



Deep South to Receive over \$1.4 Billion in Emergency Rental Assistance Funds

Background

As the economic crisis from the Coronavirus pandemic grows, more people find themselves on the brink of housing instability. Hope Policy Institute's [analysis](#) shows that renters were in jeopardy of evictions before even pandemic-related unemployment assistance expired. Despite the federal moratorium, many landlords are continuing to evict people and mounting housing-related expenses threaten people's ability to stay safely housed during the pandemic. In response, the Congressional federal relief package passed in December provided \$25 billion in Emergency Rental Assistance Funds, allowing states and local governments with more than 200,000 people to implement relief programs to assist struggling renters. The Emergency Rental Assistance Fund is administered by U.S. Department of the Treasury and must be fully deployed in 2021.

Of these funds, Deep South states and eligible local governments will receive more than \$1.4 billion in rental assistance. Once the programs are established, both tenants and landlords will be able to apply for the funds through the designated agency. The funds can be used to cover past rent, future rent, utility bills, and other housing-related costs.

Below are basic parameters of the scope and uses of the funds, as provided by the federal statute. More clarity will be provided as Treasury finalizes guidance and state and local governments implement their programs accordingly. As states and local governments implement the programs to disburse these funds, it is critical to ensure the maximum flexibility as provided by the federal statute to reach the people and communities hit hardest by COVID-19.

Who is eligible?

Households are eligible for emergency rental assistance funds if one or more individuals:

1. has qualified for unemployment benefits or can attest in writing that he or she has experienced a reduction in household income, incurred significant costs, or experienced other financial hardship due, directly or indirectly, to the pandemic;
2. can demonstrate a risk of experiencing homelessness or housing instability; and
3. has a household income below 80% AMI

States and localities must also prioritize households below 50% of AMI or those who are unemployed.

What kind of help can be provided?

- Funds may be used for past due, current and future rent and past due and current utility costs and other housing related costs dating back to March 13, 2020. Past due rent that puts someone at risk of eviction must be prioritized first.
- Funds may cover 12 months of rent, with an additional three months if necessary to ensure housing stability.
- State and local governments can use up to 10% of their allocations for administrative costs and another 10% for case management or other supportive services to provide further stability during the process.

How can people access the relief?

- Once the program is established by the respective state or local government agencies to administer the program, both landlords and tenants will be able to apply for relief.
- If a landlord applies on a tenant's behalf, landlords will have to provide documentation of the application to their tenants and obtain their tenants' signatures.
- Federal statute does not require an eviction notice in order to receive relief, and help should be sought well before a potential eviction to prevent the eviction process from beginning.

How much money is coming to the Deep South?

Both Deep South states and local governments with populations over 200,000 people will receive money from the U.S. Treasury. The final exact allocations for the local governments have not been announced.

Estimated Maximum Allocation by State

State	Amount
Alabama	\$326,358,801
Arkansas	\$200,961,311
Mississippi	\$200,000,000
Louisiana	\$308,042,376
Tennessee	\$456,682,774

Local Governments Also Receiving Allocations Directly from U.S. Treasury

- **Alabama:** Baldwin County, Birmingham city, Huntsville city, Jefferson County, Madison County, Mobile County, Montgomery County, Shelby County, Tuscaloosa County
- **Arkansas:** Benton County, Pulaski County, Washington County
- **Louisiana:** Baton Rouge city, Caddo Parish, Calcasieu Parish, East Baton Rouge Parish, Jefferson Parish, Lafayette Parish, New Orleans city, St. Tammany Parish
- **Mississippi:** Harrison County, Hinds County
- **Tennessee:** Hamilton County, Knox County, Memphis city, Montgomery County, Nashville-Davidson metropolitan area, Rutherford County, Shelby County, Williamson County

Additional Resources for More Information:

- US Treasury Emergency Rental Assistance Program:
 - o Overview:
<https://home.treasury.gov/policy-issues/cares/emergency-rental-assistance-program>
 - o FAQ's:
<https://home.treasury.gov/system/files/136/ERA-Frequently-Asked-Questions-Pub-1-19-21.pdf>
- Resources from the National Low Income Housing Coalition:
 - o Best Practices for Implementation:
<https://nlihc.org/sites/default/files/Best-Practices-for-State-and-Local-Emergency-Rental-Assistance-Programs.pdf>
- Urban Institute Need Locator:
 - o <https://www.urban.org/features/where-prioritize-emergency-rental-assistance-keep-renters-their-homes>