I. INTRODUCTION

Emergency Rental Assistance: A Blueprint for a Permanent Program
EMERGENCY RENTAL ASSISTANCE: A Blueprint for a Permanent Program

2021–2022 NLIHC ERASE TEAM

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Introduction

This report examines the implementation of the U.S. Department of the Treasury’s (Treasury) Emergency Rental Assistance (ERA) program by state and local organizations around the country. Through both the “Consolidated Appropriations Act of 2021” and the “American Rescue Plan Act,” Congress established an unprecedented $46 billion in funding for emergency rental assistance to prevent evictions and help renters stay stably housed. ERA stood up more than 500 state and local programs over a two-year period. This report aims to assess the challenges and opportunities that were presented through ERA to identify successful policies and practices and propose a policy blueprint for a permanent ERA program.

The report has five sections. The first section presents an overview of Treasury’s ERA program, surveying its aims and structure, as well as the guidance issued by Treasury concerning the use of ERA funds, Treasury’s processes for allocating and reallocating funds, trends in ERA spending over time, and the general impact of ERA. The section then provides an overview of the National Low Income Housing Coalition’s (NLIHC) End Rental Arrears to Stop Evictions (ERASE) project, which has tracked the progress of ERA since the program’s inception and collaborated with state partners, local jurisdictions, and program administrators to ensure that ERA reaches the lowest-income and most marginalized renters. In particular, the ERASE project has sought to make sure that ERA programs are visible, accessible, and preventive and has worked with state and local partners around the country to realize this goal. After reviewing the ERASE project’s aims and framework, the section discusses some of the general strategies that have been used by state and local partners in the ERASE project to ensure the success of ERA. These strategies include:

- Partnering with tenants, landlords, and other community members.
- Utilizing ERA program data to track progress and course correct.
- Advancing racial equity through Emergency Rental Assistance.
- Ensuring program integrity.

The next three sections of the report delve into the three components of the ERASE framework. Section Two explores how ERA programs around the country ensured that ERA was visible to the lowest-income renters. Section Three examines how programs guaranteed that ERA was accessible to all renters in need. Section Four analyzes the ways programs made sure that ERA succeeded in preventing housing instability, evictions, and homelessness. Each section draws on numerous examples of policies and practices adopted by ERASE project partners around the country to generate recommendations that could be used by future ERA programs to ensure that emergency rental assistance is visible, accessible, and preventive.

The final section of the report advances a set of policy recommendations, exploring existing legislation that, if enacted, would help preserve the progress made in establishing an ERA infrastructure over the last two years and that could form the basis for a permanent ERA program in the future.

This report would not have been possible without those who contributed to the effort. In particular, we extend thanks to the ERASE Cohort. The ERASE Cohort is a select group of 38 state and local partners working with NLIHC to influence state and local emergency
rental assistance programs and ensure that ERA funds quickly reach the lowest-income and most marginalized people. Over the last year, ERASE Cohort members have been working to (1) influence state and local programs to accelerate the equitable use of funding; (2) enable the adoption of eviction-prevention and diversion measures through policy reforms and/or judicial partnerships; and (3) encourage transparency through tracking program data, successes, and challenges.

The 2021 – 2022 ERASE Cohort includes the following organizations:

- Low Income Housing Coalition of Alabama
- Anchorage Coalition to End Homelessness
- CT Fair Housing Center
- Housing Counseling Services, Inc.
- Empower DC
- United Community Housing Coalition
- Florida Housing Coalition
- Miami Workers Center
- Georgia Advancing Communities Together, Inc.
- Hawai‘i Appleseed
- Idaho Center for Fiscal Policy
- Housing Action Illinois
- Chicago Anti Eviction Campaign
- Prosperity Indiana
- Homeless & Housing Coalition of Kentucky
- HousingLOUISIANA
- Michigan Coalition Against Homelessness
- Minnesota Housing Partnership
- Hope Enterprise Corporation
- Nebraska Housing Developers Association
- Dataworks NC
- Housing Alliance of Pennsylvania
- Housing Network of Rhode Island
- Richland Library
- Texas Housers
- Utah Housing Coalition
- Washington Low Income Housing Alliance
- Byrd Barr Place
- Arkansas Coalition for Housing and Neighborhood Growth for Empowerment (ACHANGE)
- Coalition on Housing and Homelessness in Ohio
- Arizona Housing Coalition
- Neighborhood Preservation, Inc.
- Housing Alliance Delaware
- United Native American Housing Association
- Ayuda Legal
- Coalicion de Coaliciones
- Citizen's Housing and Planning Association (CHAPA)
- North Dakota Coalition for Homeless People
OVERVIEW OF THE FEDERAL EMERGENCY RENTAL ASSISTANCE PROGRAM

Origins of ERA

The COVID-19 pandemic was a public health crisis that quickly ramified into a housing crisis. Even before the pandemic began, nearly 8 million extremely low-income households were spending more than half of their limited incomes on rent and utilities.¹ The severe housing burdens and deep rental debt facing many millions of Americans undermined basic housing security and put extremely low-income renters just one financial shock away from eviction and homelessness. The emergence of COVID-19 was just such a shock. When job losses early in the pandemic shut down large parts of the economy and deprived households of income, many extremely low-income renters were threatened with imminent eviction and homelessness.

In April 2020, Congress enacted the “Coronavirus Aid, Relief, And Economic Security (CARES) Act” in an attempt to address the economic and financial fallout of the pandemic. The act included several flexible funding streams that jurisdictions could choose to use for emergency rental assistance (ERA). By October 2020, jurisdictions around the country had established 438 early ERA programs with at least $3.9 billion in CARES Act funding. Yet well before then, it was apparent to many that the CARES Act would be insufficient in addressing the crisis. The programs it helped fund were limited in resources and constrained in the types of assistance they could offer renters.²

Responding to the pressure and advocacy of NLIHC’s “Rent Relief Now” campaign of over 2,300 organizations from across the country and recognizing the need for a more robust emergency rental assistance program, the U.S. House of Representatives voted three times to approve measures enacting ERA – in May, June, and July 2020. Throughout this period, NLIHC offered guidance about how the program should be implemented. NLIHC and our partners urged that funds be distributed through the U.S. Department of Housing and Urban Development (HUD), given the agency’s deep expertise in housing and the unique needs of the lowest-income and most marginalized populations; be administered through multiple delivery systems, by grantees with experience working with individuals in need; and be administered through programs with low barriers for participation. The legislation passed by the House included these essential features. However, each measure stalled in the U.S. Senate.

Finally, in late December 2020, Congress succeeded in passing a bill providing emergency rental assistance to struggling renters. The “Consolidated Appropriations Act of 2021” established an ERA program that would be administered through the U.S. Department of the Treasury (Treasury) and would provide funding through September 30, 2022.³ The program became known as “ERA1.”

ERA1

When ERA1 was enacted at the end of 2020, the housing crisis had reached an acute stage. By January 2021, renters had accrued an estimated $50 billion in rent and utility arrears.⁴ The aim of ERA1 was to make funding available to the millions of renters unable to pay their rental or utilities arrears in order to prevent evictions, help them stay housed, and slow the spread of COVID-19.⁵ In total, the program made available $25 billion in funding, which was to be distributed by ERA program grantees at the state and local levels. (Figure 1 presents a timeline of the development of Treasury’s ERA program and associated guidances.)
The statute authorizing ERA1 defined the criteria for establishing eligibility. Only renter households were eligible for assistance, and such households had to (1) have household incomes no greater than 80% of area median income (AMI); (2) include one or more individuals who qualified for unemployment benefits or who had experienced a reduction in income, incurred significant costs, or experienced other financial hardship due directly or indirectly to the coronavirus outbreak; and (3) include one or more individuals who could demonstrate a risk of experiencing homelessness or housing instability. Such a risk could be demonstrated through (a) a past-due utility or rent notice or an eviction notice, (b) evidence of unsafe or unhealthy living conditions, or (c) any other evidence of such risk as determined by the grantee administering the assistance. NLIHC’s and our partners’ advocacy ensured that the statute also allowed for several program flexibilities, such as categorical eligibility, direct-to-tenant assistance, and self-attestation for some eligibility categories, to facilitate access to funding for households in need.

However, implementation of the new program was hindered in a few ways. Due to demands made by the Trump administration and Republican leadership in Congress, the program included restrictions that made it unnecessarily complex to administer, slowing the speed with which tenants behind on rent received assistance. Likewise, guidance released on the last day of the Trump administration included a FAQ resource that created additional barriers by requiring applicants to document hardship beyond self-attestation; requiring grantees to wait 21 days after conducting outreach to the landlord or utility provider before providing assistance directly to the renter; and suggesting that 10% of funds were to be used for both housing stability services and administrative fees, which would make it nearly impossible for states and localities to provide housing stability services because administrative fees would quickly consume the available funds set aside for this purpose. These requirements resulted in increased application times, discouraged eligible households from seeking assistance, and prevented them from staying stably housed.6
After President Biden was sworn into office on January 20, 2021, NLIHC urged the new administration to rescind the Trump-era guidance and provide state and local governments with new guidance that would help distribute ERA to the millions of households at risk of losing their homes. In February 2021, Treasury released a new FAQ that directly addressed the significant flaws in the Trump administration’s guidance and included many of the recommendations made by NLIHC. The February 2021 guidance clarified that renters could self-attest to meeting most eligibility criteria, including those related to COVID-19-related hardships, income, housing instability, and the amount of back rent they owed. The guidance also shortened the number of days – from 21 to as few as 10 – that had to pass before ERA could be provided directly to tenants in cases when landlords refused to participate in the program or were unresponsive. Likewise, the guidance clarified that home internet costs and fees for legal assistance for renters facing eviction were eligible uses of ERA.

Treasury made additional improvements to the FAQ in March 2021. These improvements, which aligned with recommendations made by NLIHC to ensure that rent relief resources reached households with the greatest needs, clarified among other things that rental security deposits and applications, as well as screening fees, were permissible uses of ERA funds, and that households renting manufactured homes or temporarily residing in hotels or motels were eligible for ERA.

**ERA2**

In March 2021, after continued advocacy by NLIHC and our partners in the Rent Relief Now campaign, Congress appropriated an additional $21.6 billion for emergency rental assistance through the “American Rescue Plan Act.” The new funding, which amounted to approximately $21.55 billion, became known as “ERA2.” Like ERA1, ERA2 was to be administered through Treasury, but unlike the first program, ERA2 funds were to be spent by grantees by September 30, 2025.

ERA2 differed from ERA1 in other ways as well. ERA2 included statutory improvements such as expanding eligibility to renters who experienced hardship during the pandemic and not just due to the pandemic, extending the time limitation for assisting households to 18 months, and prohibiting grantees from refusing assistance to federally assisted tenants. Additionally, under ERA2, grantees that had obligated at least 75% of their total funds were permitted to use any funds that were unobligated as of October 1, 2022, for “affordable rental housing and eviction prevention purpose[s],” as defined by the Treasury secretary, to assist very low-income families.

NLIHC notified the Biden administration about emerging and troubling roadblocks in ERA programs based on our ongoing tracking of state and local ERA programs and feedback from our partners. In addition to sending letters detailing our concerns and recommendations for further guidance, NLIHC was in sustained conversation with the administration to discuss each challenge and needed improvements. In May 2021, Treasury and the White House released new ERA guidance and a summary with major program improvements that directly addressed NLIHC’s concerns about several ongoing challenges of ERA1. The revised guidance sought to ensure access to assistance for the renters most in need by requiring program administrators distributing ERA2 to provide assistance directly to renters if landlords refused to participate or were unresponsive and by allowing ERA2 programs to offer direct-to-tenant assistance first and immediately, rather than requiring programs to conduct outreach to landlords beforehand. The revised guidance also expanded ERA2 eligibility criteria to include renters that experienced a financial hardship during COVID-19 rather than as a result of COVID-19. The new guidance encouraged grantees to avoid establishing burdensome documentation requirements that would reduce
Grantees received their full ERA1 allocations in January 2021 and, as noted above, were required to spend their initial ERA1 allocation by September 30, 2022. Grantees had until May 16, 2022, to accept their ERA2 allocation, and, as noted, they have until September 2025 to obligate these funds. Notably, two state grantees – Arkansas and Nebraska – did not accept their allocations of ERA2 funds, despite there being remaining need in both states.

Treasury was statutorily required to reallocate ERA funds from grantees with “excess” funds to grantees in need of additional resources beginning on September 30, 2021, for ERA1, and March 31, 2022, for ERA2. Treasury released initial ERA1 reallocation guidance on October 4, 2021, and ERA2 reallocation guidance on March 30, 2022.

According to ERA1 reallocation guidance, grantees that had not obligated 65% of their initial ERA1 allocations on financial assistance by September 30, 2021, were required to meet a gradually increasing expenditure benchmark to avoid having “excess” funds reallocated. Treasury evaluated whether grantees met the required expenditure benchmark twice, basing its determinations on expenditures through September and November 2021. Treasury provided grantees with several options for mitigating reallocation in the first evaluation. Grantees were also allowed to voluntarily reallocate a portion of their ERA1 funds to another grantee in the same state or to a general pool. To receive reallocated ERA1 funds, grantees were required to have obligated at least 65% of their initial ERA1 allocation. In a press release issued in early 2022, Treasury stated it would reallocate unobligated funds in a way that left grantees with an amount of ERA1 funds equal to what grantees had spent in their strongest quarter. After June 30, 2022, Treasury considered whether additional recapture of unobligated funds was appropriate to help ensure ERA1 funds were distributed by the statutory deadline.

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Initial Allocations and the Role of Reallocation

ERA1 and ERA2 also differed in terms of their initial allocations and the role of reallocation. Treasury was statutorily required to base a state’s maximum ERA allocation on its share of the U.S. population, with a minimum state allocation reserved for low-population states ($200 million for ERA1 and $152 million for ERA2). In addition to the population-based allocation, ERA2 included a $2.5 billion set-aside for high-need grantees. Local jurisdictions with populations over 200,000 were eligible to receive a portion of their state’s maximum allocation directly. Local grantees’ direct allocation was capped at 45% of the local jurisdiction’s population share of the state’s maximum allocation. Research indicates that the minimum state allocation and the 45% cap resulted in a greater relative per capita allocation to small states and a greater per capita allocation to state grantees compared to local grantees within the same state. To adjust this disproportionality, some state grantees sub-allocated a portion of their funds to local grantees.
As with ERA1, grantees are required to meet an increasing expenditure benchmark to avoid having ERA2 funds reallocated. The expenditure benchmark for ERA2 is based on funds disbursed for financial assistance and housing stability services. Any funds determined to be in excess will be reallocated from ERA2 funds yet to be disbursed to grantees, as required by statute. Grantees were allowed to voluntarily reallocate up to 60% of their initial ERA2 allocation to another grantee within the same state that has spent or obligated at least 50% of its own initial ERA2 allocation or to a general pool.

So far, $3.7 billion of ERA funds have been reallocated. Over four rounds of ERA1 reallocation, nearly $3.1 billion was transferred from state and local grantees. An additional $38 million of ERA1 funds were reallocated from tribal grantees. Earlier this year, Treasury started the process of reallocating ERA2 funds. Thus far, $519.9 million of ERA2 funds have been transferred. Over 50% of reallocated ERA funds have been voluntarily reallocated, usually from state grantees to local grantees within the same state. The large amount of funds voluntarily reallocated helped correct the initial allocation formula, which gave a disproportionate amount of funding to state grantees compared to local grantees. Notably, because a large proportion of funds remained within the same state, allocation disparities between states were sustained.

Spending Trends over Time

Since the beginning of ERA implementation, grantees have disbursed their ERA funds at various rates. Grantees’ rates of disbursement are influenced by the initial allocation formula, which was based on population share and did not consider need within jurisdictions, as well as program implementation features. Previous research by NLIHC and the Housing Initiative at Penn (HIP) found that grantees that instituted flexible documentation requirements – such as applicant self-attestation for COVID-19-related hardship and income – disbursed funds more rapidly, on average. However, grantees also faced persistent challenges throughout 2021, including difficulties related to staff capacity and technology and landlord and tenant responsiveness.

By the end of June 2022, ERA grantees had disbursed $20.9 billion (84%) of ERA1 and $10.9 billion (51%) of ERA2 on financial assistance to households and for housing stability services and administrative expenses. The ERA program made over 6.3 million payments to households between January 2021 and June 2022.

ERA1 spending increased each month between April and September 2021, with significant increases occurring in the late spring and early summer of 2021 (as shown by the datapoints for Q2 and Q3 for each year in Figure 2, below). Between October 2021 and June 2022 – or Q4 of 2021 and Q2 of 2022 – ERA1 spending decreased and then plateaued. Very little ERA2 was spent between April and September 2021 (Q2 and Q3 of 2021), but rates increased drastically at the end of the year (in Q4). ERA2 spending by quarter reached its peak in Q1 of 2022 before decreasing in Q2 of 2022.

By the end of June 2022, state grantees had spent $13.3 billion in ERA1 funds, or 80% of the $16.6 billion of revised state allocations. Localities had spent more than $5.2 billion, or 77% of the $6.8 billion of revised allocations, in the same time period. Nine state grantees had expended 50% or less of their revised ERA1 allocations by the end of June 2022, despite having reallocated portions of their initial ERA1 funds.

State grantees had spent $7.8 billion of ERA2 funds by the end of June 2022 – approximately 49% of the $15.9 billion allocated to states. Similarly, localities had spent approximately 49% of their allocations, or $2.6 billion of the $5.3 billion allocated to localities.

Throughout 2022, NLIHC has tracked ERA spending on the ERA Dashboard and Spending Tracker. Our tracking has integrated Treasury data.
with real-time data from program dashboards and program administrators to provide a closer estimate of how much ERA funding has been obligated to date.

The Impact of ERA

As indicated above, the latest Treasury data show that as of June 2022, nearly $31.8 billion in assistance had been disbursed to households and for administrative expenses and housing stability services, while over 6.3 million payments had been made to households.27 Nearly two-thirds of households receiving assistance had extremely low incomes. Overall, ERA programs assisted a high share of Black households: 42% of households that were assisted identified as Black, though Black households only make up 24% of cost-burdened low-income renter households.28 The ERA program may have underserved Latino(a) households: Latino(a) households account for 22% of cost-burdened low-income renter households, but only 20% of households served were Latino(a).29 More granular data at the state-level suggest that some states were serving higher shares of Latino(a) households relative to potential need and others were significantly underserving Latino(a) households.30

In 2021 alone, at least 1.36 million formal evictions were prevented, thanks to a wide range of government interventions, including federal, state, and local eviction moratoriums; policies like expanded unemployment insurance and stimulus payments; and emergency rental assistance.31

THE ERASE PROJECT AND FRAMEWORK

NLIHC worked both directly as well as through our state and local partners to support – and learn from – the implementation of ERA in states and localities around the country. These efforts were planned, coordinated, and managed by a special project developed by NLIHC and intended to focus exclusively on emergency rental assistance: the End Rental Arrears to Stop Evictions (ERASE) project.
Visible

Conduct equitable and robust marketing and outreach efforts to ensure that all landlords and low-income renters know about the Emergency Rental Assistance (ERA) program and how to access it in their community.

Accessible

Support access to and disbursement of financial support to landlords and tenants by ensuring an accessible, streamlined, and low-barrier ERA application process.

Preventive

Prevent housing displacement by creating formal partnerships with your state and/or local court to support eviction prevention and eviction diversion in coordination with ERA.

The ERASE project has aimed to ensure that ERA reaches the lowest-income and most marginalized renters it is intended to help. The project seeks to eliminate rental indebtedness caused by the pandemic and to prevent evictions by tracking and analyzing emergency rental assistance utilization; documenting and sharing best practices and toolkits; influencing and shaping program design at federal, state, and local levels; developing key partnerships for outreach and education; and assessing the remaining needs to inform advocacy for long-term investments to end housing instability and homelessness in the United States.

In support of these goals, the ERASE project undertook a number of advocacy, research, and education efforts over the last two years. The project facilitated bi-weekly State and Local Partner Implementation Calls that brought together program administrators and state and local advocates to discuss the implementation of the three pieces of legislation creating ERA: the “2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act,” the “Consolidated Appropriations Act of 2021,” and the “American Rescue Plan Act of 2021. “The project provided grant funding and technical assistance to 38 state and local partners through an “ERASE Cohort” and facilitated bi-weekly working group meetings during which members could engage in peer-to-peer learning. Through its ERA Program Dashboard, the ERASE project also tracked and shared information about programs and key design and implementation features that enabled them to serve the lowest-income and most marginalized renters in need of housing assistance. Meanwhile, the project and its partners released more than 21 reports highlighting the state of emergency rental assistance, emergent best practices, and program recommendations. These reports contain frameworks, program examples, and case studies that may be useful in designing or adapting ERA programs in the future. NLIHC also held weekly National Calls that featured national speakers, administration staff, members of Congress, and members of state and local programs to share the latest information on Treasury guidance and innovations in the field.

From the beginning, the ERASE project worked with state partners, local jurisdictions, and ERA program administrators to ensure that local ERA programs were visible, accessible, and preventive. These three goals formed a framework for generating program improvements that would ensure that the lowest-income and most marginalized renters were able to find and access ERA in time to prevent their evictions. Over time, the ERASE project and its partners developed recommendations for each part of the visible-accessible-preventive framework – recommendations that will help future permanent ERA programs successfully meet the housing stability needs of the lowest-income renters:

1. To increase visibility: Conduct equitable and robust marketing and outreach efforts to ensure that all landlords, low-income renters, and people already experiencing homelessness know about the ERA program and how to access it in their community.

2. To increase accessibility: Support equitable access to and disbursement of financial support to landlords and tenants by ensuring an easy-to-use, streamlined, and low-barrier ERA application process.

3. To increase preventiveness: Ensure holistic, responsive interventions at all intersection points, including state and local courts, to reduce evictions, housing displacement, and homelessness.
This report brings together lessons learned over the last two years by the ERASE project and its state and local partners about those programmatic and policy components that have been most effective in making ERA visible, accessible, and preventive.

**GENERAL STRATEGIES FOR ENSURING SUCCESSFUL ERA IMPLEMENTATION**

Though this report explores the particular policies, processes, and tools that have made ERA visible, accessible, and preventive, it is worth drawing attention to a set of strategies adopted by many programs that tended to strengthen ERA implementation generally. These overarching strategies involved (1) partnering with tenants, landlords, and other community members; (2) utilizing ERA program data to track progress and course correct; (3) advancing racial equity through ERA; and (4) ensuring program integrity.

**Partnering with Tenants, Landlords, and Other Community Members**

In its “Promising Practices,” Treasury has noted that “grantees that reported strong partnerships with nonprofit program providers emphasized that these relationships rely on building a shared vision and infrastructure that supports continuous communication about ERA program development, program requirements and definitions, and the flow of ERA applications/payments.” We agree with Treasury that non-profit partnerships are essential in ensuring the efficacy of ERA implementation. Yet we also found that programs benefited from partnerships with those parties most directly affected by ERA: namely, tenants and landlords. Programs that provided ways for tenants and landlords to make their voices heard were able to leverage their expertise in developing planning, implementation, and course correction strategies related to emergency rental assistance.

State and Local Non-Profit Partners Convening Program Administrators to Provide Technical Assistance and Advocate for Program Flexibilities:

**The Housing Alliance of Pennsylvania and Florida Housing Coalition**

Members of the ERASE cohort were effective in convening programs and advocating for program changes to better serve renters with the greatest need. Over the course of 2021 and 2022, the Housing Alliance of Pennsylvania (HAP) regularly met with and provided technical assistance to many of Pennsylvania’s ERA program administrators. The organization has an active listserv with those ERA administrators, where it shares guidance and information on promising practices and where ERAP administrators ask each other questions. HAP has also developed guidance on using fact-specific proxies as well as prioritization to support programs in Pennsylvania.

Florida Housing Coalition provided free training and technical support to the 32 local governments in Florida that received ERA funds. The Coalition hosted monthly workshops with the state’s local ERA program administrators and provided free consulting services to local housing staff, ranging from answering individual questions on topics such as income documentation and eligible expenses to providing full independent audits on program design, Treasury reallocation guidance, advice about how to use State and Local Fiscal Recovery Funds (SLFRF) dollars for rent assistance, information about HOME-ARP and tenant protections, and other information that could assist local ERA administrators with their work. Their goal was to use existing relationships with local housing administrators to help them adopt best practices, like self-attestation and direct-to-tenant assistance, and to expend funds efficiently and equitably.
This strategy is illustrated by the case of the California-based Santa Clara County Homelessness Prevention System, a network of 70 partner organizations led by Destination: Home and Sacred Heart Community Service. In late 2020 and early 2021, the organizations provided $36 million to nearly 15,000 low-income households through a combination of direct financial assistance and rental assistance through the “COVID-19 Emergency Homelessness Prevention Program,” which was funded with CARES Act Coronavirus Relief Funds. In designing their program, the organizations drew on the expertise of community partners, including tenants and landlords, to determine how services and funds should be distributed to tenants. Through a survey of their partners’ community members, the organizations learned what kind of assistance was desired and how community members wished to receive assistance. They prioritized on-the-ground expertise through regular check-ins and meetings where partners could share their feedback, inform program decisions, and discuss successes and concerns with each other. This model of community engagement and collaboration provided valuable insights concerning how to engage partners for ERA.34

Utilizing ERA Program Data to Track Progress and Course Correct

Advocates in communities across the country struggled to access critical program data, particularly data that would enable better analysis of the demographics of who was being served by ERA programs and the relationships between ERA and eviction patterns, neighborhood racial characteristics, and program elements. State and local demographic data in particular are critical to supporting the equitable distribution of ERA insofar as such data enable programs to identify any disparities that may exist on the local level as well as determine where outreach and engagement efforts are best targeted for the ERA funds that have yet to be spent. ERA program data dashboards offer examples of transparency and provide regularly updated data that can inform program corrections and communicate program progress. Many ERA programs developed data dashboards that included information on the number and status of applications, demographics related to participating households, and the types and amount of assistance disbursed and obligated. One such dashboard was created by the Texas Rent Relief Program. The dashboard (shown in Figure 3 below) provides updates on the amount of ERA distributed per household, the number of members in households receiving ERA, the share of households assisted by area median income, the numbers of households assisted by race and by ethnicity, and other metrics.35 (For more examples, visit the NLIHC Resource Hub at https://nlihc.org/resource-hub.)

The ability to successfully track national demographic metrics helps to ensure that equity is at the forefront of decisions and that all decisions and program evaluations are based on data. In December 2021, Treasury released data on the total national distribution of ERA funds by race, ethnicity, gender, and income. Unfortunately, however, Treasury did not release other critical data required by the “Consolidated Appropriations Act of 2021,” including data on the acceptance rate of applicants for assistance; the type or types of assistance provided to each eligible household; the average amount of funding provided per eligible household receiving assistance; household income level; and the average number of monthly rental or utility payments that were covered by the funding amount that a household received. State and local dashboards can help fill in the information gaps until Treasury releases further national data.
Figure 3: Texas Rent Relief Program Public Dashboard.

See the updated dashboard at: https://bit.ly/3NzV6Hg
Advancing Racial Equity through Emergency Rental Assistance

As a result of decades of racist housing policies and practices, Black, Hispanic, and Native American households were more likely to be extremely low-income renters prior to the pandemic compared to white households. Partly for this reason, the COVID-19 crisis disproportionately affected households of color. Black, Hispanic, and American Indian/Alaska Native people experienced higher rates of COVID-19 infection and death compared to white people. Black, Asian American, and Hispanic workers also tended to experience more job loss than white people during the pandemic. ERA programs cannot fully address the inequities that led to these outcomes by themselves, but they can at least begin to do so by centering households of color at each step of program planning and evaluation.

ERA programs used a multitude of strategies to conduct targeted outreach to renters of color. Programs frequently partnered with nonprofits or trusted community-based organizations to conduct outreach in vulnerable communities and even support applicants in the intake process. They broadened their marketing and outreach tactics and made application materials available in many forms (e.g., online, on paper, or over the phone) and in many languages. Many programs also simplified their application processes and changed their documentation requirements. Requiring traditional documentation can place unnecessary burdens on applicant households, especially the most vulnerable ones, and some programs opted to use self-attestation or other tools to reduce such burdens during the pandemic. Further, several programs made clear that they would accept a broad variety of identification documents, or that they did not have citizenship requirements. Some programs also purposefully set up evaluation and monitoring benchmarks to ensure that they were serving households of color in ways that were proportionate to need. Only limited data presently exist for determining whether renters of color were served proportionately to their needs at local levels, let alone for determining whether certain strategies were effective at serving households of color.

Ensuring Program Integrity

Since the beginning of ERA, program administrators have been working to guarantee program integrity while ensuring that funds are disbursed to those households with the greatest needs as efficiently as possible. To accomplish this goal, programs have developed strategies that rely on combinations of staffing, processes, policies, and technology.

Successful program integrity models are grounded in the development and consistent implementation of strong policies and procedures and utilize a combination of technology and staff to identify, investigate, and take action regarding suspicious applications before payments are made. Key strategies include training staff on fraud mitigation and prevention efforts; identifying red flags before an application proceeds; using software programs to review documents and to avoid duplication of assistance and better analyze data; expanding teams to include quality control staff; implementing multi-step review processes; reporting fraud to outside investigators; and setting up security protocols for the processing of payments. Program administrators often cited program flexibilities such as fact-specific proxy and categorical eligibility as features that helped to ensure program integrity by layering data-driven eligibility criteria into the process.

One challenge in understanding fraud within ERA is the lack of a common definition of fraud. Differences in definitions have led to different narratives regarding the amount of fraud that may exist within a particular program. For example, though some may suggest otherwise, fraud does not typically involve common user errors, households and/or landlords unknowingly providing incorrect information, or improper
payments being made without the intent or knowledge of wrongdoing.

Instead, threats to the integrity of ERA application processes and programs have typically fallen into five main categories: (1) households (tenants) falsifying applications; (2) landlords (owners) falsifying applications; (3) landlord / tenant collusion; (4) coordinated attacks by “bots” or hackers; and (5) third-party individuals and “businesses” elsewhere in the process charging fees or coercing tenants. Within each of these categories, fraud can be committed through single applications or through bulk or multiple applications.

Given these threats, most ERA programs have been vigilant in ensuring high program integrity and catching fraudulent requests for assistance before they result in payments. According to an article published in *Newsweek*, states have observed little fraudulent activity and, in those few cases of fraud observed, have often detected and prevented it. The article explains, for example, that “California has rigorously checked its rental assistance applications for fraud, resulting in 0.0036 percent of applications being rejected due to potentially false information. None of these applications were paid.” The article also notes that Utah had a 1% fraud rate and New York a fraud rate of less than 1%. Such low fraud rates were also confirmed anecdotally by ERA program administrators with whom NLIHC staff spoke.
Conduct equitable and robust marketing and outreach efforts to ensure that all landlords and low-income renters know about the Emergency Rental Assistance (ERA) program and how to access it in their community.

Support access to and disbursement of financial support to landlords and tenants by ensuring an accessible, streamlined, and low-barrier ERA application process.

Prevent housing displacement by creating formal partnerships with your state and/or local court to support eviction prevention and eviction diversion in coordination with ERA.

Visible Accessible Preventive
Endnotes


21 Claudia Aiken et al. “Emergency Rental Assistance (ERA) During the Pandemic.”


23 “Emergency Rental Assistance Program Monthly Compliance Report: June 1-30, 2022.”

24 ERA2 data have been adjusted from raw data to correct for presumed data errors.


26 “Emergency Rental Assistance Program Monthly Compliance Report: June 1-30, 2022.”

27 “Emergency Rental Assistance Program Monthly Compliance Report: June 1-30, 2022.”


32 The dashboard is accessible at: https://nlihc.org/era-dashboard.


35 Program Overview, “Texas Rent Relief, accessed October 20, 2022, https://app.powerbi.com/view?r=eyJrIjoiOTQzMTI5ZDctY2MxMxMy00ZGJiLWI2YiAtOTg3ODZiZGZhYWQiwidCI6ImEwZTYxZGNkLTUxYTItNDM3NC05ZmEyLWJmMmFiNWl2MyIsImMiOjN9.


Looking for more information?

- For more information on emergency rental assistance, please visit the ERASE website
- If you have a question, please contact the ERASE team at eraseproject@nlihc.org

ABOUT NLIHC

The National Low Income Housing Coalition is dedicated to achieving racially and socially equitable public policy that ensures people with the lowest incomes have quality homes that are accessible and affordable in communities of their choice.