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STATE OF NEW HAMPSHIRE



GOVERNOR'S OFFICE

for

EMERGENCY RELIEF AND RECOVERY

FIS 23 041

Late Item

January 24, 2023

The Honorable Ken Weyler, Chairman
 Fiscal Committee of the General Court
 State House
 Concord, New Hampshire 03301

His Excellency, Governor Christopher T. Sununu
 And the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, the Governor's Office for Emergency Relief and Recovery (GOFERR) requests authorization to accept and expend funds in the amount of \$3,593,328 in American Rescue Plan Act (ARPA) Emergency Rental Assistance (ERA2) financial assistance funds for use in the New Hampshire Emergency Rental Assistance Program (NHERAP), effective upon Fiscal Committee and Governor and Council approval through June 30, 2023. This is an allowable use of ERA2 funds under ARPA, section 3201(d) to provide financial assistance to eligible households as allowed by U.S. Treasury to help keep households stably housed. **100% Federal Funds.**

Funds are to be budgeted as follows:

01-02-002-020210-24310000 <u>ARP Rental Assistance Fund</u>		<u>FY2023</u>	<u>FY2023</u>	<u>FY2023</u>
<u>CLASS</u>	<u>ACCOUNT</u>	<u>CURRENT MODIFIED BUDGET</u>	<u>BUDGET REQUEST</u>	<u>REVISED BUDGET</u>
EXPENDITURES				
040 - Indirect Costs	501587	\$30,000	\$2,500	\$32,500
041 - Audit Fund Set Aside	500801	\$138,290	\$3,590	\$141,880
072 - Grants Federal	500575	\$61,105,368	\$3,587,238	\$64,692,606
085 - Interagency Xfr Out of Fed Fn	588595	\$180,374	\$0	\$180,374
TOTAL EXPENSES		\$61,454,032	\$3,593,328	\$65,047,360
SOURCE OF FUNDS				
000 -- 16 -- Federal Funds	400338	\$61,454,032	\$3,593,328	\$65,047,360
TOTAL REVENUE		\$61,454,032	\$3,593,328	\$65,047,360

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EXPLANATION

GOFERR is requesting to accept and expend \$3,593,327.92 in American Rescue Plan Act (ARPA), Emergency Rental Assistance (ERA2) financial assistance funds to support the New Hampshire Emergency Rental Assistance Program (NHERAP). These ERA2 funds are being distributed to the State as part of U.S. Treasury's fund reallocation process, and the State has previously received funds for NHERAP in this manner under both federal ERA funding sources, widely referred to as ERA1 and ERA2.

Since March 15, 2021, NHERAP has been providing financial assistance to eligible households that have lost income or experienced other financial hardship because of or during the COVID-19 pandemic, including the payment of (i) rent; (ii) rental arrears; (iii) utilities and home energy costs; (iv) utilities and home energy cost arrears; and (v) other expenses related to housing incurred due, directly or indirectly, to COVID-19, as defined by United States Department of Treasury.

The State entered into subaward agreements with New Hampshire Housing Finance Authority (NHHFA) to facilitate NHERAP. NHERAP subawards have been amended over time to increase funding available to the program as needed and authorized. NHHFA continues to work with the five regional Community Action Partnerships (CAPs) to facilitate the program.

Since the program's launch, it has provided nearly \$300 million in assistance to over 25,000 New Hampshire households. Due to U.S. Treasury's method for funding ERA, it has required the State to receive and process initial allocations, at times tranches of those allocations, and new or reallocations such as this one. Including these reallocated funds, the State will have received nine allocations, tranches, and/or reallocations under ERA1 and ERA2, all requiring related subawards and amendments to those subawards with NHHFA to fund and operate NHERAP.

GOFERR is requesting authorization to use these reallocated ERA2 funds for NHERAP, which will enable GOFERR to again amend its subaward with NHHFA. This funding will allow NHHFA to continue to use ERA2 funds to provide financial assistance to New Hampshire households throughout the life of the federal program, including assisting eligible households in temporary or emergency housing situations during New Hampshire's cold season.

The following appropriation authorities are being requested:

Class 040 – Indirect Costs

Class 041 – Audit Fund Set Aside – Audit Fund Set Aside to comply with RSA 124:16 that requires all agencies which receive federal funds to set aside a percentage (0.1%) of the federal revenue amount received to pay for financial and compliance audits.

Class 072 – Grants Federal – Appropriations necessary to support rental assistance program(s)

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In the event that Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Chase Lagannan', with a long horizontal stroke extending to the right.

Chase Lagannan
Deputy Director, GOFERR

Bond, Noah - GOFERR

From: EmergencyRentalAssistance@treasury.gov
Sent: Monday, January 23, 2023 5:36 PM
To: Hagaman, Chase - GOFERR
Cc: caresitforms@treasury.gov
Subject: ERA2 Request for Reallocated Funds Notice (Quarter 2)

EXTERNAL: Do not open attachments or click on links unless you recognize and trust the sender.

SLT-0416 - State of New Hampshire Treasury

Dear ERA 2 Recipient:

The U.S. Department of the Treasury (“Treasury”) issued ERA2 Reallocation Guidance, on March 31, 2022 and updated the Guidance on June 28, 2022 and November 15, 2022. An ERA2 Request for Reallocated Funds (Quarter 2) was submitted by your jurisdiction.

The amount of reallocated funds requested by eligible grantees was far greater than the funding available to distribute. However, Treasury approved the request submitted by State of New Hampshire Treasury in the following amount: \$3,593,327.92.

Treasury anticipates distributing funds in the coming weeks. No action is required on your part to receive your payment. If you choose not to accept this funding, please contact us as soon as possible at emergencyrentalassistance@treasury.gov with "SLT-0416 Declining Reallocated Funds" in the subject line.

Sincerely,

Emergency Housing Team
U.S. Department of the Treasury