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**Testimony of Molly Catchen
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**Before the Committee on Human Services
Council of the District of Columbia**

Budget Oversight Hearing Regarding the Department of Human Services

May 29, 2025

Legal Aid DC¹ submits the following testimony regarding the Department of Human Services' (DHS) administration of the Emergency Rental Assistance Program (ERAP).

Legal Aid urges the Council to provide robust funding for ERAP in FY 2026. Legal Aid has been testifying for years that ERAP is underfunded and that its administration further limits program accessibility. These issues continue to exist today. However, in a time of unprecedented need, rising rents, and a continued affordability crisis, ERAP remains one of the only things standing between many families facing an emergency and homelessness. Legal Aid, as part of the Fair Budget Coalition, recommends funding ERAP at \$100 million dollars for the fiscal year 2026.

In addition to providing adequate ERAP funding, Legal Aid has suggestions to improve to the program administration that we believe will benefit both landlords and tenants.

Our suggested improvements include:

¹ Legal Aid DC is the oldest and largest general civil legal services program in the District of Columbia. The largest part of our work is comprised of individual representation in housing, domestic violence/family, public benefits, and consumer law. We also work on immigration law matters and help individuals with the collateral consequences of their involvement with the criminal legal system. From the experiences of our clients, we identify opportunities for court and law reform, public policy advocacy, and systemic litigation. For more information, visit www.LegalAidDC.org.

- Creating and funding an improved Portal to streamline the application process.
- Issuing updated regulations to address inconsistencies in the processing of ERAP applications and setting timelines for ERAP application processing and payment.
- Distributing ERAP funds to processing agencies at the beginning of each fiscal year.
- Investing in affordable and deeply affordable housing (40% AMI and under) across the District.

The Mayor's Proposed FY 2026 ERAP Budget Does Not Come Close to Meeting the Need For Rental Assistance

The funding proposed for ERAP in the FY 2026 budget is woefully insufficient and does not keep pace with rising housing costs. Legal Aid, as part of the Fair Budget Coalition, supports FBC's request to fund ERAP at \$100 million dollars for fiscal year 2026.² ERAP is one of the most effective tools the District has to keep individuals and families who are faced with ever increasing costs of living in stable housing and to prevent evictions. In our landlord-tenant practice, Legal Aid sees firsthand that ERAP funds are frequently the difference between housing stability and homelessness. Demand for ERAP remains high from year to year – so high, in fact, that each year, the need for ERAP far outstrips funding availability. Given the District's housing affordability crisis, this is not surprising.

The D.C. Office of Planning estimates that over 75,000 renter households are definitionally "cost burdened" in that they pay more than 30% of their income towards rent.³ More than 56,700 rental households are "severely cost burdened" and pay more

² Fair Budget Coalition, FY26 Budget Platform, https://fairbudget.org/wp-content/uploads/2025/03/Desktop_FBC_FY26-Budget-Platform_spreads-1.pdf, Accessed on 5/29/2025.

³ Homeward DC 2.0 District of Columbia, https://ich.dc.gov/sites/default/files/dc/sites/ich/page_content/attachments/Homeward-DC-Report_FY2021-2025%5B1%5D.pdf, Accessed on 5/28/2025.

than 50% of their income towards rent.⁴ The largest share of these severely cost burdened households, or 39,500 individuals and families, earn less than 30% of the area median family income.⁵ These families are at a greater risk of eviction because there is so little financial cushion for unanticipated financial emergencies.

In the long-term, the District must invest in affordable and deeply affordable housing. Until that time, there will be a significant demand for assistance for tenants who are a single emergency away from crisis. ERAP should be available and accessible when tenants need it. And yet, we have seen that for many tenants this is unfortunately not the case. ERAP has been closed since November 2024 and when it did open most recently, tenants had less than a day to submit their applications before it closed for the rest of the fiscal year. Many tenants facing emergency situations were closed out of the process – in some cases because they simply did not have sufficient technology to apply during the short window the Portal was open. This is not the way a program aimed at assisting people in crisis should function. Until there are other solutions to address the District's affordable housing crisis, ERAP must be funded at the level necessary to meet the demand.

DHS Should Create and Fund an Improved Portal to Streamline The Processing of ERAP Applications

There is no dispute that there are significant delays in the processing of ERAP applications. It frequently takes months from submission to payment. DHS should create and fund an improved online Portal to streamline the processing of ERAP applications. This can be done through the use of improved technology. Such technology is available and successfully being used by other jurisdictions, for example in Massachusetts. The Massachusetts Residential Assistance for Families in Transition ("RAFT") program can process rental assistance applications in about thirty days.⁶ One example of the way this system streamlines the process is to run the applicant's SSN/ITIN number concurrently against public benefits such as SNAP, automatically checking income eligibility.

The new Portal should have a feature which allows landlords to store documents across tenant applications. This will reduce the need for landlords to resubmit their documentation for every ERAP application (one of the points of bottleneck we often see

⁴ *Id.*

⁵ *Id.*

⁶ RAFT, Attachment A, FY25 Administrative Plan, <https://www.mass.gov/doc/raft-admin-plan-effective-july-16-2024/download>, Accessed 5/28/2025.

in the ERAP process). The Portal should also allow for more transparency throughout the ERAP process. A tenant should easily be able to track the status of their application, see what documents are needed for completion, and who is responsible for submitting those documents. It should detail when payments are issued and in what manner. These technological improvements can reduce the burden on ERAP processing agencies and speed up the application process so that landlords receive money more quickly and tenants are not stuck waiting months and months to find out if they will receive the assistance they need to stay in their homes.

DHS Must Issue Updated ERAP Regulations

Updated Regulations Must Address Recent Law Changes and Ensure Consistency Across ERAP Providers

The Emergency and now Permanent version of the Emergency Rental Assistance Reform Act made two significant changes to the ERAP application process. First, it changed the definition of emergency, limiting the number of people who are eligible for ERAP. Second, it imposed a documentation requirement for all aspects of the application with one exception. Since this change in October 2024, we have seen ERAP processing agencies interpret these changes in different ways, leading to inconsistencies. For example, some providers are taking a very narrow interpretation of the new definition of emergency while others are allowing for a more expansive view.

Such inconsistencies are also evident in the interpretation of what documentation is sufficient to demonstrate a tenant's emergency. Some processing agencies have accepted emails from tenants explaining their emergency and why they cannot provide documents, whereas others require a tenant to provide documents and are denying applications if a tenant cannot. Whether or not your application is approved should not depend on which processing agency claims it. New regulations must clarify how each of these new provisions should be interpreted so that they are applied equally across all applications.

Applications Should Be Processed Within a Set Timeline

We have testified multiple times about delays in the ERAP process. In the past we have proposed implementing timelines for the processing and payment of ERAP applications.⁷

⁷ See Molly Catchen & Mel Zahnd, Legal Aid DC, Public Hearing Regarding B25-0994 the "Emergency Rental Assistance Reform Amendment Act of 2024", available at <https://www.legalaiddc.org/media/4080/download?inline>. See also, Molly Catchen, Legal Aid DC, Performance Oversight Hearing Regarding Department of Human Services, March 5, 2025, available at <https://www.legalaiddc.org/media/4228/download?inline>.

Many of these delays, however, could be eliminated if the ERAP process was more efficient. We continue to believe that implementing such timeframes is necessary to reduce delays in the ERAP systems. Specifically, we believe that all ERAP applications should be claimed by an ERAP processing agency within 45 days after submission and processed by that agency within 45 days. If approved, payment should be issued to the housing provider within 15 days. This will ensure that tenants receive a timely decision on their application and that money is distributed to landlords more quickly. It will also reduce the burden on the courts by reducing the number of cases on a court's docket.

ERAP Funding Must be Distributed to Processing Agencies at the Start of Each Fiscal Year

DHS must release funds to ERAP processing agencies at the start of each fiscal year so that the processing agencies have the cash available to timely pay on approved applications. It is our understanding that there have been multiple periods throughout the last year where ERAP processing agencies have processed applications but were unable to give final approval and issue payments because they were waiting for the release of funds from DHS. This leads to delays in the court process and uncertainty for tenants who do not know when or if funding will come through for their application. There is no reason for delays to occur at this point in the ERAP process. All available ERAP funds should be released to the processing agencies at the start of each fiscal year so that once an application is approved payment can quickly be issued.

The Council Needs to Invest in Long Term Affordable Housing Solutions for DC Residents

The need for ERAP will always depend on the investments the District, and this Council, are willing to make in deeply affordable permanent housing.⁸ In the District, this means meaningful investments in the approximately 51,512 tenant households, or 28%, of all tenant households who live below 30% of the area median income (AMI)⁹. As well as targeted investments in the 75,013 tenant households who live below 50% of the AMI,

⁸ Legal Aid DC believes truly affordable housing means significant housing available, developed, and preserved for households with income equal to, or less than, 30% of the area median income, as well as for "very low income" households with income equal to between 31% and 50% of the area median income and for "low-income" residents meaning households with income equal to between 51% and 80% of the area median income.

⁹ See National Low Income Housing Coalition, District of Columbia, <https://nlihc.org/oor/state/dc>, Accessed on 5/19/25.

which is 41% of all tenant households in the city that require investment¹⁰. As long as deeply affordable rents are unavailable for the majority of residents in the District,¹¹ because D.C. continues to underinvest in such housing, many residents will remain housing insecure and the District will continue to require considerable investments in emergency support. The investments DC makes in permanent deeply affordable housing reduce the need for increased funding to emergency assistance programs. These investments can be balanced with market rate housing for DC tenants who have the means to pay, but we urge this committee to keep in mind that DC's rent is 42% higher than the rest of the country.¹²

A family that spends 60% or more of their income on rent will always be one emergency away from housing instability. Car repairs or medical expenses quickly become emergencies that affect the ability to pay rent. In these situations, ERAP is a crucial tool to keep families housed. By accessing a resource that they are eligible for, tenants in DC are not abusing the system or applying for ERAP when they do not really need it. The reality is that the housing crisis in DC is dire, and tenants need help because when the city you live in is broadly unaffordable, there is no cushion when the unexpected happens.

Reforms to ERAP will not address the root cause of the District's housing crisis. We urge Council to focus on making investments in affordable and deeply affordable housing. Some ways this can be accomplished are leveraging the Housing Production Trust Fund, particularly to preserve existing affordable housing, funding more permanent vouchers, expanding and enforcing inclusionary zoning for new housing developments at 30% AMI, and funding the First Right to Purchase Program (FRPP) so tenant TOPA purchasers can keep their buildings affordable.

As long as rents in the District remain out of reach for so many residents, and as long as the District continues to underinvest in affordable housing, many residents, our neighbors, will be unable to maintain their tenancies and will continue to be displaced from their homes.

¹⁰ *Id.*

¹¹ The District has a majority of tenants, with 59% of the population renting compared to 41% who own their homes. See National Low Income Housing Coalition, District of Columbia, <https://nlihc.org/oor/state/dc>, Accessed on 5/29/25.

¹² Apartments.com, Rent Market Trends in Washington DC, <https://www.apartments.com/rent-market-trends/washington-dc/>, Accessed on 5/29/25.

Conclusion

Low-income District tenants are in crisis. Everyday expenses including rent are going up faster than their wages. We know the Council cares deeply about preventing evictions, stemming displacement, and keeping the District's communities stable and intact and appreciate the Council working with us to ensure that ERAP is sufficiently funded and accessible to those who need it.