

EMERGENCY RENTAL ASSISTANCE

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Issue Summary

Millions of renters, spending a significant share of their income on housing, are too often one financial crisis away from losing their home. Emergency rental assistance for these renters can prevent their housing instability and its negative consequences during a financial crisis. In response to the COVID-19 pandemic, Congress established an [Emergency Rental Assistance \(ERA\) program](https://tr.ee/WnmyWt) (<https://tr.ee/WnmyWt>) administered by the U.S. Department of the Treasury to distribute critically needed emergency rental and utility assistance to millions of households at risk of eviction during the pandemic. As of June 2025, ERA program administrators had obligated [\\$44.4 billion](https://tr.ee/fad3MU) (<https://tr.ee/fad3MU>) in emergency rental assistance to over six million households. The program provided a unique opportunity to learn how best to implement emergency assistance and measure its impact. Research shows that emergency rental assistance is an effective tool for mitigating short-term housing instability.

Treasury's Emergency Rental Assistance Program

In mid-2020, many housing advocates were concerned about a looming eviction tsunami due to the number of renters experiencing [COVID-19 rental hardship](https://tr.ee/DTKy0q) (<https://tr.ee/DTKy0q>). Because of this concern, NLIHC launched and led a national campaign for "Rent Relief Now," which called for a national moratorium on evictions for nonpayment of rent, and sufficient emergency rental assistance funds to assist low-income tenants and small landlords. By the end of 2020, renters had accrued an estimated [\\$50 billion](https://tr.ee/MKUab3) (<https://tr.ee/MKUab3>) in rent and utility arrears.

In December 2020, Congress passed an initial \$25 billion (known as ERA1) in the ["Consolidated Appropriations Act of 2021"](https://tr.ee/j3d2kD) (<https://tr.ee/j3d2kD>)

for emergency rent and utility assistance, and then an additional \$21.6 billion (known as ERA2) in March 2021 through the ["American Rescue Plan Act of 2021"](https://tr.ee/sprxBW) (<https://tr.ee/sprxBW>). The emergency rental assistance was allocated to 50 states, localities with populations above 200,000, U.S. territories, and Tribal nations and could be used for financial assistance, such as rent, rental arrears, utilities, and other expenses related to housing, housing stability services, and administrative costs. Households were eligible for the funds if they qualified for unemployment or faced financial hardships during COVID-19, had a household income at or below 80% AMI, and were at risk of housing instability or homelessness. Households could receive up to 18 months of assistance.

To ensure the lowest-income renters could access emergency rental assistance, NLIHC communicated with Treasury and the White House about challenges renters were facing in getting assistance. Because of NLIHC's advocacy, Treasury published [guidance](https://tr.ee/RLzGRY) (<https://tr.ee/RLzGRY>) to encourage or require jurisdictions to use program flexibilities not typically utilized in housing assistance programs, such as direct to tenant payments; self-attestation of income, hardship or housing instability, and rent; fact-specific proxy, which allows the use of other facts to infer a household's income eligibility; and categorical eligibility, which deems a household eligible for assistance if it has been verified as low income by another program. By the second quarter of 2022, public-facing program documents indicated that [67% of Treasury ERA programs](https://tr.ee/OYd1uG) (<https://tr.ee/OYd1uG>) allowed for at least one form of self-attestation, 54% used categorical eligibility, 29% used fact-specific proxy, and 61% allowed direct to tenant assistance. [Surveys of administrators](https://tr.ee/lu8Qo5) (<https://tr.ee/lu8Qo5>), however, indicated a far larger share of programs allowed self-attestation, but some did not publicly state such an option.

[Early research](https://tr.ee/MsBQDR) (<https://tr.ee/MsBQDR>) from NLIHC and Housing Initiative at Penn suggests that programs with fewer and more flexible documentation and eligibility requirements were able to get money to renters more

quickly, which is important for households in crisis. These flexibilities reduced documentation burdens for tenants and presumably for programs, as well. [Direct to tenant assistance](https://tr.ee/DXysEC) (<https://tr.ee/DXysEC>) also enabled programs to distribute money more quickly to distressed renters, given that landlord participation was a challenge for a significant share of applicants. [Early research](https://tr.ee/DXysEC) (<https://tr.ee/DXysEC>) suggests that these flexibilities enabled programs to better serve extremely low-income renters, but future evaluations will provide more insight.

Impacts of Emergency Rental Assistance Program

Research on the impacts of Treasury’s ERA program provides evidence that emergency rental assistance has the desired effects of reducing rental arrears and eviction risk. Research also found positive correlations between receiving emergency rental assistance and non-housing aspects of well-being, including mental health, physical health, and food security.

EMERGENCY RENTAL ASSISTANCE CONNECTIONS TO HOUSING STABILITY

Emergency rental assistance provides renter households with short-term housing stability by helping them pay down rental arrears and cover prospective rent for a limited time. [The Joint Center for Housing Studies](https://tr.ee/gQ97VS) (<https://tr.ee/gQ97VS>) found that recipients of assistance had a 36% lower likelihood of being behind on rent, and if behind on rent, a 14% lower likelihood of perceiving eviction as likely or somewhat likely than applicants who were waiting to hear if they’d been approved. [Another study](https://tr.ee/qDB0qf) (<https://tr.ee/qDB0qf>) found low-income families with children that received emergency rental assistance were 36% less likely to report being behind on rent payments than similar households who had applied for assistance and were waiting for a response. [Fusaro et. al.](https://tr.ee/qMq8ml) (<https://tr.ee/qMq8ml>) found that the beneficial effect of emergency rental assistance on rental arrears was modestly

stronger for Black recipient households compared to white recipient households. All three studies used the U.S. Census Household Pulse Survey that asked renters about their ERA receipt and application.

[Research](https://tr.ee/dwZWud) (<https://tr.ee/dwZWud>) by NLIHC, Housing Initiative at Penn, and Reinvestment Fund involving ten ERA programs found that emergency rental assistance recipients were 6.2% less likely to report living with family or friends or being unhoused than applicants who did not receive emergency rental assistance. [Another study](https://tr.ee/8w3kv8) (<https://tr.ee/8w3kv8>) of four ERA programs, however, found no relationship between emergency rental assistance and extreme housing instability like homelessness and evictions. The authors suggest that widespread availability of other safety net features during COVID-19 may have kept people housed and mitigated the lack of emergency rental assistance.

While emergency rental assistance enables recipients to alleviate rental arrears and keep caught up with rent in the short-term, long-term financial challenges remain. [Focus groups](https://tr.ee/RyJAiA) (<https://tr.ee/RyJAiA>) of mostly non-Hispanic Black and Hispanic mothers of young children indicated that short-term assistance was helpful, but their financial struggles and associated stress continued, especially after the short-term relief ended. Most of them desired consistent and sustained assistance in paying their rent and other bills. Emergency rental assistance works well in helping families during short-term financial crises, but long-term housing solutions are needed to address the shortage of affordable housing and to stably house extremely low-income renters who face long-term affordability challenges.

SPILL OVER EFFECTS

Emergency rental assistance has impacts beyond housing on mental health, physical health, and food security. [Chen et al.](https://tree/qkrlQ5) (<https://tree/qkrlQ5>) show that low-income households with children who received emergency rental assistance were five percentage points less likely to experience household food insufficiency than similar households waiting for a response, and 14 percentage points less likely than

those denied emergency rental assistance. The authors acknowledge that households who received emergency rental assistance may have also received other assistance that helped with hardships, as well.

Surveys of applicants to ten [ERA programs \(https://tr.ee/kVyt8U\)](https://tr.ee/kVyt8U) found that 30% of non-recipients of emergency rental assistance said their health and well-being was worse than a year prior, compared to 25% of those who received assistance. Similar patterns were exhibited for mental health; respondents who received emergency rental assistance reported feeling less anxious and depressed than those who did not.

[Fusaro et. al. \(https://tr.ee/Gfa516\)](https://tr.ee/Gfa516) also found that emergency rental assistance improved both health and food sufficiency. Emergency rental assistance was associated with an average eight to ten percentage point lower likelihood of food insufficiency, depression, and anxiety. These outcomes were found to be the indirect result of emergency rental assistance addressing housing insecurity.

The Future of Emergency Rental Assistance

Despite the continued need for emergency rental assistance, as seen by [eviction filing rates \(https://tr.ee/LK6jhy\)](https://tr.ee/LK6jhy), there is no new federal funding for the continuation of the Treasury ERA program or emergency rental assistance in general. If introduced in this Congress, the “Eviction Crisis Act” would establish a new, [national Emergency Assistance Fund \(https://tr.ee/xaBwrE\)](https://tr.ee/xaBwrE) to help ensure that extremely low-income renters have access to emergency rental assistance in the event of a financial crisis. In the meantime, states and localities can initiate, continue, or expand funding for emergency rental assistance, providing stop gap measures to ensure housing stability during family financial crises.

The Treasury ERA program during the pandemic provided [lessons \(https://tr.ee/oK8Cbd\)](https://tr.ee/oK8Cbd) for Congress, states, and jurisdictions when considering emergency rental assistance programs. These lessons include:

- Sufficient and sustained funding is necessary for adequate staffing and infrastructure for emergency rental assistance programs. Administrators are better able to invest in a more permanent infrastructure, such as more sophisticated technology and training for permanent staff, if they know funding will be sustained for a longer period of time.
- Flexibility in documentation, as well as targeted outreach to high-risk populations, reduces barriers for individuals trying to access the program.
- Direct-to-tenant assistance can alleviate the challenge of needing the participation of both the tenant and the landlord, which is a [double take-up problem \(https://tr.ee/riRtCD\)](https://tr.ee/riRtCD) fairly unique to rental assistance.

[Program flexibilities used in ERA \(https://tr.ee/fqsmbD\)](https://tr.ee/fqsmbD) could possibly be implemented to improve access to other housing assistance programs. Renter households have historically faced challenges in both accessing and utilizing housing choice vouchers due to scarcity of resources, burdensome requirements, uninterested landlords, and racial discrimination. Learning from and incorporating flexibilities implemented during the pandemic, such as direct to tenant assistance, self-attestation, and categorical eligibility could help address some of these challenges.

Emergency rental assistance is an important mechanism for paying off arrears and providing short term housing stability, but it is just one tool in a toolbox needed to alleviate the housing crisis. Emergency rental assistance can provide a cushion for low-income families, staving off immediate evictions, but does not address the underlying shortage of affordable housing that the lowest-income renters face. Congress must ensure long-term affordability for the lowest-income renters through universal vouchers, the preservation and creation of housing affordable to renters with the lowest incomes, and robust and permanent tenant protections at the state, local, and federal levels.

For More Information

Treasury's ERA Program webpage: <https://tr.ee/5qRlq4>

NLIHC Emergency Rental Assistance Research: <https://tr.ee/qWJqjN>

NLIHC State and Local Innovation: <https://nlihc.org/state-and-local-innovation>

NLIHC Report: Beyond Housing Stability: Understanding Tenant and Landlord Experiences and the Impact of Emergency Rental Assistance, <https://nlihc.org/sites/default/files/beyond-housing-stability.pdf>

NLIHC Report: [End Rental Arrears to Stop Evictions \(ERASE\): History, Successes, and Highlight](https://tr.ee/1lOZ4l) (<https://tr.ee/1lOZ4l>)