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Treasury Emergency Rental Assistance Programs in 2021: Analysis of a National Survey

Housing Initiative at Penn

Vincent Reina
Claudia Aiken
Isabel Harner
Julia Verbrugge

NYU Furman Center

Ingrid Gould Ellen
Tyler Haupert

National Low Income Housing Coalition

Andrew Aurand
Rebecca Yae

Executive Summary

In 2020, in response to the COVID-19 pandemic and its economic fallout, many jurisdictions created or expanded emergency rental assistance programs to stem evictions and keep renters in their homes. We first surveyed 220 programs in the fall of that year and released a series of reports about the design, implementation, and performance of these programs. In late December 2020, Congress appropriated $25 billion for a Treasury Emergency Rental Assistance (ERA) Program to further support struggling renters. To analyze these programs, we are again conducting ongoing surveys of rental assistance program administrators. This report represents the first of several survey analyses and captures the earliest programs launched using ERA funding.

Our April 2021 survey received responses for 64 of the 140 ERA programs that had launched by April 8. Many respondents indicated that their programs were still in the early stages of implementation; thus, this report focuses on program design, as opposed to program implementation or outcomes.

The April 2021 ERA program survey responses are analyzed on their own and in the context of the overall landscape of such programs around the country. Select results from the survey are compared to the National Low Income Housing Coalition's (NLIHC) Treasury Emergency Rental Assistance Dashboard, a comprehensive database of ERA programs and of the key design and implementation features that enable them to serve the most marginalized renters in need of housing assistance. NLIHC populates the database from public information shared on each program's website, supplemented in some cases by communication with program administrators themselves. Since NLIHC's ERA database included information for 140 programs at the time of the survey's launch, the survey response rate was approximately 46%. By May 12, when our comparative analysis was conducted, the database had expanded to include 340 programs.

Key Program Design Features, Challenges, and Changes

Respondents to the survey described elements of their ERA program design related to recipient eligibility, landlord and tenant participation requirements, documentation criteria, and efforts to prioritize and reach vulnerable groups. They also indicated challenges in implementation. Key trends from the survey responses, as well as differences and similarities to programs' public-facing documents in the NLIHC database, include:

Rental Assistance Recipients

- Surveyed programs overwhelmingly provided the rental subsidy directly to landlords, while 69% of programs allowed the subsidy to flow to tenants if the landlord chose not to participate.
- The NLIHC database, as of May 12, indicates an even lower share of programs (39%) allowed direct-to-tenant payments in the event of landlord non-participation. This suggests that some programs that allow for direct-to-tenant payments were not clearly communicating their program parameters in public-facing documents.

Lowering Barriers via Self-Attestation

- All respondents indicated that they allowed self-attestation of COVID-19 hardship and many allowed for the self-attestation of income, which represents a significant shift in program design from 2020 and lowers the barriers for vulnerable populations to participate.
- However, cross-referencing these programs with the public-facing information gathered in the NLIHC database indicates that not all programs were clearly communicating self-attestation as an option to potential applicants.

Equity and Outreach

- More than half (59%) of programs indicated they aimed to advance racial equity in their programs. Of programs aiming to advance racial equity, all targeted outreach to disadvantaged groups and communities. Another 83% collected racial and ethnic data on applicants to better inform program design.

Implementation Challenges

- Program administrators identified the staff capacity to screen and administer ERA programs (60%) and the ability to scale technical capacity (49%) as significant challenges.
- They also identified tenant responsiveness (56%) and landlord responsiveness (44%) as common challenges.

Changes since 2020

- Most (80%) of the programs surveyed represented a second, third, or fourth round of emergency rental assistance since the onset of COVID-19 in a given jurisdiction. Almost all administrators of these programs had seen total program funding increase since previous iterations as a result of the Treasury ERA program, usually resulting in a higher maximum subsidy per household and a significantly longer duration of assistance. A majority of programs also changed the applicant eligibility structure (70%), application process (60%), and outreach efforts (55%) from previous iterations.
- ERA programs that had undergone more iterations since the beginning of the pandemic tended to require less landlord documentation, had less stringent tenant requirements, and reported fewer concerns with fraud.

Introduction

Policy Context

In response to COVID-19 and its economic fallout, many cities and states created or expanded emergency rental assistance programs in 2020 with their CARES Act, state and local, and philanthropic funds to support renters impacted by the pandemic. However, the need for assistance continued to grow as the pandemic wore on. The Consolidated Appropriations Act of 2021 included $25 billion in urgently needed emergency rental assistance for tenants with low incomes, establishing the U.S. Treasury Department's Emergency Rental Assistance (ERA) Program. Grantees of the ERA Program include 50 states; Washington, D.C.; 382 local jurisdictions with populations over 200,000; five territories; 301 tribal governments and tribally designated housing entities; and the Department of Hawaiian Home Lands. The American Rescue Plan Act, enacted in late March 2021, provided an additional $21.55 billion for emergency rental assistance for a grand total of $46.55 billion in emergency rental assistance.

At the time of this survey, which was open April 1 through April 30, funding from the American Rescue Plan Act had just been passed but funds had not yet been distributed to grantees. This section will thus focus on the requirements associated with Treasury ERA funding from the Consolidated Appropriations Act of 2021, or ERA1, rather than those associated with Treasury ERA funding from the American Rescue Plan Act, or ERA2.

The statute outlines several requirements and program parameters for program administrators to follow. A household is eligible for ERA1 funds if (1) the household's income is below 80% of the area median income (AMI); (2) one or more individuals has qualified for unemployment benefits or can attest to experiencing a reduction in household income, incurred significant costs, or experienced other financial hardship due, directly or indirectly, to the pandemic; and (3) the household can demonstrate a risk of experiencing homelessness or housing instability. Programs must further prioritize households with incomes below 50% of the AMI or households with individuals who are unemployed and have been unemployed for 90 days. Grantees using ERA1 can provide assistance to a household for a maximum of 12 months, and an additional three months if necessary to ensure housing stability. Grantees can only provide forward rent to households for three months at a time and need households to apply again or re-certify for additional assistance with future rent. If a household has rental arrears, grantees must reduce a household's arrears in order to pay forward rent. ERA1 program administrators likely follow these parameters exactly, or very closely, in designing their eligibility criteria and determining maximum length of assistance.

The statute also dictates several key budgetary benchmarks and timelines. Grantees must use at least 90% of funds to provide financial assistance to households, including back and forward rent and utility payments and other housing expenses, and can use up to 10% of funds for housing stability services. Up to 10% of a program's total funding can go towards administrative costs. Beginning on September 30, 2021, the U.S. Treasury Department may recapture excess funds that grantees have not yet obligated; grantees that have obligated at least 65% of their ERA1 funds may be eligible to receive additional funds. As of June 18, 2021, the U.S. Treasury Department has not yet clarified whether "obligated" means funding is spent, committed, or allocated.[1]

The U.S. Treasury Department has released guidance on ERA1 funding five times since funding was initially distributed to grantees (on January 19, February 22, March 16, March 26, and May 7). The initial guidance on January 19 established under the Trump administration and the revised guidance on February 22 established under the Biden administration provide substantially different sets of rules and suggestions on how programs can determine household eligibility and when programs can offer assistance directly to tenants. Allowing for flexible documentation and self-

[1] *Note that the American Rescue Plan Act has extended the deadline for grantees to spend the initial $25 billion tranche of ERA1 funds to September 30, 2022.*

attestation are primary strategies to increase tenant take-up. However, initial guidance provided on January 19 required programs to acquire source documentation of a household's income and source documentation, in addition to self-attestation of COVID-19 hardship. Subsequent guidance on February 22 rescinded guidance from the previous administration and significantly expanded how programs can determine household eligibility, including the ability to accept self-attestation alone for income, housing stability, COVID-19 hardship, and the amount of back rent owed (provided that certain safeguards are met).

Introduction to 2021 Emergency Rental Assistance Programs

As of May 12, the National Low Income Housing Coalition (NLIHC) was tracking 340 emergency rental assistance programs funded by the U.S. Treasury Department's ERA Program; this number has since continued to grow and now exceeds 400. NLIHC's ERA Database and Dashboard contains various elements of programs' design and implementation, including eligibility criteria, prioritization of applicants, and payment distribution methods. NLIHC collects these data from documents readily available on individual programs' websites, and at times from direct communication with program administrators. Programs may lack readily available data for certain categories; thus, many of the following percentages are based on the subset of programs with known information and not on all programs in the database.

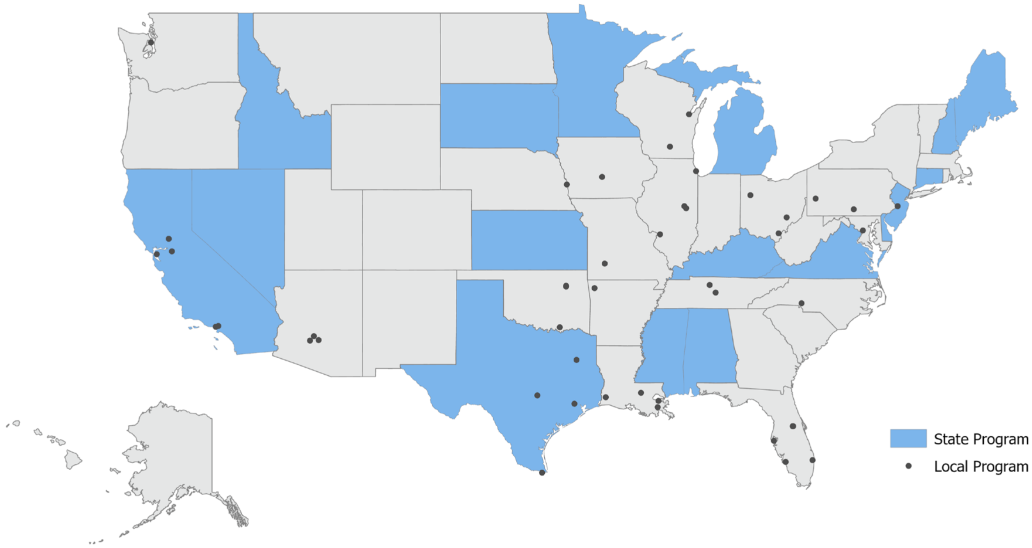
Among the 340 programs captured in the NLIHC's database by mid-May, close to half (48%) were county programs, while 23% were administered by tribal governments, 15% by cities, and 14% by states. Most programs (91%) used a first come, first served selection method. A majority of programs (79%) allowed for self-attestation of select eligibility requirements, including COVID-19 hardship (71% of programs that allowed any form of self-attestation), income (27%), non-traditional income (39%), and housing instability (20%). While 99% of programs accepted applications from tenants, only 39% of programs allowed for assistance to go directly to the tenant in the event of landlord non-participation.

Our survey of 2021 emergency rental assistance programs, which was open April 1 through April 30, was distributed to the subset of 140 programs that NLIHC determined had already launched by April 8. A total of 64 programs responded, representing a response rate of approximately 46%. The survey data represent "early implementers" that were able to launch a program within two months of the Treasury publishing initial guidance for the use of ERA funds, on January 19. Many of the programs that participated in the survey had only recently launched. This is reflected in the fact that the median program reporting any application and outcome data had received only 38% of the applications it expected to receive and had served 2% of the households it expected to serve. The early date of the survey also means that respondents may still have been working to incorporate updated Treasury guidance from March 16 and 26 into their policies and procedures. Our ongoing surveys will aid in understanding whether and how programs change over time.

Program Administrator and Jurisdiction Served

The survey collected responses from program administrators, 69% of whom represented a government agency, 27% of whom represented a nonprofit organization, and 5% of whom belonged to another entity (for instance, a tribal nation or a public corporation). Their programs served a variety of jurisdiction types across the U.S. (Figure 01 on the following page). About half (53%) were local programs serving a city, county, region, or territory. Just under a third (28%) were statewide programs. Finally, 19% of survey responses came from local administrators for state-level programs. This means that the survey sample is somewhat skewed toward statewide programs. As of May 12, only 14% of programs in the full NLIHC database were classified as statewide.

Figure 01. Rental Assistance Programs Surveyed



The survey sample includes both very large programs like the State of California's ($1.6 billion) and the State of Texas' ($1.2 billion) and relatively small ones like Washington County, Arkansas ($1.5 million). Total funding by program jurisdiction is shown in Table 01. The average program funding across the sample is $143 million (N = 56.)[2] This is higher than the average across all programs tracked in the NLIHC database ($65.3 million), likely because the database includes a much larger group of smaller tribal and territorial programs.

Most (80%) of the respondents to the survey indicated that their current program represented a second, third, or fourth iteration of their emergency rental assistance program since the onset of COVID-19 (N = 49). Some of the ways that programs have evolved since earlier iterations are discussed later in this report.

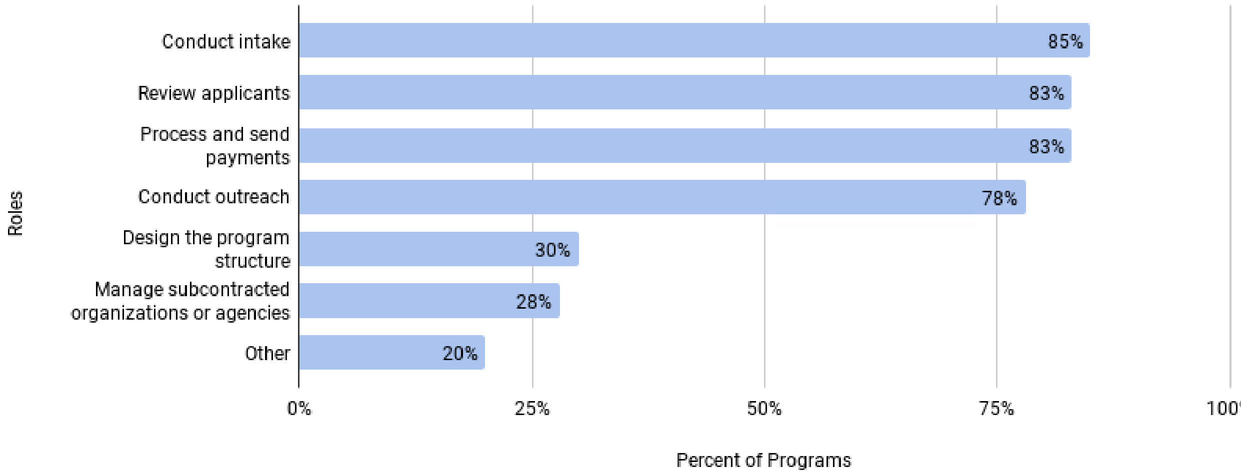
ERA programs are frequently the result of collaboration among multiple entities. Only 27% of respondents indicated that the latest iteration of their program was not the result of formal coordination with another jurisdiction or agency and all had incorporated input from other entities such as another government agency, an educational institution or consultant, or from residents via a public hearing. Further, while the lead implementer was usually a city, county, or state agency (70% of respondents), 72% of programs relied on nonprofit organizations for some aspect of implementation, most frequently to conduct applicant intake, review applicants, process and send payments, and conduct outreach. Programs less commonly relied on nonprofit organizations for program design (Figure 02 on the following page).

[2] *Not every survey participant responded to every question in the survey. Thus, for specific responses, we note the N, or the number of respondents. In this case, N = 56 because 56 program administrators provided information about the total program funding. One city, five counties, one region, and one state did not provide funding information.*

Table 01. Total Funding Amount by Jurisdiction

Jurisdiction	Mean	Median
A city or locality (N=12)	$55,465,723	$22,524,148
A county (N=18)	$32,343,892	$25,750,000
A region (N=7)	$10,814,286	$12,700,000
A state (N=17)	$391,065,731	$208,000,000
A tribal nation or territory (N=2)	$23,800,474	N/A

Figure 02. Roles of Nonprofit Partner

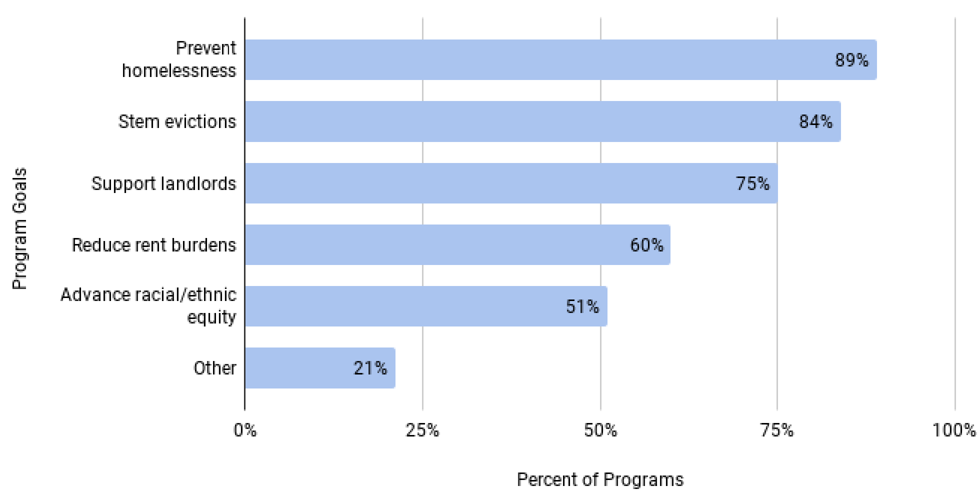


Program Goals and Assistance Type

When asked to identify their ERA program's goals, survey respondents most commonly chose homelessness prevention (89%), followed by stemming evictions, supporting landlords, reducing rent burdens, and advancing racial/ethnic equity (Figure 03, N = 63). Write-in responses included alleviating poverty; protecting the health of vulnerable populations; protecting tenants' rental histories; reducing energy cost burdens; and supporting the internet connectivity required for work, education, telehealth, and to obtain public benefits.

In contrast to past iterations of emergency rental assistance programs, almost all of those surveyed (98%, N = 57) provided a subsidy whose depth varied according to the applicants' needs, rather than a uniform payment (2%). Few programs set any cap on the dollar amount of assistance a household could receive; instead, they set a maximum number of months the subsidy could cover—usually 12 to 15 months (71% of all programs). The focus was on rent arrears; nearly all programs for which subsidy duration was specified in the survey (N = 57) covered more than six months of arrears (96%), but most covered only three months of forward rent (67%). The 29% of programs offering six or more months of forward rent were required to re-certify tenants' eligibility after the initial three months of assistance under ERA legislation. While all of the programs that listed their funding sources (N = 57) relied on Treasury ERA funds, relatively few combined this funding with other sources such as CARES Act funds (18%), other federal funds (9%), local funds (11%), or philanthropic contributions (7%).

Figure 03. Goals of Rental Assistance Programs



Most programs paired rental assistance with other forms of financial assistance, including utility assistance (84%) and relocation assistance (25%). A majority (58%) also paired this subsidy with other services, including legal assistance, rapid rehousing support, food assistance, and case management (Figure 04).

Program Status and Expectations

As mentioned previously, many of the programs captured in the survey had launched only recently; in fact, 5% were still on the verge of launching, or had launched but were not yet accepting applications (N = 59). Most launched in March or April (67%); only 5% had launched in January and 28% in February 2021. The median program had spent only 2.5% of its funding (N = 41). Nevertheless, 81% of programs indicated that they were already sending out payments and the average program had already served 1,230 households.

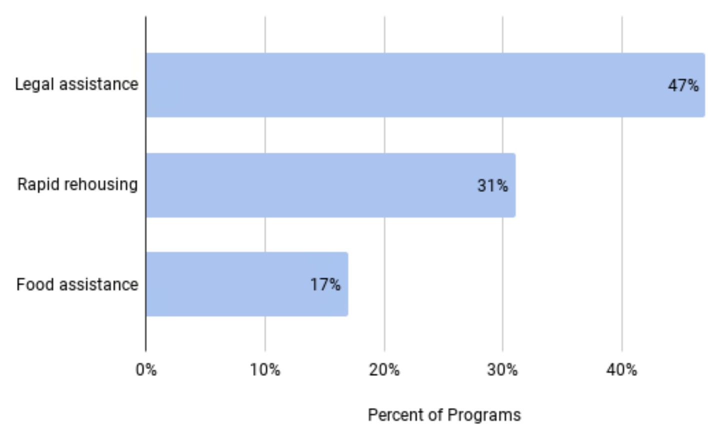
Because programs differed so much in scale, there was a wide variation in expectations for the number of applicants (from only 480 to 900,000) and in the expected number of households that would be served (from 313 to 400,000). The median program expected 8,500 applicants and expected to serve 7,000 households with their current funding sources (N = 49).

Key Features of 2021 Emergency Rental Assistance Programs

One of the central challenges of emergency rental assistance programs is to quickly provide assistance to tenants and landlords, but at the same time to ensure that those who receive this assistance are those who need it most. Our 2020 survey of emergency rental assistance programs suggested that overly stringent eligibility criteria and documentation requirements contributed to difficulty distributing rental assistance funds. A second report based on case studies of 15 programs captured administrators' responses to these challenges, which included reducing documentation requirements, providing greater support to applicants, streamlining the application process, and building partnerships with community-based nonprofits to target assistance to especially vulnerable groups.

The evolution of Treasury guidance reflects these shifts toward reducing application burdens. Guidance released in February allowed for the use of self-attestation for income, housing stability, COVID-19 hardship, and the amount of back rent owed (provided that certain safeguards are met); it also allowed programs to rely on income eligibility verified through other federal programs. The most recent guidance, issued in May 2021, strongly discourages ERA programs from imposing burdensome documentation requirements and additionally allows for the use of fact-specific proxies to determine income. It also prohibits the exclusion of federally assisted households from eligibility in ERA2 and states that excluding these households may violate civil rights laws. Finally, it requires ERA2 programs to offer direct assistance to tenants when their landlords choose not to participate and allows ERA2 programs to offer assistance directly to tenants without first seeking the cooperation of landlords. The most recent guidance substantially lowers the barriers to tenants in need of rental assistance. However, this guidance was released after respondents completed the April 2021 ERA survey; programs may have adjusted their parameters since this survey was conducted.

Figure 04. Services Paired with Rental Assistance



Despite substantial changes since the earliest iterations of COVID-19 rental assistance programs, our survey data indicate that many programs launched in early 2021 continued to implement documentation requirements that potentially exclude vulnerable households, did not offer a direct-to-tenant assistance, and failed to publicly make known opportunities for either direct-to-tenant assistance or self-attestation. This lack of adjustment may be linked to persistent concerns about fraud; programs that cited more concerns about fraud were less likely to allow a direct-to-tenant option, and more likely to require documentation such as a current lease, a driver's license, a birth certificate, or a rent ledger. Survey results also show that programs that underwent more iterations since the onset of COVID-19 tended to require less documentation and were more likely to allow a direct-to-tenant option, indicating that greater experience may abate concerns about fraud—or allow programs to develop strategies that mitigate fraud without overly burdening applicants.

This section explores key features of 2021 emergency rental assistance programs related to prioritizing vulnerable populations, verifying eligibility, and ensuring that tenants receive the assistance they need.

Who is Eligible for Assistance?

Treasury ERA funding is restricted to households with incomes at or below 80% of area median income (AMI) that have experienced financial hardship due to COVID-19 and are at risk of homelessness or housing instability. As such, it is no surprise that nearly 100% of programs surveyed incorporated all three of these criteria in determining tenant eligibility (Figure 05, N = 54). A minority of programs (less than 10%) restricted income to a lower threshold, either 50 or 60% of AMI. A relatively small share of programs imposed additional criteria; it is nevertheless troubling that 11% required that tenants not receive other housing subsidies. These provisions may have excluded those living in federally assisted housing, who are among the most financially insecure.[3] In its February 22 guidance, the U.S. Treasury stated that tenants receiving federal housing subsidies are eligible to receive ERA; guidance released on May 7 further expressly prohibited programs using ERA2 from excluding tenants receiving federal housing subsidies from emergency rental assistance programs due to disproportionate impacts and potential violation of Title VI of the Civil Rights Act. Also troubling is the fact that 11% of programs required that tenants

[3] *According to HUD's Picture of Subsidized Households, households with Housing Choice Vouchers have an average household income of $15,202; public housing residents have an average household income of $15,521; and households living in homes with project-based rental assistance have an average household income of $13,279.*

Figure 05. Tenant Eligibility Criteria

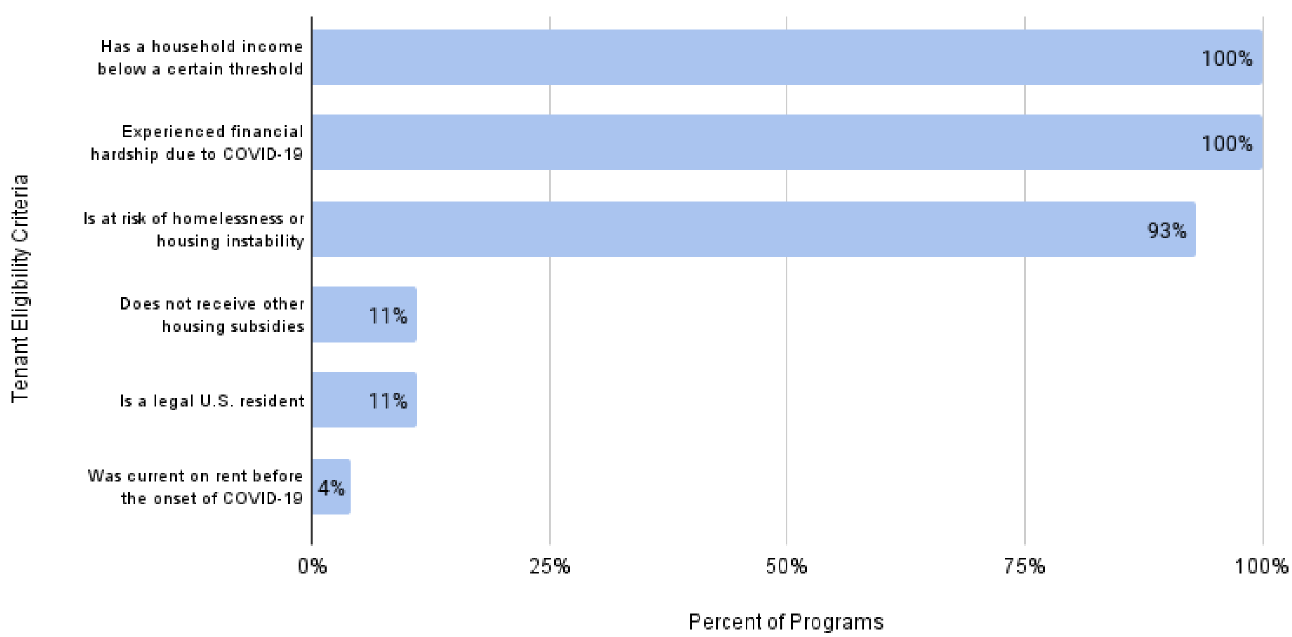
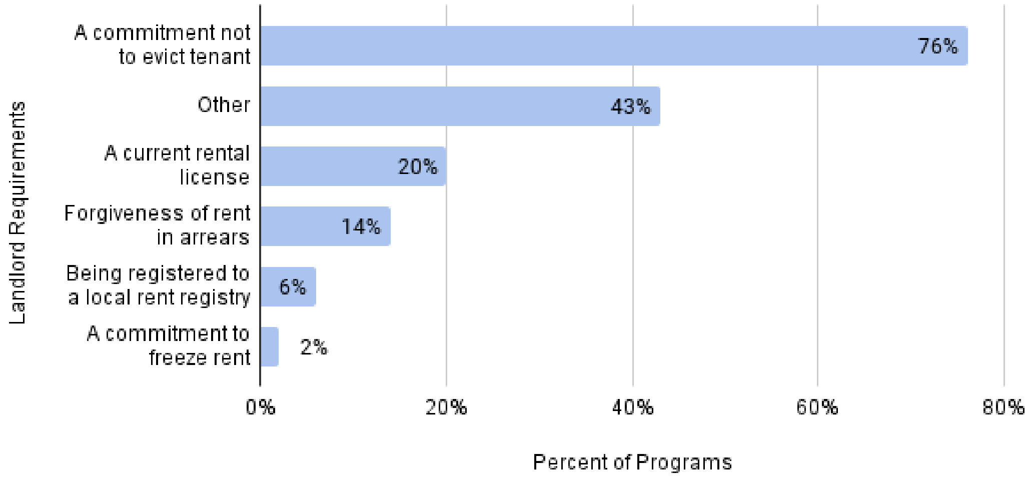


Figure 06. Landlord Requirements



be legal U.S. residents. Programs requiring tenants to be legal U.S. residents excludes undocumented residents and mixed-status households, which are particularly vulnerable to housing discrimination and exploitation.[4] Other eligibility criteria included requiring households to have been current on rent before the onset of COVID-19 (4% of programs).

Although almost all programs in the survey sample restricted eligibility to households at risk of housing instability (93%, N = 54), they varied in how they allowed tenants to demonstrate this risk. Nearly all survey participants considered past due rent or a notice of eviction as evidence of housing instability (96% and 88% of programs, respectively), while some programs also considered housing cost burden (26%) or severe housing cost burden (34%), previous experiences of homelessness or eviction (26%), or overcrowding (20%, N = 50).

Our 2021 survey shows that the majority (76%) of those responding to a survey question about landlord requirements (N = 49) required a commitment not to evict the participating tenant, but most required this only for the months for which assistance was provided (58%), and only one program reported requiring participating landlords to suspend eviction for more than three months following the end of the assistance. Small shares of programs required forgiveness of a portion of past due rent (14%). A fifth of programs restricted participation to landlords with a current rental license and a small share (6%) required that they be registered in the local rental registry (Figure 06).

How Do Tenants and Landlords Apply?

The application process may further constrain the ability of tenants to receive assistance. Most programs required tenants to document their income (96%, N = 53) and provide proof of COVID-19-related financial hardship (75%). Many also required a current lease (74%), which has the potential to exclude tenants in informal tenure situations, or whose leases have expired, and who may be at high risk for eviction. Most programs required documentation of housing instability (68%) and either a driver's license or state I.D. (66%). A significant minority—26% of those responding to this question in the survey—required tenants to submit their social security number, which effectively excludes undocumented residents, even though only 11% of programs cited legal residency as an eligibility criterion. Three programs required a birth certificate (Figure 07).

[4] The Federal Fair Housing Act makes it illegal to discriminate against households based on their national origin or immigration status, but fear of the legal system results in many undocumented persons failing to pursue fair housing actions.

Both the type and the volume of documentation required can discourage the most vulnerable applicants, who may not have time to gather numerous forms and certificates or have access to these documents because of less formal tenure and banking situations, cash incomes, and income volatility. We developed a weighted "tenant documentation score" that gave more points to programs with more documentation requirements.[5] Local programs tended to score highest on this score, while statewide programs were more lenient. Local programs also expressed concerns about more kinds of fraud (including applicants submitting false information or duplicate applications, applying to multiple programs, or violating the terms of the subsidy). Further analysis shows that programs with greater fraud concerns were more likely to require a current lease, a driver's license, and a birth certificate than programs expressing fewer concerns about fraud. A larger number of program iterations since the onset of the pandemic, meanwhile, was correlated with lower fraud concerns and a lower tenant documentation score.

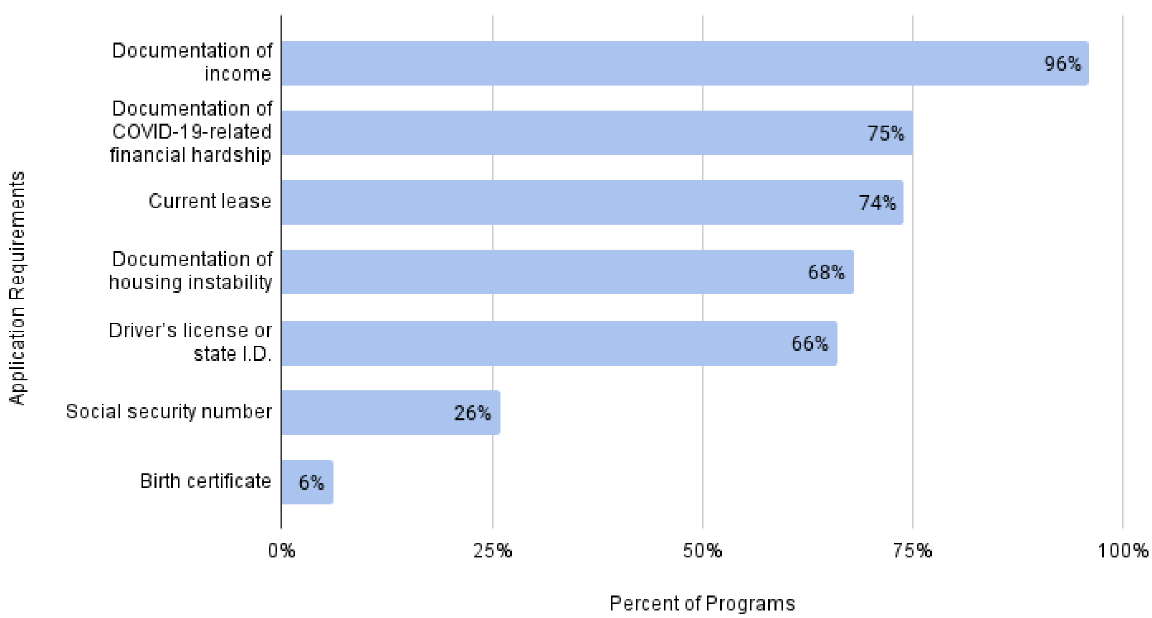
[5] *To calculate the "tenant documentation score," a point is given for each item of documentation required from the tenant and increased to two points if the requirement goes beyond Treasury guidance.*

One way to mitigate application barriers is to allow self-attestation—i.e., accept a signed statement of eligibility, rather than requiring documentary evidence. All program administrators responding to questions on this topic (N = 51) indicated that they allowed self-attestation of COVID-19 hardship, which represents a significant shift in program design from 2020, when many programs required proof of employment termination, medical bills, a documented decrease in income, or other evidence of hardship. A majority of programs also allowed self-attestation of income (75%), that they had not received other rental assistance (55%), and of housing instability (51%).[6] Fewer allowed self-attestation of tenancy in the absence of a current lease (43%) or rental arrears (25%). Analysis shows that statewide programs tended to allow self-attestation for more items than local or locally implemented programs.

Whereas 100% of programs captured in the survey reportedly allowed some form of self-attestation, only 79% of programs in NLIHC's database as of May 12 for which information on self-attestation was publicly available (N = 183) are classified as allowing self-

[6] *Note that many of the same programs that required a certain form of documentation noted that they allow self-attestation for that item; possibly they allow only some applicants to forgo documentation requirements. For example, of the 50 programs that required income documentation according to their survey responses, 37 also allowed self-attestation of income. It may be that these programs offered self-attestation of income as an option for applicants with cash income or zero income.*

Figure 07. Tenant Documentation Requirements



attestation. Further, of the 59 programs in the survey sample with a direct match in the NLIHC database, 31 (53%) indicated in their survey response that self-attestation is allowed for one or more items, but they are not listed as allowing self-attestation in the database. This probably reflects some programs' decisions to allow self-attestation in certain instances (e.g., for tenants with zero or cash income) while not making it clear to the larger pool of potential applicants that this option exists. Some of the discrepancy may also stem from the fact that the survey included more potential categories for self-attestation than the NLIHC database did.

The survey also asked about the kinds of documentation ERA programs require landlords to submit. The most common response was a W-9 tax form (92% of respondents, N = 52) and a current lease (85%). Half of the programs required a tenant rent ledger in order to document arrears. Some programs also required proof of rent owed, a rental license, government-issued identification, direct deposit information, or signed affirmations that landlords would not evict participating tenants. The survey results suggest that statewide ERA programs required more landlord documentation, with an average score of 1.80, than local or locally administered state programs, with average scores of 1.55 and 1.38, respectively.[7] This may be linked to the fact that ERA programs that have undergone more iterations since the beginning of the pandemic tend to require less landlord documentation (corr = -.21). Statewide programs tend to have undergone fewer than two iterations, whereas local programs have undergone an average of 2.27, and locally administered state-level programs have undergone an average of 2.5 iterations. Finally, programs listing more fraud concerns were slightly more likely to require a tenant ledger. Many programs' fraud concerns related specifically to landlords; program administrators expressed concern that landlords would force tenants to apply, pose as tenants, submit false information, or act against the tenant's interest after accepting the subsidy on their behalf.

Who Receives the Rental Assistance Payment?

As in earlier iterations of rental assistance, ERA programs surveyed in April 2021 usually tried to provide the rental subsidy directly to landlords; in fact, 100% of the survey sample did. Only 69% of programs surveyed allowed assistance to go directly to tenants if the landlord chose not to participate, and three of these programs reduced the amount of the subsidy if it was direct-to-tenant.

As of May 12, an even lower share of programs (39%) in the NLIHC database allowed direct-to-tenant payments in the event of landlord non-participation. Among the 59 programs in the survey sample that have a direct match in the NLIHC database, 18 (31%) have a survey response listing direct-to-tenant assistance as an option but the NLIHC database indicates this was "unknown" based on publicly available information. This discrepancy is potentially problematic. Programs that allow a direct-to-tenant option but do not clearly communicate it to the public may leave tenants vulnerable to landlords who are either non-responsive or who may be unwilling to engage with government programs.

Local ERA programs were more likely (at 65%) to allow a direct-to-tenant option than a statewide program (59%) or a statewide program that was administered at the local level (44%). As stated previously, programs that had undergone more iterations since the onset of COVID-19 were more likely to allow a direct-to-tenant option. About 64% of programs with two or more iterations allowed for a direct-to-tenant option, compared to only 40% of programs operating for the first time. Programs that expressed concerns about more kinds of fraud were slightly less likely to offer a direct-to-tenant option.[8]

Programs that did provide a direct-to-tenant option did not exceed the minimum response time required by Treasury guidance, as of February 22, for determining landlord non-participation. In a select-all question, almost all (97%, N = 31) reported giving landlords ten

[7] A program's "landlord documentation score" is the number of documents required.

[8] Programs that did not offer a direct-to-tenant option had an average "fraud concern score" of 1.62, compared to 1.48 for programs that did offer this option; the difference is not statistically significant.

days to respond subsequent to at least three attempts to reach them (via email, call, or text message). Most also accepted a written statement from the landlord declining to participate (81%). A smaller share (48%) accepted a failure to respond to written communication within 14 days. Guidance issued on May 7 further reduces the minimum response time required to five calendar days for landlords to respond to at least three attempts by phone, text, or e-mail or to seven calendar days for landlords to respond to written, mailed requests for participation.

How Are Vulnerable Groups Prioritized?

More than half (59%) of administrators responding to the question, "Is the program making efforts to advance racial equity?" (N = 51) said that it was. Of the 30 ERA programs responding in the affirmative, 100% indicated that their program advanced racial equity by targeting outreach to disadvantaged groups or communities, while other common strategies included collecting racial and ethnic data to inform program design, providing additional support to disadvantaged applicants in navigating the application, or otherwise reducing barriers that racial and ethnic minorities are more likely to face (Figure 08).

When selecting which households would receive assistance, prioritization most often occurred on the basis of income (76%) and unemployment (67%), usually either by fast-tracking these households for assistance (47%), weighting them more heavily in the lottery process (27%), or setting aside a certain amount of funding for them (18%). Only about a fifth of all programs used a lottery to select applicants (21%), while the majority used a first-come, first-served approach (64%).[9] In the full NLIHC database, a lottery was even rarer, with only 7% of programs relying on this method, compared to the 91% that selected recipients on a first-come, first-served basis.

A smaller share of programs prioritized households on the basis of demonstrated housing instability, i.e., a notice of eviction, a previous eviction, current or past homelessness, or large rent arrears. In contrast to earlier ERA programs, few 2021 programs prioritized families with children (4%), households with seniors (4%), people with disabilities (4%), or those in high-poverty neighborhoods (2%).

Out of 45 programs responding to the question, "Are/will any of the following populations be the focus of your outreach efforts?" the most common responses included high-poverty communities (82%), racial and ethnic minorities (80%), and immigrant communities

[9] *The number of programs responding to each question about prioritization varied between 49 and 53.*

Figure 08. Programs Advancing Racial Equity

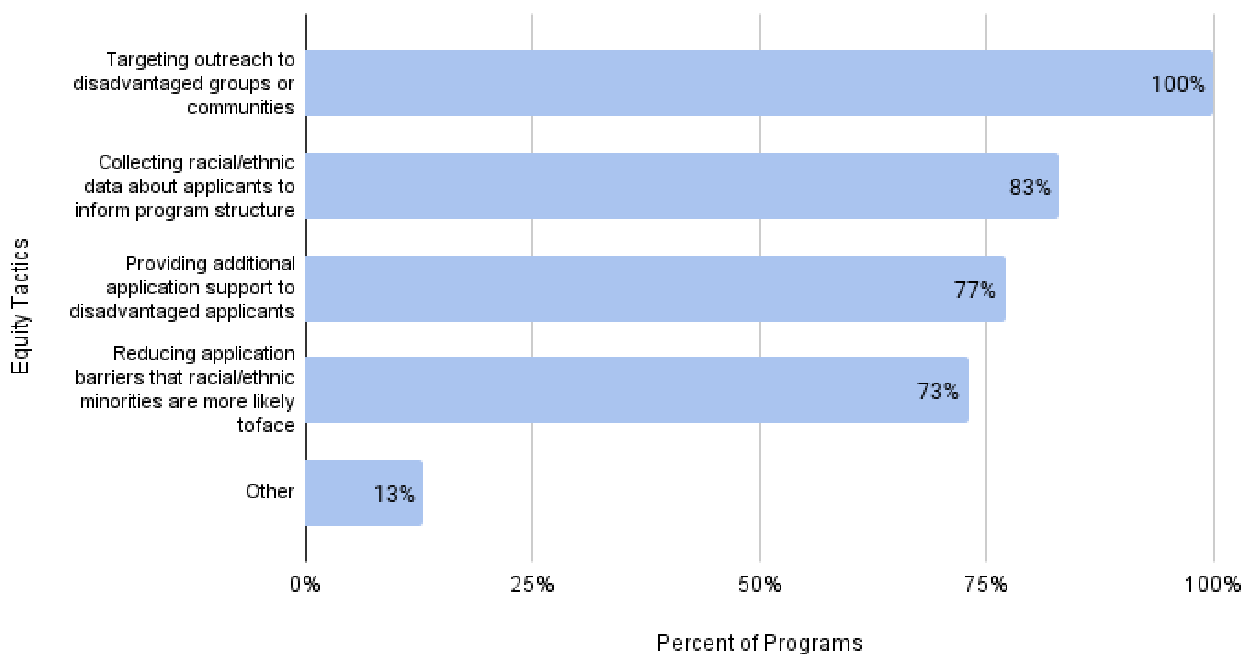
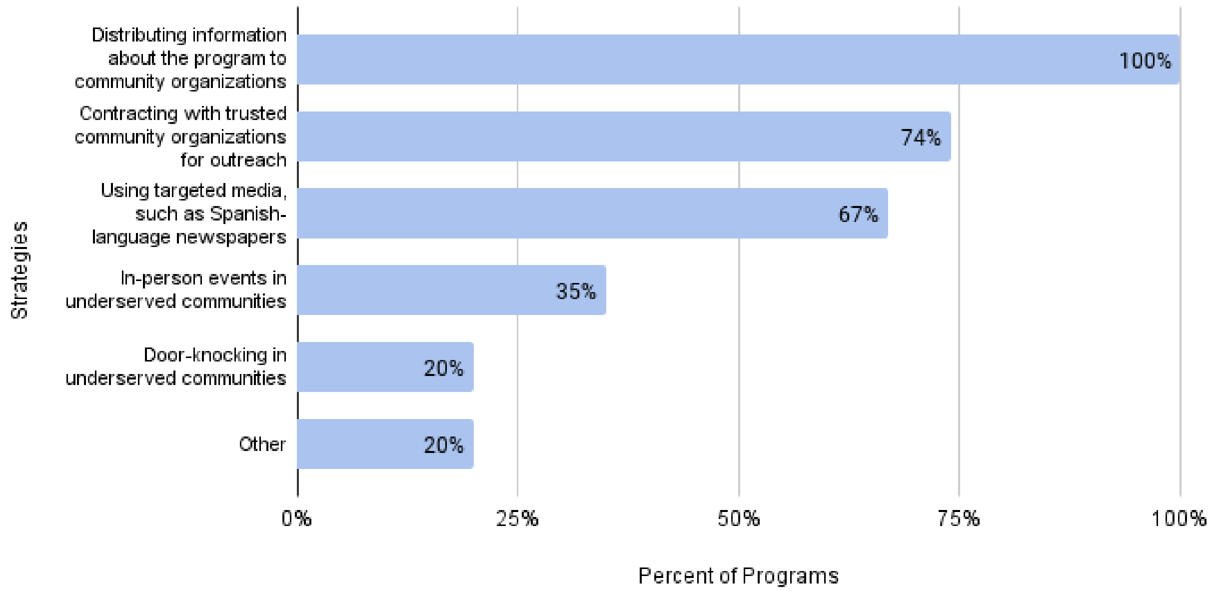


Figure 09. Strategies to Reach Underserved Groups



(73%), with a smaller share focusing on families with children (42%) or other groups (18%) such as the unemployed, veterans, and the elderly. The majority of respondents overall conducted outreach in multiple languages (81%, N = 52).

Of those that indicated they had adopted specific strategies to reach underserved groups (N = 47), 100% partnered with community-based organizations to distribute information about their program and many went further by directly contracting with trusted community organizations for outreach and hosting in-person events or door-knocking in underserved communities. About 67% used targeted media, such as Spanish-language newspapers, to share program information. Some respondents described other innovative strategies, such as circulating a "technology bus" to facilitate applications in communities affected by the digital divide (Figure 09).

Implementation Challenges and Capacity

Staff Capacity

Staff capacity was one of the top challenges in the 2020 survey and remains a key obstacle for programs this year (see Figure 10 on the following page). A full 100% of program administrators who responded to the relevant question (N = 52) added—or expected to add—staff capacity to run the program's current iteration. The most common strategies for increasing staff capacity include hiring temporary staff (88%), reassigning existing staff (67%), and partnering with community-based or nonprofit organizations for specific aspects of program administration (47%). Fewer respondents reported hiring more permanent staff (25%) or bringing on a consultant (20%). This is no doubt linked to limitations on administrative expenses and the non-permanent funding for these programs. The median program allocated 10% of total program funding for administrative costs (N = 44), which is the cap set by the Treasury Department for ERA programs. No program allocated more than 10% of funds to administration, though ten programs allocated between 3.5% and 9.3%.

Despite the many strategies employed, staff capacity remained the most commonly cited challenge among respondents; 60% of programs reported that it was a current issue at the time of their survey response (Figure 10, N = 45). Program administrators commented on challenges filling positions (especially temporary ones) and dealing with staff turnover, training staff, and confronting the overwhelming volume of applications. Funding was insufficient to meet these challenges; the "need far exceeds staff capacity, even hiring the maximum…covered by admin," according to a respondent representing a program where 10% of funds were devoted to administrative costs.

Tenant and Landlord Responsiveness

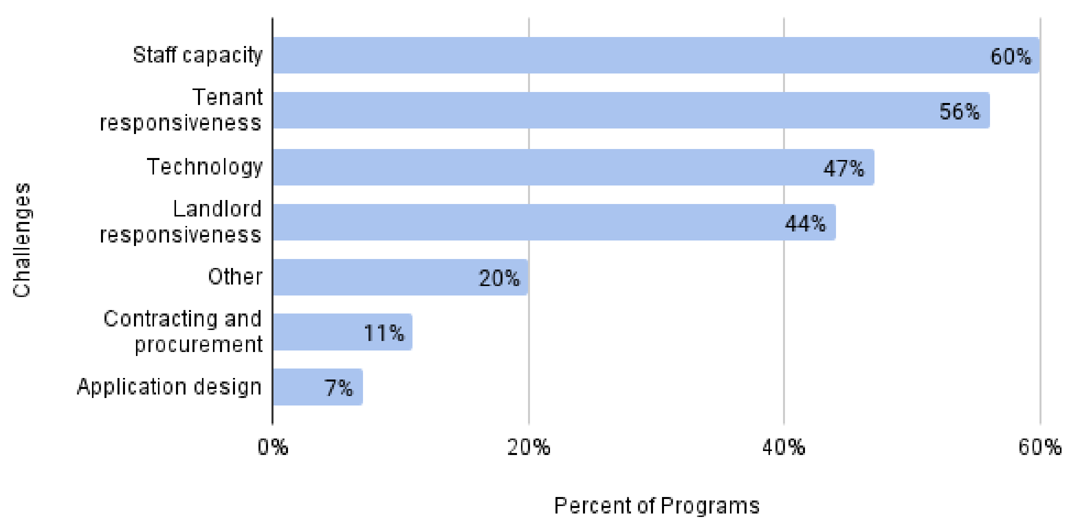
More than half (56%) of programs experienced challenges related to tenant responsiveness. Program administrators noted that it "often requires a lot of follow-up with tenants to obtain proper eligibility documentation [and] some never end up providing documents," that "tenants are hard to reach or uncooperative in some cases," and that some landlords complained their tenants were not coming forward to apply. Surveys of tenant applicants conducted by the Housing Initiative at Penn have shown that many lack consistent internet access, and face other structural barriers to completing applications.[10] Landlord responsiveness was also a challenge, with 44% of respondents indicating it as one of the key issues their program faced. In the words of one administrator, "many landlords are not looking to keep unreliable tenants; some refuse to work with us; [and] others are not willing to renew leases."

Other Challenges

All programs built up additional capacity or infrastructure to administer their Spring 2021 ERA program (N = 51). Over 90% built up their application and review infrastructure, 75% increased their outreach capacity, 67% enhanced their accounting capacity, and 61% expanded their data analysis capacity. To ensure sufficient technological infrastructure to support their program, many programs bought (69%) or built their own technology solutions (50%, N = 42). Five programs also mentioned purchasing hardware, such as new laptops, cell phones, and printers. Among the respondents who elected to build a technology solution to support and administer their program, the most common approach was to build on existing platforms. Lastly, 17% of programs reported sharing technology with other jurisdictions. Despite these investments in technology, almost half of programs called out technology as a current challenge.

[10] For instance, an ongoing survey of applicants to the City of Los Angeles' ERA program by the Housing Initiative at Penn finds that nearly a fifth of about 4,000 respondents faced challenges completing their application due to lack of internet access; smaller shares faced language barriers or had difficulty gathering required documentation.

Figure 10. Program Challenges



Data and Tracking

To understand how program administrators are leveraging data to inform current and future iterations of their program, the survey asked respondents whether they would monitor whom the program serves, and how they would do so. Almost all programs (96%, N = 52) confirmed that they were or would be monitoring the populations that they are serving. Of these programs (N = 50), 90% were tracking this data using an internal dashboard. A small share (18%) are publishing their dashboards publicly. Respondents also reported other monitoring methods including gathering reports from implementation agencies (38%), surveying tenants (12%), and surveying landlords (12%).

How Have Emergency Rental Assistance Programs Changed Over Time?

As mentioned previously, many programs in the survey sample (80%, N = 49) represented a second, third, or fourth iteration of emergency rental assistance since the onset of COVID-19, and most programs had evolved in some way from earlier iterations. When asked how their current program differed from previous iterations, a large majority of respondents (N = 40) indicated that total funding had increased (90%). This usually translated into a higher average amount of assistance per household (78%); only one respondent noted a smaller amount of assistance per household. Interestingly, more programs noted that documentation requirements increased (42%) than those that noted documentation requirements decreased (32%). This runs counter to what we might expect based on reported challenges related to tenant and landlord responsiveness, and to earlier findings that some programs successfully addressed these challenges by reducing overly burdensome documentation requirements. Finally, over half of respondents (68%) noted that outreach efforts had changed. About two-thirds of respondents noted that data collected from previous iterations informed their current iteration of the program, and of those respondents, 85% indicated that data informed a more targeted outreach approach.

In 2020, Housing Initiative at Penn, NYU Furman Center, and the NLIHC surveyed 220 programs spanning 40 states and Washington, D.C. The 2020 and 2021 surveys included the same questions regarding program design, iterations, documentation, and eligibility. The 2020 survey has a substantially larger sample size than the 2021 survey (N = 220 versus N = 64), and the 2021 survey captured only "early implementers," i.e., programs that were ready to begin rolling out ERA1 funds shortly after their allocation. Only 17 programs captured in 2020 were re-surveyed in 2021, and in 5 cases the program administrator had changed. These factors render direct comparisons of the two surveys' results problematic. Nevertheless, both survey samples included a broad cross-section of jurisdiction types that are well distributed across the country. We present the following tentative findings with these important caveats in mind.

Comparisons of the aggregate responses to the 2020 and 2021 surveys suggest some important shifts in program design, but equally important are the areas in which anticipated shifts did not occur. In particular, programs did not appear to relax documentation requirements, despite challenges related to incomplete applications cited by many programs in 2020. In late summer and fall of 2020, 182 programs responded to our survey reporting the following requirements for tenants: documentation of income (80%), a current lease (79%), documentation of COVID-19-related income loss (56%) or other hardships (34%), a social security number (41%), or a birth certificate (15%). Only 37% of programs allowed applicants to self-certify COVID-19-related income losses instead of documenting them. By comparison, among the 53 programs responding to questions about documentation in 2021, a higher share (96%) required income documentation; a similar share required a current lease (75%); and lower shares required a social security number (26%) or birth certificate (6%). Among the 17 programs captured in both surveys, 8 indicated that documentation requirements had increased and 7 indicated that they had decreased—nearly an even split.

Yet these figures disguise the fact that a higher share of programs now report allowing self-attestation, at least in some cases, even for documents they indicated they "require." In the 2021 sample, 75% of program administrators said they allow for self-attestation of income; 100% allow self-attestation of COVID-19-related financial hardships, and about half allow tenants to self-attest housing instability. The widespread use of self-attestation likely reduces burdens on those applicants who face the greatest barriers to gathering and submitting documentation.

Landlord documentation requirements, by contrast, may have actually increased since 2020. Our 2020 survey questions related to landlord documentation found that only 13% of programs (N = 152) required landlords to provide a current rental license, and only 5% required them to be registered to a local rent registry. A similar question in our 2021 survey (N = 49) showed that 20% of programs required a current rental license, and 6% required registration to a local rent registry.

Another aspect of emergency rental assistance programs that did not appear to have changed much was whether the assistance is paid directly to tenants or to landlords. At the time of our 2020 survey, nearly every program required that tenants apply for assistance, but over 90% paid the assistance directly to the landlord. Only 12 programs out of 137 provided aid directly to tenants. Early Treasury ERA guidance required that programs attempt to engage landlords before issuing a direct-to-tenant payment, eliminating the option to develop purely tenant-facing programs. But in our smaller 2021 sample, only about 69% of programs allowed the subsidy to flow to tenants when the landlord chose not to participate (three of these programs also reduced the amount of the subsidy if it was direct-to-tenant). In other words, despite the prevalence of challenges related to landlord non-responsiveness, many programs continue to deny tenants assistance when their landlords choose not to engage with rental assistance programs. This may particularly disadvantage those residents in less formal tenure situations, or whose landlords are violating housing quality or other regulations and therefore do not want to submit documentation. It also suggests that tenants are still not trusted to apply their assistance towards their housing costs.

The changes in responses between the two surveys suggest that emergency rental assistance programs have undergone important changes with respect to their emphasis on vulnerable groups. In our 2020 sample, over half of programs (54%, N = 148) indicated that they did not prioritize any group for assistance. This was true for only a small share (4%) of the 2021 sample (N = 51), possibly because the statute requires grantees to prioritize households with incomes below 50% of AMI or to households with members who have been unemployed for at least 90 days. We did not ask about prioritization of disadvantaged groups, or a specific emphasis on racial equity, in our earlier survey. As mentioned previously, over two-thirds of respondents in 2021 (N = 40) indicated that demographic data collected in previous iterations had informed their current program, usually resulting in a more targeted outreach strategy (85%) or new partnerships for implementation (63%), indicating that emphasis on vulnerable populations may have increased from 2020's programs. Some programs indicated that they had learned from their 2020 rental assistance data to adjust application requirements or eligibility, predict funding and staffing needs, and to move away from a first-come, first-served approach in order to focus on priority applicants. This suggests that many programs are now able to use a data-driven approach to ensure that rental assistance reaches those most in need.

Conclusion

This report has captured key characteristics of the earliest ERA implementers. These programs have likely evolved significantly since April, when we conducted our survey, and are likely to continue to do so. Two additional rounds of surveys will help us better understand these changes; they will also explore how program characteristics translate into outcomes, such as the volume of applications received, the number of households served, and the speed with which funding is disbursed.

Additional surveying will also elucidate how continuously evolving U.S. Treasury Department guidance shapes program design. For example, the newest guidance instructs grantees to require landlords not to evict tenants for nonpayment of rent for the period covered by emergency rental assistance as a condition of landlords receiving the funds. The guidance also encourages (but does not require) grantees to extend agreements to suspend evictions for nonpayment of rent past the covered period by 30 to 90 days. Similarly, while grantees are required to offer direct-to-tenant assistance in the event of landlord non-participation when using ERA2, Treasury has emphasized that it prefers programs to offer direct-to-tenant assistance using ERA1 as well. Program design may shift in important ways as administrators incorporate this new guidance.

Findings accumulated across all three survey rounds will provide important lessons for the implementation of ERA2, which has a much longer timeline (funds may be used through September 30, 2025), and for the provision of rental assistance even beyond the pandemic.

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WITH QUESTIONS, PLEASE CONTACT:

Ingrid Gould Ellen, Faculty Director, NYU Furman Center: ingrid.ellen@nyu.edu
Vincent Reina, Faculty Director, Housing Initiative at Penn: vreina@upenn.edu
Rebecca Yae, Senior Research Analyst, National Low Income Housing Coalition: ryae@nlihc.org