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Governor Murphy Signs Sweeping Housing Eviction Prevention and Utility Assistance Bill

DCA Surpasses Milestone of Delivering Over \$100 Million in Federal Emergency Rental
Assistance

UNION CITY - Governor Phil Murphy today signed legislation that will provide comprehensive housing eviction prevention and utility assistance for renters who have been financially impacted by the COVID-19 pandemic. The legislation (S-3691) appropriates an additional \$500 million for the COVID-19 Emergency Rental Assistance Program (CVERAP) and \$250 million for utility assistance, both programs administered by the New Jersey Department of Community Affairs (DCA). The bill also mandates new eviction and foreclosure moratorium deadlines and special eviction protections for tenants who were directly impacted by the pandemic. This legislation will ensure that New Jersey's eviction moratorium continues through August for all state residents with household incomes below 120% Area Medium Income (AMI) and through the end of the year for certain households with incomes below 80% AMI. Yesterday's announcement from the Centers for Disease Control and Prevention extending the nationwide moratorium on evictions for 60 days may provide additional protections for certain residents.

The Governor also signed legislation (A-4463) providing additional protections for individuals who were unable to pay rent during the public health emergency by mandating that court records pertaining to their non-payment during this period be kept confidential.

"We have heard the continuing calls for help from New Jerseyans who are struggling to pay their rent and utilities. COVID-19 has put tenants and landlords in a difficult place, and I am pleased to say that more assistance is on the way," **said Governor Murphy.** "This bill is going to direct money to the people and programs that need it most. Housing and access to utilities are fundamental to human health and safety and we want to ensure that as many eligible applicants impacted by the pandemic get the help they need during this challenging time."

"This comprehensive eviction protections bill is the result of some of the best and brightest minds coming together to find practical and realistic solutions for the struggling renters and landlords who have face unprecedented circumstances during this pandemic," said Lt. Governor Sheila Oliver, who serves as Commissioner of the Department of Community Affairs. "As DCA Commissioner, I'm aware of the daily struggle that people are facing in finding and keeping housing and our team at DCA is prepared to continue to administer housing and utility assistance to them. I'm in full support of the actions laid out in this bill package to make their lives easier as we financially recover from the pandemic."

"This measure provides a lifeline to people who need it most at a time of real crisis. It will help prevent renters from losing the safety and security of their homes and allow landlords to continue to maintain their properties in a safe and secure way," **said Senate President Steve Sweeney.** "It's real eviction prevention because it backs up housing protections with finances so tenants aren't burdened with debt and landlords aren't forced into bankruptcy. Housing and utilities are essential needs that should be protected as we continue to work to emerge from the most challenging crisis of our lifetime. I want to praise Senator Stack, Senator Ruiz, Senator Rice and Senator Singleton for their productive work with advocates and other public officials to develop this plan. It is a wise use of federal funds to address two of the most serious threats caused by the pandemic."

"This past year has been some of the hardest times in most people's lives. I've been desperately trying to help my constituents in Union City and the greater Hudson County since the very beginning of the pandemic, and have heard first hand all that they have gone through," **said Senator and Union City Mayor Brian Stack.** "We have to recognize that includes many landlords, especially those with only a few tenants, who are also struggling to pay their own bills. Being a public servant is about finding solutions to problems we never thought we would have to face, and ultimately, it is about helping the people of New Jersey when they need it most. That is what we did with this law and I am proud to have been a part of it."

"The loss of millions of jobs and the resulting economic crisis caused by the pandemic has the potential to trigger an eviction tsunami in the coming months if we do not act now," **said Assembly sponsors Britnee Timberlake, Benjie Wimberly, Angela McKnight, and Shanique Speight.** "While many tenants have faced economic hardship during the pandemic, landlords have shouldered the financial burden of housing their tenants, maintaining their buildings, paying their mortgages, taxes, and other financial obligations with limited help from the State or federal government and reduced rental income. This new law will provide significant eviction protections to struggling tenants and a steady stream of assistance income to struggling landlords as New Jersey continues to recover from the pandemic."

"The pandemic sapped the economic resources of many working-class families particularly among communities of color," **said Frank Argote-Freyre, Chair of the Latino Action Network Foundation.** "It was a once in a century crisis that left families impoverished and unable to pay their rents. This legislation offers families an opportunity to reclaim their lives and stay in their homes. It further cements Governor Murphy's progressive legacy and his dream of creating a more inclusive New Jersey."

"The signing of this bill marks an important day for New Jersey's pandemic recovery. We are thankful to the Legislature and Governor Murphy for their leadership and commitment to providing relief for individuals and families throughout our state," said James C. Williams, Director of Racial Justice Policy at the Fair Share Housing Center. "The COVID-19 pandemic created an unprecedented situation for many New Jerseyans. Black and Latino communities were hit especially hard by the pandemic, and are also disproportionately

represented among those currently facing eviction in our state. The \$750 million in assistance, as well as the protections provided by this legislation, will provide critical support to individuals and families across our state. We look forward to working with the administration on the implementation of this bill as well as other housing protections."

"This historic legislation is a comprehensive approach toward ending New Jersey's eviction moratorium while providing additional rental assistance and tenant protections," **said David H. Brogan, Executive Director of the New Jersey Apartment Association.** "It recognizes the struggles of both landlords and tenants, and it puts the necessary tools in the hands of government to help those in need. We strongly support the legislation and look forward to working with the Administration to ensure the viability of New Jersey's housing stock." The eviction prevention bill will gradually phase out the State's eviction moratorium based on individual renters' situations while mandating special protections for those who were unable to pay their rent during the period of March 1, 2020 through August 31, 2021, or, for certain tenants, through December 31, 2021. Additionally, the CVERAP program, which was previously aimed at those who were making less than 80 percent of AMI, will expand its scope of eligible applicants by August 31, 2021, to include those making less than 120 percent of AMI.

Additional details on S-3691:

- Ensures that eviction protection is available for tenants with household incomes below 120 percent AMI who were unable to pay their rent between the covered period of March 1, 2020 and August 31, 2021, and who provide a <u>self-certification form</u> to their landlords and, when applicable, to the court. Tenants meeting these requirements cannot ever be evicted for any outstanding rent during the covered period. While tenants who are covered by this special protection may not be evicted, this rent is still due to landlords and landlords may pursue this rent through a money judgment.
- Provides additional eviction preventions for tenants with household incomes below 80 percent AMI, who have applied for state or local rental assistance, and who have experienced an economic impact due to the COVID-19 pandemic. Tenants meeting these requirements who provide a self-certification for to their landlords and, when applicable, to the courts, are protected from eviction prior to December 31, 2021, for unpaid rent accrued from September 1, 2021 through December 31, 2021. This is in addition to protection from eviction for rent accrued during the covered period as described above.
- For the special eviction protections to take effect, the tenant MUST provide the required selfcertification form to their landlord and, when applicable, to the courts.
- All New Jersey households with income less than 120 percent AMI may apply for the <u>COVID-19</u>
 Emergency Rental Assistance Program.
- Landlords who are receiving rental assistance must waive any late fees accrued by tenants during the special protections period.
- Landlords may not report delayed rent to crediting agencies and they cannot sell the debt.
- Landlords may not disclose non-payment of rent to others and prospective landlords may not deny renting to a person who wasn't able to pay rent during the covered period of March 1, 2020 and August 31, 2021.

• The moratorium on home foreclosures ends on November 15, 2021, for all income levels. This includes landlords facing foreclosure who currently have tenants.

The new funds appropriated through S-3691 bring the total funds allocated to the COVID-19 Emergency Rental Assistance Program and Eviction Prevention Program to more than \$1.2 billion.

The DCA Division of Housing and Community Resources (DHCR) also announced today that it has reached the milestone of delivering more than \$100 million in federal Emergency Rental Assistance Program (ERAP) funds throughout the state with nearly \$131 million in rental relief having been distributed to more than 15,000 households to date. This funding milestone is in addition to the \$91.75 million that DCA distributed to 15,000 households in the first phase of the CVERAP program last year.

U.S. Treasury recently published a report on the Emergency Rental Assistance Program in which it describes DCA's program as a high performer. For the month of June, DCA's program ranked 6th among all state programs in the amount of ERAP funds expended for that month. According to the report, DCA's program is also ranked 8th among all state programs in the total amount of ERAP funds expended to date. The report can be found at: Emergency Rental Assistance Program | U.S. Department of the Treasury.