The Need For Financial Support Post-Pandemic: Eviction Prevention and Guaranteed Income Programs

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About the Fellow

Tyler Benson is an MPA candidate at the University of Georgia, looking to pursue a career in government law and policy. She has an interest in housing, education, and health policy. Given her passion, she has worked as a legislative aid for two Georgia Legislative sessions where she aided in housing and education policy research. In addition, she has contracted for NAMI Georgia, where she advocated for closing the coverage gap to assist those who are suffer from mental illness and substance abuse.

Acknowledgments

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Racial Equity and Social Justice, Economic Impact Statement

The ongoing effects of the pandemic have disproportionately impacted communities of color, exacerbating pre-existing inequities in housing stability and economic security. American Community Survey data on homeownership and housing burden found that Black and Latinx households experience higher levels of housing insecurity. This project paper advocates for the continuation of financial support, specifically through eviction prevention programs and guaranteed income initiatives, to address these disparities and promote racial equity.

Key Terms and Definitions

1. **Affordable housing-** Housing that costs 30% or less of the resident's income
2. **Attainable housing (Middle Housing)-** homes on the spectrum between single-family houses and mid-rise or larger apartment buildings.
3. **Area median income-** average income for a population
4. **Cost burden-** spending greater 30% of income on housing
5. **COVID-19 Emergency Rent Relief Program-**provides short-term rent assistance. It is for households that have experienced a financial loss due to the COVID-19 pandemic, causing them to fall behind on their rent.
6. **Financial well-being-** sense of security and freedom in one's financial situation, both presently and in the future.
7. **Financial coaching-** focuses on changing financial behaviors
8. **Guaranteed Income program-** Is a direct, recurring cash payment to a specific, targeted group of people without strings attached. The purpose of GI is to alleviate poverty, provide a form of financial stability, and give people the ability to make their own choices to improve their economic position.
9. **Housing Stabilization Service (HSS) –** provides case management and limited financial grants to support residents at risk of homelessness. Services included assessment of need, emergency financial assistance, and case management to help households keep their current housing.
10. **Rental Assistance Program-** The program may provide up $12,000/ up to 18 months to eligible households to pay for back rent owed.

11. **Services to End and Prevent Homelessness-** provides a full continuum of services including housing stabilization, homeless diversion, and permanent housing; and employs evidence-based and promising practices. SEPH programs collaborate with public and private partners through the Interagency Commission Homelessness.
12. **Severely cost-burdened-**spending more than 50% of income on housing
13. **Moderately Priced Dwelling Units-** affordably priced homes- both new and resale- offered to first-time homebuyers who have a moderate level of household income.

Introduction

The pandemic significantly disrupted the global economy, leading to widespread job losses and the closure of numerous businesses. This economic downturn left many individuals struggling to meet their financial obligations, including the ability to pay rent. While homelessness and poverty existed in the County before COVID-19, the pandemic significantly amplified the housing crisis in Montgomery County. Amid the housing crises and financial burden left on many families, the county has implemented various social programs such as the COVID-19 Emergency Rent Relief Program, Rental Assistant Program, Housing Stabilization Services, and MOCO Boost guaranteed income program. While these programs have been beneficial, they are short-term solutions. With the COVID-19 rental relief fund expended as of FY24 and the guaranteed income program pilot ending, many families reliant on such programs will be forced to struggle, move out of the county, or become homeless.

Recommendations:

1. Create a long-term post COVID rent relief case management program
2. Increase funding for more case managers for the Housing Stabilization Services team
3. Conduct another round of the MOCO BOOST program that is targeted toward a specific population
4. Support building more affordable units and attainable housing

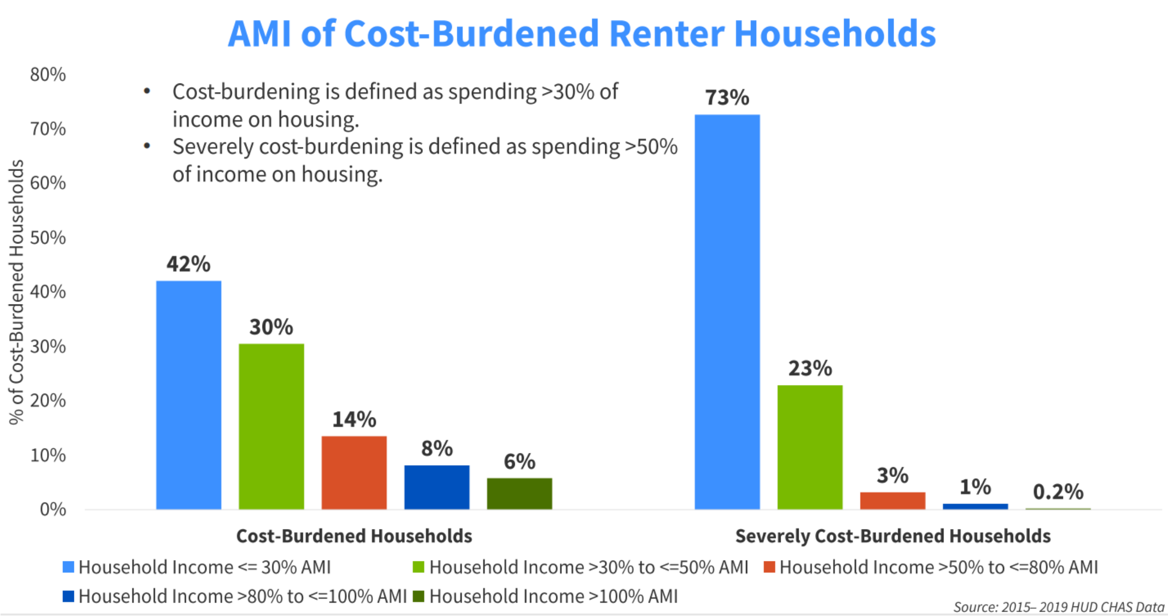
Background

In 2019, 40% of households nationwide could not afford a $400 emergency due to a lack of financial stability (Youn,2019). Post-pandemic, more families have experienced an even greater cost burden due to inflation and the housing crisis leaving many families vulnerable to homelessness and evictions. Cost burden is defined as spending more than 30% of income on housing (Montgomery Planning Board). Severely cost-burdened is defined as spending more than 50% of one's income on housing. In Montgomery County, 42% of households who have an area median income (AMI) of less than 30% are cost burdened while 73% of households who have an AMI of 30% to more than 50% are severely cost burdened (Figure 1). Due to the influx of cost burden, the county has experienced a concerned trend of increased evictions as seen in Figure 2. The data shows that FY 24 had the highest number of evictions executed in the span of five years. Furthermore, the county has also experienced a number of homelessness. As of 2023, SEPH reported that there are 894 individuals who are homeless in the county, which is a 54% increase since 2022.

In addition to income playing a factor in affording rent in Montgomery County, the housing shortage has also contributed to residents not being able to afford their rent. Housing prices and rent has gone up significantly due to the demand of housing. In Montgomery County, the median cost of housing for homeowners is $2,571 and the median household rent is $1,852. With limited affordable apartments available, residents are forced to stay in apartments that they cannot afford leaving them with a heavy cost burden. Montgomery Planning Board estimated that the county needs 60,000 new housing units by 2040 to accommodate current residents and 200,000 new residents that are expected to move to the county over the next 25 years.

In response to financial hardship experienced by low-income families, jurisdictions have implemented rent relief programs and guaranteed income pilots. During the pandemic, the federal government distributed funds nationwide to help alleviate the cost burden. As a result, many families received financial assistance for arrears that they were not able to pay. Due to limited funds, many COVID-19 rent relief programs have come to an end, however many jurisdictions have implemented one-time assistance for families who are being evicted. In addition, jurisdictions have piloted guaranteed income programs to study how a supplemental income could increase financial well-being and stability. Many guaranteed income studies found that with the additional income, families were able to save money, prepare for emergencies, buy healthier groceries, and afford their rent.

Figure 1, Montgomery County's Resident Cost Burden



Montgomery County Planning Board

Figure 2. Montgomery County's Eviction Trends

	Late Rent Notices	Eviction Writs Received	Evictions Executed	Eviction Percentage
FY2020	40645	7985	591	7.4%
FY2021	16432	2573	254	9.87%
FY2022	15038	2765	532	19.24%
FY2023	44000	7135	808	11.32%
FY2024	39381	8230	979	11.89%

Montgomery County's Social Programs

In efforts to alleviate some financial burden left on vulnerable residents, Montgomery County has implemented programs such as the COVID-19 Emergency Rent Relief Program, Rental Assistance Program, Housing Stabilization Service, and the MOCO BOOST guaranteed income program. Reports have shown that these programs have been beneficial; however, without adequate funding, programs will only be able to help a limited number of low-income families. Below, I will discuss the implementation of each program, evaluate its impact on the county, and provide recommendations for improvement.

Montgomery County's Eviction Programs

Figure 3, Montgomery County Rent Prevention Programs

Program	Criteria	Use limit	Budget
COVID Rent Relief Program (closed)	• COVID-19 hardship • 60% AMI or under • Court summons	Average FY24 award: $8,663 up to 18 months	$115.3 million (Federal and State)
Rental Assistance Program (open)	• Currently homeless or threat of homelessness • Member of household must have a documented disability • Household assets must be less than $10,000 • 55 years old and older	Monthly shallow subsidy	$887,974

Housing Stabilization Services (open)	• Household has not received an eviction prevention grant in the past 12 months • Household income at or below 30% of the area median income • Received a court summons, and judgment related to an eviction.	1 time use every 12 months	$4.8 million

Montgomery County's COVID-19 Emergency Rent Relief Program

In response to the economic impact of COVID-19, the federal government allocated substantial funds to each state to support COVID-19 rent relief initiatives. These funds aimed to alleviate the financial burden on tenants and prevent a surge in homelessness. Montgomery County received a total of $115.3 million in federal and state Emergency Rental Assistance Program (ERAP) over the span of its ERAP program. As of FY 24, the funds have been expended and the program is no longer open to new applicants.

The Services to End and Prevent Homelessness (SEPH) was responsible for implementing the ERAP program. The criteria for accessing COVID rent relief funds differed between state and Treasury funds: state funds were available to individuals at or below 30% of the area median income (AMI) who faced rental arrears, putting them at risk of eviction. To qualify for Treasury funds an individual had to be a county resident for at least nine months, have experienced a COVID-related financial hardship before May 11th, 2023, be at or below 30% of the area median income, and have an eviction judgment against them. Over the span of the program, the criteria for recipients changed over time to accommodate the needs of the residents. In the program's first phase, approved households could receive up to $4,000 for rent arrears and a rent credit for future months. To qualify a resident had to have an income under 60% of the AMI, lost income due to COVID-19, be behind on rent, and be a resident of Montgomery County since February 2020. By the final phase, the program had changed its criteria significantly.

Overall, the ERAP program was a crucial lifeline for many households struggling with the economic fallout of the pandemic. The tenants approved for assistance in FY24 were predominantly non-Hispanic Black individuals from households of two or more persons. Among these recipients, 67% identified as female heads of household, and 90% had incomes below 30% of the area median income (AMI). Between FY21 and FY23, Montgomery County has been able to provide financial assistance to 21,138 households. This support has been vital in preventing evictions and promoting housing stability for some of the county's most vulnerable residents.

Challenges

As mentioned, the COVID-19 ERAP has expended, however, the need for eviction prevention support is still needed for many families in the county. Despite economic recovery efforts, many individuals are still grappling with the persistent challenges of securing employment and meeting their rent obligations. The ongoing financial strain has led numerous households to return for additional support, highlighting the enduring impact of the pandemic on their lives. However, the program is no longer taking any applicants. Rather the program is closing applications from last year through the Housing Stabilization Team. There are currently eight staff members working on the program starting this July 2024. Given the magnitude of applicants still being processed, the process is expected to take longer and could potentially detrimentally impact families on the brink of eviction.

In addition to limited staff, the program had trouble reporting data due to changing case management software. During the program's span, SEPH has used three different case management systems, making it hard to track information consistently. Staff at HHS found the switching systems throughout the implementation process difficult. In one instance, when one of the contracts ended with a software company, the team lost easy access to report data. Eventually, they were able to retain data, but it was only available in PDF and Word format which made it hard to report. As a result of the data disparity, case managers had to manually gather information for certain grant outcomes.

Furthermore, the case management software used at SEPH has limited referral reporting capabilities due to the system's capacity. When asked about the referrals that they make on behalf of single mothers who are struggling to pay their rent due to child support issues, SEPH's staff mentioned that they often referred single mothers to legal firms and to the Emergency Assistance for Family with Children, a one-time grant for single mothers. To qualify for EAFC, the family must have one or more children under 21 living with them, present proof of an emergency not caused by a family member quitting a job, and provide an eviction notice from a utility company indicating that services have been or will be cut off, or other proof of an emergency. When such cases are handled there is no official reporting in their case management system, rather it is noted in staff notes. As a result, there is limited data to show how impactful the lack of child support is for single mothers in paying their rent.

Montgomery County's Housing Stabilization Services

Like the Emergency Rental Relief Program, Housing Stabilization Services, with a budget of $4.8 million, provides case management and limited financial grants to support residents at risk of homelessness. However, an individual is only able to receive the assistance one time in the span of a year. The services include assessment of need, emergency financial assistance, and case management to help households keep their current housing, obtain new housing, and prevent utility shut off. To qualify for the grant, the household must meet income guidelines, have received a court judgment for an eviction or "put out" notice, and have not received an eviction grant in the preceding 12 months. Currently, the Housing Stabilization Services team has 30 full-time employees. Some staff are short-term case managers that work with cases that last up to 30 days while others are diversion case managers that work with cases that could last up to 90 days depending on the complexity of the case. During the case management process, the client assistants go over the family's budget and housing situation to have a better understanding of how they pay their rent and guide them with the next steps regarding their eviction notice. If further help is needed, the residents are referred to organizations that can give legal assistance and other additional assistance. Currently, 903 total cases are open and active with only 22 staff case managers. There are additional cases from the State database that have not been processed.

Montgomery County's Rental Assistance Program

Unlike Housing Stabilization Services, the Rental Assistance Program does not provide case management to its participants. Rather the participants are only given a shallow subsidy each month. Eligible households can receive between $100 to $503 per month. While the program is helpful, it only assists a limited population of the County due to its qualification criteria. To apply for the program, one must be referred by a Health and Human Services social worker, case manager, or from the Homeless Continuum of Care. A qualified applicant must be currently homeless, a member of the household must have a documented disability, be at least 55 years old, must be a renter in Montgomery County, have a monthly gross income that does not exceed program limits, and have household assets less than $10,000. However, there are exceptions to the criteria for clients who do not meet the age or disabled requirement. The exceptions are specifically for clients exiting the Rapid Rehouse required program, homeless, short-term housing, and Resolution Program (SHARP). Those who have an exception are approved for one year and must be evaluated again once the year has expired.

As seen in Figure 5 the demand for the program has increased, however the program has limited funding. In FY 24 the program had a budget of $14,897,523 and 33.5 full-time employees due to funding from the Ending of Emergency Rental Assistance Program grant. The FY 25 budget does not include funding from ERAP rather it is solely funded by the County. Within the FY 25 budget, the program has a budget of $887,974 and 7.71 full-time employees which is significantly lower. Due to funding, there are currently four government assistance eligibility specialists, who are responsible for reviewing RAP applications and distributing benefits. During the application process, they are responsible for interviewing applicants and verifying information. With having only four individuals reviewing applications, the process has slowed down significantly.

Figure 5, Rental Assistance Program Applications

Months	**New RAP Applications Received**	**Applications Received (Exceptions)**	**Denials**
May 2023	24	7	11
June 2023	23	4	7
July 2023	13	6	9
Aug 2023	17	5	6
Sep 2023	16	7	6
Oct 2023	24	11	8
Nov 2023	33	8	8

Dec 2023	35	8	2
Jan 2024	33	11	10
Feb 2024	37	14	8
Mar 2024	33	6	1
Apr 2024	33	4	5
May 2024	35	6	1
Jun 2024	40	12	3
Jul 2024	22	10	0
Total	418	119	84

Eviction Prevention Program Case Study

Like Montgomery County, states and other local jurisdictions received funding to aid in rent relief during. Some jurisdictions are still distributing their funds and taking applicants while others have closed their programs down entirely due to expended funds. On the other hand, other jurisdictions have implemented their eviction programs on a smaller scale that have been able to help vulnerable families pay their rent. Below, I have addressed some jurisdictions that have implemented such programs.

King County, WA.

King County's Eviction Prevention and Rent Assistance Program, like Montgomery County's efforts, directly supports low-income households by assisting with rent payments. Minority populations have had high participation in the program. Additionally, 10% of the funds have been used to serve youths aged 18-24 and emancipated 16–17-year-olds. In addition, King County offers a United Way program providing one-time rent assistance to eligible households. To qualify, individuals must reside in King County, Washington, owe back rent at their current address, and have a household income below 80% of the AMI. The rental assistance process follows a structured six-stage approach: filling out the United Way's Client Intake Form, joining a program waitlist, potential selection for contact by a case manager to complete an application, eligibility review, documentation collection with the case manager's assistance, and, upon approval, direct rent payment to the landlord.

Pierce County, WA

In Pierce County, the Eviction Prevention Program supports eligible low-income households by addressing past-due rent. Funded through the Washington State Department of Commerce System Demonstration Grant, the program has limited funds. The program uses a random lottery system to select recipients. The funds allocated to the recipient can cover up to 3 months of rental arrears, 1 month of current rent, and an additional 3 months with case management for qualifying households. Beyond financial aid, the program includes an educational component called "Partner Pop-Up," hosted by Pierce County Libraries, TacomaPROBONO, and Pierce County Human Services. This initiative offers legal advice, information, resources, and eligibility assessments. During the COVID-19 pandemic, Pierce County also established a scaled-down eviction prevention program with a budget of $582,170, of which $550,000 was allocated to Eviction Prevention Legal Services.

Cook County, Il.

Illinois offers a court-based rental assistance program that extends funding to tenants and landlords statewide. This program specifically assists litigants in eviction court, providing emergency rental payments of up to $25,000. Eligible applicants can cover up to 15 months of past due rent and 3 months of future rent payments to prevent eviction. Residents of Cook County can access this assistance through the Cook County Legal Aid for Housing and Debt.

Loudon County, VA

On May 15, 2024, Loudoun County, Virginia, launched an eviction prevention program to aid residents struggling with rent payments or facing eviction. Funded by Loudoun County government and administered by the nonprofit Loudoun Cares in partnership with Northern Virginia Family Service, Crossroads Jobs, and Legal Services of Northern Virginia, the program aims to support those impacted by COVID-19. Eligibility criteria include be a resident in Loudoun County, a current lease where rent is 30% of household income, total household income not exceeding 80% of the Area Median Income. The Loudoun County Board of Supervisors allocated limited funding from the American Rescue Plan to these temporary rent assistance and eviction prevention efforts, addressing ongoing economic impacts from the pandemic. The program is scheduled to conclude by December 31, 2026.

Key Take Aways

- Many eviction programs in other areas limit participants to one payout per year towards arrears
- Have partnered with other organizations- nonprofits and other organizations to fund program
- Many jurisdictions require the participant to be below 80% of the area median income
- Some Jurisdictions have partnerships with law firms to help tenants with legal issues

Rent Relief Recommendations and Implications

As we have seen, various programs within the county have been implemented programs to help alleviate financial stress for residents. While many of these programs have been beneficial, they are short-term, and their qualifications limit them to only accommodate a specific population. In efforts to help those who are still experiencing financial disparities post pandemic, I recommend that Montgomery County support a long-term case management program that focuses on housing stability and financial counseling. As mentioned, case managers typically handle a case between 30 to 60 days.

After a case has been handled, there is no follow-up and there is no data available that shows the long-term impacts of the program on a recipient. With a long-term case management program, the county will be able to strengthen the program's performance data to see how impactful rent support programs such as Rental Assistance and Housing Stabilization Services are.

While assisting a vulnerable resident with their rent arrears does prevent them from being evicted from their house it does not strengthen their overall financial stability. As we have seen from the COVID rent relief program, low-income families not being able to pay their rent is a continuous struggle. With limited funding being distributed to recipient with eviction prevention, it is necessary that programs like a long-term case management is put into place. In doing so, the county can address low-income family's financial stability directly rather than continuously putting funds towards short-term solutions.

In efforts to strengthen vulnerable families' financial stability long-term, the program would require participants to attend financial counseling sessions in alongside the financial support. Montgomery County Renters Alliance, Inc, Housing Initiative Partnership, and Rent Well have programs that the county could potentially support. In addition, like Pierce County, the county could have monthly or quarterly pop-up programs where resources are directly brought out to the community to educate families and help those who may be seeking assistance.

To measure the effectiveness of the housing stability long-term case management program, the program would measure the participants housing stability, economic self- sufficiency, improved quality of life, and usage of services. In the beginning of the program, the case managers would collect data on a participant's housing status, income levels, and the rate at which they reach out for services. To keep track of such data throughout the program, there will be regular surveys and interviews with the participants throughout. As data is obtained over time, the county can see how effective the program is for vulnerable families.

Like the County's ERAP program qualifications, the long-term case management program should assist those who are still experiencing hardship post pandemic. While the pandemic is over, there are still lingering impacts that are preventing families from being financially stable. Because the qualifications for the Rental Assistance Program and the Housing Stabilization Services are so stringent, it is important that the county implement a long-term case management system that can serve a broader population. To qualify a resident must be cost burdened, spending more than 30% of their income on housing. In addition, they must be below 60% of the area median income of the County. This qualification would be consistent with the ERAP program and the Housing Stabilization Services.

Rather than establishing another department, the long-term case management system should be implemented by Housing Stabilization Services. To implement such a program, I recommend that the County increase HSS's funding. One way to increase funding outside of the County's budget would be pursuing additional funding from grants, foundations, as well as work with non-profits. As mentioned, the programs budget was significantly decreased. As a result, case managers are overloaded with cases. By increasing funding, case manager's loads would be decreased, more applications would be processed at a faster rate, and eviction rates could be decreased.

Furthermore, the county must acknowledge the bigger issue- the housing crisis. By not having enough affordable housing available in the county, many residents are forced to pay rent prices that they cannot afford. To address this, more affordable housing units and attainable units must be built. While the county does support Moderate Priced Dwelling Units, most individuals who cannot pay their rent are not able to afford MPDUs. Moderate Priced Dwelling Units are affordably prices homes that are both new and resale offered to first-time homebuyers who have a moderate level of household income. Currently MPDUs that are on the market are ranging between $160,000 to $308,000. On the other hand, attainable housing has the potential to alleviate the housing shortage by supplying more units that fit more families in single family zones and are a more affordable option for vulnerable families. Attainable housing can range from small to large scale in size. Small scale includes duplexes, triplexes, fourplexes while large scale stacked flats apartment buildings with up to four stories.

Guaranteed Income Program Case Study

Guaranteed income is a direct, recurring cash payment to a specific group with no strings attached. The purpose of such distribution is to alleviate poverty, provide a form of financial stability and well-being, and address wealth inequality. In efforts to alleviate stressors from finances, many jurisdictions around the United States have piloted income programs. The program overall has had positive impacts on those who have participated. Research has shown that the programs have allowed families to save towards a house, strengthen their credit, and improve health equity. For example, Forget (2011) found from reviewing programs in the USA and Canada that unconditional cash transfers like guaranteed income were associated with decreased hospitalizations due to mental health problems.

Figure 6, Guaranteed Income Case Study

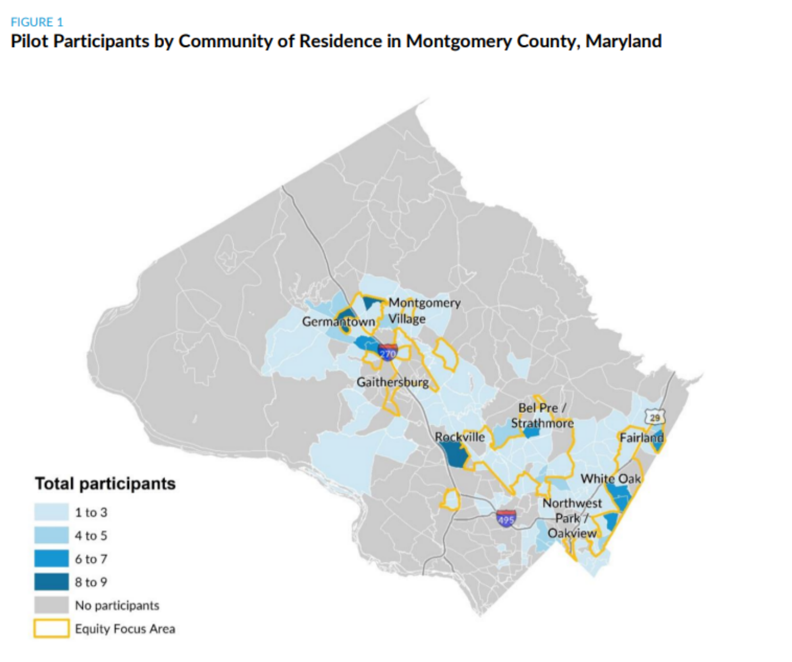
Pilot Site	Monthly Amount	Duration	Treatment Group
Montgomery County, Maryland	$800	24 months	100 from Homeless Continuum 200 others
Atlanta, Georgia	$850	24 months	650 women
San Francisco, California	$1,200	18 months	150 low-income youth
Richmond, Virginia	$500	24 months	18 families
Cambridge, Massachusetts	$500	18 months	130 caregivers

Montgomery County, MD.

Montgomery County's Build Our Opportunity and Strength Today (BOOST) program is a guaranteed income pilot that provides $800 a month to 300 households for 24 months with no restrictions on how the money is spent. The program has four coaches who help provide limited case management and additional support and resources based on the needs of the participants. The participants were selected in two cohorts: the Homeless Continuum Cohort of 100 households and a main cohort of 200 households. Out of the 100, 35 of the randomly chosen selected were from households with minor children, while 65 of the randomly selected participants were pulled from adult-only households. Furthermore, to qualify as a participant in the Homeless Continuum, one had to be currently in a Rapid Rehousing program with a length of stay greater than 12 months and has exited a Rapid Rehousing program within the last 12 months.

For the remaining 200 participants to qualify, one had to live in a household with at least one adult, have at least one child, be a single caretaker without extra support, intergenerational households with at least one member at age 65+ and at least one- member aged 0-17, and Households supplement through the working parent’s assistance program. The last payment to the participants will be in November 2024. Of the enrollees, 53% identified as Black, 35% as Hispanic, 5% as White, 2% as Asian, and 5% as other. Currently, 97% of the participants are still engaged in the program, while less than 1% are no longer enrolled. The program is being evaluated and reported through the Urban Institute. Due to the program still being active, the full evaluation is not complete. Figure 5 illustrates where the participants reside in the county.

Figure 5, MOCO BOOST Participation Demographics



San Francisco, CA.

The San Francisco Human Services Agency launched a pilot program for foster youth in San Francisco. The program provides 150 low-income youth who have recently aged out of the foster care and juvenile probation system a monthly payment of $1,200 for 18 months. In addition to the financial support, participants are giving counseling by Bay Area Legal Aid with case management and financial literacy coaching by First Place for youth.

Atlanta, GA.

In Georgia, the organization In Her Hands launched a guaranteed income program, providing an average of $850 per month for 24 months to 650 women across three communities. This $13 million initiative was funded by the Georgia Resilience and Opportunity Fund and GiveDirectly, a nonprofit that supports individuals worldwide who have faced hardship. In Her Hands' Year One evaluation showed that participants in the program were 27% less likely to skip a phone bill payment and 17% less likely to miss a housing payment. Moreover, participants' access to healthy food increased by over

20%. Phase 2 of the program began in May, spanning three years and emphasizing participant choice. Group 1 offers a regular cash payment of $1,000 per month, while Group 2 provides $800 monthly along with a lump sum payout of $8,000 at a time chosen by the participants. Their results from the first round found that the monthly supplemental funds improved the participant's financial security. For example, 27% were less likely to skip a phone 17% were less likely to skip medical care, and 12% were less likely to be behind on credit card payment amounts. Furthermore, the program positively improved housing security, resulting in fewer evictions and missed housing payments. The results found that 11.6% of the participants reported using the additional funds to buy or improve their homes (In Her Hands, 2022).

Los Angeles County, CA.

In 2022, Los Angeles County allocated $36 million to a guaranteed income program. The initiative supports 1,000 participants who receive $1,000 monthly for 3 years, along with an additional 200 former Los Angeles County DCFS foster youth receiving $1,000 per month for two years. Eligibility criteria require participants to be over 18 years old, reside in a neighborhood within LA County at or below the county's median income level, live in a single-person household also falling at or below the AMI, and have experienced financial hardship due to the COVID-19 pandemic.

Cambridge, MA.

In 2021, the mayor of Cambridge, Siddiqui, and the Cambridge Community Foundation started the Cambridge Recurring Income for Success and Empowerment (RISE) guaranteed income pilot. The program provided $500 each month for 18 months to 130 randomly selected single-caretaker households living below 80% of the Area's Median Income. Results from the study showed that participant's housing cost burden decreased from 51% to 42%. Furthermore, there was an increase in savings. Participants 21% reported savings of more than $500 by the end of the program (DeYoung et al. 2024).

Richmond, VA.

The Center for Guaranteed Income Research at the University of Pennsylvania conducted a study on Richmond Virginia and their guaranteed income program. The findings from the program found that the use of the guaranteed income program contributed to increase short term financial well-being for the participants. In the beginning of the program, 59% of participants were not financially about to cover a $400 emergency, despite working a full-time job. After two years into the program, the results found that only 20% were unable to financially handle a $400 emergency. In addition, the results found that the average monthly savings increased from $147 to $305 in 2 years. Many participants shared throughout the program that they were putting money aside towards repairing their credit and saving for a home.

Key Take Aways

- Other jurisdictions are focusing on specific populations that are in need (i.e., youth, mothers, trans population, caregivers, etc)
- GI improved housing, utility, and food security
- GI programs for youth have implemented financial counseling support and legal services
- GI improved financial health

MOCO BOOST Recommendations and Implications

Given the success of guaranteed income programs around the nation, the county should conduct another round to continue gathering data. The next round should target a specific population. While the current program did select 100 individuals from the Homeless Continuum, it should target groups such as single mothers, single fathers, or even low-income youth. It is evident that single mothers within the county are experiencing a severe cost burden. Data taken from Montgomery County's COVID ERAP reported that most recipients head of households identified as female (67%) and 90% were below 30%

of AMI. By targeting specific populations, the county will have a better understanding of the needs of the population. An example of a program that focused on mothers was Georgia's In Her Hand pilot. Through the In Her Hand pilot, the program was able to see where families struggled financially, what they had to sacrifice, and how the funds were used to support their needs. Alongside evaluating single mothers, the program should focus on youth and young adults like GI programs in California. Currently, the county has 154 children in shelters in 2023 while 46 youth have been reported between the age of 18-24 to be experiencing homelessness. By incorporating a similar program for juveniles, the county could decrease youth homelessness and increase youth financial health.

In addition, the next round, if implemented, should incorporate a financial counseling component. Financial counseling can help one focus on debt management services, saving, and short-term loans. While giving an individual money is helpful, it does not automatically strengthen one's financial literacy. Incorporating a financial counseling component can assist the participants long-term. Those assisting in the financial counseling could be volunteers, partnerships with financial literacy programs, and case managers. Research found that participants who participated in financial counseling had improvement in their financial situation compared to those who did not participate. In addition, there was evidence that financial counseling intervention can significantly improve self-control specifically for those who are low-income (2019). Overall, by conducting another round of the MOCO BOOST program that targets specific groups, the county can develop a target impact analysis, policy insight, and a longitudinal study.

Conclusion

Within my research, I strategically focused on two programs. One that has ended, Montgomery County's ERAP, and the other that will soon be ending, MOCO BOOST. While both programs have shown to have a positive impact on Montgomery County, there currently are no plans to reenact them once their funds have been expended. By them ending, many families will be forced to depend on the limited resources that are available to them. As mentioned throughout my paper, there are programs available to families who are enduring eviction emergencies, but many are one-time use. By having programs that are used for longer terms and have financial counseling incorporated in them, the county can help limit evictions and also help families strengthen their financial literacy. Regarding the implementation in other jurisdictions, I found that there are very few jurisdictions that have implemented longer-term rental relief programs since their funds have been expended due to limited funding. For those that have implemented eviction prevention programs, they are reliant on partnerships with corporations and non-profits. If Montgomery County were to move forward in establishing some sort of program, I would encourage them to also partner with other organizations to fund the program. Regarding the guaranteed income program in Montgomery County, I encourage the county to implement another round of the program that targets single mothers and vulnerable young adults. In doing so, the County can have a better understanding of where the population needs programming assistance.

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