out if your loan is backed by Fannie Mae or Freddie Mac, you can use the look-up tools developed by each agency:

- Use Fannie Mae's [Loan Lookup Tool](#);
- Use Freddie Mac's [Loan Lookup Tool](#); or
- Contact your servicer to confirm.

Q: What if my loan is not federally backed?

A: You should still reach out to your loan servicer. Financial regulators have encouraged lenders to work with mortgage holders. Contact [Legal Aid Society of Hawaii](#) or a HUD approved housing counselor. You can find the nearest housing counselor [here](#) or by calling (800) 569-4287.

Helpful information resources:

- Our COVID-19 [main page](#)
- [Legal Aid Society of Hawaii](#)
- [Fannie Mae](#)
- [Freddie Mac](#)
- [Consumer Financial Protection Bureau](#)

INCOME RELIEF

Besides direct rental assistance, the COVID relief law provided Hawaii individuals and families income relief that may help pay for housing costs during this crisis. This includes:

- Direct Payments: Many people will qualify for a new round of direct payments from the federal government. Please see our factsheet [here](#).
- Unemployment: Congress has extended eligibility for unemployment benefits and increased the amounts people can receive. This includes independent contractors, part-time workers, and others not normally eligible for unemployment benefits. Please see the [unemployment benefits factsheet](#). If your job has been affected by the COVID-19 pandemic, you can apply for unemployment benefits in Hawaii [here](#).
- Small Business Support: Loans are available to small businesses to help cover payroll and operating expenses and may help you if you own a small business, or if you are an independent contractor, sole proprietor, or self-employed. Please see our factsheet [here](#).
- Tax Relief: Tax relief may help you and your family during this time, including by postponing the deadline to file and pay your 2020 taxes. Please see our factsheet [here](#).

The Legal Aid Society of Hawaii has developed an FAQ document that includes additional state actions in support of homeowners and renters, which can be found [here](#).