

Out of Time: Congress and the Administration Must Act Now to Prevent Widespread Evictions

During a national health emergency, when the safest thing to do is shelter at home, our country needs more housing stability, not less. We urge Congress and the Administration to return to the negotiating table to enact meaningful renter protections, paired with financial support for housing providers.

As we enter the sixth month of the pandemic, 30 to 40 million people are at risk of homelessness by the end of the year, due to lost jobs and wages caused by COVID-19. At the end of July, CARES Act eviction protections and federal unemployment benefits expired as negotiations on a new COVID-19 relief package broke down between the Administration and Congress. Many state and local eviction moratoria have also elapsed; at the same time, costs for housing providers to keep living environments safe throughout the pandemic have increased, leaving both residents and providers without protections or support. Recent data, reported by <u>Bloomberg</u>, shows that only 37 percent of renters were able to pay rent at class C properties in July. These tend to be the most affordable unsubsidized properties and show the incredible strain renters and owners are experiencing.

In May, the House passed the HEROES Act, which would authorize a national, uniform moratorium on all evictions for nonpayment of rent during the COVID-19 crisis, provide \$100 billion in emergency rental assistance, and approve further relief funds to reimburse HUD assisted housing providers for pandemic-related expenses. The Senate has not considered a corresponding bill, and negotiations among congressional leaders and the White House over a relief package appear to have stopped.

The current impasse leaves millions of Americans in jeopardy of losing their homes and at increased risk of contracting the virus, while exacerbating financial strain for both renters and housing providers. As mission-driven nonprofit organizations dedicated to providing affordable rental homes to low-income Americans, we urge Congress and the Administration to return to the bargaining table as quickly as possible to come to a bipartisan agreement to implement a national eviction moratorium for nonpayment of rent, provide emergency rental assistance to help struggling households with back and future rent, and provide financial support for all affordable housing providers to remain solvent throughout the crisis.

On August 8, President Trump signed an <u>executive order</u> to replace the expiring eviction moratorium. In fact, the order does little to promote housing stability throughout the ongoing pandemic: The President's

"Executive Order on Fighting the Spread of COVID-19 by Providing Assistance to Renters and Homeowners" does not reinstate the federal eviction moratorium authorized by the CARES Act. Instead, the order directs federal agencies to "review all existing authorities and resources" and "make a determination" about whether stopping evictions will slow the spread of COVID-19. The executive order also does not include a timeline for determining the importance of renter protections during the pandemic.

The executive order provides no new resources to assist renters, but instructs HUD and the Treasury Department to identify federal funding which could be used to assist renters in need. However, affordable housing programs are already underfunded, with three out of every four low-income, at-risk renters unassisted by federal rental assistance programs. Existing HUD funds are already approved for much-needed housing supports during the pandemic, such as for shelters and homelessness prevention, and won't be able to support unassisted renters.

Across the country, renters find themselves without resources and responsible for their current rent as well as arrearages accumulated when moratoria were still in place. It's estimated that over 24 percent of renters won't be able to pay their August rent, and renters nationally currently owe over \$25 billion in back rent. Once evictions are initiated, renters may quickly find themselves homeless and their health at great risk. The solutions are clear and Congress and the Administration must act now to prevent a nationwide housing crisis by providing rental assistance, renter protection and resources for housing providers.