



## **Written Testimony to the Ohio House Civil Justice Committee**

Bill Faith, Executive Director

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House Bill 20 (Leland, Crossman) – Interested Party

Thank you for the opportunity to present testimony on House Bill 20 to put a moratorium on eviction orders and foreclosure actions during a COVID-19 state of emergency.

While our economy has started to recover from the pandemic-induced recession, we still have enormous need. Ohio still had 307,000 fewer jobs in January 2021 than a year before. The people working in low-wage industries have been hit the hardest. The Census Bureau estimates 241,000 Ohio households are behind on rent, and 274,000 are behind on their mortgages.

Eviction typically drive families to double up with other households in crowded quarters, or worse resort to a homeless shelter – both settings where the coronavirus can spread rapidly.

In our advocacy work COHHIO has not stressed eviction moratoriums alone without adequate rental because that can simply delay the process resulting in the tenant accumulating arrearages and facing an even greater debt once the moratorium is lifted. For the past year our advocacy has been focused on emergency rental assistance recognizing that a huge number of tenants needs help paying their rent during these tough times and likewise the landlords and property owners need the revenue to pay their staff, mortgages and other bills.

However, the two most recent Covid relief packages approved by Congress include a significant amount of emergency housing assistance. In fact, this chamber is currently working on legislation to appropriate \$465 million from December's relief bill for emergency rental and utility assistance (HB 167). Also, The American Rescue Act passed earlier this month contains an additional \$24 billion for emergency rental assistance and \$10 billion in mortgage assistance nationally.

The Ohio Development Services Agency and local Community Action Agencies have already distributed about \$50 million in emergency rental and utility assistance from the original coronavirus relief package. ODSA and CAAs are doing an excellent job making sure that money gets to people who need it to stay safely housed during this pandemic, but it will take time for the new federal funding to reach Ohio, pass through the State's appropriations process, get disbursed to CAAs, who then must review applications before they can distribute the assistance to the landlords/lenders of the tenants/homeowners at risk of eviction/foreclosure.

Landlords and lenders will lose out on the opportunity to recover months of arrearages if they act prematurely to evict or foreclose. Help is on the way; no Ohioan should lose their

home while significant emergency rental and mortgage assistance is already in the pipeline. Landlords can even apply for assistance on behalf of their residents who are behind. Let's give the process adequate time to work.

Given the circumstances outlined above, we believe it is reasonable to put a temporary pause on eviction and foreclosure actions to allow adequate time for emergency housing assistance to reach the many thousands of Ohioans who desperately need it. We understand that many rental property owners and lenders have concerns about moratoriums, but this legislation – in conjunction with federal assistance – will create a win-win scenario by allowing tenants and homeowners who need it enough time to obtain the assistance necessary to make them whole.

Ensuring continued access to a safe place to live during this pandemic is a critically important matter. We value our shared goal of strengthening Ohio families and communities and thank you for your time and attention to this very important matter.