July 21, 2020

The Honorable Nancy Pelosi                The Honorable Mitch McConnell
Speaker of the House of Representatives       Majority Leader
United States House of Representatives       United States Senate
Washington, D.C. 20515                        Washington, D.C. 20510

The Honorable Kevin McCarthy             The Honorable Charles Schumer
Minority Leader                          Minority Leader
United States House of Representatives       United States Senate
Washington, D.C. 20515                        Washington, D.C. 20510

RE: ABA Support for Housing Proposals to Provide Relief and Prevent Homelessness

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi, and Minority Leader McCarthy:

As Congress turns to what may be the final legislative response to the COVID-19 pandemic this year, I write on behalf of the American Bar Association (ABA), the largest association of lawyers and legal professionals in the world, to urge that you prioritize housing stability and safety as we quickly approach the expiration of programs and policies currently holding many person’s lives and livelihoods together. Many Americans would already be removed from their homes but for current state and federal moratoria on evictions. A number of cases are the direct result of Americans’ compliance with government stay-at-home and closure of businesses orders that remain in place today. These orders have understandably prioritized personal safety over jobs and economic security, but now there must be an economic strategy to help those who complied with the orders and are facing housing instability and financial hardships as a result, whether landlords or tenants.

The pandemic has magnified and accelerated the housing crisis that already existed in the United States. Due to the current economic downturn, over 16 million rental households are unable to pay next month’s rent. It is estimated that 19 to 24 million renters are at risk of eviction by September. The Legal Services Corporation (LSC) is reporting a sharp increase in requests for legal

1 Estimation of Households Experiencing Rental Shortfall and Potentially Facing Eviction, STOUT, https://app.powerbi.com/view?r=eyJrIjoiNzRhYjg2NzAtMGE1MC00NmNjLTllOTMtYjM2NjFmOTA4ZjMyIiwidCI6Ijc5MGJmNjk2LTE3NTNjYTE5NzY5MzQwNjU5MDA4IiwidCI6IjY3MTUyNzVjNzYxNDI1MjA2NGYwMTI3NjM3IiwiaCI6IjBhY2QwYjVhMWExMzcwNmI1Zjg5Nzg4NzIwNTVlN2I5MjA5IiwiaCI6IjY1ZjU1YjQwOTM4MzkxYjE2MmI1M2Q0ZmRlNjFlYTcxMmQ0ZjciLCJcIjoiZmFsc2V0cyIsInciOlwiOn0= (last updated July 15, 2020).
assistance in the area of housing law that can be expected to increase. Renters of color—especially Black and Latinx renters—are at the highest risk. These populations have experienced COVID-19 job loss, infection, and death at higher rates than any other demographic and consistently report low confidence in the ability to pay rent during the pandemic.³

The steep decline in rent payments will have a devastating impact on the housing market, especially among small property owners who lack the financial ability to sustain short and long-term nonpayment of rent. Individual investors own approximately 22.7 million out of 48.5 million rental units in the housing market.⁴ The Harvard University Joint Center for Housing Studies estimates that 20% of renters in these small multifamily apartments may have difficulty paying rent due to COVID-19 wage loss.⁵ This places landlords in financial peril (including foreclosure, loss of their owner-occupied home and possible bankruptcy), with more than half (58%) of small rental property owners lacking access to credit to cover emergencies, such as lost rent payments.⁶

Without a national economic strategy to help slow down this housing crisis and appropriate investments from Congress, low-income Americans – including seniors, people with disabilities and families with young children, low-wage workers and others who were already struggling to remain housed before the current pandemic – and people of color will be at significantly higher risk of eviction and homelessness once current unemployment, housing and other economic relief expire at the end of the month. According to the U.S. Office of Disease Prevention and Health Promotion, such housing instability is associated with significant health consequences, loss of employment, poor education performance and development in children, and this does not include increased burdens and costs to local government.⁷ Without immediate action, the resulting spike in homelessness nationally could overwhelm state and local governments, stripping them of precious COVID-19 response resources, and cause further harm to all those affected by the looming housing crisis.

Several bills this Congress have proposed strategies for promoting housing stability during the emergency, including H.R. 6800, The Heroes Act. The ABA supports housing proposals that provide necessary funding to safeguard vulnerable populations in public housing including the elderly, those with disabilities, and families with children, among others. We also support

proposals to provide funding for emergency homeless assistance and prevention programs, and those that would increase the availability of affordable housing.

The ABA similarly supports innovative solutions to evictions, such as S. 3030, the bipartisan Eviction Crisis Act. This bill would provide resources for the establishment of community housing courts. Such specialty courts can move expeditiously on cases involving similar circumstances, and the presiding judge is usually an expert in the underlying legal matters. Paired with legal support, such courts can prevent unnecessary evictions and make legal or social services assistance available to help tenants become current on debts to the landlord or to transition to a new, stable home environment, thereby reducing their exposure to homelessness.

Relatedly, the ABA applauds Congress for already providing some emergency supplemental funding to LSC in the CARES Act, but LSC needs significantly more to increase access to legal services for low-income Americans facing the devastating impacts caused by the spread of COVID-19. We urge you to grant LSC’s current request for $50 million more in emergency funds so it can help your constituents who are eligible for their legal services to avoid unnecessary evictions, address related legal challenges, and produce improved outcomes for all.

Thank you for considering the ABA’s views on the critical need to prioritize housing stability and a strategy to prevent evictions in your next COVID-19 relief bill. If you have any questions regarding out position, please contact Kenneth Goldsmith in the ABA Governmental Affairs Office, (202) 662-1789 or kenneth.goldsmith@americanbar.org.

Sincerely,

Judy Perry Martinez
President, American Bar Association

cc: Representative Nita Lowey, Chairwoman, House Appropriations Committee
Representative Kay Granger, Ranking Member, House Appropriations Committee
Senator Richard Shelby, Chairman, Senate Appropriations Committee
Senator Richard Leahy, Vice Chairman, Senate Appropriations Committee
Senator Rob Portman
Senator Michael Bennet