



February 9, 2021

The Honorable Maxine Waters  
Chairwoman  
Committee on Financial Services  
United States House of Representatives  
Washington, D.C. 20515

The Honorable Patrick McHenry  
Ranking Member  
Committee on Financial Services  
United States House of Representatives  
Washington, D.C. 20515

Dear Chairwoman Waters and Ranking Member McHenry:

The undersigned national associations represent for-profit and non-profit owners, operators, developers, lenders and property managers and housing cooperatives involved in the provision of rental housing, both affordable and conventional. We applaud the passage of the COVID-19 relief package signed into law in December 2020 which included important financial and emergency rental assistance relief measures for American families and businesses negatively impacted by the pandemic and offer our support for the housing provisions contained in S.Con.Res.5, the Concurrent Resolution on the Budget for Fiscal Year 2021, the “Budget Resolution.”

We thank you for your commitment to addressing the significant housing challenges created by the pandemic and are pleased that the housing provisions in the proposal support efforts to ensure the continued financial viability and stability of the rental housing industry.

As the Committee holds a markup on the Budget Resolution, addressing additional stimulus measures, we ask that you take the following issues into consideration:

**Emergency Rental Assistance**

We applaud the Committee for including \$25 billion for Emergency Rental assistance efforts to address the health and economic concerns facing our nation in the markup vehicle. We greatly appreciate the recognition of the challenges facing 40 million American renters as well as the countless housing providers – urban, suburban and rural who have been affected by COVID-19 and offer our support for the \$19 billion in funding for emergency rental assistance combined with the \$5 billion for emergency Housing Choice Vouchers, the \$100 million to support unassisted households living in USDA-subsidized properties, the \$750 million to support the Indian Housing Block Grant program and the Indian Community Development Block Grant program, as well as the \$100 million in funding for NeighborWorks to support housing counseling services. Finally, we are also pleased that the \$10 billion in assistance for homeowners ensures coverage reaches not only homeowners, but also America’s small 1 to 4 rental units.

As we approach 12 months with some sort of federal moratorium in place, the financial solvency of many in the rental housing industry, including thousands of small “mom and pop” firms, are in jeopardy. Functioning under reduced revenue for almost a year has drained reserves, caused deferred maintenance and capital improvements and placed many housing providers on the precipice of economic ruin. According to a recent [Urban Institute](#) report, estimates of 2020 lost rent alone is nearly \$60 billion, despite previous COVID-19 relief efforts.

Rental housing providers continue to work with their residents impacted by the pandemic by implementing rent repayment arrangements, waiving fees and connecting them with social service resources. Eviction moratoriums interfere with these good-faith efforts and housing providers’ ability to ensure they have enough rental income to manage their properties. Housing providers cannot continue to shoulder the financial impacts of the pandemic without sufficient, broad-based and readily-deployed rental assistance.

With their reserves depleted and inconsistent rental income coming in, housing providers need more financial assistance to ensure that they can continue to pay payroll, utilities, mortgage payments, insurance premiums and, importantly, property taxes. Significant shortfalls in rent payments, a vast majority of which flows into other economic sectors, could have devastating impacts on communities across the country and their abilities to fund essential services.

While the recent federal COVID-19 relief package was a life preserver for the countless Americans facing financial hardship, the reach of these funds is far narrower than the scope of the [CDC eviction order](#), both in terms of statutory income requirements and scale of aid necessary. It is particularly problematic that numerous jurisdictions are crafting rental assistance programs that far too narrowly constrain recipient eligibility in a way that seriously limits the utility of federal assistance funds. Together, thousands of housing providers and their residents will be left without aid under eviction moratoriums. In addition to the nearly \$60 billion owed in back rent, as detailed in a recent report by the [Urban Institute](#), it also shows “the typical delinquent renter will be almost four months and \$5,600 behind on their monthly rent and utilities.”

Therefore, we strongly support the inclusion of additional rental assistance in the “Budget Resolution.” Without additional robust, direct rental assistance – beyond the newly proposed \$25 billion – housing providers may never fully recover outstanding debt – whether through the eviction process or otherwise – and the housing affordability crisis will be exacerbated in the long- and short-term. This could devastate the industry and hurt America’s most vulnerable renters.

### **Emergency Rental Assistance Implementation Efforts**

As the U.S. Department of Treasury administers the \$25 billion in Emergency Rental Assistance Program (ERAP) approved in the last COVID-19 relief package, we urge policymakers to refrain from efforts to thwart the original congressional intent of the program and encourage Treasury and recipients of ERAP funds to implement the program in a manner consistent with congressional intent.

On January 19, the U.S. Treasury Department published [Frequently Asked Questions \(FAQ\)](#) regarding program requirements. While the FAQs are currently being revised, the initial document answered 14 questions, providing information on participation requirements, record keeping, and definitions. Going forward, we feel further clarification is needed to ensure congressional intent is acknowledged in ensuring that funds are distributed swiftly, efficiently and in a manner that allows for flexibility that gets assistance to all of those in need.

Importantly, Congress saw the great need for rental assistance across the nation and across a variety of income levels and required that 90% of the funds be used for rental and utility assistance. Attempts to divert funding away from efforts that are not intended to directly address rental and utility arrears and current rent and utility obligations are well-intentioned but will continue to threaten the housing stability of millions of renters who are in great need.

In addition, it is imperative that rental assistance programs be easily executable and expeditiously administered to those in need, ensuring residents can self-certify and/or utilize attestation forms to seek assistance, rather than requiring burdensome paperwork. As important as streamlining the process is, transparency and dissemination of information on how residents and housing providers can access the funds is critical to the success of the program. A centralized portal with information on the administering entities will go a long way to ensuring that the much-needed assistance gets into the hands of eligible recipients in an efficient and timely manner.

We urge the Committee to help ensure that the implementation of the ERAP delivers on its promise of ensuring those impacted by the pandemic receive assistance.

As we wait for vaccine distribution to hit a critical mass and ensure we can fully resuscitate recovery efforts, we support the housing measures included in the Budget Reconciliation package. We appreciate initial efforts to help close the growing gap of tens of billions in rental debt that accumulated in 2020 and remain concerned that future rental assistance will be needed to ensure residents have a place to call home and owners can maintain our nation's rental housing stock. We remain committed to ensuring that the 40 million families who rent have a safe, secure place to call home and we stand ready to work with Congress and the Administration to provide the assistance necessary to meet the challenges of the COVID-19 crisis.

Sincerely,

CCIM Institute  
Council for Affordable and Rural Housing  
Institute of Real Estate Management  
Manufactured Housing Institute  
National Affordable Housing Management Association  
National Apartment Association  
National Association of Home Builders  
National Association of Housing Cooperatives  
National Association of REALTORS  
National Leased Housing Association  
National Multifamily Housing Council