

## EMERGENCY RENTAL ASSISTANCE: THE NEED FOR PERMANENT SUPPORT

**E**mergency Rental Assistance (ERA) has been a lifeline for renters facing housing instability throughout the COVID-19 pandemic and its economic recovery. This critical program provides financial support to help renters facing an unexpected loss of income – such as job loss during the pandemic – stay in their homes, covering overdue rent and utilities.

With more than \$46 billion dollars distributed to households in need, ERA has been instrumental in preventing evictions, maintaining household stability, and ensuring the economic well-being of both renters and landlords. As ERA funding dwindles and programs shut their doors, the need for a permanent federal ERA program is increasingly evident.

**Congress should enact the “Eviction Crisis Act” to permanently authorize and fund the Emergency Assistance Fund to provide short-term, emergency assistance to help renters avoid eviction and remain stably housed.**

### The Ongoing Need for Emergency Rental Assistance

ERA was authorized and funded through two pieces of legislation: the “Consolidated Appropriations Act of 2021,” enacted in December 2020, and the “American Rescue Plan Act” (ARPA), enacted in March 2021. Between these two pieces of legislation, Congress appropriated an unprecedented \$46.55 billion for states, localities, Native American Tribes and Tribally Designated Housing Entities (TDHEs), and territories to provide ERA to low-income households facing a loss of income during the COVID-19 pandemic, who were at risk of housing instability, eviction, or homelessness.

More than 514 ERA programs were created between 2021 and 2022. These programs played a critical role in preventing homelessness by providing funds to help struggling renters afford their housing expenses and avoid eviction. Thanks to ERA and other COVID-era policies, eviction filings fell by [more than half](#) between the start of the pandemic and the end of 2021. ERA funds were targeted to help those most at-risk of eviction, with [64% of recipients](#) identifying as extremely low-income (ELI), earning no more than 30% of area median income.

Today, nearly all ERA programs have exhausted funds and closed their doors, despite clear and ongoing need. There is a national shortage of [over 7.3 million](#) affordable, available rental homes for people with the lowest incomes. The number of ELI renter households increased from 10.8 million in 2019 to 11 million in 2021, and median rents skyrocketed, increasing 18% between January 2021 and January 2022. While the increase in rent has stabilized, rent still costs an average of [\\$250 more](#) per month than just three years ago.

ELI renters disproportionately experience housing cost burdens, spending over 30% of their income on rent and utilities every month. Nearly 73% are severely housing cost-burdened, spending over 50% of their income on housing. After paying rent, these households have little, if any, money remaining for other necessities, like nutritious food, medical care, or school supplies, and even less to put aside for savings. These households are often only one missed paycheck, cut in work hours, or unexpected expense away from falling behind on rent and facing eviction and, in worst cases, homelessness.

Permanent ERA would provide emergency assistance to cover the gaps between income and rental costs during such a financial crisis, stabilizing households before they face housing instability and require more extensive and expensive services. ERA resources can be used in conjunction with other housing stability services, such as housing counselors and legal aid, to significantly reduce evictions and homelessness. Stable housing, in turn, supports community stability, educational outcomes for children, and public health.

## The “Eviction Crisis Act” Would Create a Permanent ERA Program

ERA was a vital lifeline for households during the pandemic, helping stabilize [over 5.3 million households](#) experiencing an economic shock that placed them at-risk of eviction. Before the pandemic, NLIHC’s Opportunity Starts at Home campaign worked to build bipartisan support for the “Eviction Crisis Act.” The bill, led the Senate by Senators Michael Bennet (D-CO), Todd Young (R-IN), and Sherrod Brown (D-OH), builds on the infrastructure and best practices for ERA distribution pioneered during the pandemic to create a permanent program to provide extremely low-income renters with emergency rental assistance. Since the bill’s initial introduction in 2019, congressional sponsors have used the important lessons learned from pandemic ERA to strengthen the legislation, incorporating best practices to ensure funds are targeted and distributed equitably.

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