



## **Bold, Bipartisan Solutions to the Eviction Crisis**

**Submitted to the House Financial Services Committee  
U.S. House of Representatives  
January 14, 2020**

The [Opportunity Starts at Home](#) (OSAH) campaign urges Congress to quickly enact the bipartisan *Eviction Crisis Act*, which creates research-based and cost-effective tools to help end the nation's continuing eviction epidemic. This new legislation, which was introduced in the Senate on December 12, 2019 by Senators Michael Bennet (D-CO), Rob Portman (R-OH), Sherrod Brown (D-OH), and Todd Young (R-IN), will improve data to better understand the eviction crisis and expand support for efforts that both reduce preventable evictions and limit the damage to families when eviction is unavoidable. Among various other promising provisions, the legislation includes the creation of an Emergency Assistance Fund – a key policy solution championed by the OSAH campaign – that would provide direct financial assistance and stability services to help the lowest income households overcome an unforeseen economic shock (e.g., broken-down car, unreimbursed medical bill, etc.) that threatens their housing stability. **The *Eviction Crisis Act* is an important and historic bipartisan effort to tackle the destructive impacts of evictions on individuals and families and creates a foundation for cost-effective prevention in the future.**

Research consistently shows that a lack of stable, affordable housing causes and exacerbates negative outcomes in health, education, economic mobility, civil rights, food security, criminal justice, homelessness prevention, and more. Through the unprecedented OSAH campaign, leading national organizations from these various sectors have come together to advocate for more robust and equitable federal housing policies. Last year, the campaign released its national policy agenda, "[Within Reach](#)," which calls for a significant increase in rental assistance, an expansion of the supply of deeply affordable housing, and emergency financial assistance to keep people in crisis stably housed.

The OSAH campaign, which is chaired by the National Low Income Housing Coalition, is advised by a Steering Committee including: Catholic Charities USA, Center on Budget and Policy Priorities, Children's Defense Fund, Children's HealthWatch, Community Catalyst, Food Research & Action Center, JustLeadershipUSA, NAACP, National Alliance on Mental Illness, National Alliance to End Homelessness, National Association of Community Health Centers, National Association of Social Workers, National Education Association, National League of Cities, National LGBTQ Task Force, National Women's Law Center, and UnidosUS.

### **I. The Need for Solutions**

In 2016, over two million eviction filings were made in courthouses across the country – four every minute. One in fifty renters were evicted from their home in this year. As Princeton sociologist Matthew Desmond explains, "eviction is not just a condition of poverty; it is a cause of poverty." An eviction on record makes it harder for a family to find decent housing in a safe neighborhood and it negatively impacts employment as well as physical and mental health.<sup>1</sup>

The eviction epidemic coincides with a historic housing affordability crisis that impacts every state and congressional district. Since 1960, renter's incomes have risen by 5% while rents

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<sup>1</sup> Eviction Lab, <https://evictionlab.org/>

have risen 61%.<sup>2</sup> For those at the bottom of the income scale, the problem is most acute: roughly 10 million households with extremely low incomes are either homeless or pay unaffordable rental costs that force many of them to make impossible choices between paying the rent and paying for food, medications, transportation, and other necessities.<sup>3</sup>

Limited public resources, coupled with the growing costs of housing, has led to a crisis of evictions, homelessness and other types of housing instability. This housing affordability and stability crisis is crushing the economic security of households and is leading to the hardship of eviction for countless people – and it is putting enormous pressure on the nation’s schools, healthcare systems, courts, and state/local governments.

## **II. The Multi-Sector Impacts of Stable, Affordable Homes**

The *Eviction Crisis Act* will improve housing stability for the most at-risk households. Research consistently shows that housing stability improves outcomes across many sectors and various national priorities:

- **Education**: Stable, affordable homes are linked with better educational outcomes (e.g., improved test scores; fewer behavioral problems; increased graduation). Research shows that children in low income households that live in affordable housing score better on cognitive development tests than those in households with unaffordable rents<sup>4</sup>, partly because parents with affordable housing can invest more in activities and materials that support their children’s development.<sup>5</sup>
- **Health**: Stable, affordable homes are linked with better health outcomes across the lifespan (e.g., fewer child hospitalizations, ER visits, developmental delays, asthma cases, and mental health challenges; more preventative care visits; lower Medicaid costs). In fact, one study found that unstable housing among families with children will cost the nation \$111 billion in avoidable health-related expenditures over the next ten years.<sup>6</sup>
- **Food Security**: Stable, affordable homes enable low-income families to devote more of their limited resources to other necessities, which is why stably housed families experience greater food security. Low-income families that live in affordable housing experience greater food security and their children are 52% less likely to be seriously underweight compared to those who are cost-burdened by rent.<sup>7</sup>

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<sup>2</sup> “The State of the Nation’s Housing: 2018,” Harvard Joint Center for Housing Studies,

[https://www.jchs.harvard.edu/sites/default/files/Harvard\\_JCHS\\_State\\_of\\_the\\_Nations\\_Housing\\_2018.pdf](https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_State_of_the_Nations_Housing_2018.pdf)

<sup>3</sup> “The Gap, 2019,” National Low Income Housing Coalition, [https://reports.nlihc.org/sites/default/files/gap/Gap-Report\\_2019.pdf](https://reports.nlihc.org/sites/default/files/gap/Gap-Report_2019.pdf)

<sup>4</sup> Newman, Sandra and Holupka, C. Scott, “Housing Affordability and Child Well-Being,” *Housing Policy Debate*, Volume 25, 2015, <https://www.tandfonline.com/doi/abs/10.1080/10511482.2014.899261>

<sup>5</sup> Newman, Sandra and Holupka, C. Scott, “Affordable Housing is Associated with Greater Spending on Child Enrichment and Stronger Cognitive Development,” *How Housing Matters*, MacArthur Foundation, 2014,

[https://www.macfound.org/media/files/Affordable\\_Housing\\_Child\\_Enrichment\\_Stronger\\_Cognitive\\_Development.pdf](https://www.macfound.org/media/files/Affordable_Housing_Child_Enrichment_Stronger_Cognitive_Development.pdf)

<sup>6</sup> “Stable Homes Make Healthy Families,” Children’s HealthWatch, 2017, <https://childrenshealthwatch.org/wp-content/uploads/CHW-Stable-Homes-2-pager-web.pdf>

<sup>7</sup> “Rx for Hunger: Affordable Housing,” Children’s HealthWatch & Medical-Legal Partnership of Boston, 2009, <https://www.issuelab.org/resources/5379/5379.pdf>

- **Upward Mobility:** When young children in poor families can access affordable homes located in high-opportunity neighborhoods with low poverty, quality schools, and low crime, they are 32% more likely to attend college, girls are 26% less likely to become single mothers, and they have 31% higher annual incomes. In fact, younger poor children who move to affordable housing located in lower-poverty neighborhoods earn an average of \$302,000 more over their lifetime compared to their peers in higher poverty neighborhoods.<sup>8</sup>
- **Homelessness Prevention:** People experience homelessness because they cannot afford a place to live. Research demonstrates that communities in which residents spend over 32% of their income on rent experience a rapid rise in homelessness; in many areas of the country, even small rent increases can place thousands of vulnerable people at heightened risk of homelessness.<sup>9</sup> When people do experience homelessness, they are at higher risk of premature mortality driven by extreme weather, injuries, and treatable medical conditions. Reducing homelessness not only improves individual life trajectories, but also reduces costs to all taxpayers by avoiding expensive ER visits, criminal justice encounters, shelter stays, and more.
- **Economic Growth:** Research shows that the shortage of affordable housing in major metropolitan areas costs the American economy about \$2 trillion a year in lower wages and productivity. Without affordable housing, families have constrained opportunities to increase earnings, causing slower GDP growth.<sup>10</sup>
- **Criminal Justice:** When people are not stably housed, they are more likely to have encounters with the criminal legal system. Moreover, individuals transitioning out of the criminal legal system face many barriers to housing and are especially vulnerable to homelessness. In fact, a study found that people were most likely to experience homelessness within the first 30 days after release from prison or jail.<sup>11</sup> They need stable housing so that they can reconnect with society and rebuild their lives. Formerly incarcerated individuals who find stable affordable housing are less likely to go back to jail and prison than those who do not.
- **Racial Equity:** Today, African American and Hispanic families are significantly more likely to live in neighborhoods of concentrated poverty compared to white families, which significantly hinders opportunity. Studies show that affordable housing located in inclusive, high-opportunity neighborhoods can reduce residential segregation and concentrations of poverty, which, in turn, can enhance income, economic growth, safety, property values, and educational attainment for people of color.<sup>12</sup>

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<sup>8</sup> Chetty, Raj et al., "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment," Harvard University and NBER, 2015, [http://www.nber.org/mtopublic/final/MTO\\_IRS\\_2015.pdf](http://www.nber.org/mtopublic/final/MTO_IRS_2015.pdf)

<sup>9</sup> Glynn, Chris and Casey, Alexander, "Homelessness Rises Faster Where Rent Exceeds a Third of Income," Zillow, 2018, <https://www.zillow.com/research/homelessness-rent-affordability-22247/>

<sup>10</sup> Hsieh, Chang-Tai and Moretti, Enrico, "Housing Constraints and Spatial Misallocation," *American Economic Journal: Macroeconomics*, 2019, <https://faculty.chicagobooth.edu/chang-tai.hsieh/research/growth.pdf>

<sup>11</sup> Metraux, Stephen and Culhane, Dennis, "Recent Incarceration History Among a Sheltered Homeless Population," 2006, University of Pennsylvania, Departmental Papers, [https://repository.upenn.edu/cgi/viewcontent.cgi?article=1063&context=spp\\_papers](https://repository.upenn.edu/cgi/viewcontent.cgi?article=1063&context=spp_papers)

<sup>12</sup> Acs, Gregory, et al., "The Cost of Segregation," 2017, Urban Institute, <https://www.metroplanning.org/uploads/cms/documents/cost-of-segregation.pdf>

- **Domestic Violence**: Victims of domestic violence struggle to find long-term, affordable housing after escaping abusive relationships. As affordable housing options become scarcer, victims stay longer in emergency domestic violence shelters or they are turned away due to capacity limitations. According to one survey, 83% of domestic violence survivors entering shelters identified “finding housing I can afford” as a need. This was second only to “safety for myself.”<sup>13</sup>

### **III. The Public Mandate for Action**

The bipartisan *Eviction Crisis Act* speaks volumes about the growing recognition in both parties that housing is inextricably linked to nearly every measure of having a quality life. The growing willingness of elected officials to propose bold solutions is enormously encouraging – and so too is the growing appetite for action from the American people. According to a recent national public opinion poll commissioned by the OSAH campaign through Hart Research Associates<sup>14</sup>, the vast majority of the public (85%) believe that ensuring everyone has a safe, decent, affordable place to live should be a “top national priority.” The poll showed 60% say housing affordability is a serious problem where they live, which is up an astounding 21 points since 2016 — and that includes majorities in cities, suburbs, and rural areas. And 61% of people reported having to make at least one sacrifice in the past three years because they were struggling with housing costs, such as cutting back on learning activities for their child, nutritious food, or health care.

Eight in ten people also say that both the President and Congress should “take major action” to make housing more affordable for low-income households. Eighty-two percent of the public thinks it is important for elected leaders to address housing affordability, and 83% agree that elected officials aren’t paying enough attention to the cost of housing and the need for more affordable housing. And 76% said they are more likely to vote for candidates who have detailed plans for making housing more affordable.

#### **Strong majorities, on a bipartisan basis, support concrete policy solutions such as the Emergency Assistance Fund which is included in the *Eviction Crisis Act*:**

- 89% favor expanding stability services for households experiencing an unforeseen economic crisis so that they can avoid eviction and homelessness (94% of Democrats, 87% of Independents, 83% of Republicans, including 80% of conservative Republicans favor).
- 88% favor providing emergency crisis assistance for households with the lowest incomes to help cover the rent if they experience an unexpected economic hardship, such as losing a job or medical emergency that is not covered by insurance (96% of Democrats, 83% of Independents, 82% of Republicans, including 81% of conservative Republicans favor).

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<sup>13</sup> Lyon, Eleanor, et al., “Meeting Survivors’ Needs: A Multi-State Study of Domestic Violence Shelter Experiences,” National Institute of Justice, 2008, <https://www.ncjrs.gov/pdffiles1/nij/grants/225025.pdf>

<sup>14</sup> Public Opinion Poll, Feb 25-Mar 4, 2019, Hart Research Associates, <https://www.opportunityhome.org/resources/poll2019/>

#### **IV: Major Components of the *Eviction Crisis Act***

Core components of the legislation include:

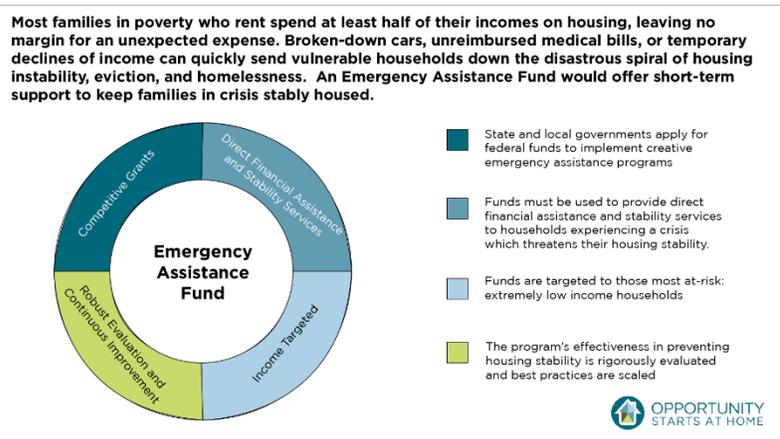
- Creates an Emergency Assistance Fund to provide short-term financial assistance and stability services to tenants at risk of eviction.
- Creates a national database to standardize data and track evictions, establishes a Federal Advisory Committee on Eviction Research to make recommendations about data collection and promising practices, and funds a comprehensive evictions study. Improving our data and analysis on evictions will give us a better understanding of the crisis itself, which is essential to informing better policy decisions.
- Creates a program to fund state and local governments that expand landlord-tenant community courts and increase social services representatives for tenants, which can help tenants and landlords avoid the high cost of eviction through mediation.
- Improves information on tenant screening reports: requires consumer reporting agencies to provide consumers with tenant screening reports when requested as part of a rental application process so that tenants can contest and correct inaccurate/incomplete information; requires that when a court rules in favor of a tenant in an eviction proceeding, those judgments and eviction filings related to that proceeding be removed from tenant screening reports. Landlords routinely use tenant screening reports when reviewing tenant applications. Better information on these reports would help reduce confusion for both the landlord and the tenant and would reduce the number of rental application denials based on inaccurate/incomplete information.
- Expresses support for substantially increasing funding for the Legal Services Corporation, which is a public-private partnership that provides legal services to low-income tenants.

#### **V. One Crisis Away: The Importance of Emergency Rental Assistance**

A centerpiece of the *Eviction Crisis Act* is the creation of an Emergency Assistance Fund, which is a key policy priority of the OSAH campaign. Most families in poverty who rent spend at least half of their incomes on housing, leaving virtually no margin for an unexpected expense. Broken-down cars, unreimbursed medical bills, or temporary income losses can quickly send vulnerable households down the spiral of housing instability, eviction, and homelessness. If enacted, the Emergency Assistance Fund could provide a blueprint for helping millions of low-income households that live on the edge of what they can afford.

The Emergency Assistance Fund is a program designed to test, evaluate, and expand proven interventions to help low-income families facing housing instability due to an unexpected economic shock.

- **Competitive Grants:** The Emergency Assistance Fund is a competitive grant program administered by the Department of Housing and Urban Development (HUD), with input from the Departments of Health and Human Services (HHS) and Agriculture (USDA). Eligible grantees include state and local governments that will compete for funds to develop and test creative approaches to reduce evictions and prevent homelessness. A sliding scale for local match of funds is included.



- **Temporary Financial Assistance and Stability Services:** At least three-fourths of the dollars must be used to provide direct financial assistance to help households overcome a short-term crisis that directly impacts their housing stability. Up to one-fourth of funds can be used to provide wrap-around services, such as case management, rehousing services, services to connect households to other public supports, and referrals to other services for behavioral, emotional, and mental health issues.
- **Targeted Assistance to Those Most At-Risk:** All funds will be targeted to extremely low-income households with incomes at or below the federal poverty limit or 30 percent of Area Median Income, whichever is higher. This population faces the most severe housing cost burdens and is most likely to experience homelessness in the wake of an economic shock.
- **Robust Evaluation, Continuous Improvement, and Future Scaling:** The bill requires a rigorous evaluation of the program's effectiveness in preventing housing instability. Lessons learned from these evaluations will be incorporated into future competitions, and HUD must report back to Congress on any necessary statutory changes and a plan to expand the program to the scale necessary.

## VI. What We Know About the Effectiveness of Emergency Assistance

Few households currently receive crisis rental assistance despite needing it. Though not paying rent is overwhelmingly the main cause of eviction, often the tenants owe relatively small amounts – in many cases, around one month of rent or less. According to research from Princeton sociologist Matthew Desmond, tenants owing many months of rent is uncommon. In fact, across 22 states where there is available data, the median money judgment issued by a court for an eviction was \$1,253 between 2014 and 2016. Money judgments include unpaid rent plus court fees, late fees, and other costs incurred during the legal proceedings, which means that tenants faced eviction for originally failing to pay an even lesser amount. In these states, a third of money judgments were for less than the local median rent. In North Carolina,

32% of money judgments were for less than \$600. In Virginia, 22% were for less than \$600.<sup>15</sup> As Nan Roman, President and CEO of the National Alliance to End Homelessness, explains: “Every day, people become homeless who not long ago had a stable home, but whose lives and housing were disrupted by an economic crisis that a small amount of money could have fixed.”

Available research suggests that the Emergency Assistance Fund contained within the *Eviction Crisis Act* is one of the most research-based and cost-effective policy tools available to the federal government to improve housing stability and reduce evictions and homelessness.

- **Few Families Currently Receive Crisis Assistance:** There are federal, state, and local funds available for crisis assistance and services, but they are mostly used for other priorities. Flexible grant programs such as TANF or the Emergency Solutions Grant program could be used to provide crisis assistance, but states and localities typically direct those funds to other needs. Some states and localities have crisis assistance programs, but the need for aid far exceeds its availability.
- **Similar Programs Have Yielded Promising Results:** Although there is still much to learn about how to deliver the assistance most effectively and efficiently at national scale (which is why the legislation includes a rigorous evaluation component), we know that families and individuals who have participated in similar types of programs have experienced positive outcomes. For example:
  - A review of a recession-era program and its short-term assistance and prevention services components found 71.6% of participants who were either imminently losing their housing or unstably housed upon entry into the program exited to stable housing.<sup>16</sup>
  - A review of the Supportive Services for Veteran Families’ (SSVF) prevention program, which provides short-term financial assistance and other supports to veterans at risk of literal homelessness, found 91% of participants maintained their housing or exited to permanent housing.<sup>17</sup>
  - A rigorous evaluation of New York City’s Homebase Community Prevention program, which includes short-term assistance and services, found that families at-risk of homelessness who participated in the program spent 22 fewer nights in the shelter system. These families were also less likely to spend at least one night in shelter in the 27-month follow-up.<sup>18</sup>

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<sup>15</sup> Research from Matthew Desmond featured in Badger, Emily, “Many Renters Who Face Eviction Owe Less Than \$600,” *New York Times*, December 12, 2019, <https://www.nytimes.com/2019/12/12/upshot/eviction-prevention-solutions-government.html>

<sup>16</sup> Office of Special Needs Assistance Programs, Office of Community Planning and Development, “Homelessness Prevention and Rapid Re-Housing Program (HPRP): Year 3 & Final Program Summary,” U.S. Department of Housing and Urban Development, June 2016, <https://www.hudexchange.info/resources/documents/HPRP-Year-3-Summary.pdf>.

<sup>17</sup> US Department of Veteran Affairs, “Supportive Services for Veteran Families (SSVF) FY 2016 Annual Report,” [https://www.va.gov/HOMELESS/ssvf/docs/SSVF\\_FY2016\\_Annual\\_Report\\_508c.pdf](https://www.va.gov/HOMELESS/ssvf/docs/SSVF_FY2016_Annual_Report_508c.pdf).

<sup>18</sup> Rolston, Howard et al., “Evaluation of the Homebase Community Prevention Program” Abt Associates, June 6, 2013, <https://static1.squarespace.com/static/572e5b621d07c088bf6663d9/t/573bd62df85082862032f27b/1463539246596/homebase+report.pdf>.

- Researchers examined the effectiveness of temporary financial assistance by using data from the Homelessness Prevention Call Center (HPCC) in Chicago, which processes about 75,000 calls annually. Chicago residents at-risk of becoming homeless can call 311 to request temporary financial assistance for rent, security deposits, or utility bills. The researchers compared households that call when funds are available with those who call when funds are not available. They found that those calling when funding is available are 76% less likely to enter a homeless shelter. The researchers also presented evidence that the program's cost is lower than the homelessness-related costs the program likely averted, making the program a cost-effective solution.<sup>19</sup>
- Residential Assistance for Families in Transition (RAFT) in Massachusetts: RAFT funds are primarily used to provide financial assistance to help low-income households maintain stable housing. Recipients are not limited in how they use the funds, so long as the funds are used to address a crisis. Most of the money, though, is used for housing-related expenses. An analysis found an estimated average savings of \$43,321 for each family that avoided homelessness through the RAFT program in terms of shelter costs alone.<sup>20</sup>

## **VII. Conclusion**

The OSAH campaign looks forward to working with Congress to quickly enact the bipartisan *Eviction Crisis Act*. Together, we can tackle the nation's ongoing eviction epidemic and ensure safe, decent, affordable housing for everyone.

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<sup>19</sup> Evans, William et al., "The Impact of Homelessness Prevention Programs on Homelessness," *Science*, August 12, 2016, <https://nlihc.org/sites/default/files/Impact-of-homelessness-prevention.pdf>

<sup>20</sup> Regional Housing Network of Massachusetts, "A Report on the RAFT Program in FY2018," February 2019. <https://regionalhousingblog.files.wordpress.com/2019/02/rhnRAFTstatewide-reportfy-18-1.pdf>