


DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

TO:  ncini, Deputy Administrator, Office of Information and Regulatory

FROM: Ryan Law, Deputy Assistant Secretary for Privacy, Transparency, and Records

SUBJECT: Justification for Emergency Processing—Addition to Emergency Rental Assistance (ERA2) Reallocation Portal (1505-0270)

Pursuant to the Office of Management and Budget (OMB) procedures established at 5 C.F.R. § 1320.13, the Department of the Treasury (Treasury) requests emergency processing for an Emergency Rental Assistance (ERA2) program information collection request.

On March 11, 2021, the President signed the American Rescue Plan Act of 2021 (the “Act”), Pub. L. No. 117-2. Title III, Subtitle B, Section 3201 of the Act provides \$21.55 billion for the Department of the Treasury (Treasury) to make payments to States (defined to include the District of Columbia), U.S. Territories (Puerto Rico, U.S. Virgin Islands, Guam, Northern Mariana Islands, and American Samoa), and certain local governments with more than 200,000 residents (collectively, “grantees”) to provide financial assistance and housing stability services to eligible households, and to cover the costs for other affordable rental housing and eviction prevention activities, as defined by the Secretary, serving very low-income families.

Under the ERA2 program, Treasury pays each grantee portions of its initial ERA2 allocation in tranches as the grantee obligates funds already received. Section 3201(e) of the Act provides that “[b]eginning March 31, 2022, the Secretary shall reallocate funds allocated to eligible grantees ... but not yet paid ... according to a procedure established by the Secretary.” Treasury previously obtained approval of its reallocation portal, which collects grantee information necessary to carry out the reallocation procedure and now seeks approval of an addition to the portal that will collect information necessary to carry out the second round of ERA2 reallocation.

In reallocation based on Quarter 2 assessments, Treasury’s prioritization process (set forth in previously submitted ERA2 Reallocation Guidance¹) considers whether grantees have expended non-ERA funds on rental or utility assistance.² In order to implement this process, Treasury must collect information on such expenditures. Accordingly, the proposed portal addition, which will allow grantees to report their non-ERA expenditures on rental or utility assistance, is crucial for Treasury to carry out reallocation based on Quarter 2 assessments in a timely manner.

¹ Available at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program/guidance>.

² Specifically, the Reallocation Guidance provides that “Treasury ... intends to prioritize [g]rantees that have expended non-ERA funds, including State and Local Fiscal Recovery Funds, for rental or utility assistance substantially similar to eligible uses under ERA1 or ERA2 since the enactment of the ERA1 statute on December 27, 2020, in an amount exceeding 20% of their initial ERA2 allocation.”

Certain eligible grantees have exhausted, or will soon exhaust, their initial ERA2 allocations, while other grantees are unlikely to use all of the funds allocated to them. In order for Treasury to continue providing ERA2 resources to grantees experiencing the greatest need and ability to disburse assistance, and to avoid disruptions in the delivery of assistance to eligible households, Treasury requests emergency processing of its proposed addition to its ERA2 reallocation portal.

Pursuant to the ERA2 statute, Treasury has initiated elements of the reallocation procedure that rely on information already reported, but completion of the reallocation process for Quarter 2 will require Treasury to collect information regarding grantees' non-ERA expenditures. In light of the emergency nature of the ERA2 program and the second round of reallocation already underway, Treasury hopes to have approval of its addition to the ERA2 portal by August 18, 2022 to ensure that there is sufficient time to implement the portal and trouble-shoot any technical issues before accepting grantee submissions. Given the inability to seek public comment during such a short timeframe, Treasury requests a waiver from the requirement to publish notice in the Federal Register seeking public comment.