OPPORTUNITY STARTS AT HOME

THE EVICTION CRISIS ACT

Most families with low incomes who rent spend at least half of their income on housing, leaving virtually no margin for unexpected expenses. Broken-down cars, unreimbursed medical bills, or temporary declines in income can quickly send the lowest-income households down the spiral of housing instability, eviction, and even homelessness.

To help renters avoid eviction and remain stably housed, Senators Michael Bennet (D-CO) and Todd Young (R-IN) reintroduced the "Eviction Crisis Act" (S.5535). **The bill would create a permanent program – funded at $3 billion annually – to provide short-term, emergency rental assistance and housing stability services to help stabilize households before they face eviction and homelessness.**

The National Low Income Housing Coalition and the *Opportunity Starts at Home* **campaign urge Congress to enact the Eviction Crisis Act as a key tool to prevent evictions and homelessness.**

About The Eviction Crisis Act

The bill would establish a competitive grant program administered by the Department of Housing and Urban Development (HUD), with input from the Departments of Treasury, Health and Human Services, and Agriculture. Eligible grantees include state, local, Tribal, and territorial governments, which can partner with nonprofit organizations, public housing agencies, and tribal housing entities to administer assistance.

The competition for funding would be based on several factors, including the number of very low-income renter households experiencing severe housing cost-burdens or overcrowding, a jurisdiction's unemployment rate, the prior performance of the grantee, and geographic diversity.

Financial Assistance and Stability Services: Households with incomes at or below 50% of Area Median Income (AMI) and experiencing a short-term crisis impacting their housing stability would be eligible for emergency assistance.

Funds can be used to cover rent and rent arrears, utilities and utility arrears, application fees, security deposits, and relocation costs, including through direct payments to households. Up to 15% of funds can be used to provide housing stability services, such as case management, rehousing services, navigation services, legal services, and referrals to connect households to other public supports and services for behavioral, emotional, and mental health issues. Up to 10% of funds can be used for administrative costs.

Assistance can cover arrears and up to four months of financial assistance within a three-year period, although grantees can choose to provide up to an additional three months of assistance if necessary to ensure housing stability for the household. In the event the country or a state is experiencing a period of high unemployment, an emergency event, or major disaster, assistance can be provided for arrears and up to 12 months, plus an additional three months to ensure housing stability for an eligible household.

Robust Evaluation and Continuous Improvement: The bill requires a rigorous evaluation of the program's effectiveness. Lessons learned from these evaluations will be incorporated into program design, and HUD must report back to Congress on any necessary statutory changes.

Flexibilities and Protections: The bill incorporates many of the lessons learned and best practices developed from the pandemic-era programs by targeting assistance to those most at-risk of eviction, and ensuring tenants can quickly and easily apply for assistance and receive help even if their landlord refuses to participate in the program. Assistance is not counted as income for other benefits. Applicants who are denied will receive written notice within five days and have at least 10 days to fix their application.

Other Provisions: The emergency rental assistance program is one section of the broader Eviction Crisis Act. Other sections would authorize grants to support eviction diversion programs and landlord-tenant community courts, which offer mediation services to avoid eviction, and create a national database to track formal and informal evictions to better understand the problem and craft solutions. The bill would authorize HUD to award grants to local governments and nonprofits to collect data from landlords on illegal evictions. Additionally, the Eviction Crisis Act would establish a 16-member advisory committee to advise HUD on the national evictions database and develop a national research agenda on the causes and consequences of eviction.

The Continued Need for Crisis Assistance

Federal emergency rental assistance (ERA) helped stabilize over 5.3 million households facing housing instability during the COVID-19 pandemic lockdowns. Thanks to ERA and other COVID-era resources and protections, eviction filings fell by more than half between the start of the pandemic and the end of 2021. A national, permanent emergency rental assistance program would build on the infrastructure created during the pandemic to protect families most at-risk of housing instability, eviction, and homelessness.

Access to affordable housing is key to preventing and ending homelessness. Improving housing stability is not just about keeping people in their homes; it is also about providing them with the foundation they need for success in every other area of life. Stable, affordable homes are linked with better educational and health outcomes across the lifespan. Stably housed families experience greater food security. People can more readily escape poverty, climb the income ladder, and achieve financial stability. Our nation is more just and equitable when housing resources are targeted at populations most in need, including people of color and people with disabilities.

Please see the campaign's website at www.opportunityhome.org for more information, or email outreach@opportunityhome.nlihc.org.