Two years after the beginning of the COVID-19 pandemic, the need for housing stability relief continues to far outpace the aid reaching Hoosier households who have been disproportionately affected by evictions and housing instability. To overcome emergency rental assistance (ERA) outcomes that place Indiana behind most neighbors and disproportionately disadvantage Black and brown Hoosiers and low-income families with children, Indiana policymakers must be all-in on an “all of the above” housing stability strategy. New data reveals that low rates of emergency rental assistance distribution, poor demographic data reporting, and inequitable results combined with ongoing high eviction filing rates across the state will leave Hoosier households vulnerable without such a strategy.

According to data reported to the U.S. Treasury, through March 2022 Indiana’s state and local ERA programs together have provided $266.7M of $447.9M (or 59.5%) paid as assistance to households in rent, rental arrears, and utilities, out of the first tranche of ‘ERA1’ funds allocated across all programs.¹ This rate of statewide distribution of assistance is behind three of Indiana’s neighboring states, ahead of only Ohio.

¹ At the outset, Indiana had six local ERA programs (Elkhart, Hamilton, Lake, Marion, and St. Joseph Counties and the City of Fort Wayne), in addition to Indiana Emergency Rental Assistance (IERA) program covering the balance of the state. At the time of data collection, of the local programs, only the Marion and Hamilton County and City of Fort Wayne programs remained open to applications, with the remainder now managed as part of IERA. On May 23, the City of Fort Wayne closed its ERA program as well, indicating residents in need would now apply through IERA.
Among state-run ERA programs, with $131.3M of $372M (or 35.36%) paid as assistance to households in rent, rental arrears, and utilities, the Indiana Emergency Rental Assistance program (IERA) is performing similarly to Ohio's (35.42%) while being outpaced by Kentucky (62.93%), Michigan (69.60%), and Illinois (88.98%).

Among Indiana’s state- and locally-administered ERA programs, there is a wide range of the percentage of ERA1 funds that have been provided in assistance to households through March
2022, as reported by the programs to Treasury. Three locally-administered programs report providing more than 100% of ERA1 funds to households; Treasury does not indicate what comprises the percentage above 100%. As of May 31, 2022, four of the six locally-administered ERA programs had closed, with those coverage areas shifting under the umbrella of the state-administered Indiana Emergency Rental Assistance program.

Federal guidance states that “under the ERA1 statute (as amended), Grantees must obligate all funds from their initial allocations by September 30, 2022.” A second tranche of $397.4M in ‘ERA2’ is now available to Indiana’s ERA programs, with $18.9M, or 4.8%, spent in assistance to households through the end of March. A key distinction between these tranches is that ERA2 funds are eligible to households who have been economically impacted “during” the pandemic, while ERA1 funds are limited to those affected “by” the pandemic. The remaining four months for this first round of funding will be critical to prioritize resources to the households who fit the more stringent eligibility guidance of ERA1 funds so those resources can be obligated before the deadline, while simultaneously making ERA2 funds available to the broader category of households who are now eligible.

Demographic data incomplete, but suggests ongoing disparities in impact, outcomes

Along with monthly program outcomes data, for the first time Treasury has provided information on the characteristics of households receiving ERA by reporting 2021 ERA1 Demographic Percentages by State. However, Indiana has one of the lowest rates of reported demographic info, with racial and ethnic data not collected for 46% of recipient households, the second-highest rate of incomplete data submitted to Treasury among all states. It is unclear from the Treasury release which of Indiana’s ERA programs have not contributed full demographic data.

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This lack of data makes evaluation of Indiana’s ERA programs, and any necessary changes, more difficult and should be remedied as soon as possible.

With the caveat that Indiana’s reporting of data on race and ethnicity is missing for nearly half of ERA recipients, it is useful to compare the demographics of Indiana’s renter households with other measures of housing instability during the past year. Analysis by the National Low Income Housing Coalition of 2020 5-year Census ACS PUMS data finds that 72% of Indiana’s renter households are White, 18.9% are Black/African American, 7.2% are Hispanic/Latino, and 3% are Asian American/Pacific Islanders. By contrast, Black and Latino Hoosiers are disproportionately likely to be among Indiana’s cost-burdened (those spending more than 30% of their income on housing) and low-income renter households, as 66.5% are White, 24.1% are Black/African-American, 7.5% are Hispanic/Latino, and 2.9% are Asian-American/Pacific Islanders. Indiana’s high rate of missing data makes analysis nearly impossible. For example, while incomplete data reported to Treasury shows that 37.9% of ERA funds went to Black Hoosier households and 5.2% to Latino households, it’s hard to know if the actual distribution of resources is equitable in relation to the disproportionate cost burden and housing-stability those households have experienced during the pandemic.

However, results of the biweekly Census Household Pulse survey provide another metric to measure the demographic impact of ongoing housing instability during the pandemic. Hoosier Housing Needs Coalition analysis of the most recent year of data from these surveys from April 2021-April 2022 are much in line with previous findings from April 2020-March 2021 that Black and brown Hoosiers, families with children, and low-income households continue to face housing instability at rates much higher than white, higher income households without children.
In addition, newly-updated estimates find that more Hoosier households remain behind on rent and at risk of eviction than have been assisted by ERA to date. PolicyLink’s National Equity Atlas Rent Debt Dashboard estimates that 98,319 Hoosier Households were behind on rent as of April, with 102,282 children in those affected households. This represents 16% of all renter households in Indiana who are at risk of eviction, a rate that has risen to match the national average for the first time since May 2021. The dashboard finds that of renter households in arrears, 8% have received assistance, 14% are waiting for a response, 14% have been denied, and the great majority (64%) have still not applied for assistance.
Indiana has already seen 101,634 evictions filed since the beginning of the pandemic, nearly double the number of filings of any other state tracked by Eviction Lab. Indiana now has a statewide eviction filing rate of 13.2% per 100 renter households, with even higher rates in urban, suburban, and rural counties throughout the state. Limited eviction sealing provisions were included in HEA 1214 that passed with a strong bipartisan vote in the 2022 session of the Indiana General Assembly that could apply when eviction cases do not go to trial or are found in the tenant’s favor. However, those provisions will only benefit households to the extent that sealing, along with the recommendations of the Indiana Supreme Court Eviction Task Force and connections to ERA resources, are implemented widely in the courts.

Source: Hoosier Housing Needs Coalition analysis of EvictionLab Eviction Tracking System data through May 7, 2022


Source: Hoosier Housing Needs Coalition analysis of National Equity Atlas Rent Debt Dashboard, March 10 April 11, 2022

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3 Hoosier Housing Needs Coalition analysis of EvictionLab Eviction Tracking System data through May 7, 2022
Housing continues to be the top reason for calls to Indiana 211 since the beginning of the pandemic, as well as the network’s top unmet need. The continuing high demand for pandemic-related housing assistance supports Hoosier Housing Needs Coalition’s July 2020 forecast that housing instability would act as a lagging indicator of COVID-19’s economic disruptions necessitating “proportional resources or coordination to cover the need statewide’. The data from the past two years indicate that the ongoing need still necessitates such proportional resources and coordination.

**Recommendations**

In order to scale program participation to match the needs across the Hoosier state, and to avoid accumulating additional health and economic damages that housing instability brings, Indiana’s state, local, and federal policymakers along with courts must commit to a strategy to coordinate available recovery resources and make needed investments in a sustainable housing stability policy response. Strategy considerations for Indiana’s ERA programs should include:

**State and local administrations:** Ahead of the September 2022 deadline for allocation of ERA1 funds, Indiana’s state and local ERA programs can use the Hoosier Housing Needs
Coalition’s September 2021 step-by-step recommendations for an ‘All of Government Approach’ to provide as much of remaining ERA1 resources as possible to target outreach to the most affected populations. In addition, ERA2 funds available since May 2021 have broader eligibility guidelines that allow for households who have been affected by financial hardship “during” the pandemic (vs. the more restrictive “due to” the pandemic in ERA1 funds). Therefore, Indiana’s ERA programs should ‘stack’ eligibility to ensure that households who have experienced hardship “during” the pandemic can access ERA2 resources while the programs continue to use ERA1 funds for those with documented hardship “due to” the pandemic.

State and local administrations should also follow recommendations for Leveraging federal resources alongside ERA funds to extend the reach and equitable outcomes of ERA program, including available the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program; the HOME Investment Partnerships Program – American Rescue Plan (HOME-ARP); and the Community Development Block Grant Coronavirus (CDBG-CV) program. Aligning these available resources is a necessary step for the ongoing need for a coordinated statewide COVID housing policy response and to create a sustainable statewide housing stability infrastructure.

Courts: Indiana’s courts should ensure that state and local ERA programs and associated housing stability services are integrated with court procedures alongside the implementation of the Indiana Supreme Court Eviction Task Force’s recommendations: to strengthen the use of the Court’s Fast-Track Facilitation pre-eviction diversion program, and to require the first court hearing scheduled on an eviction case be an initial hearing only. To reduce the ‘Scarlet E’ of eviction filings to the greatest extent, courts should also ensure HEA 1214 (authored by Rep. Ethan Manning and passed unanimously by both chambers of the Indiana General Assembly) are implemented in a way that provides for automatic sealing and expungement of eviction filing records.

Federal legislators: In order to have the full resources necessary for a sustainable housing stability strategy, Indiana will need its Congressional delegation and federal policymakers to be champions of the effort including in budget and reconciliation packages. Important federal legislation includes Sen. Todd Young’s Eviction Crisis Act (S.2182), which would establish a permanent Emergency Rental Assistance Fund, as well as his Family Stability and Opportunity Vouchers Act (S.1991) to increase families’ choice of where to live. In addition, the new White House Housing Supply Action Plan would create and preserve hundreds of thousands of affordable housing units in the next three years and help close America’s housing supply shortfall in five years.

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4 Emergency Rental Assistance Program FAQ [Questions 1 and 2], United States Department of the Treasury, updated May 7, 2021.