From Zero to COVID-19 Relief in 30 Days:
New Mexico Department of Finance and Administration Supercharges Emergency Rental Assistance Program

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                    Supercharges Emergency Rental Assistance Program
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Executive Summary

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. In response, states across the nation began to order the closure of nonessential businesses. New Mexico was no exception.

The impact on New Mexicans was profound. Tourism is a major contributor to New Mexico's economy, so when travel shut down, many residents lost their jobs. Moreover, New Mexico is the nation's third-poorest state, with a poverty rate of 18%. Not surprisingly, many residents soon fell behind on rent, electricity, and other housing-related expenses.

In response to such needs, federal and state agencies launched economic assistance initiatives. One is the Emergency Rental Assistance Program (ERAP), instituted by the U.S. Department of the Treasury, which began distributing funds to states and localities in January 2021.

Under the first wave of the program, ERA1, New Mexico received $200 million, to be distributed by September 30, 2022. Under a second wave, ERA2, the state received an additional $152 million, to expire September 30, 2025.

New Mexico lacked a dedicated framework for managing ERAP disbursements. The state needed to quickly implement the personnel, processes capabilities and technologies to accept applications from residents, verify identity and eligibility, issue payments, and ensure accuracy and accountability.

The state's Department of Finance and Administration (DFA) was tasked with the responsibility for implementing the ERAP infrastructure. In response, DFA envisioned, designed, developed, implemented, and successfully executed New Mexico's ERAP technologies, integrations and processes.

In just 30 days, DFA progressed from an ambitious concept to issuing the first ERAP payments. As of May 25, 2022, the program issued more than 55,000 payments totaling more than $132 million, helping New Mexico residents withstand the economic impacts of COVID-19 and assisted thousands with providing funds to avoid eviction.

Addressing Crucial Needs

The U.S. Treasury Department instituted the Emergency Rental Assistance Program (ERAP) to aid people negatively affected by the COVID-19 crisis. ERAP provides funding to states and localities, which distribute benefits to eligible residents.

New Mexico received $200 million in initial ERAP funding. The state's governor assigned accountability for management, oversight, and compliance of ERAP funds to the Department of Finance and Administration (DFA).

DFA was responsible for designing and implementing the technologies and processes required to distribute ERAP benefits. It was also tasked with the execution of those disbursements – efficiently and with complete transparency. But DFA faced challenges:

New mandate – DFA historically was a regulatory department, working with the governor's office to develop and manage the state's budget, and regulating other agencies in their use of that budget. It never designed a new infrastructure and process from scratch, nor delivered services directly to residents.

Pandemic restrictions – With the emergence of COVID-19, DFA employees suddenly had to work remotely. In addition to having to design and implement the ERAP infrastructure, they also needed secure and reliable connections to the DFA office.

Resident constraints – New Mexico is the nation's fifth-largest state by geographic area but ranks 46th in population density. Only about one-half of the state's 2.1 million residents live in metro areas, with the rest scattered in sparsely populated rural regions. Many residents are unfamiliar with online processes, and many rural areas lack high-speed internet service. ERAP services would need to be easy to access and able to function over low-speed connections.

Cross-agency integrations – DFA couldn't act alone. It would need to integrate its processes with other agencies to validate resident identities; determine recipient eligibility; qualify landlords, utilities, and other vendors; and issue payments from state accounting systems.

Federal requirements – The federal government requires states to report in detail how they distribute funds, or risk having funding revoked. DFA would have to be prepared for potential audits.

Embracing a Broad Project Scope

New Mexico operates three ERAP programs:

Doña Ana County – For residents of Doña Ana County, this program's $9.3 million in funding is administered by the county.

Bernalillo County – For residents of Bernalillo County outside the city limits of Albuquerque, this program's $5.09 million in funding is administered by the county.

Statewide – This program is for all other New Mexico residents, including those within Albuquerque city limits. Administered by DFA, $24 million in funding is provided by Treasury to the City of Albuquerque, and $161 million is provided to the state.

Eligible state residents may use ERAP benefits for:

- Rent
- Utilities, including electric, natural gas and internet
- Water and sewer
- Fuel oil, fuel pellets and firewood
- Trash removal
- Other housing-related expenses such as temporary hotel costs

Road Map to ERAP

DFA designed an ERAP service-delivery infrastructure and associated processes from scratch, all while adapting to workplace changes imposed by the pandemic. That started with technologies and policies to enable remote work. DFA implemented a virtual private network (VPN) to allow employees to work from home, including public-facing employees in the state's call center.

In less than 30 days, DFA designed, built and rolled out the following to implement ERAP:

- Dedicated software to enable ERAP applications and disbursements
- Workflows for accepting, reviewing, and approving applications, and for issuing payments
- A public-facing ERAP website, including interactive forms
- Integrations with human services and payment services
- An audit trail to allow applicants to follow the progress of their applications, ensure public transparency, and support regulatory compliance

DFA received vital support from several technology vendors. The ERAP system is powered by the Salesforce Customer 360 platform, which provides a single view of applicants. Security is enabled by Salesforce Shield, which provides data monitoring and encryption. MTX delivered custom development and testing, converting workflows designed by the DFA team into a production-ready application.

The ERAP system resides in AWS GovCloud, which complies with personal identifiable information (PII) security guidelines, Payment Card Industry (PCI) standards, and IRS Pub 1075 guidance.

Extensive Integrations
Verifying the identities of ERAP applicants, validating ERAP applications, and distributing ERAP benefits required tight integrations with multiple state and city agencies. Over a period of nine weeks, DFA achieved full integrations with these organizations:

> **Taxation and Revenue Department** – DFA integrates with existing processes that verify state residents for tax purposes. ERAP matches six points of verification against a database. If all six points match, the applicant's identity is verified. If fewer than six match, the applicant enters a separate workflow for further review.
> **Human Services Department** – DFA integrates with existing processes that validate eligibility for benefits such as Medicaid and the Supplemental Nutrition Assistance Program (SNAP). Leveraging these workflows expedites review and approval of ERAP eligibility.
> **Department of Information Technology** – DFA collaborated with the state's IT and the SHARE Financial Team to integrate ERAP with statewide accounting systems to issue payments to residents, landlords and utilities.
> **City of Albuquerque** – The team integrated the state-level ERAP program with processes in the City of Albuquerque so that DFA can administer ERAP funds provided by Treasury directly to the state's largest metro area.

Those integrations support a 360-degree view of ERAP applications and disbursements. They also enable a regularly updated, [interactive dashboard](#) that allows the public to view ERAP disbursements to date.

Breakouts display overall payouts by type (Figure 1), by month (Figure 2) and by county (Figure 3). Users can mouseover and click for more detail.

ERAP Funds	Awarded	Percentage	ERA	Utility	RAP
Emergency Rental Assistance Program (K$, M$, B$)					
Selected Amount	$128 M	100 %	$107 M	$20 M	$213 K
NM Total	$128 M	100 %	$107 M	$20 M	$213 K
Selected Applications	53,676	100 %	26,691	26,873	111
NM Total Applications	53,676	100 %	26,691	26,873	111

Figure 1: *DFA's interactive dashboard allows the public to view ERAP disbursements by type.*
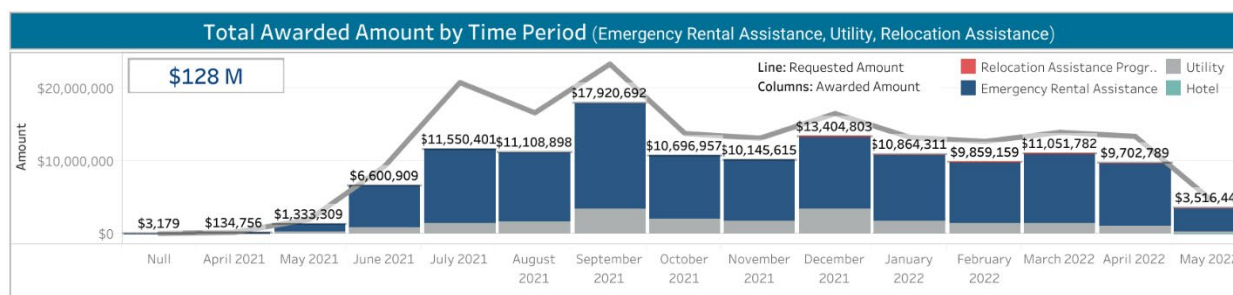

Figure 2: *In the DFA dashboard, users can also view requested and awarded ERAP benefits by month.*

Successful Collaborations

The success of ERAP resulted directly from the collaborations of a dedicated team. At its peak, the ERAP initiative involved about 70 employees throughout the state, all coordinated through the ERAP office in conjunction with the New Mexico Department of Finance and Administration's Office of the Secretary. That doesn't count the many state employees who volunteered to work beyond regular hours and assignments to make the project a success.

In addition, strategic leadership for ERAP was provided by:

CIO Joseph Baros – Baros provided overall ERAP program system development oversight, from team leadership, to design of workflows, to implementation of the core system.

Cabinet Secretary Deborah Romero – Romero secured the financial and human resources to make ERAP a success.

Donnie Quintana, Director, Local Government Division of DFA – Quintana contributed several innovations, most notably a capability for issuing payments direct to landlords and utilities.

Erica Cummings, Operations Manager – Cummings applied her knowledge of local government and financial processes to collaborate with utilities.

Governor Michelle Lujan Grisham – The governor's office was and continues to be hands-on in providing strategic direction, ensuring the team has the equipment and support it needs, and making sure ERAP benefits New Mexico residents.

Resounding Impacts

Today New Mexico residents have an easy-to-use web portal for ERAP. They can use the portal to:

- Learn about the program
- Quickly understand who's eligible and what documentation is required
- Find out which landlords and utilities offer help
- Apply for assistance online or request a paper form
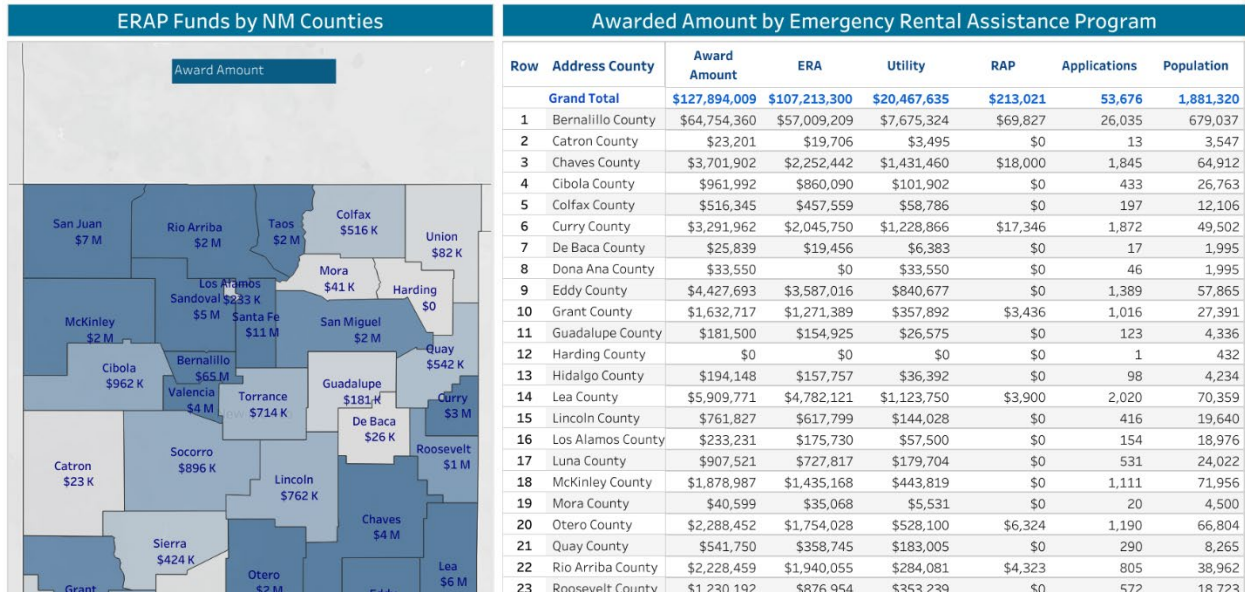- File an appeal if their application is denied

ERAP Funds by NM Counties

Awarded Amount by Emergency Rental Assistance Program

Row	Address County	Award Amount	ERA	Utility	RAP	Applications	Population
	Grand Total	$127,894,009	$107,213,300	$20,467,635	$213,021	53,676	1,881,320
1	Bernalillo County	$64,754,360	$57,009,209	$7,675,324	$69,827	26,035	679,037
2	Catron County	$23,201	$19,706	$3,495	$0	13	3,547
3	Chaves County	$3,701,902	$2,252,442	$1,431,460	$18,000	1,845	64,912
4	Cibola County	$961,992	$860,090	$101,902	$0	433	26,763
5	Colfax County	$516,345	$457,559	$58,786	$0	197	12,106
6	Curry County	$3,291,962	$2,045,750	$1,228,866	$17,346	1,872	49,502
7	De Baca County	$25,839	$19,456	$6,383	$0	17	1,995
8	Dona Ana County	$33,550	$0	$33,550	$0	46	1,995
9	Eddy County	$4,427,693	$3,587,016	$840,677	$0	1,389	57,865
10	Grant County	$1,632,717	$1,271,389	$357,892	$3,436	1,016	27,391
11	Guadalupe County	$181,500	$154,925	$26,575	$0	123	4,336
12	Harding County	$0	$0	$0	$0	1	432
13	Hidalgo County	$194,148	$157,757	$36,392	$0	98	4,234
14	Lea County	$5,909,771	$4,782,121	$1,123,750	$3,900	2,020	70,359
15	Lincoln County	$761,827	$617,799	$144,028	$0	416	19,640
16	Los Alamos County	$233,231	$175,730	$57,500	$0	154	18,976
17	Luna County	$907,521	$727,817	$179,704	$0	531	24,022
18	McKinley County	$1,878,987	$1,435,168	$443,819	$0	1,111	71,956
19	Mora County	$40,599	$35,068	$5,531	$0	20	4,500
20	Otero County	$2,288,452	$1,754,028	$528,100	$6,324	1,190	66,804
21	Quay County	$541,750	$358,745	$183,005	$0	290	8,265
22	Rio Arriba County	$2,228,459	$1,940,055	$284,081	$4,323	805	38,962
23	Roosevelt County	$1,230,192	$876,954	$353,239	$0	572	18,723

Figure 3: *The DFA ERAP dashboard also allows the public to view disbursements by county in graphical and table formats. Users can click to drill down for more detail.*

To apply for benefits, residents create a user ID and password, and then answer preliminary questions before submitting their request. Their contact details are stored and used throughout the application lifecycle to allow them to get real-time updates.

Once applicants submit an application, the DFA process integrates with the Taxation and Revenue Department and Human Services Department to verify identity and validate eligibility. The system automatically opens a case and routes it from application to approval to benefits disbursement. Throughout the process, DFA has a 360-degree view of applicants and applications.

By integrating with human services, DFA has a complete and accurate picture of the applicant's needs. That enables the ERAP team to quickly deliver benefits to the residents who need them most. DFA can also track cases and payments to ensure ERAP funds are spent responsibly.

Between April 2021 and May 2022, New Mexico's ERAP program processed more than **86,000 applications** and issued more than **55,000 payments** totaling more than **$132 million**.

Program Expansion and Bulk Payments
As it developed the ERAP ~~program~~, New Mexico identified new ways to support residents with housing-related expenses. In addition to rental assistance and utilities, ERAP now allows residents to apply for help with relocation costs, including security deposit and first and last month's rent

The state was also the **first in the nation** to implement innovative bulk-upload and bulk-payment processes. These services enable landlords and utilities to help residents qualify for and receive benefits.

Many New Mexico residents lack access to electronic devices and reliable internet service with hand-written rental contracts or even verbal agreements. In these cases, an attestation form enables landlords to both validate renters and receive rent payments directly from the state.

The bulk-upload process enables landlords and utilities to submit documentation for multiple residents simultaneously for expedited review and approval. Bulk payments likewise allow landlords and utilities to receive a single disbursement from the state to cover rent or utility payments for multiple customers, reducing paperwork and processing times. The ERAP program currently provides these services to about 100 landlords and utilities statewide.

The bulk-upload and bulk-payment capabilities have been highlighted by the federal government as an innovation and best practice. Several states have contacted New Mexico to learn how to implement and manage the service.

Funding for New Mexico, Today and Tomorrow
Many New Mexico residents are returning to work as the nation learns to manage the pandemic. Yet while ERAP applications have decreased, they haven't dropped dramatically. ERAP will continue to deliver a valuable service to people who need it.

The second round of funding from Treasury, ERA2, will enable continued support for residents who didn't initially qualify. ERA2 funding is performance-based, and New Mexico's receipt of funds is testament to the success of its ERAP initiative.

What New Mexico and DFA achieved with ERAP – in a very short period of time and with limited technology and resources – reflects the spirit of New Mexico. In a state characterized by disparities in income and advantage, we find ways to come together to help one another. We're highly collaborative, and we get things done. We consider every state resident our neighbor, and that's how ERAP team members approached this project: not merely as a government program, but as a practical way to support our neighbors. That spirit, more than any innovation or technology, lies behind the success of ERAP.