

Emergency Rental Assistance (ERA) During the Pandemic: Implications for the Design of Permanent ERA Programs

Housing Initiative at Penn

Claudia Aiken
Isabel Harner
Vincent Reina

National Low Income Housing Coalition

Andrew Aurand
Rebecca Yae

“In retrospect, what do you think could have been done differently in implementing your jurisdiction’s ERA program?”

This is the question we posed in a national survey of Emergency Rental Assistance (ERA) program administrators at the end of 2021, asking them to reflect on the experience of creating and implementing programs meant to keep millions of vulnerable renters housed amidst a global pandemic. The responses we received highlight the recurring challenges—limited capacity, difficulty enrolling both tenants and landlords, and complex and constantly evolving federal guidance—that ERA programs face. They also speak to the strategies some administrators adopted to address these challenges, including creative staffing and partnerships, targeted outreach, flexible applications, and direct-to-tenant payments.

Several administrators emphasized the high stakes involved:

“We have done the best we can given the [necessary] speed, [with the] budget and tools at our disposal. In retrospect, we would do a lot of things differently, but there was no time for trial and error.”

The lessons ERA administrators have learned over the course of program implementation are critical to future efforts to protect renters in unexpected crises. In this research brief, we present the results of our most recent national survey of ERA programs, as well as trends that emerge from our three previous surveys and case study work, to unpack these lessons.

Introduction

In the two years since the COVID-19 pandemic began, states, localities, and tribal entities across the country have launched and administered ERA programs to assist households struggling to pay rent.¹ These programs have disbursed billions of dollars to eligible households, primarily using federal funds but also using local and philanthropic sources.² Along the way, programs have evolved as some ERA administrators built up capacity and infrastructure, learned from their successes and failures, and responded to adjustments in federal policy and to new funding streams.

Our research has documented this evolution through a series of four national surveys of ERA program administrators and case studies of 15 early ERA programs. In this report, we draw on the fourth and final survey, as well as our cumulative research, to highlight the challenges and changes that have shaped emergency rental assistance programs. We end with implications for future policy.

This report arrives at a critical moment. Some state and local programs using U.S. Department of the Treasury (Treasury) ERA funds are no longer accepting applicants, having run out or being at risk of running out of funding.^{3, 4} Yet renters continue to face challenges: approximately 11 million households reported low confidence in their ability to pay next month's rent, as of February 7, 2022, and approximately 2 million households had applied for but were still waiting for

emergency rental assistance.⁵ At the same time, there is an opportunity to think about longer-term policy solutions to promote housing stability, including committing to permanent emergency rental assistance to protect renters facing sudden financial shocks.

Millions of renters were one unexpected crisis away from severe housing instability even before the onset of COVID-19.⁶ ERA programs helped to keep some of them housed during the pandemic, but these programs are largely temporary. A return to normal means that many renter households will continue to face frequent or forced moves, poor housing conditions, and other forms of instability with no safety net.

With Treasury ERA money running out, and without a permanent solution to replace it, the infrastructure that jurisdictions created to operate their programs is at risk of being dismantled and important lessons learned are at risk of being lost. How can policymakers build on the infrastructure and insights of the past two years to stabilize renters going forward?

⁵ U.S. Census Bureau. *Week 42 Household Pulse Survey Public Use File (PUF)*. January 26–February 7, 2022. <https://www.census.gov/programs-surveys/household-pulse-survey/datasets.html>

⁶ Seventy percent of the nation's 10.8 million extremely low-income renter households were severely housing cost-burdened as of 2019. Severe housing cost burdens combined with meager savings leave households extremely vulnerable to shocks in income. See National Low Income Housing Coalition. *The Gap: A Shortage of Affordable Homes*, March 2021.

¹ As of February 28, 2022, [NLIHC ERA databases](#) contain more than 1,130 ERA programs created or expanded in response to the pandemic, including 512 programs funded through the Treasury ERA program and 621 early programs funded in a variety of ways, including the CARES Act. Most early programs had limited funding and have since closed.

² As of February 28, 2022, the [NLIHC Treasury ERA Spending Tracker](#) notes that Treasury ERA programs alone had obligated or expended over \$21 billion.

³ Vincent Reina. "Rental Assistance is a Lifeline for Thousands of Philadelphia Renters - Don't Let It Disappear," *Philadelphia Inquirer*. January 31, 2022. <https://www.inquirer.com/opinion/commentary/rental-assistance-philadelphia-emergency-covid-20220131.html>

⁴ Sophie Kasakove and Glenn Thrush. "Federal Rental Assistance is Running Out, With Tenants Still in Need," *New York Times*. January 9, 2022. <https://www.nytimes.com/2022/01/07/us/federal-rental-assistance-evictions.html>

Methods

The early ERA programs that launched in 2020, when COVID-19 first struck the U.S., used a variety of funding streams, including funds from the CARES Act. Our first survey, in August-October 2020, received responses from 220 of these early programs. We followed up with 15 of them to conduct in-depth case studies. Our next three surveys gathered responses from administrators of Treasury ERA programs, which use the \$46.55 billion Congress enacted specifically for emergency rental assistance, housing stability services, and other housing expenses in the Consolidated Appropriations Act of 2020 (Treasury ERA1) and the American Rescue Plan Act (Treasury ERA2). A total of 64 program administrators responded to our Spring 2021 survey, 105 responded to our Summer 2021 survey, and 100 responded to our final survey in late 2021. These surveys captured responses from program administrators as they initially implemented their programs, adapted their programs, and transitioned between Treasury ERA1 and Treasury ERA2 funding streams. While each survey captured a broad cross-section of programs, the surveys for the most part do not track the same programs over time. Twenty-eight programs responded to both our first survey in 2020 and our last survey in late 2021.

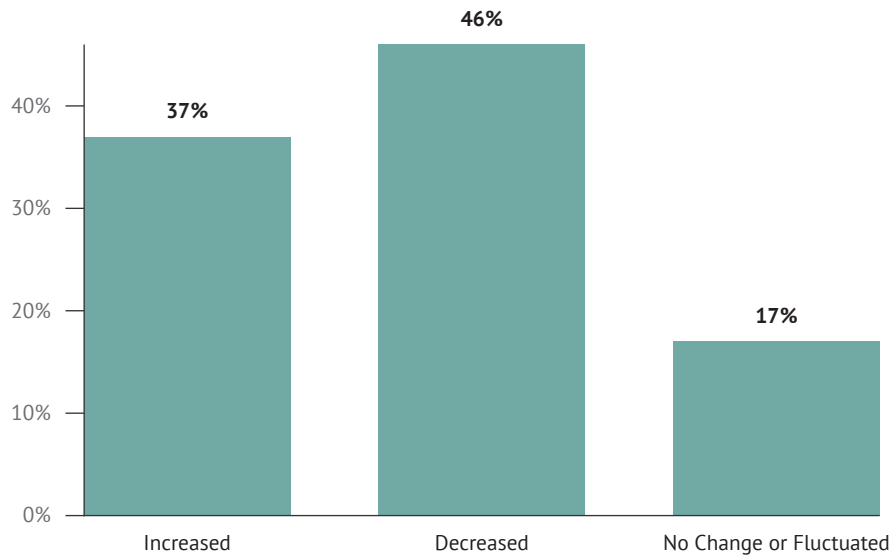
This report investigates how ERA programs changed over time, with respect to both their challenges and their practices, in four ways:

- First, we compare responses from the **full samples** of our surveys. In most cases, we compare responses from 2020 early ERA program administrators surveyed between August and October 2020 to those of 100 Treasury ERA administrators surveyed approximately a year later, between October and December 2021.
- Second, we examine the **28 programs** surveyed in August-October 2020 that also responded in October-December 2021 to understand how individual programs may have adapted.

- Third, we use the results of our fourth and final survey to explore the adjustments Treasury ERA programs made—or will make—as they transition(ed) between ERA1 and ERA2, two important federal funding streams with slightly different federal guidance.
- Finally, we rely on open-ended responses to a **retrospective question** asked in the final survey to better understand what aspects of their programs administrators would have changed, but didn't or couldn't, given what they know now.

It is important to note that this brief does *not* evaluate the ability of ERA programs to serve tenants and landlords in a timely, equitable, and effective way. Much more research is needed to understand access to ERA programs as well as the impact of assistance on household outcomes.

Figure 01. Change in Challenges Over the Course of 2021 (Oct-Dec 2021, N = 95)



Key Challenges and Strategies

In our final survey, we asked survey respondents to reflect on how their program challenges had shifted over the past year. A striking 37% (N=95) reported that their challenges had *increased* over the past year (Figure 1). Nearly half (46%) of respondents reported that their challenges had decreased and a smaller share (17%) responded that their challenges had done something “other” than increase or decrease. Almost all respondents who selected “other” (92%, N=14) indicated that their challenges had either remained constant or had fluctuated over time, but not necessarily increased or decreased. In sum, over half of survey respondents (54%, N=95) indicated that their challenges did not decrease over the course of 2021.

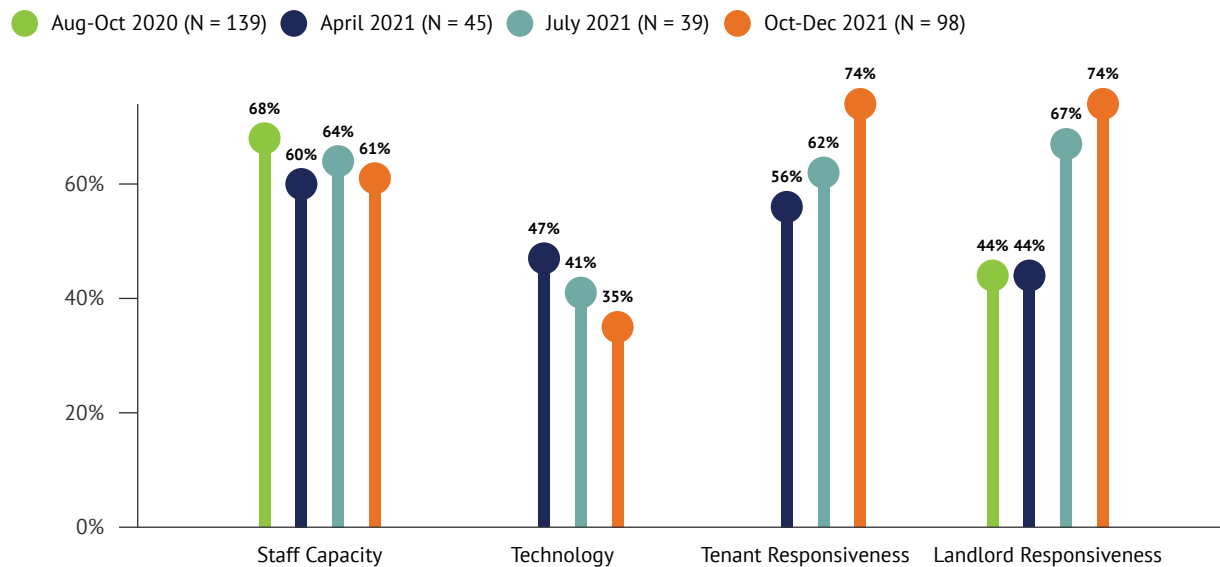
Despite shifts in program design and implementation, ERA program administrators identified a similar set of challenges in each of the four surveys administered between 2020 and late 2021. A consistent majority of administrators, ranging from 60% to 68% across the

four surveys, cited limited staff capacity as a challenge (see Figure 2 on the following page).

Technology was another consistent and common challenge, cited by 47% of Treasury ERA programs in the Spring of 2021, by 41% of programs in Summer 2021, and by 35% in late 2021.

Treasury ERA programs also faced ongoing challenges with tenant and landlord responsiveness, and our surveys suggest these challenges may have become more prevalent over time. Our first survey asked about incomplete applications rather than tenant responsiveness. Seventy-one percent (N=139) of early ERA respondents to our 2020 survey cited incomplete applications as a challenge. Of the survey respondents who identified challenges in 2021, tenant (un)responsiveness was identified by 56% in Spring 2021, 62% in Summer 2021, and 74% in late 2021. Landlord (un)responsiveness was cited by 44% of Treasury ERA survey respondents in Spring 2021, 67% of respondents in Summer 2021, and 74% of respondents in late 2021.

Figure 02. Common Challenges among ERA Programs



Incomplete applications and challenges following up with applicants may result in part from a broad range of potential barriers experienced by tenants, including limited access to technology, language barriers, complicated application submission processes, and overly stringent eligibility and documentation requirements.^{7,8} The application process often requires multiple interactions between tenants and program administrators, which is a logistical challenge and a burden for both tenants who may be housing- and internet-insecure and for administrators working through many applications.

Focusing on the 28 programs that participated in both the first and last wave of surveys gives us some indication of how challenges changed, if at all, for specific programs.⁹

A quarter of respondents (26%, N=19) newly cited staff capacity challenges in 2021 while nearly half (47%) cited staff capacity challenges in both surveys. Only 5% of administrators who had cited staff capacity challenges in 2020 did not cite them again in 2021. Other persistent issues were funding insufficiency (newly cited by 37% in 2021, cited by 32% in both surveys, and no longer cited by 11% in 2021) and landlord (un)responsiveness (newly cited by 37% in 2021, cited by 16% in both surveys, and no longer cited by 16% in 2021).

In the following sections, we explore how ERA administrators adapted, or wished they had adapted, their programs in the context of these challenges.

⁷ Housing Initiative at Penn, NYU Furman Center, and National Low Income Housing Coalition. *COVID-19 Emergency Rental Assistance: Analysis of a National Survey of Programs*. January 2021.

⁸ Housing Initiative at Penn, National Low Income Housing Coalition, and NYU Furman Center. *Learning from Emergency Rental Assistance Programs: Lessons from Fifteen Case Studies*. March 2021.

⁹ There may be some bias in which jurisdictions responded to more than one survey. It is unclear which direction this bias would run. Programs with the highest capacity may have had the most time to respond, but those with the least capacity may have been looking for their experience to be better documented to improve future policies. Because NLIHC conducted extensive outreach, jurisdictions in many different contexts may be responding.

Figure 03. Roles of Nonprofit Partners in Treasury ERA Programs (Oct-Dec 2021, N = 99)



Expanding capacity through investments in partnerships, staffing, and infrastructure

Our previous research indicates that programs that partnered with nonprofits for implementation were less likely to report capacity limitations than those that did not.¹⁰ They were also less likely to report application (in)completeness as a challenge.

Overall, our surveys suggest more programs worked with nonprofits in 2021 than in 2020. A majority of early ERA programs (68%, N=163) formed partnerships with nonprofit entities, most commonly to conduct intake, review applications, or carry out other aspects of the program. By the end of 2021, four out of five Treasury ERA programs (81%, N=99) were working with nonprofits in some capacity, most commonly to conduct outreach or intake (Figure 3). This increase was particularly evident in programs that filled out both waves of the survey, with 78% (N=27) partnering with nonprofits in 2020, and all but one (96%, N=27) doing so in 2021.

Of the 70 administrators who responded to the open-ended retrospective question in late 2021, a majority (89%) identified at least one aspect of implementation that could have been improved. About a fifth of respondents (18%) said they would have partnered differently in retrospect. Some would have partnered sooner, partnered with a greater number of organizations, or assigned greater responsibility to their partners. Others would have coordinated better by communicating more frequently or investing in more upfront training for partner agencies. Only a few respondents (6%) would have preferred fewer partners, in the interest of simplicity and speed.

Many respondents (40%) to this retrospective question raised issues related to their staffing decisions. They wished they had hired more and better qualified staff at the outset. Several expressed frustration with insufficient administrative funding. Some respondents would have hired a different mix of staff, in retrospect: “Instead of hiring temporary staff, who do not have a vested interest in the success of the program, [we should have hired] provisional full-time staff to provide customer service and accelerate application processing time,” wrote one respondent. Another would have hired more IT personnel.

¹⁰ Housing Initiative at Penn, NYU Furman Center, and National Low Income Housing Coalition. COVID-19 Emergency Rental Assistance: Analysis of a National Survey of Programs. January 2021.

One-quarter (27%) of respondents wished they had invested in better technology for applications and payments at the program’s inception. “We have administered [our] 2020 and 2021 ERA programs through a single Excel document,” wrote a respondent. “It would have been great to have a more sophisticated platform at the beginning.”

Several respondents noted that the pressure to launch their programs quickly meant that they did not have time to build sufficient capacity and infrastructure prior to program launch, resulting in a bumpy start to implementation.

Improving tenant responsiveness and application completeness

Some program administrators sought to improve access, especially for vulnerable populations, to their ERA programs by adopting self-attestation, fact-specific proxies, and categorical eligibility as alternatives to source documentation for income; broadening the definition of COVID-19-related hardship and reducing extraneous requirements; and conducting more robust outreach, especially through community-based organizations, housing counselors, and housing courts. Our previous research suggests that programs with fewer and more flexible eligibility and documentation requirements are better able to get money out the door.¹¹ Self-attestation and other tools that reduce documentation burdens, like categorical eligibility and fact-specific proxy, are also important to a program’s ability to spend.¹² Greater and more targeted outreach could also boost tenants’ engagement with ERA programs.

ERA programs introduced greater flexibility in documentation over the course of the pandemic. The majority of ERA programs continue to ask

for documentation of income, but 75% (N=53) of Treasury ERA survey respondents in Spring 2021 accepted an applicant’s self-attestation of income and 81% (N=99) did so as of the most recent survey in October-December 2021. A substantial number of these Treasury ERA programs do not, however, acknowledge in public-facing documents that self-attestation is an option.¹³

Self-attestation of income is only one alternative to full documentation. In the final 2021 survey, 70 Treasury ERA program administrators (71%, N=99) reported using applicants’ eligibility in other income-verified programs as a means of documenting their income. The same survey found that 29 programs (29%) used fact-specific proxies, which are other facts, like the median income for an applicant’s census tract, that can be used to infer a household’s income eligibility.¹⁴ This represents an increase since Summer 2021, when 54% of administrators surveyed (N=72) reported using eligibility in other income-verified programs and only 14% reported using fact-specific proxies.

ERA programs commonly require applicants to have experienced COVID-19-related hardships, but the definition of hardship expanded over time. Early ERA programs frequently specified hardship as income loss due to COVID-19 (85%, N=188), while a smaller share (34%) would take into consideration other forms of hardship like increased medical expenses. Treasury ERA programs, in comparison, accept any financial hardship due, directly or indirectly, to COVID-19 in response to federal legislation that enacted the funding for Treasury ERA1.

In a small number of cases, the legislation that created the Treasury ERA program may have heightened eligibility criteria: some early ERA programs did not require a COVID-19-related hardship for ERA eligibility, but added this requirement in response to

¹¹ Housing Initiative at Penn, NYU Furman Center, and National Low Income Housing Coalition. *COVID-19 Emergency Rental Assistance: Analysis of a National Survey of Programs*. January 2021.

¹² Housing Initiative at Penn and National Low Income Housing Coalition. *Treasury Emergency Rental Assistance Programs in 2021: Preliminary Analysis of Program Features and Spending Performance*. December 2021.

¹³ Housing Initiative at Penn, NYU Furman Center, and National Low Income Housing Coalition. *Treasury Emergency Rental Assistance Programs in 2021: Analysis of a National Survey*. June 2021.

¹⁴ National Low Income Housing Coalition. *Implementing Fact-Specific Proxy in ERA Programs: Key Considerations and Lessons Learned*. February 2022.

Treasury ERA rules. Of the 21 administrators that answered the relevant question in both 2020 and late 2021, a large majority (86%) said their programs required tenants to have experienced a COVID-19 hardship in both 2020 and 2021, and 14% had added this requirement by the end of 2021 to comply with statutory guidance for the Treasury ERA program.

Some programs further expanded the definition of COVID-19-related hardship as they transitioned from Treasury ERA1 to ERA2 funds (26%, N=84), again likely in response to federal legislation. Applicants to programs using ERA2 funds are allowed to simply have experienced hardship *during*, rather than *due to*, the pandemic. Not all programs, however, have adopted this broader definition as they transition to ERA2.

Treasury ERA programs allow more flexibility than early ERA programs in how applicants can show they meet the COVID-19-related hardship criterion. Among early ERA programs, 56% required proof of COVID-19-related income loss and only 37% allowed applicants to self-attest to income loss without further documentation (N=182). By contrast, almost all Treasury ERA programs reported allowing self-attestation of COVID-19-related hardship in late 2021 (95%, N=99). Some programs do not acknowledge this in their readily accessible public-facing documents, however, potentially leaving applicants unaware of this option.

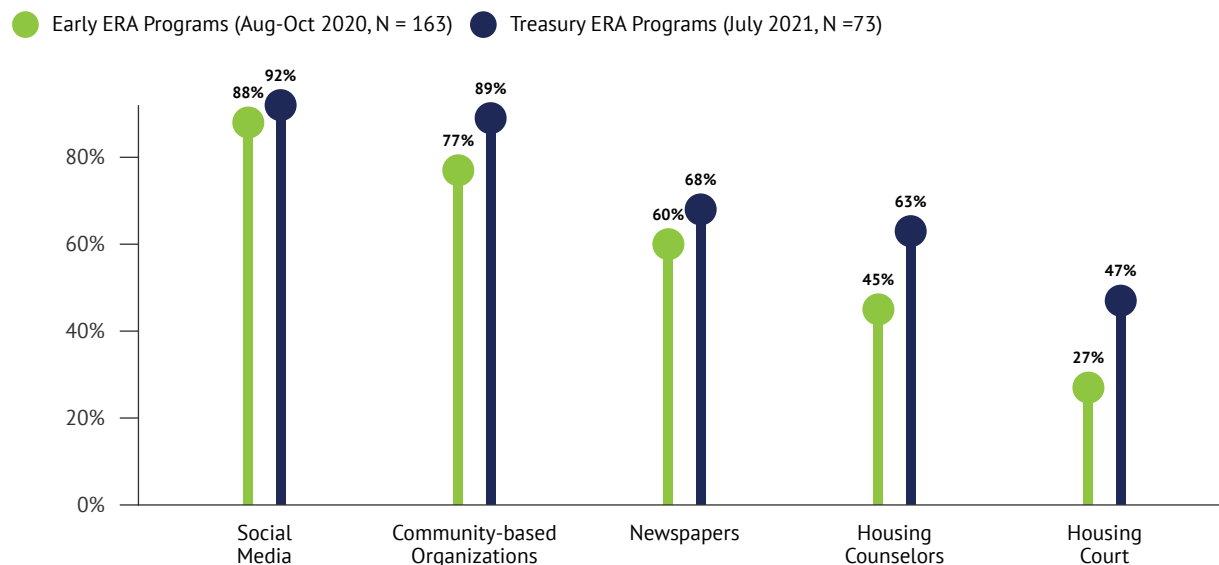
Early ERA programs were more likely than Treasury ERA programs to ask tenants to meet additional eligibility criteria. Early ERA programs required tenants not to receive other rent subsidies (37%, N=188), not to have savings sufficient to pay their rent arrears (20%), to have been current on rent prior to the pandemic (18%), and to be legal U.S. residents (21%). Treasury ERA programs implemented fewer such criteria. As of late 2021, only 13% of programs (N=99) required tenants not to receive other rent subsidies and 11% required tenants to be legal residents. Of the 28 programs that responded to our surveys in both 2020 and late 2021, a majority (77%) indicated that their

program's eligibility requirements either decreased or did not change in number. Further, all programs that had reported requiring a birth certificate in 2020 (19%, N=21) had dropped that requirement by late 2021. The five programs that had required a tenant's social security number in 2020 had also dropped this requirement by late 2021 (24%, N=21), but two programs newly added it (10%).

Despite increased efforts to conduct outreach through community-based organizations, housing counselors, and housing court, some Treasury ERA administrators still saw room for improvement in late 2021. In 2020, early ERA administrators reported using social media (88%, N=163), community-based organizations (77%), newspapers (60%), and housing counselors (45%) to spread the word about their programs (see Figure 4 on the following page). Targeted outreach, such as reaching out to tenants facing eviction in housing court, was rarer (27%). By the third survey in summer of 2021, a larger majority of Treasury ERA programs reported spreading the word via social media (92%, N=73), community-based organizations (89%), newspapers (68%), and housing counselors (63%). In addition, nearly half of programs had implemented targeted outreach in housing court (47%) and 40% conducted outreach through other government assistance programs.

Yet, 11% of Treasury ERA program administrators (N=70) raised outreach as an area for improvement in the final 2021 survey. "Our main hurdle was advertising," wrote one respondent. "We posted on social media [and on our] website, and hung fliers at various locations. In total we assisted over 250 households. [Yet] we have more in this community who need help." Another wrote that they should "have launched more advertising/marketing for the program initially, and coordinated with [their] Housing Authority at the launch of the program." A third respondent wrote, "Our immigrant population is still afraid to apply for the program regardless of our efforts to better inform them."

Figure 04. Outreach Strategies Adopted by ERA Programs



Addressing landlord responsiveness

Landlord participation has been a crucial challenge in most ERA programs: even if tenants meet program criteria, their landlords often must agree to participate and arrange to receive the funding. Treasury guidance has evolved over time to address the challenge of landlord (un)responsiveness. Programs using Treasury ERA1 funds must first try to send assistance to the landlord, but may send assistance to tenants when their landlords refuse to cooperate or are unresponsive. Programs using Treasury ERA2 funds are *required* to provide assistance directly to tenants when their landlords don't cooperate and can even provide direct-to-tenant assistance without first trying to engage the landlord.

Nearly all early ERA programs (98%, N=188) required tenants to apply for assistance, but paid the assistance to landlords directly (90%, N=189). Most Treasury ERA programs continue to send payments to landlords (93%, N=99), but by late 2021, a majority also allowed payments to tenants if landlords were not responsive or declined to participate (71%). Only a small share of Treasury ERA programs currently send assistance to tenants directly without first waiting for landlord participation (7%).

Our earlier research found that certain landlord requirements were negatively associated with programs' ability to serve the expected number of households. In particular, requiring landlords not to evict tenants for longer periods, and combining this restriction with other requirements such as rent freezes and forgiveness of rental arrears, was associated with serving a lower-than-expected share of households.¹⁵ Yet, over the course of the pandemic, these requirements have shifted to some extent.

To protect tenants' housing stability, early ERA programs commonly required landlords not to evict tenants for a certain amount of time (78%, N=152). Much smaller shares of programs required landlords forgive remaining rental arrears (28%) or freeze rent for a period of time (3%). Some programs required landlords to have a current rental license (13%) or be listed in a local rental registry (5%).

Federal guidance now requires all Treasury ERA programs to prohibit landlords from evicting tenants for nonpayment of rent for the period covered by the

¹⁵ Housing Initiative at Penn, NYU Furman Center, and National Low Income Housing Coalition. *COVID-19 Emergency Rental Assistance: Analysis of a National Survey of Programs*. January 2021.

assistance. As of our final survey, a smaller share of Treasury ERA programs required landlords to forgive rent in arrears (4%), but a slightly larger share required them to freeze rent (11%, N=98). Only 4% of Treasury ERA programs required that participating landlords have a current rental license or be listed in a local rental registry.

The requirements listed above do not constitute the full universe of landlord requirements, which frequently include a variety of documentation requirements (such as W-9s, tenant rent ledgers, and banking information). Of the 17 respondents that answered questions about landlord requirements in both 2020 and late 2021, all but one program (94%) decreased the number of landlord requirements during this time frame. About 17% dropped the requirement that they be registered to a local rent registry and 17% dropped the requirement that landlords forgive rent arrears, for example.

Federal oversight and guidance

In response to the retrospective question asked in the final 2021 survey, several Treasury ERA program administrators shared concerns about Treasury's oversight (18%, N=70). Administrators expressed frustration that Treasury had not published reporting requirements sooner, which would have influenced the data they collected. One respondent explained, "Treasury did not release comprehensive reporting guidance until nearly three months after we launched our program. The intensive reporting requirements contribute[d] to our need to rebuild our online application portal and back office workspace...only to have reporting guidance revised again." Previous research has documented similar frustrations among Tribal programs.¹⁶

Other survey respondents took issue with Treasury's guidelines, initially finding them overly restrictive. One respondent noted, "We spent a lot of time trying to get documents in situations where the applicant

was clearly qualified.... This problem got better as the Treasury clearly communicated the goal to expedite the distribution of funds and to accept self-attestation in more cases." Our earlier research found that vague and shifting guidance forced early administrators to take risks in interpreting unclear clauses and repeatedly adapt their program.¹⁷

Treasury released new and more flexible guidance on multiple occasions over the course of the year. Initial guidance under the Trump administration required Treasury ERA1 programs to acquire source documentation of a household's income and COVID-19-related hardship. Subsequent guidance released on February 22, 2021 rescinded the initial guidance and introduced self-attestation broadly as an alternative to source-documentation. Guidance from May 7, 2021 further encouraged programs to reduce documentation requirements, speed up processes to immediately assist renters, and pay renters directly if landlords did not respond. It introduced the use of fact-specific proxy as another method to reduce documentation burdens and speed up processing.

The rules governing Treasury ERA1 and Treasury ERA2 also have several notable differences:

- Duration of assistance: Together, Treasury ERA1 and ERA2 can provide up to 18 months of assistance compared to a maximum of 15 months of assistance under ERA1 alone.
- Definition of COVID-19-related hardship: Under Treasury ERA1, applicants must have experienced financial hardship due, directly or indirectly, to the COVID-19 outbreak, but for Treasury ERA2, applicants must simply have experienced hardship during the pandemic.

¹⁷ Housing Initiative at Penn, National Low Income Housing Coalition, and NYU Furman Center. *Learning from Emergency Rental Assistance Programs: Lessons from Fifteen Case Studies*. March 2021.

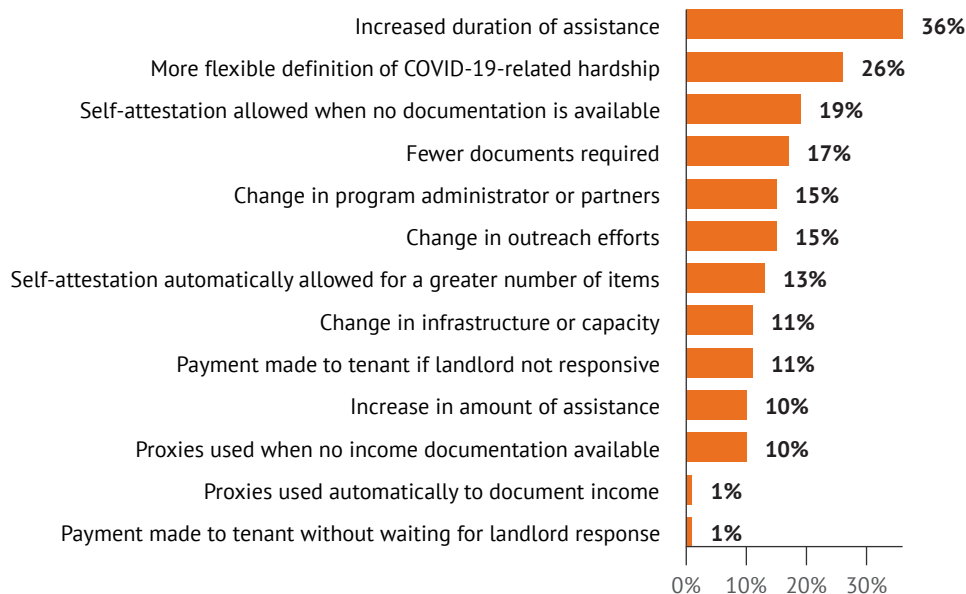
¹⁶ National Low Income Housing Coalition. *Emergency Rental Assistance Among Indigenous Tribes: Findings from Tribal Grantees*. January 2022.

- Recipient of payment: Under Treasury ERA1, assistance must be paid to landlords on behalf of qualifying tenants. Programs can make exceptions for tenants whose landlords are unresponsive or unwilling to participate. By contrast, Treasury ERA2 funds may be paid directly to tenants without first seeking landlord participation. When a tenant’s landlord does not participate, ERA2 requires that programs pay assistance directly to the qualifying tenant.

As jurisdictions transition from Treasury ERA1 to Treasury ERA2, we might therefore expect to see programs assist households for a longer duration, adopt more flexible definitions of COVID-19-related hardship, and send payments to tenants immediately or, at a minimum, whenever their landlord did not participate.

In fact, most respondents (77%, N=84) to our final survey made, or planned to make, at least one adjustment to their program as they began disbursing Treasury ERA2 funds (Figure 5). The most common adjustment (51%, N=84) was to the duration or amount of assistance. Among those adjusting assistance, most used or will use Treasury ERA2 to extend the duration of assistance (94%, N=33), but some programs increased the maximum amount of assistance per household (24%), and a handful of programs reduced the amount or duration of assistance. Only some programs in the sample expanded their definition of COVID-19-related hardship (26%, N=84) and only one will offer assistance directly to tenants without first seeking landlord participation.

Figure 05. Changes Made in the Transition from Treasury ERA1 to Treasury ERA2 (Oct-Dec 2021, N = 84)



Implications for Future Policy

Long before the pandemic, millions of renters were one financial shock away from severe housing instability. For too many of them, the pandemic constituted that shock. The ERA programs created in response to the pandemic are temporary, but when properly designed and implemented, they can keep families stably housed until funds run out.

There is a clear need for emergency rental assistance to become a lasting part of our safety net in order to protect renters' housing stability when they experience financial shocks. The variability and scale of pandemic-related ERA programs can shed light on how future, permanent ERA programs could effectively and efficiently help renters facing financial emergencies.

Given the persistent challenges facing ERA programs—including issues with staff capacity, technology, and infrastructure; tenant responsiveness and application completeness; landlord responsiveness; and federal oversight—we suggest four key considerations for permanent ERA programs.

Sufficient and sustained funding is important to building adequate infrastructure and capacity

As funds for ERA run out in a number of jurisdictions, they risk losing the partnerships, infrastructure, and knowledge that took a significant amount of time to develop. It is not clear what will happen as programs shut down. Permanent ERA programs could build on the infrastructure that temporary ERA funds facilitated and ensure the nation is better equipped to protect families' housing stability when future crises arise.

A permanent ERA program or programs with sustained funding may also alleviate challenges related to staff capacity and technology. In January 2021, ERA program administrators faced an enormous task: to construct Treasury ERA programs that could distribute

billions of dollars in much-needed assistance, but that would potentially no longer exist at the end of the year or soon after. It was not until March 2021 that the timeline for ERA1 expenditures was extended and additional money was provided in the form of ERA2. Under pressure, some program administrators made decisions that addressed short-term staffing and infrastructural needs, but in doing so failed to meet longer-term needs. Administrators wishing to hire permanent full-time staff rather than temporary staff, invest in more sophisticated technology, and provide more training may have been better able to do so if they had known they could rely on a more permanent funding stream.

A higher cap on administrative expenses may also help address staff capacity, although our survey research did not explore this. The Treasury ERA program capped administrative expenses at 10% and 15% of grantees' ERA1 and ERA2 allocations, respectively. Even though ERA programs have been a particularly heavy administrative lift, the Treasury ERA1 and ERA2 administrative caps are lower than the 20% cap for administrative expenses in the Community Development Block Grant program.

Flexibility in eligibility and documentation requirements, as well as targeted outreach, are important for program accessibility

Incomplete applications and difficulty obtaining required documents from tenants have consistently challenged ERA programs. Some (but not all) program administrators addressed these challenges by increasingly targeting outreach (for example, by enrolling households facing imminent eviction in housing court). Some also lowered barriers to the application process—reducing requirements, accepting a greater variety of documents to determine eligibility, and implementing flexible alternatives, including self-attestation, fact-based proxies, and categorical eligibility. Our research found that these changes are important to programs' ability to disburse

program funds.¹⁸ Targeting outreach and providing for flexible documentation in an ongoing ERA program could improve access for families facing a crisis.

Direct-to-tenant assistance can also improve program accessibility

In response to landlord non-participation, many ERA programs moved toward making payments directly to tenants. Treasury formalized this payment alternative as an option in their guidance when landlords refused to participate; eventually, Treasury went so far as to mandate it. This is an innovative feature of ERA not seen in traditional rental assistance programs such as the Housing Choice Voucher program. It has important implications for both equity and the ability to spend program funds in a timely way. Yet some ERA program administrators have remained hesitant to assist tenants directly, with the result that qualified tenants may be denied aid simply because their landlord chooses not to engage with a government program.

Clear and timely program parameters can increase program administrators' certainty in making decisions about program infrastructure and design

In open-ended survey questions and interviews, ERA program administrators cited vague and shifting guidance as a major challenge. Uncertainty led administrators to make short-term decisions about program infrastructure that they would regret in the long term. Shifting guidance forced them to frequently revise program design and implementation, which increased administrative burdens and slowed down the disbursement of funds. A commitment to ongoing ERA would provide the federal government with the opportunity to create effective and consistent program rules before the next large-scale crisis.

¹⁸ Housing Initiative at Penn and National Low Income Housing Coalition. [Treasury Emergency Rental Assistance Programs in 2021: Preliminary Analysis of Program Features and Spending Analysis](#). December 2021.

Conclusion

Prior to the pandemic, nearly 8 million extremely low-income U.S. households were spending more than half of their limited incomes on rent and utilities.¹⁹ The pandemic pushed many of those living with these unsustainable housing costs into even more severe housing instability while also destabilizing households previously unexposed to housing challenges. ERA program administrators have learned many lessons over nearly two years about how to provide urgently needed emergency assistance to these renters—lessons which should not be lost.

There are current proposals aimed at making emergency rental assistance a more permanent component of our housing safety net. For example, the bipartisan Eviction Crisis Act, introduced in the U.S. Senate, includes \$3 billion annually for a permanent Emergency Assistance Fund, which would provide ERA to renters in a sudden crisis. While the funding amount proposed in this bill is small compared to the need, this and any similar efforts could give the U.S. Department of Housing and Urban Development the opportunity to build on what has been learned from the hundreds of temporary ERA programs implemented during the pandemic. Short-term emergency assistance does not eliminate the need for more affordable rental housing, or a more robust set of housing assistance programs, but it is an important complement to such efforts.

¹⁹ National Low Income Housing Coalition. [The Gap: A Shortage of Affordable Homes](#). March 2021.

ACKNOWLEDGMENTS

The Annie E. Casey Foundation, the Charles and Lynn Schusterman Family Philanthropies, the JPB Foundation, the Robert Wood Johnson Foundation, and the Stoneleigh Foundation generously supported this research. We thank them for their support but acknowledge that the findings and conclusions presented in this report are those of the authors alone, and do not necessarily reflect the opinions of these funders.

WITH QUESTIONS, PLEASE CONTACT:

Claudia Aiken, Director
Housing Initiative at Penn
claudf@upenn.edu

Rebecca Yae, Senior Research Analyst
National Low Income Housing Coalition
ryae@nlhc.org