



OPPORTUNITY STARTS AT HOME

THE EVICTION CRISIS ACT & STABLE FAMILIES ACT

The Eviction Crisis Act, introduced by Senators Michael Bennet (D-CO) and Rob Portman (R-OH), along with the Stable Families Act, a House companion bill introduced by Representative Ritchie Torres (D-NY), provide an innovative approach to increasing housing stability by creating a new national **Emergency Assistance Fund (EAF)**. Most families in poverty who rent spend at least half of their incomes on housing, leaving virtually no margin for an unexpected expense. Broken-down cars, unreimbursed medical bills, or temporary declines of income – as we saw on a massive scale during the COVID-19 pandemic – can quickly send vulnerable households down the spiral of housing instability, eviction, and even homelessness. **The EAF is a permanent program – funded at \$3 billion annually – to help stabilize households experiencing an economic shock before it causes instability and homelessness, which often require more prolonged, extensive, and expensive housing assistance.**

Limited public resources, coupled with the growing costs of housing, has led to a crisis of evictions, homelessness and other types of housing instability, particularly for people with extremely low incomes. The COVID-19 economic recession and its resulting job and wage losses magnified and accelerated this existing crisis – at its peak in April 2020, the national unemployment rate hit 14.8%, with some industries reporting unemployment rates of almost 40%. More than 20 million renters lived in households that had experienced a COVID-19-related job loss, and Black, Latino, and Native renters were disproportionately impacted.

The pandemic has underscored the inextricable link between housing and health. 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 many other areas of life. Stable, affordable homes are linked with **better educational and health outcomes** across the lifespan. Stably housed families experience **greater food security**. Reducing homelessness **reduces costs to the taxpayer**, such as avoidable emergency department visits, jails, and shelters. People can more readily escape poverty, **climb the income ladder**, and achieve the American Dream. And our nation is more just and equitable when housing resources are targeted at populations most in need.

[The Opportunity Starts at Home campaign](#) supports the creation of an Emergency Assistance Fund, a key pillar of the campaign's [national policy agenda](#).

About the Emergency Assistance Fund

The Emergency Assistance Fund is a program designed to test, evaluate, and expand proven interventions to help low-income families facing housing instability due to an unexpected economic shock.

Grant Eligibility: The Emergency Assistance Fund is a grant program administered by the Department of Housing and Urban Development (HUD), with input from the Departments of Treasury, Health and Human Services (HHS) and Agriculture (USDA). Eligible grantees include state, local, tribal and territorial governments, and initial funding eligibility would be based on the number of extremely low-income renter households experiencing severe housing cost-burden or overcrowding, a jurisdiction's unemployment rate, prior performance of the grantee, geographic diversity, and other factors.

Grantees are charged with notifying the HUD Secretary of their intent to participate in the program and, with consultation from groups including Continuums of Care and organizations representing historically marginalized and underserved communities, must submit a plan detailing how the grantee will administer and use funds to prevent evictions, homelessness, and housing instability. The plan must also be publicly accessible and subject to a public hearing, during which community members have the opportunity to provide feedback on the plan.

Temporary Financial Assistance and Stability Services: The funds must be used to provide direct financial assistance to help households overcome a short-term crisis that directly impacts their housing stability. Up to 25% of funds can be used to providing housing stability-related services, such as case management, rehousing services, services to connect households to other public supports, some housing counseling-related services, and referrals to other services for behavioral, emotional, and mental health issues.

Assistance can cover rent arrears and up to four months of rent within a three-year period, although grantees can choose to cover 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, rental assistance can be provided for up to 12 months, plus an additional three months if doing so is necessary to ensure housing stability for an eligible household.

Targeted Assistance to Those Most At-Risk: All funds will be targeted to extremely low-income households – those with incomes at or below the federal poverty limit or 30 percent of Area Median Income, whichever is higher – who are at risk of housing instability because of a short-term crisis, like a decline in household income, family or health crisis, unexpected expense, or unsafe living conditions. This population faces the most severe housing cost burdens and is most likely to experience homelessness in the wake of an economic shock. Extremely low-income households, including people experiencing homelessness, are eligible for funds regardless of housing type.

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

What We Know About Crisis Assistance

Emergency Rental Assistance Has Been Central to Housing Stability During the Pandemic: In response to COVID-19 and its economic fallout, Congress allocated \$46.55 billion in emergency rental assistance to help renters struggling to pay rent or utilities. Cities and states created or expanded existing emergency rental assistance programs to support individuals and families impacted by the pandemic and target rental assistance to those most at-risk of housing instability or homelessness. A national, permanent emergency rental assistance program would build on this infrastructure to help safeguard families most at-risk of housing instability when they experience an economic shock.

Pre-pandemic Emergency Rental Assistance Programs Have Yielded Promising Results: Although there is still much to learn about how to deliver the assistance most effectively, we know that families and individuals who have participated in similar types of programs often have permanent housing by the end of the program. For example:

- A review of a recession-era program and its short-term assistance and prevention services components found 71.6% of participants who were either imminently losing their housing or unstably

housed upon entry into the program exited to stable housing¹

- A review of the Supportive Services for Veteran Families' (SSVF) prevention program, which provides short-term financial assistance and other supports to veterans at risk of literal homelessness, found 91% of participants maintained their housing or exited to permanent housing.²
- A rigorous evaluation of New York City's Homebase Community Prevention program, which includes short-term assistance and services, found that families at-risk of homelessness who participated in the program spent 22 fewer nights in the shelter system. These families were also less likely to spend at least one night in shelter in the 27-month follow-up.³
- Researchers examined the effectiveness of temporary financial assistance using data from the Homelessness Prevention Call Center (HPCC) in Chicago, which processes about 75,000 calls annually. Chicago residents at-risk of becoming homeless can call 311 to request temporary financial assistance for rent, security deposits, or utility bills. The researchers compared households that call when funds are available with those who call when funds are not available, and found that those calling when funding is available were 76% less likely to enter a homeless shelter. Researchers also presented evidence that the program's cost is lower than the homelessness-related costs the program likely averted, making the program a cost-effective solution.⁴
- Massachusetts's Residential Assistance for Families in Transition (RAFT) funds are primarily used to provide financial assistance to help low-income households maintain stable housing. Recipients must use their funds to address the crisis they find themselves in, and most use RAFT funds to cover housing-related expenses. An analysis found an estimated average savings of \$43,321 in shelter costs alone for each family that avoided homelessness through the RAFT program.⁵

Other Components Within the Eviction Crisis Act

While the Emergency Assistance Fund is the sole component of the Stable Families Act, the program is one section of the broader Eviction Crisis Act. Other sections would authorize grants to support landlord-tenant community courts, which offer mediation services to avoid the high cost of eviction, and create a national database to track formal and informal evictions to better understand the problem and craft solutions.

Please see the campaign's website at www.opportunityhome.org for more information.

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- 1 Office of Special Needs Assistance Programs, Office of Community Planning and Development, "Homelessness Prevention and Rapid Re-Housing Program (HPRP): Year 3 & Final Program Summary," U.S. Department of Housing and Urban Development, June 2016, <https://www.hudexchange.info/resources/documents/HPRP-Year-3-Summary.pdf>.
 - 2 US Department of Veteran Affairs, "Supportive Services for Veteran Families (SSVF) FY 2016 Annual Report," https://www.va.gov/HOMELESS/ssvf/docs/SSVF_FY2016_Annual_Report_508c.pdf.
 - 3 Howard Rolston, Judy Geyer, and Gretchen Locke, "Evaluation of the Homebase Community Prevention Program" Abt Associates, June 6, 2013, <https://static1.squarespace.com/static/572e5b621d07c088bf6663d9/t/573bd62df85082862032f27b/1463539246596/homebase+report.pdf>.
 - 4 Evans et. al., "The Impact of Homelessness Prevention Programs on Homelessness," Science, August 12, 2016, <https://nlihc.org/sites/default/files/Impact-of-homelessness-prevention.pdf>
 - 5 Regional Housing Network of Massachusetts, "A Report on the RAFT Program in FY2018," February 2019. https://regionalhousingblog.files.wordpress.com/2019/02/rhn_raft_statewide-report_fy-18-1.pdf%20%20

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