

BRIEFING ROOM

FACT SHEET: Biden-Harris Administration Announces Initiatives to Promote Housing Stability By Supporting Vulnerable Tenants and Preventing Foreclosures

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Across America, a strong economic recovery is taking hold. Since President Biden took office, more than two million jobs have been created. The American Rescue Plan is working, jumpstarting the economy and getting Americans back to work. And critically, 70% of Americans ages 30 and older have received at least one dose of the COVID-19 vaccine. In every state, jobs are up, the pandemic is in retreat, and American workers and families are looking ahead to a brighter future.

Today, the Biden-Harris Administration is announcing a number of steps to keep people in their homes by protecting renters and homeowners who are still experiencing shocks from the pandemic and its economic fallout. Following the CDC's decision to extend the eviction moratorium for one final month through July 31, 2021, the Administration is announcing a series of actions to help state and local governments prevent evictions. The Administration is also taking action to stabilize homeowners and support a return to a more stable housing market, including by extending the foreclosure moratorium for federally-backed mortgages by a final month, until July 31st.

Biden-Harris Administration Actions to Help State and Local Governments Prevent Evictions

The American Rescue Plan allocated an additional \$21.5 billion for Emergency Rental Assistance (ERA) that can be used by renters to cover arrears and make landlords whole. This is on top of \$25 billion allocated under the Consolidated Appropriations Act, 2021, bringing the total amount of ERA available to more than \$46 billion and creating an economic and moral imperative for state and local governments to rise to the challenge of building a new infrastructure for getting emergency rental assistance to vulnerable renters and landlords. The Biden-Harris Administration's [May 7th guidance](#) has helped state and local governments move more funds to more renters in need. But state and local governments must do better. Money is available in every state to help renters who are behind on rent and at risk of eviction.

Today, the Biden-Harris Administration is announcing a series of actions to help state and local governments prevent evictions and promote housing stability. The Administration is also calling for the acceleration of ERA funds to renters and landlords in need in addition to an all hands-on-deck effort by local governments, courts, community organizations, and the legal community to create alternatives to evictions.

Specifically, the Biden-Harris Administration is providing the following support and guidance to:

Urge State and Local Courts to Participate in Eviction Diversion Efforts. Today, Associate Attorney General Vanita Gupta is sending a letter to state courts encouraging them to adopt anti-eviction diversion practices that will benefit families, tenants, landlords, and the courts themselves. Establishing diversion programs will help landlords and tenants reach agreement and access emergency rental assistance in addition to other available resources to keep families hard-pressed by the COVID crisis in their homes while helping make landlords whole. Avoiding legal action helps tenants and landlords avoid the costs of such action and relieves strain on the courts themselves. The Justice Department letter points to actions that courts can implement immediately to help confront this problem. The letter also directs courts to federal resources they can use to support diversion programs and to tools developed by the National Center for State Courts that can help judges ensure landlords and tenants have an opportunity to tap into available resources and mediate their dispute.

Highlight that American Rescue Plan Funds for State and Local Governments and for Emergency Rental Assistance Can Be Used to Fund Eviction Diversion Plans, Including Counseling, Navigator, and Legal Services. The American Rescue Plan delivered critical and historic support to states and localities to help them address the COVID-19 public health emergency and its economic fallout. Today, the Treasury Department is making clear that states and localities, in partnership with their court systems, can tap two sources of Federal support for funding their eviction diversion efforts: the \$350 billion Coronavirus State and Local Fiscal Recovery Funds and billions of additional dollars available for housing stability services through the Emergency Rental Assistance Program.

Convene a White House Summit for Immediate Eviction Prevention Plans. Effective prevention of unnecessary evictions through deployment of ERA funds requires local strategies that strongly encourage alternatives to evictions. Eviction diversion strategies, where local legal systems require landlords and tenants to seek mediation—a process that is particularly likely to be successful with the deployment of ERA funds—are among the most effective strategies for accomplishing that goal. The White House, in collaboration with the American Bar Association (ABA), Legal Services Corporation (LSC), and National

Conference of Bar Presidents (NCBP), is convening local government, judicial, legal, and community leaders from 50 cities to develop community-specific solutions to provide vulnerable families access to counsel, divert evictions, and connect renters and landlords to available resources. Drawing on local leaders from across the court system, legal services and legal advocacy communities, philanthropy, non-profit services, and local government, the White House will support and facilitate coordination among these stakeholders in developing locally-tailored solutions that incentivize the use of emergency rental assistance and keep tenants stably housed, while also providing a model for the coordination required in communities across the country to fully address the eviction crisis.

Accelerate and Broaden State and Local Delivery of Emergency Rental Assistance by Providing Clarity on Bulk Payments, Aiding Americans Experiencing Homelessness, and Overcoming Language and Disability Barriers. Building off the enhanced policies announced [on May 7, today](#), Treasury is highlighting promising practices of communities implementing effective rental assistance programs, as well as releasing new guidance to support states' and localities' rapid deployment of Emergency Rental Assistance to protect vulnerable families from the threat of eviction. Treasury's guidance:

- **Strongly encourages partnerships with courts to actively prevent evictions and develop eviction diversion programs.** Emergency rental assistance can be used to help families at-risk of eviction remain in their homes, especially when programs work with courts to connect such families and their landlords with mediation and emergency rental assistance resources, engage providers of housing stability services for active support, and enter into agreements with courts to cover the costs of eviction diversion activities.
- **Helps families experiencing homelessness gain access to assistance.** For vulnerable families without a current rental obligation—necessary for emergency rental assistance eligibility—Treasury is creating a commitment letter process to help those families gain access to assistance. ERA can help families who have lost, or are at imminent risk of losing, their housing, to get stably housed by paying for relocation assistance, prospective rent, security deposits, and temporary hotel accommodations.
- **Drives towards equal access by removing language and cultural barriers in securing emergency rental assistance.** Treasury is strongly encouraging grantees to provide culturally and linguistically-relevant housing stability services and to conduct outreach in multiple languages so that eligible families do not face unnecessary barriers to access. Grantees who cannot provide such services themselves should be engaging partners with the capacity to do so to ensure equal access to emergency rental

assistance for all eligible households.

- **Provides a streamlined payment option for utility providers and large landlords to make accessing emergency rental assistance on behalf of multiple tenants easier and more attractive.** Treasury is clarifying how grantees may achieve economies of scale by obtaining information in bulk from utility providers and landlords with multiple units to help speed determination of eligibility of households and to bundle, in a single payment, approved amounts for the benefit of multiple tenants.
- **Pushes grantee coordination to reduce the confusion, burdens, and delays in providing assistance created by differences in locally-imposed requirements among programs operating in the same regions.** Grantees providing services to overlapping or neighboring areas should collaborate to develop consistent or complementary policies to avoid unnecessary confusion or burdens for families or landlords seeking aid.
- **Lifts up grantees implementing effective practices to ensure that assistance quickly reaches the renters who need it most.** Treasury is highlighting promising practices from the field, including successful examples of partnership with local court systems and legal services to divert evictions and prevent housing insecurity as well as programs taking advantage of options to reduce documentation barriers that keep eligible families from benefiting from ERA. This could include automating application processing and approaches for verifying income to simplify and speed eligibility determinations, such as leveraging fact-specific proxies like area median incomes.

Ensure that the 30-day Eviction Notice Requirement for Federally-Backed Properties is Enforced. HUD/FHA and USDA will ensure that no landlord (public or private) whose underlying financing is backed by the federal government (e.g., HUD/FHA or USDA), purchased or securitized by the Federal Home Loan Mortgage Corporation (Freddie Mac) or the Federal National Mortgage Association (Fannie Mae), or that is receiving assistance from the federal government may require a tenant to vacate their unit for non-payment of rent until 30 days after the landlord has provided the tenant with a notice to vacate.

Make Clear the Fair Housing Act Must Be Followed. Evictions disproportionately affect communities of color, people with disabilities, women, and other members of protected classes. Tenants with disabilities who are facing eviction are entitled to reasonable accommodations in the eviction process. In some cases, in bringing eviction actions, housing providers may also engage in practices that violate the federal Fair Housing Act. The Department of Housing and Urban Development (HUD) is providing guidance to help prevent Fair Housing Act violations and collaborating with DOJ to publicize this guidance.

Landlords and renters can visit [hud.gov/fairhousing](https://www.hud.gov/fairhousing) for details on guidance.

Leverage Government Information Channels to Reach Vulnerable Tenants and

Landlords: The administration is implementing a whole-of-government effort to raise awareness about emergency rental assistance, including tapping multiple federal agencies to take actions to inform tenants and landlords of available emergency rental assistance including:

- **Publishing on Treasury’s website a list of more than 590 links to state, local and tribal government ERA programs.** Treasury’s [website](#) will also link to the Consumer Financial Protection Bureau’s (CFPB) interagency housing hub, where CFPB has published information about ERA designed to be easily accessible to consumers.
- **Lifting up [consumerfinance.gov/housing](https://www.consumerfinance.gov/housing).** The website is a one-stop, go-to resource for up-to-date information on their relief options, protections, and key deadlines for renters. Visit [cfpb.gov/housing](https://www.consumerfinance.gov/housing) to learn more.
- **Conducting outreach to HUD grantees, HUD-assisted households, and housing providers who receive HUD assistance.** HUD is working to encourage housing providers who receive HUD assistance to send information on the emergency rental assistance program in their community to tenants, ensuring HUD grantees are collaborating with the emergency rental assistance program in their community, and continuing to provide guidance that explains how the emergency rental assistance program can help HUD-assisted households.
- **Sharing program information with the U.S. Department of Agriculture’s SNAP beneficiaries and the Social Security Administration’s SSI recipients.** USDA will encourage State Departments of Social Services to share information on Treasury’s ERA and HUD’s Emergency Housing Vouchers with SNAP recipients. The Social Security Administration will support external outreach efforts by directly sharing information with SSI recipients as well as elevating awareness through their websites and social media platforms.
- **Conducting targeted outreach to vulnerable tenants.** HUD is working closely with the Consumer Financial Protection Bureau (CFPB) to step up outreach efforts to vulnerable tenants and inform them of federal assistance available to avoid eviction through extensive earned and paid media campaigns, close collaboration with state and local housing offices and public housing authorities, and the promotion of resources—such as toolkits and renter-oriented materials—for tenants and guidance to housing

providers about eviction prevention best practices and emergency rental assistance.

- **Aligning philanthropic supports.** Philanthropy can play a key role in supporting outreach efforts to vulnerable tenants and helping communities stand up new programs. HUD is developing a Memorandum of Understanding with Melville Charitable Trust (MCT) to build the capacity of community-based organizations, cities, states, and Tribes to administer federal relief dollars efficiently and equitably. MCT is the largest foundation in the U.S. devoted exclusively to preventing and ending homelessness. In this new collaborative partnership, MCT will coordinate the philanthropic sector to target new capacity building resources in communities disproportionately impacted by the pandemic to fill gaps in service of new federal programs.

Biden-Harris Administration Actions to Prevent Foreclosures

In addition to the actions outlined to support tenants and landlords, today, the Biden-Harris Administration is also announcing efforts to support homeowners. Three federal agencies that back mortgages – the Department of Housing and Urban Development (HUD), Department of Veterans Affairs (VA), and Department of Agriculture (USDA) – will extend their respective foreclosure moratorium for one, final month, until July 31, 2021. The Federal Housing Finance Agency (FHFA) will also announce that it has extended the foreclosure moratorium for mortgages backed by Fannie Mae and Freddie Mac until July 31, 2021.

Once the moratoria end, HUD, VA, and USDA will take additional steps to prevent foreclosures on mortgages backed by those agencies until borrowers are reviewed for COVID-19 streamlined loss mitigation options that are affordable, while FHFA will continue to work with Fannie Mae and Freddie Mac to ensure that borrowers are evaluated for home retention solutions prior to any referral to foreclosure.

In addition, HUD, VA, and USDA will also continue to allow homeowners who have not taken advantage of forbearance to date to enter into COVID-related forbearance through September 30, 2021, while homeowners with Fannie Mae or Freddie Mac-backed mortgages who have COVID-related hardships will also continue to be eligible for COVID-related forbearance. Finally, HUD, VA, and USDA will be announcing additional steps in July to offer borrowers payment reduction options that will enable more homeowners to stay in their homes.

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