

New York Housing Conference
247 West 37th Street, 4th Floor
New York, NY 10018

February 23, 2021

The Honorable Charles E. Schumer
Majority Leader
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Majority Leader Schumer,

We are writing to request that the next round of Covid-related emergency rental assistance in the [American Rescue Plan Act of 2021](#) use a formula that targets funding allocations to jurisdictions with more households in need. While we are grateful for \$25 billion in funding for emergency rental assistance in the Consolidated Appropriations Act of 2021, including \$1.3 billion to New York state, the funding formula greatly underfunded New York and other high-need areas.

The formula used to allocate the emergency rental assistance underfunded New York in two key ways. First, by setting a minimum for small states but using a formula in medium and larger states, it ensured that smaller states received more per person than medium and larger states. An analysis by USA Todayⁱ found that Wyoming received \$2,900 per renter and Vermont received \$2,600 per renter, while New York received \$378 per renter, the lowest rate of any U.S. state.

The second way the formula hurt New York is that it based the allocation on the population of the state instead of the population of renters or even renters in need. Under the formula for the previous funding, New York state received 5% of emergency rental assistance funding but has 8 percent of the nation's renters and 9 percent of renters in need.ⁱⁱ

Changing the formula would ensure funding goes where it is needed. If you removed the minimum funding level and set funding by the share of renters in the state, New York would have received \$1.95 billion, \$660 million more, according to our analysis. If it were based on the share of renters in need, New York would have received \$2.2 billion, \$900 million more than it received.

Basing allocations on the total population instead of renters in need further hurts local urban jurisdictions where needs are greater. For example, New York City has 43 percent of the population in New York state, but it has 63 percent of the state's renters and 75 percent of the estimated renters in need in the state.ⁱⁱⁱ But under the current funding formula, the city will only receive 19 percent of the assistance funding.

As this legislation advances in the budget reconciliation process, we respectfully request that you advocate for an equitable formula to allocate emergency rental assistance funding based on need. Thank you for all of your advocacy and support for New York's renters and we look forward to continuing to work with you on these important issues.

Sincerely,



Rachel Fee
Executive Director

ⁱ How much rent relief will I get? You're more likely to get help if you're white and live in rural America, by Romina Ruiz-Goiriena and Aleszu Bajak. USA TODAY, Feb. 10, 2021. <https://www.usatoday.com/story/news/nation/2021/02/10/covid-rent-relief-emergency-rental-assistance-not-enough-big-states/4413471001/>

ⁱⁱ American's Rental Housing 2020, Joint Center for Housing Studies of Harvard University. <https://www.jchs.harvard.edu/americas-rental-housing-2020>

ⁱⁱⁱ Data Update: Rental Assistance Need and Federal ERA Allocation in New York State. Katherine Rivard, NYU Furman Center. February 1st 2021. <https://furmancenter.org/thestoop/entry/rental-assistance-need-and-federal-era-allocation-in-new-york-state>