[158296](https://www.hudexchange.info/hudexchange-portal/ask-a-question/?askaquestionaction=internal:question.details&id=158296&pool_id=18&group_id=&fieldoffice_id=&tab=qpdraft)

The [**ESG Program Interim Rule**](https://www.hudexchange.info/resource/1927/hearth-esg-program-and-consolidated-plan-conforming-amendments/) at 24 CFR Part 576 applies to ESG-CV funds unless otherwise specified in the CARES Act (see list below). The following changes to ESG program requirements specified in the CARES Act **currently** **apply to ESG-CV funds only**:

* **No matching requirement**
* No spending cap on emergency shelter and street outreach
* Up to 10% of the grant can be spent on administrative activities
* Income eligibility 50% of AMI for homelessness prevention
* Allows deviation from applicable procurement standards
* May not require program participants to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or services
* Citizen participation/consultation requirements can be waived
* No minimum period of use for temporary emergency shelters

With regard to non-CARES Act ESG funding, HUD issued a [**memorandum**](https://www.hudexchange.info/resource/6007/availability-of-waivers-of-community-cpd-grant-program-and-consolidated-plan-requirements-to-prevent-the-spread-of-covid19-and-mitigate-economic-impacts-caused-by-covid19/) (effective March 31, 2020) making regulatory waivers of certain ESG program requirements available to help prevent the spread of COVID-19. HUD issued a [second memorandum](https://www.hud.gov/sites/dfiles/CPD/documents/Additional_Waivers_for_CPD_Grant_Programs_to_Prevent_COVID-19_Spread_and_Mitigate_COVID-19_Economic_Impacts.pdf) (effective May 22, 2020), which permits the waivers made available in the first memorandum to apply to Cares Act funding, and extends the applicable waiver period for ESG and ESG-CV housing stability case management.

All provisions not specifically waived remain in effect. Be sure to check with your recipient as to whether any of the following waivers apply:

* Waiver #10: HMIS Lead Activities 24 CFR 576.107(a)(2)
* Waiver #11: Re-Evaluations for Homelessness Prevention Assistance 24 CFR 576.401(b)
* Waiver #12: Housing Stability Case Management 24 CFR 576.401(e)
* Waiver #13: Restriction of Rental Assistance to Units with Rent at or Below FMR 24 CFR 576.106(d)(1)

Each waiver notification applies to the **recipient's entire portfolio of ESG grants**, unless the recipient specifies otherwise. Any waiver notification submitted by a recipient could be made available to all subrecipients under the grant, unless the recipient specifies otherwise. The recipient only needs to notify the Field Office once of its intent to use a particular waiver; it is not necessary to re-notify the Field Office each time the waiver is to be exercised.