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Treasury Emergency Rental Assistance Programs in 2021: Preliminary Analysis of Program Features and Spending Performance

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I. Introduction

Congress appropriated a historic $46.55 billion for emergency rental assistance to protect the housing stability of tenants struggling to pay their rent. An initial $25 billion, known as ERA1, was included in the Consolidated Appropriations Act of 2021, creating the U.S. Department of the Treasury's Emergency Rental Assistance (ERA) program. Congress appropriated an additional $21.55 billion, known as ERA2, for the Treasury ERA program in the American Rescue Plan Act.

Prior to these appropriations, many jurisdictions created or expanded emergency rental assistance programs in immediate response to the COVID-19 pandemic using a variety of federal and local funding streams, including funds provided through the CARES Act[1], state and local funds, and philanthropic contributions. By mid-October 2020, for example, 333 unique state and local jurisdictions had launched 438 rental assistance programs accounting for at least $3.9 billion.[2]

Our prior research on these earlier programs indicates that more flexible funding streams and less restrictive program characteristics were associated with better program performance.[3] Jurisdictions that used the most flexible source of CARES Act funds served more households than administrators initially expected, while those that used more restrictive funds with greater documentation requirements served fewer. Programs with more application requirements, especially those requiring documentation of COVID-related income losses, were also more likely to report incomplete applications as a challenge. Programs that partnered with non-profits to administer rental assistance were

[1] The CARES Act was enacted by Congress in March 2020 to provide states and local jurisdictions with resources to respond to the COVID-19 pandemic.

[2] Rebecca Yae et al., "NLIHC Research Note: Emergency Rental Assistance Programs in Response to COVID-19." National Low Income Housing Coalition. October 2020. https://nlihc.org/sites/default/files/Emergency-Rental-Assistance-Programs-3.pdf

[3] Vincent Reina et al., "COVID-19 Emergency Rental Assistance: Analysis of a National Survey of Programs." Housing Initiative at Penn, NYU Furman Center, National Low Income Housing Coalition. Research Brief, January 2021. https://nlihc.org/sites/default/files/HIP_NLIHC_Furman_Brief_FINAL.pdf

less likely to report inadequate capacity and incomplete applications as significant limitations and served more households than expected.

The Treasury ERA program provides far greater resources for emergency rental assistance than the CARES Act, and has 740 grantees, including all 50 states and the District of Columbia, 382 local jurisdictions, five U.S. territories, 301 tribal governments and tribally-designated housing entities, and the Department of Hawaiian Home Lands. The ERA program also provides grantees with significant flexibility in the design and implementation of their programs, allowing self-attestation for a number of eligibility criteria to avoid stringent documentation requirements and encouraging partnerships with non-profit organizations to expand capacity and outreach efforts. After a slow start to getting funds out the door, many programs accelerated their spending starting in June. In June alone, grantees spent two times what they spent from January through April.[4] Overall, programs spent 12% of the $25 billion ERA1 allocation by the end of June, and 48% by the end of October.

The scale and flexibility of the Treasury ERA program presents an opportunity to build upon our earlier research. Expanding on our previous work, we conducted a series of surveys of ERA administrators in April 2021 and again in July 2021 about administrative capacity, program design and implementation, challenges, and strategies to address racial equity. In this brief, we examine several program features and the pace at which ERA programs have distributed assistance and other outcome measures using data from our survey, the NLIHC ERA Database of design and implementation features of Treasury ERA programs, and the Treasury's Emergency Rental Assistance Monthly Compliance Report for September 2021. Our key findings include:

- Respondents to the survey typically expected demand for the program to exceed the number of households they could serve. Due to funding constraints, the median program expected to serve 62% of completed applications it expected to receive.

- Programs that allow categorical eligibility or use fact-specific proxy for income eligibility spent a higher share of their allocation by September 30, 2021, on average, than programs that do not.

- Programs that adopted self-attestation for at least one eligibility criterion during the summer spent, on average, a greater share of their allocation during the summer than programs that never adopted self-attestation (34% to 25%).

- Programs that adopted self-attestation for both income and COVID-related hardship during the summer spent, on average, a greater share of their allocation during the summer than programs that adopted neither (39% vs. 26%).

- Surveyed programs that provided direct-to-tenant assistance when the landlord refused to participate or was non-responsive spent, on average, a greater share of their allocation by July 31, 2021 than those that did not (33% vs. 28%). Interestingly, programs that added direct-to-tenant assistance as a new design feature during the summer, however, did not necessarily see better performance on overall spending than programs that never provided direct-to-tenant assistance.

- Surveyed programs that partnered with non-profit organizations for some aspect of implementation spent, on average, a greater share of their allocation by the end of July 2021 than those that did not (38% vs. 20%).

[4] *"New Treasury Data Show June Uptick in ERA Spending as Eviction Moratorium Expiration Looms." National Low Income Housing Coalition.* https://nlihc.org/resource/new-treasury-data-show-june-uptick-era-spending-eviction-moratorium-expiration-looms

II. Policy Context

Households are eligible for ERA1 funds if they have incomes at or below 80% of their area median income (AMI), can demonstrate risk of experiencing homelessness or housing instability, and either qualified for unemployment benefits or experienced financial hardship due, directly or indirectly, to COVID-19. Eligibility for ERA2 funds is similar, but the financial hardship criterion can be due to or during the pandemic. All ERA grantees must prioritize households with incomes below 50% of AMI or households with individuals who are unemployed and have been unemployed for 90 days.

Treasury's current guidance allows grantees to accept self-attestation from applicants in place of traditional documentation of income, COVID-related hardship, housing instability, and rental arrears. Treasury also allows for categorical eligibility, in which income-eligibility is based on qualification for other income-based programs, and fact-specific proxy, in which programs can assume a household is eligible based on other socioeconomic information, like the average income or share of cost-burdened households of an applicant's neighborhood. Initial guidance published by Treasury in January 2021 was much more stringent and required programs to obtain source documentation of a household's income and COVID-19 hardship. Subsequent guidance, however, provided greater flexibility in how programs can determine household eligibility.

Grantees using ERA1 funds can provide assistance to a household for a maximum of 15 months, while grantees using ERA2 funds can provide assistance for up to 18 months. Grantees using either fund can only provide assistance for up to 3 months of future rent before households need to reapply or recertify for additional assistance.

A significant change between ERA1 and ERA2 funding streams is in relation to landlord participation. Grantees can provide ERA1-funded assistance directly to tenants only after seeking, but failing to obtain, landlord participation. In our previous research, 44% of program administrators identified landlord non-participation as a significant challenge.[5,6] Grantees using ERA2 funds can provide assistance directly to tenants without first seeking landlord participation. Grantees that do seek landlord participation are required to provide direct-to-tenant assistance when landlords refuse to participate or are non-responsive. Treasury notes that "in cases where a landlord or utility provider does not participate in the program, the only way to achieve the statutory purpose is to provide assistance directly to the eligible household."[7]

Lastly, ERA1 funds must generally be obligated by September 30, 2022. Treasury is currently in the process of recapturing ERA1 funds from grantees who had neither obligated at least 65% of their initial allocation nor expended at least 30% of their allocation by September 30, 2021. These funds will be reallocated to grantees who have obligated at least 65% of their allocation.[8] Programs can use ERA2 funds through September 30, 2025.

This brief focuses on ERA1 funds appropriated in the Consolidated Appropriations Act. As of September 30, 2021, grantees had expended 40% of ERA1 funds. Only 85 of the more than 400 grantees had started using ERA2 funds by the end of September, expending only 2% of ERA2 funds.[9]

III. Key Features Among Treasury ERA Programs

We analyze key features in ERA programs through two datasets. We looked at program features for 495 ERA programs recorded in NLIHC's Treasury ERA

[5] Vincent Reina et al., "COVID-19 Emergency Rental Assistance: Analysis of a National Survey of Programs." Housing Initiative at Penn, NYU Furman Center, National Low Income Housing Coalition. Research Brief, January 2021. https://nlihc.org/sites/default/files/HIP_NLIHC_Furman_Brief_FINAL.pdf

[6] Vincent Reina et al., "Treasury Emergency Rental Assistance Programs in 2021: Analysis of a National Survey." Housing Initiative at Penn, NYU Furman Center, National Low Income Housing Coalition. Research Brief, June 2021. https://nlihc.org/sites/default/files/HIP_NLIHC_Furman_2021_6-22_FINAL_v2.pdf

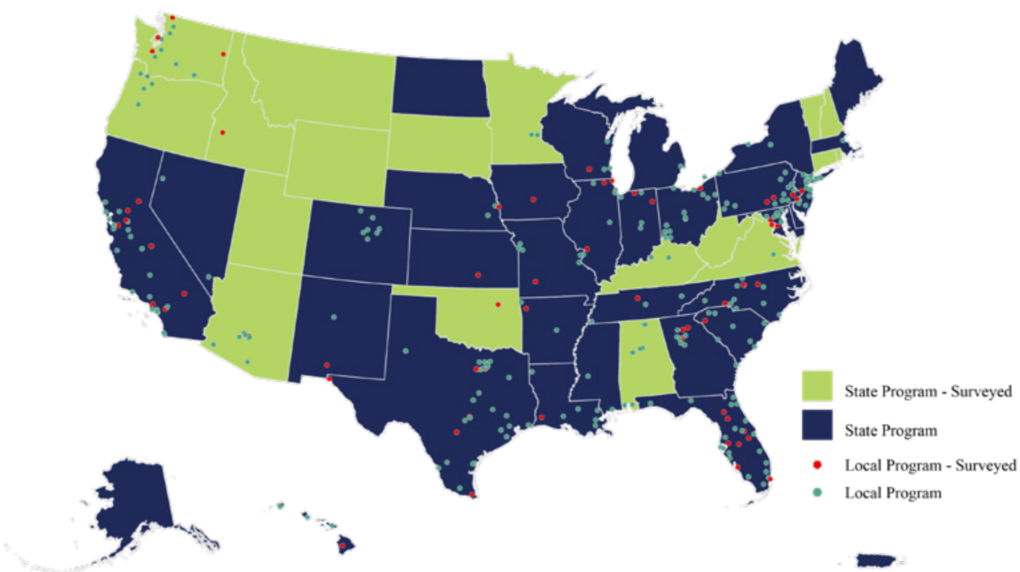
[7] The Department of Treasury addressed direct-to-tenant assistance in its guidance in question 12, available at https://home.treasury.gov/system/files?file=136/ERA-FAQ-8-25-2021.pdf

[8] The Department of Treasury published detailed guidance on the reallocation process, available at https://home.treasury.gov/system/files/136/ERA-Reallocation-Guidance.pdf

[9] "September Data Show 40% of ERA1 Allocation Disbursed, Many Grantees Remain at Risk of Funding Recapture and Reallocation." National Low Income Housing Coalition. https://nlihc.org/resource/september-data-show-40-era1-allocation-disbursed-many-grantees-remain-risk-funding

[10] Vincent Reina et al., "Treasury Emergency Rental Assistance Programs in 2021: Analysis of a National Survey" Housing Initiative at Penn, NYU Furman Center, National Low Income Housing Coalition Research Brief, June 2021. https://nlihc.org/sites/default/files/HIP_NLIHC_Furman_2021_6-22_FINAL_v2.pdf

Figure 01. State and Local ERA Programs by Survey Participation



database. NLIHC populates the database from public information about program design and implementation shared on each program's website, supplemented in some cases by communication with program administrators themselves. The database is made up of state-level programs (10%), countywide programs (46%), citywide programs (13%), tribal programs (30%), and territory programs (1%).

Our previous research indicates that some programs do not clearly communicate some of their features in public documents.[10] To address this, we examine programs through surveys of Treasury ERA program administrators. Survey responses provide more context on key program design features and if or how they have been implemented.

Our first survey was launched in April 2021, and asked about program design, implementation, outcomes, and challenges. A follow-up survey was then sent to those same programs administrators in July 2021 to ask for updates on implementation and outcomes. A longer survey was sent in July to ERA program administrators who had not completed our April survey or did not have an established program at the time. Both survey versions included similar questions about implementation and spending. In total, 105 program administrators, representing 21% of known programs, completed at least one of the two surveys (Figure 1). This represents the largest published survey to date of ERA program administrators in the country. Of those who completed the survey, 49% were county programs, 15% were state programs, 11% were city programs, 12% were regional programs, and 11% were tribal or territory programs.

Tenant Eligibility Criteria

As dictated by ERA statute, the vast majority of programs both in the database and the survey used income thresholds (98% and 100%, respectively), COVID-19-related financial hardship (100% and 97%, respectively), and risk of housing instability or homelessness (92% and 90%, respectively) as tenant eligibility criteria. Programs varied in how they determined whether tenants were at risk of homelessness or housing instability. Programs in the database and the survey most commonly accepted past due rent (73% and 83%, respectively) or an eviction notice (55% and 76%, respectively) as an indicator of housing instability. Some survey respondents also used severe housing cost burden (33%) and previous experience of homelessness or eviction (28%) as indicators of risk of housing instability or homelessness. Some respondents required U.S. residency (18%) and participation in other programs

[11] *Ibid*

Table 01. Comparison of Self-Attestation between Programs in NLIHC Database and Surveyed Programs

	Programs in NLIHC Database*	Surveyed Programs**
Any self-attestation	59%	92%
COVID hardship self-attestation	44%	82%
Income self-attestation	35%	67%
Housing Instability self-attestation	15%	37%

*N=495 **N=78

for low-income households (10%) to determine eligibility. Programs requiring tenants to be legal U.S. residents exclude undocumented residents and mixed-status households, who are particularly vulnerable to housing discrimination and exploitation.

Documentation Requirements

The extent and stringency of documentation requirements may pose barriers in the application process. Despite Treasury's guidance, only 59% of programs in NLIHC's database readily indicated to applicants their acceptance of any form of self-attestation, most commonly for COVID-19-related hardship (44%), income (35%), housing instability (15%) and lease (9%) (Table 1).

As in our previous research, programs that responded to our survey had a higher rate of self-attestation acceptance. Some of this may be due to the fact that programs that responded to our survey are more likely to offer self-attestation than those that did not respond. However, that does not account for all of the difference. In fact, we find that 30% survey respondents reported allowing self-attestation although the policy was not acknowledged on their application websites. More than three out of four survey respondents reported that tenants could self-attest to COVID-19-related hardship rather than submit documentation, but only half of these programs reflect this policy in readily-accessible public documents. A high percentage of surveyed programs also allow the use of self-attestation of household income (67%), but half of them do not indicate this option on their websites.

Surveyed programs also allowed applicants to self-attest to a lack of other housing subsidies (44%), proof of tenancy such as a current lease (44%), and rental arrears (21%).

Implementation around self-attestation varies. Almost half of survey respondents (49%, N=41) who responded about the applicability of their self-attestation noted that their self-attestation is universal in that all applicants are invited to self-attest to certain eligibility requirements. Another 37% of respondents indicated that self-attestation is universal for some items and case-by-case for others. Fifteen percent of respondents indicated that they invite tenants to self-attest on a case-by-case basis.

Some programs also implement alternative methods to verify applicants' income. According to public documents on programs' websites, twenty-one percent of ERA programs use categorical eligibility in which enrollment in another means-tested program is evidence for ERA income eligibility. A handful of programs (3%) use fact-specific proxy in which other data, often geographic in nature, are used to determine income eligibility. For example, a program implementing fact-specific proxy may assume applicants from low-income census tracts are income-eligible. All programs with fact-specific proxies combine the proxy with self-attestation for eligibility determination.

Subsidy structure

Twenty-eight percent of programs in NLIHC's database readily acknowledge offering direct-to-tenant assistance. However, while over two-thirds of our survey respondents (71%, N=78), indicated that tenants are able to receive payment directly if a landlord refuses to participate or is non-responsive, 53% of these programs do not provide information about this option on their webpages. Three surveyed programs that did not provide direct-to-tenant assistance at the time of the survey had added the option by October.

Program implementation

ERA programs frequently rely on multiple entities to support implementation. Nearly two-thirds of surveyed administrators (65%; N=83) reported collaborating with non-profit organizations to implement ERA. Their responses indicate that non-profit organizations commonly assist with outreach (91%, N=54), intake (85%), application review (72%), and payments (72%). A majority (73%, N=71) of surveyed programs reported two or more iterations of their emergency rental assistance program since the onset of COVID-19.

IV. Measuring Program Outcomes and Performance

We examined two main sets of outcome measures: (1) applicant uptake and (2) spending outcomes. We assessed applicant uptake using two metrics: the number of applicants compared to administrators' expectations and the number of households assisted compared to administrators' expectations. We assessed spending with two metrics: total share of ERA1 allocation spent by the end of either July 2021 or September 2021 and the share of ERA allocation spent between June 30, 2021 and September 2021. These are not the only metrics by which programs should be evaluated. Specifically, we could not evaluate whether funds were equitably distributed because demographic data on who programs assisted are not yet widely available. Further research on both the equitable distribution of funds and the impact of these programs on tenant outcomes is needed.

Applicant uptake

Our survey asked program administrators about the number of applications they received compared to the number they expected. Among the respondents to our July survey, the median program had received slightly less than half (0.46) of the completed applications it expected to receive over the life of the program (Table 2). A small share of programs (15%, N=48) received more applications than they had expected. Newer programs likely have lower ratios that will increase over time.

We also asked programs about the number of households they expected to serve through the life of the program. Respondents typically reported that the number of households they expected to serve was lower than the number of applications they expected to receive, signaling a presumption that they would not meet the need for assistance. The median program expected to serve 62% of the applications it expected to receive. This pattern is consistent across the sample as most programs anticipated being able to serve fewer households than the number of applicants.

We compared the number of households that programs expected to serve, as reported in the survey, to the number of households actually served as of July 31, 2021, as reported in Treasury data. The median program had a ratio of 0.37, indicating that the majority of programs had not yet served nearly the number of households they expected to serve over the life of the program.

Table 02. Applicant Uptake Among Surveyed ERA Programs

Metrics	Mean	Median	Minimum	Maximum	N
Ratio of completed to expected applications	0.60	0.46	0.03	2.4	48
Ratio of expected households served to expected applications	0.86	0.62	0.13	9	54
Ratio of actual to expected households served	0.63	0.37	0.05	4.96	54

Spending outcomes

We analyzed differences in program spending across programs that included or lacked specific program features using spending data published by Treasury and program data from both the NLIHC database and the survey sample. Because program features can change over time, we used spending data from points in time closest to when program data were recorded. This means we used spending data as of September 30, 2021 for the analysis of the NLIHC database updated at that time. We used spending data as of July 31, 2021 for the analysis of the July surveys. Lastly, we examined how much programs spent between June 30, 2021 and September 30, 2021, a period of time in which programs, as a whole, ramped up their spending.

Programs in the NLIHC database spent, on average, approximately 44% of their ERA1 allocation by September 30, 2021. The median program in the database spent 39% of its allocation (Table 4). The average program spent 27% of its allocation between June 30, 2021 and September 30, 2021.

Surveyed programs spent, on average, approximately 31% of their ERA1 allocation by July 30, 2021, the month in which we collected our survey data. These same programs spent, on average, 51% of their ERA1 allocations by September 30, 2021, indicating a significant increase in spending since the end of July.

Table 03. Spending Outcomes for ERA Programs

	Mean	Median	Minimum	Maximum	N
Programs in NLIHC Database*					
Share of funds spent by end of September as a share of ERA1 allocation	44%	39%	1%	96%	258
Share of funds spent between end of June and end of September	27%	24%	1%	82%	253
Surveyed Programs					
Share of funds spent by end of July as a share of ERA1 allocation	31%	27%	1%	85%	82
Share of funds spent between end of June and end of September	30%	27%	1%	98%	82

*Programs without grantee-level spending information, programs administered by U.S. territories, and local programs operating ERA with both their own funds and state-level funds were excluded from the analysis.

V. Lessons Learned

In this section, we examine program characteristics and the outcome measures, as available, described above. We were particularly interested in how programs that adopted self-attestation and similar flexibilities to reduce tenants' barriers to assistance compared to programs without these flexibilities. We were also interested in the ways that program implementation, particularly partnerships with nonprofits, affected performance. We largely focus on how much programs with characteristics of interest have spent compared to those without. This analysis exclusively uses descriptive statistics to help provide insight into key aspects of ERA programs. Future research should explore any causal relationships between program spending and program characteristics.

Reducing documentation barriers

Programs had several tools available to reduce barriers and increase flexibilities. Self-attestation was the most common way programs sought to reduce documentation barriers, though some programs used categorical eligibility and a few used fact-specific proxy in addition to or in lieu of self-attestation. We explore the spending performance of programs with and without these features.

Programs using categorical eligibility spent, on average, a higher share of their allocation by the end of September than programs not using categorical eligibility (46.8% compared to 42.5%). This trend was consistent across state programs, large local programs with ERA1 allocations of at least $15 million, and small local programs with ERA1 allocations of less than $15 million (Table 4). Programs with fact-specific proxies to determine income eligibility spent only a slightly higher average share of their allocation than those that had not used such proxies (44.2% compared to 43.7%). Because few programs clearly communicate that they use fact-specific proxy, we did not examine this feature by program size.

Based on patterns found in both the NLIHC database and surveyed programs, it appears that implementing some form of self-attestation is positively related to a program's ability to spend.

Programs in the NLIHC database that allowed self-attestation, and specifically income self-attestation or both income and COVID-related hardship self-attestation, spent, on average, a greater share of their ERA1 allocation than programs that did not allow these forms of self-attestation (Table 4). Programs with any self-attestation, for example, spent on average 45.7% of their allocation by the end of September 30, 2021 compared to 41.8% of programs without self-attestation. These trends were consistent across all program sizes.

Using the NLIHC database, we find that programs that allowed self-attestation for COVID-related hardship spent less of their allocation, on average, than those that did not. However, this relationship varies by program size; small local programs and state-level programs that allowed self-attestation for COVID-related hardship spent a higher average share of their allocation compared to programs that did not allow for such self-attestation, while large local programs that allowed self-attestation for COVID-related hardship spent a slightly lower average share of their allocation compared to programs that did not allow such self-attestation.

One caveat is that our surveys suggest many programs allow for self-attestation even though readily available information on their websites does not acknowledge it. Thus our analyses using the NLIHC database are confounded by the assumption that the website data about a program is correct. Other confounding factors may also be at play, as data from further analyses below signal that self-attestation for COVID-related hardship may still be important to programs' ability to spend and improve spending.

Our survey may more accurately capture the self-attestation flexibilities that programs actually use than our review of programs' websites, which inform the NLIHC database. Findings from our survey provide more consistent differences between programs with self-attestation flexibilities and those without (Table 4). Surveyed programs with different forms of self-attestation had consistently higher average spending by the end of July compared to those without.

Table 04. Self-Attestation and Spending Outcomes

Measure		Any self-attestation	Income self-attestation	COVID hardship self-attestation	Both income and COVID hardship self-attestation	Categorical eligibility
		TYPES OF SELF-ATTESTATION				
Share of ERA1 allocation spent by September 30, 2021 - Programs in NLIHC database						
All programs	Allows feature	45.7%	46.9%	44.6%	46.2%	46.8%
	Does not allow feature	41.8%	42.4%	45.3%	43.1%	42.5%
State-level programs	Allows feature	29.7%	31.9%	30.6%	32.8%	31.9%
	Does not allow feature	24.3%	22.9%	25.6%	21.3%	25.2%
Large local programs	Allows feature	52.9%	55.7%	50.1%	54.1%	55.6%
	Does not allow feature	45.7%	46.1%	52.8%	48.9%	46.1%
Small local programs	Allows feature	48.4%	48.9%	48.7%	49.9%	52.4%
	Does not allow feature	42.5%	45.0%	45.5%	43.6%	44.6%
Share of ERA1 allocation spent by July 31, 2021 - Surveyed programs						
All programs	Allows feature	32.2%	33.5%	32.8%	33.7%	-
	Does not allow feature	15.5%	25.8%	20.8%	18.9%	-

Anecdotal evidence suggests that programs may see a significant increase in spending after adopting key program features.[12] NLIHC regularly updates its ERA database, making it possible to identify changes in program features over time. We examined the change in programs' features over the summer, or between the end of June and mid-October, for 238 programs for which we had complete data at both points in time. We categorized programs into three groups for each feature of interest: (1) programs that adopted the feature over the summer (between the end of June and mid-October); (2) programs that adopted the feature before the end of June and still had the feature by mid-October; and (3) programs that never adopted the feature. We then examined average spending for each group between the end of June and end of September to see whether programs that adopted new features experienced a greater increase in spending.

Generally, programs that adopted some form of self-attestation during the summer had, on average, larger gains in their spending performance compared to programs that consistently had the feature and programs that never adopted the feature (Table 5). For example, programs that adopted any form of self-attestation during the summer spent, on average, 34.2% of their allocation between June 30 and September 30, 2021 compared to 27.6% among programs that consistently allowed self-attestation and 25.2% among programs that never adopted self-attestation (Table 5). We see similar patterns specific to income and COVID-related hardship self-attestation.

The average spending during the summer for each group (programs that adopted the feature, consistently had the feature, or never adopted the feature) hides the variability of spending within those groups. The range of potential outcomes was greatest for programs

[12] Emma Foley et al., "Emergency Rental Assistance: Spending and Performance Trends." National Low Income Housing Coalition, November 2021. https://nlihc.org/sites/default/files/ERA-Spending-and-Performance-Trends.pdf

that adopted more flexibility during the summer, with some programs improving significantly and other programs remaining stagnant. As a result, the average may not fully capture the range of outcomes. We use two comparisons to investigate variability: we look at the number of programs that (1) spent more than the average spent between June 30 and September 30, 2021 (at least 27% of their funds); and (2) fell within the top quartile of spending between June 30 and September 20, 2021 (i.e. more than 37% of their funds).

Programs that adopted any type of self-attestation over the summer were more likely to have had above average spending between June and September. They were also more likely to be in the top quartile of spending during those months. Nearly 38% of programs that adopted self-attestation over the summer were in the top quartile of spenders during the summer compared to 26.6% of programs that always allowed self-attestation and 21.9% of programs that never allowed self-attestation. This pattern was even more pronounced for programs that adopted self-attestation for both income and COVID hardship over the summer, with 70.6% of these programs showing above average spending (compared to 48.5% of programs that consistently had both forms of self-attestation and 47.7% that had neither) and 41.2% falling into the group of highest spenders over the summer (compared to 30.3% and 20.5%, respectively). All in all, self-attestation seems to be a critical tool for programs to expedite their spending, but not the only tool that programs need to use to expedite assistance to households.

Table 05. Changes in Self-Attestation and Spending in Programs in NLIHC Database

	TYPES OF SELF-ATTESTATION			
Measure	Any self-attestation	Income self-attestation	COVID hardship self-attestation	Both income and COVID hardship self-attestation
Share of ERA1 allocation spent between June 30, 2021 and September 30, 2021				
Programs that adopted the feature over the summer	34.2%	32.1%	33.8%	39.0%
Programs that consistently had the feature	27.6%	27.5%	26.7%	28.5%
Programs that never adopted the feature	25.2%	26.1%	28.7%	27.2%
Share of programs with above-average spending between June 30, 2021 and September 30, 2021*				
Programs that adopted the feature over the summer	56.8%	51.2%	56.7%	70.6%
Programs that consistently had the feature	45.9%	44.8%	44.7%	48.5%
Programs that never adopted the featurea	40.6%	44.3%	46.9%	47.7%
Share of programs in top quartile of spending between June 30, 2021 and September 30, 2021*				
Programs that adopted the feature over the summer	37.8%	34.9%	33.3%	41.2%
Programs that consistently had the feature	26.6%	25.9%	26.3%	30.3%
Programs that never adopted the feature	21.9%	22.9%	28.1%	20.5%

Note: The table includes only programs that were operating and reported spending data by June 30. Programs that spent more than 75% of their ERA1 allocation by the end of June were excluded from the analysis.
**Average share of allocation spent between June 30, 2021 and September 30, 2021 across all programs was 27%. The top quartile of spenders spent more than 37% of their allocation.*

Direct-to-tenant assistance

Our survey indicates that allowing for direct-to-tenant assistance appears to be positively related to spending outcomes. Surveyed programs that allowed for direct-to-tenant payments spent, on average, a higher share of their funds by July 31 than those without (33.0% vs. 27.7%) and a higher share of funds between June and September than those that did not allow direct-to-tenant payments (30.9% vs. 25.3%; N=67).

Patterns between direct-to-tenant assistance and spending outcomes are much less clear when using the NLIHC database. Overall, programs in the NLIHC database with direct-to-tenant assistance spent a similar share of their ERA1 allocation as programs without it, but state programs and small local programs with direct-to-tenant assistance spent a higher average share than programs without it (Table 6).

As described previously, we used historical data from the NLIHC database to examine changes in program features between June and September, 2021. Programs that adopted direct-to-tenant assistance during the summer spent an average of 23.5% of their allocation during the same time period, while programs that never had direct-to-tenant assistance and programs that consistently had it spent an average of 27.0% and 27.3%, respectively.

Our analyses using the NLIHC database are likely confounded by programs that do not publicly communicate that they allow direct-to-tenant assistance. Fifty-three percent of surveyed programs that said they allow direct-to-tenant assistance do not provide that information on their website. The misclassification of these programs in the NLIHC database may lead us to underestimate the difference in spending between these two groups.

Program implementation

Surveyed programs that underwent more iterations appear to have better uptake and spending. Surveyed

Table 06. Direct-to-Tenant Assistance and Spending Outcomes

Measure		DIRECT-TO-TENANT ASSISTANCE
Share of ERA1 allocation spent by September 30, 2021 - Programs in NLIHC database		
All programs	Allows feature	42.6%
	Does not allow feature	43.0%
State-level programs	Allows feature	29.3%
	Does not allow feature	26.1%
Large local programs	Allows feature	48.6%
	Does not allow feature	50.3%
Small local programs	Allows feature	50.1%
	Does not allow feature	44.1%
Share of ERA1 allocation spent by July 31, 2021 - Surveyed programs		
All programs	Allows feature	33.0%
	Does not allow feature	27.7%
Share of ERA1 allocation spent between June 30, 2021 and September 30, 2021 - Surveyed programs		
All programs	Allows feature	30.9%
	Does not allow feature	25.3%

programs that underwent such change also had greater ratios of completed applications to applications expected, indicating that programs' prior experiences and adaptability likely helped make applications more accessible over time (Table 7). These programs also spent more, on average, by the end of July. Programs in the survey sample that had a rental assistance program before the COVID-19 pandemic spent, on average, a higher share of their ERA1 allocation by the end of July than programs that did not (32.7% vs. 28.2%, N=65), potentially indicating that prior experience also mattered.

Our prior research indicates that programs with non-profit partnerships were more effective in uptake. In our July survey, programs that had non-profit partnerships for both intake and payment processing had a higher ratio of completed applications to expected applications compared to programs with partnerships for neither (0.58 to 0.43). Programs with non-profit partnerships for both intake and payment processing also served a higher proportion of the total households they expected to serve compared to programs with partnerships for neither (0.57 to 0.20). Notably, surveyed programs with non-profit partnerships spent an average of 37.9% of their allocated funds by the end of July, compared to an average of 19.9% among programs without non-profit partners. Surveyed programs with non-profit assistance spent 32.3% of their ERA1 between June and September 2021, whereas those that did not indicate assistance from a non-profit partner spent an average of 24.6%.

VI. Conclusion

Several important points emerge from this analysis. In general, giving applicants the ability to self-attest to eligibility criteria is one clear option for programs to reduce application barriers and improve their ability to expend funds. Other promising practices include categorical eligibility and fact-specific proxy, in which programs use eligibility for other income-based programs or other facts to determine a household's eligibility for ERA.

Whether programs are new or are modifications to pre-existing programs can influence their initial performance. Our previous research of early emergency rental assistance programs in 2020 found that many new programs were initially slower at distributing funds to renters, but over time surpassed pre-existing programs in spending funds.[13] Our current survey results support the first part of this conclusion in that pre-existing programs tended to be initially more effective spenders. It is still too early to tell if new programs will catch up as a number of new programs may not have reached their optimal stride by July 2021 when the survey was administered. One implication is that if the goal during a crisis is to distribute rental assistance quickly, any lag inherent in launching a new program is problematic. These findings support the need for a strong housing safety net before a crisis occurs in order to provide a robust and rapid response for renters.

Table 07. Iteration and Program Outcomes in Surveyed Programs

Program Iterations	Ratio of completed to expected applications	Ratio of actual to expected households served	Share of allocation spent by July 31, 2021
1	0.42	0.52	20.5%
2	0.47	0.42	28.2%
3	0.63	0.70	45.0%
4+	0.74	1.24	38.7%

[13] *Vincent Reina et al., "COVID-19 Emergency Rental Assistance: Analysis of a National Survey of Programs." Housing Initiative at Penn, NYU Furman Center, National Low Income Housing Coalition. Research Brief, January 2021.* https://nlihc.org/sites/default/files/HIP_NLIHC_Furman_Brief_FINAL.pdf

While programs that made modifications and adopted greater program flexibilities generally seemed to have better spending outcomes, the evidence is mixed regarding direct-to-tenant assistance. Our survey results indicate that programs with direct-to-tenant assistance spent a greater share of their allocation than programs without it. However, according to NLIHC's database, programs that did not initially provide direct-to-tenant-assistance, but that adopted it during the summer, did not experience the same spending outcomes. Their average spending was less than that of programs that never adopted direct-to-tenant assistance and programs that consistently offered direct-to-tenant assistance. One explanation could be that programs with the largest challenges and slower initial spending were the most likely to switch to direct-to-tenant assistance, and that such a switch on its own is insufficient to make up for broader challenges. Another explanation could be that programs with the greatest capacity to deploy direct-to-tenant assistance adopted it from the start and those with less capacity did not. Finally, it may be difficult for applicants to use options like direct-to-tenant assistance, or even know about these options, if the options are not part of the original program outreach and design. Forthcoming research from NLIHC, for example, suggests that some early applicants initially unable to receive assistance from certain Tribal programs could have later received assistance after program modifications. However, these applicants had no way of knowing that they now qualify without programs reaching back out to them. These are all points worthy of further investigation.

A broader issue is that expenditure data is limited as a proxy for program performance. Even if direct-to-tenant assistance does not hasten program spending, there is a moral- and equity-based rationale in that tenants should not be denied assistance based on a landlord decision.

While it is imperative to get assistance to tenants quickly, further research needs to focus on who receives assistance and the impact of assistance on recipients' wellbeing. While initial data and findings are available from some jurisdictions, including California,14 there is a clear need for transparency and data sharing on who receives ERA. The Consolidated Appropriations Act of 2021 requires ERA1 grantees to report to Treasury the number of households assisted by race, ethnicity, and gender. The release of these data would allow us to develop a better understanding of how programs can ensure a racially and socially equitable distribution of funds.

Finally, the relationship between program features and performance is influenced by multiple factors not captured by our descriptive analysis. These factors include programs' staff and technological capacities, local housing market dynamics, and the variety of political and legal contexts within which these programs operate. Future research should consider these complexities.

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[14] Vincent J. Reina and Sydney Goldstein, "An Early Analysis of the California COVID-19 Rental Relief Program." Housing Initiative at Penn, July 2021. https://www.housinginitiative.org/uploads/1/3/2/9/132946414/hip_carr_7.9_final.pdf