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Committees
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Rules and Reference
Controlling Board

48th House District

Stark County

Scott Oelslager State Representative

Chairman Dolan, Vice Chairwoman Gavarone, Ranking Member Sykes, and members of the Senate Finance Committee, thank you for the opportunity to provide testimony on House Bill 167, which provides assistance to households unable to pay rent and utilities due to the COVID-19 pandemic.

On January 5, 2021, the U.S. Department of the Treasury launched the \$25 billion Emergency Rental Assistance Program (ERAP) established by the Consolidated Appropriations Act, 2021. The ERAP assists households that are unable to pay rent and utilities due to the COVID-19 pandemic. The funds are provided directly to states and certain local governments with more than 200,000 residents. Eligible grantees, specifically in Ohio, Community Action Agencies, must use the funds to provide assistance to eligible households through existing or newly created rental assistance programs. The current grant period is March 13, 2020 through the end of calendar year 2021.

An eligible household is defined as a renter with household income at or below 80 percent of the area median and:

- At least one or more individuals living in the household qualifies for unemployment or
- Has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19 and can demonstrate a risk of experiencing homelessness or housing instability.

Households with an eviction or late notice may be provided assistance with their rent in arrears and future rent payments, with the future payments paid up to three months at a time until the federal legislation expires. In nearly all applications, the landlord will be paid directly and verification of ownership and of accepting the funds will be required. The landlord must also agree to not evict the client after funds have been received for the past due arrearages.

House Bill 167 appropriates \$465 million in FY 2021 to the Development Services Agency to fund an emergency rental assistance program in accordance with the federal Consolidated Appropriations Act. This funding is in addition to \$100 million approved by the Ohio Controlling Board in January of this year. Income eligibility is based on household income compared to the Area Median Income. The formula is measured 50% based on each county's percentage of Low-to-Moderate Income population, and 50% based on the county's statewide percentage of the unemployment claims. The Consolidated Appropriations Act allows up to 10% of awarded funds to be used for administrative/operating and housing stability costs by the Community Action Agencies.

Utility & Home Energy Assistance: Eligible rental households that have been disconnected, are in threat of disconnection, or are behind on their water, sewer, trash removal and home heating and electric can receive payment assistance in arrears and future payments until the program legislation expires. In nearly all applications, the provider will be paid directly.

Similar to previous federally formulated programs throughout the Coronavirus pandemic, program guidelines often change based on updated guidance from the U.S. Treasury.

House Bill 167 was amended in the House to do the following:

- Appropriates \$100 million to federal appropriation item 763515, COVID Relief - Federal, in FY2021.
- Specific to the COVID-19 emergency declaration, the Biden Administration increased the typical 75% federal, 25% state FEMA match to 100% federal, backdated to January 1, 2020. The Ohio Department of Public Safety (DPS) pending and estimated FY2021 applications to total \$145 million.
- The Ohio Controlling Board previously approved \$45 million, HB167 appropriates \$100 million.
- Eligible expenses include all work currently permissible under FEMA's existing COVID-19 policies, including increasing medical capacity, non-congregate sheltering, and emergency feeding distribution.

House Bill 167 passed out of the House Finance Committee and off the House floor unanimously.

Again, thank you for the opportunity to testify today. I am happy to answer any questions you may have.

Allocation Summary

Total Ohio allocation \$775,405,764.40

Payment to the state \$564,845,626.00

Eligible local governments directly funded by the federal government

Butler County \$11,436,974.70

Cincinnati city \$9,072,946.00

Clermont County \$6,162,104.70

Cleveland city \$11,373,541.10

Columbus city \$26,822,803.20

Cuyahoga County \$25,494,727.40

Delaware County \$5,988,759.30

Franklin County \$13,059,173.50

Hamilton County \$15,329,529.40

Lake County \$6,870,202.80

Lorain County \$9,248,858.50

Lucas County \$4,643,907.10

Mahoning County \$6,826,441.10

Montgomery County \$15,871,446.40

Stark County \$11,063,000.00

Summit County \$16,149,837.80

Toledo city \$8,142,755.60

Warren County \$7,003,129.80