

## **REPORT OF THE ECONOMIC DEVELOPMENT SUBCOMMITTEE**

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### **HOUSE BILL 3770**

H. 3770 -- Rep. G.M. Smith: A JOINT RESOLUTION TO AUTHORIZE THE USE OF FEDERAL FUNDS FROM THE EMERGENCY RENTAL ASSISTANCE PROGRAM, AND TO PROVIDE THE MANNER IN WHICH THE FUNDS MUST BE DISTRIBUTED.

***Received by Ways and Means:***

January 28, 2021

***Summary of Bill:***

Section 1: Authorizes the use of federal funds disbursed to the state of South Carolina pursuant to the "Consolidated Appropriations Act of 2021" for the Emergency Rental Assistance Program.

Section 2: Creates the South Carolina Emergency Rental Assistance Program to assist eligible households that are unable to pay rent and utilities due to the COVID-19 pandemic. The program will be administered by the South Carolina Housing Finance and Development Authority (SC Housing) under the direction of its Board of Commissioners. SC Housing shall secure professional grant management services to assist with the federal distribution set forth in Section 1. SC Housing shall use the contract awarded pursuant to the procurement process established by Section 2(A) of Act 135 of 2020.

"Eligible households" means a renter household in which at least one individual:

- Qualifies for unemployment or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19;
- Demonstrates a risk of experiencing homelessness or housing instability; and
- Has a household income at or below 80 percent of the area median.
- Rental assistance provided to an eligible household should not be duplicative of any other federally funded rental assistance provided to such a household.
- Eligible households that include an individual who has been unemployed for 90 days or more

prior to the application for assistance and households with income at or below 50 percent of the area median are to be prioritized for assistance.

- Household income is determined as either the household's total income for the calendar year 2020 or the household's monthly income at the time of the application. For household incomes determined using the latter method, income eligibility must be redetermined every three months.
- If the eligibility requirements of the Federal Emergency Rental Assistance Program are amended, the eligibility requirements contained in this subsection are amended to conform to the federal amendments.

This legislation also creates a South Carolina Emergency Rental Assistance Program Advisory Panel. The Panel consists of:

- The Department of Administration or designee;
- The Office of Regulatory Staff or designee;
- One representative recommended by the Association of Counties appointed by the Board of Directors of SC Housing;
- One representative from the Affordable Housing Coalition of South Carolina appointed by the board of SC Housing; and
- One representative from a utility provider appointed by the Public Service Commission.

This panel shall review and monitor the implementation and the evaluation of the program and funding.

***Estimated Revenue Impact:***

Pending

***Subcommittee Recommendation:***

Favorable as amended on 2/18/21

HOUSE  
AMENDMENT

THIS AMENDMENT  
ADOPTED

ALLEN/GOOD/HUTH  
FEBRUARY 18, 2021

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CLERK OF THE HOUSE

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THE ECONOMIC DEVELOPMENT SUBCOMMITTEE PROPOSES  
THE FOLLOWING AMENDMENT No. TO H. 3770  
(COUNCIL\SA\3770C002.BH.SA21):

REFERENCE IS TO THE BILL AS INTRODUCED.

**AMEND THE JOINT RESOLUTION, AS AND IF  
AMENDED, BY STRIKING ALL AFTER THE  
ENACTING WORDS AND INSERTING:**

**/ SECTION 1. THE FEDERAL FUNDS DISBURSED  
TO THE STATE PURSUANT TO THE FEDERAL  
“CONSOLIDATED APPROPRIATIONS ACT, 2021”  
FOR THE EMERGENCY RENTAL ASSISTANCE  
PROGRAM, ARE HEREBY AUTHORIZED TO BE  
EXPENDED AS SET FORTH IN THIS JOINT  
RESOLUTION.**

**SECTION 2. (A)(1) THERE IS CREATED THE SOUTH CAROLINA EMERGENCY RENTAL ASSISTANCE PROGRAM (PROGRAM) ADMINISTERED BY THE SOUTH CAROLINA STATE HOUSING FINANCING AND DEVELOPMENT AUTHORITY (SC HOUSING), UNDER THE DIRECTION OF ITS BOARD OF COMMISSIONERS, TO ASSIST ELIGIBLE HOUSEHOLDS THAT ARE UNABLE TO PAY RENT AND UTILITIES DUE TO THE COVID-19 PANDEMIC WITH THE FUNDS APPROPRIATED IN SECTION 1.**

**(2)SC HOUSING SHALL OBLIGATE ALL THE FUNDS AUTHORIZED IN SECTION 1 FOR THE PROGRAM BY SEPTEMBER 30, 2021.**

**(B) SC HOUSING SHALL SECURE PROFESSIONAL GRANT MANAGEMENT SERVICES TO ASSIST WITH DISBURSING THE FEDERAL FUNDS AUTHORIZED IN SECTION 1 IN AN EXPEDITIOUS MANNER. SC HOUSING SHALL USE THE CONTRACT AWARDED PURSUANT TO THE PROCUREMENT PROCESS ESTABLISHED BY SECTION 2(A) OF ACT**

**135 OF 2020, FOR PROFESSIONAL GRANT MANAGEMENT SERVICES THAT PROVIDED FOR SERVICES INCLUDING, BUT NOT LIMITED TO, UNDERSTANDING THE REQUIREMENTS AND FUNDING STREAMS RELATED TO FEDERAL COVID-19 RELIEF FUNDS; CREATING A FRAMEWORK FOR DISTRIBUTION MANAGEMENT FROM APPLICATION FOR FUNDS TO DISBURSEMENT OF FUNDS TO INCLUDE THE DEVELOPMENT OF PROCESSES AND CONTROLS, DATA COLLECTION, EVALUATION OF REQUESTS, AND REPORTING; AND CREATING A SYSTEM OF MONITORING FOR COMPLIANCE AND DETECTING POSSIBLE FRAUD, WASTE, AND ABUSE.**

**(C)(1) AN “ELIGIBLE HOUSEHOLD” MEANS A RENTER HOUSEHOLD IN WHICH AT LEAST ONE INDIVIDUAL:**

**(A) QUALIFIES FOR UNEMPLOYMENT OR HAS EXPERIENCED A REDUCTION IN HOUSEHOLD INCOME, INCURRED SIGNIFICANT COSTS, OR EXPERIENCED A FINANCIAL HARDSHIP DUE TO COVID-19;**

**(B) DEMONSTRATES A RISK OF EXPERIENCING HOMELESSNESS OR HOUSING INSTABILITY; AND**

**(C) HAS A HOUSEHOLD INCOME AT OR BELOW EIGHTY PERCENT OF THE AREA MEDIAN.**

**(2) RENTAL ASSISTANCE PROVIDED TO AN ELIGIBLE HOUSEHOLD SHOULD NOT BE DUPLICATIVE OF ANY OTHER FEDERALLY FUNDED RENTAL ASSISTANCE PROVIDED TO SUCH HOUSEHOLD.**

**(3) ELIGIBLE HOUSEHOLDS THAT INCLUDE AN INDIVIDUAL WHO HAS BEEN UNEMPLOYED FOR THE NINETY DAYS OR MORE BEFORE APPLYING FOR ASSISTANCE AND HOUSEHOLDS WITH INCOME AT OR BELOW FIFTY PERCENT OF THE AREA MEDIAN ARE TO BE PRIORITIZED FOR ASSISTANCE.**

**(4) HOUSEHOLD INCOME IS DETERMINED AS EITHER THE HOUSEHOLD'S TOTAL INCOME FOR CALENDAR YEAR 2020 OR THE HOUSEHOLD'S MONTHLY INCOME AT THE TIME OF APPLICATION. FOR HOUSEHOLD INCOMES DETERMINED USING THE LATTER METHOD, INCOME ELIGIBILITY MUST BE REDETERMINED EVERY THREE MONTHS.**

**(5) IF THE ELIGIBILITY REQUIREMENTS OF THE FEDERAL EMERGENCY RENTAL ASSISTANCE PROGRAM ARE AMENDED, THE ELIGIBILITY REQUIREMENTS CONTAINED IN THIS SUBSECTION ARE AMENDED TO CONFORM TO THE FEDERAL AMENDMENTS.**

**(D) SC HOUSING MAY NOT AWARD FUNDS TO RESIDENTS OF ANDERSON, BERKELEY, CHARLESTON, GREENVILLE, HORRY, RICHLAND, OR SPARTANBURG COUNTIES UNLESS THERE ARE ADDITIONAL FUNDS REMAINING AFTER OBLIGATING FUNDS TO ALL OTHER ELIGIBLE RESIDENTS IN THE STATE.**

**(E)(1) THERE IS CREATED THE SOUTH CAROLINA EMERGENCY RENTAL ASSISTANCE PROGRAM ADVISORY PANEL. THE PANEL CONSISTS OF:**

**(A) THE DIRECTOR OF THE DEPARTMENT OF ADMINISTRATION, OR HIS DESIGNEE;**

**(B) THE DIRECTOR OF THE OFFICE OF REGULATORY STAFF, OR HIS DESIGNEE;**

**(C) ONE REPRESENTATIVE RECOMMENDED BY THE ASSOCIATION OF COUNTIES APPOINTED BY THE BOARD OF DIRECTORS OF SC HOUSING;**

**(D) ONE REPRESENTATIVE FROM THE AFFORDABLE HOUSING COALITION OF SOUTH CAROLINA APPOINTED BY THE BOARD OF DIRECTORS OF SC HOUSING;**

**(E) ONE REPRESENTATIVE FROM THE SOUTH CAROLINA ASSOCIATION FOR COMMUNITY ECONOMIC DEVELOPMENT APPOINTED BY THE BOARD OF DIRECTORS OF SC HOUSING; AND**

**(F) ONE REPRESENTATIVE FROM A UTILITY PROVIDER APPOINTED BY THE PUBLIC SERVICE COMMISSION.**

**(2) THE PANEL SHALL REVIEW AND MONITOR THE IMPLEMENTATION AND EVALUATION OF THE PROGRAM AND FUNDING.**

**SECTION 3. THIS JOINT RESOLUTION TAKES EFFECT UPON APPROVAL BY THE GOVERNOR. /**

**RENUMBER SECTIONS TO CONFORM.**

**AMEND TITLE TO CONFORM.**

**South Carolina General Assembly**  
124th Session, 2021-2022

**H. 3770**

**STATUS INFORMATION**

Joint Resolution

Sponsors: Reps. G.M. Smith, Stavrinakis, Wetmore, Weeks and Hewitt

Document Path: I:\council\bill\7408sa21.docx

Introduced in the House on January 28, 2021

Currently residing in the House Committee on **Ways and Means**

Summary: Emergency Rental Assistance Program

**HISTORY OF LEGISLATIVE ACTIONS**

Date	Body	Action Description with journal page number
1/28/2021	House	Introduced and read first time ( <a href="#">House Journal-page 32</a> )
1/28/2021	House	Referred to Committee on <b>Ways and Means</b> ( <a href="#">House Journal-page 32</a> )
2/16/2021	House	Member(s) request name added as sponsor: Stavrinakis, Wetmore, Weeks, Hewitt

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**VERSIONS OF THIS BILL**

1/28/2021

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**A JOINT RESOLUTION**

TO AUTHORIZE THE USE OF FEDERAL FUNDS FROM THE  
EMERGENCY RENTAL ASSISTANCE PROGRAM, AND TO  
PROVIDE THE MANNER IN WHICH THE FUNDS MUST BE  
DISTRIBUTED.

Be it enacted by the General Assembly of the State of South  
Carolina:

SECTION 1. (A) The source of funds authorized to be distributed  
in subsection (B) is from the Emergency Rental Assistance  
Program, which makes funds available to assist households that are  
unable to pay rent and utilities due to the COVID-19 pandemic.

(B) The federal funds from the Emergency Rental Assistance  
Program must be distributed as follows:

(1)

(2).

SECTION 2. This joint resolution takes effect upon approval by  
the Governor.

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