Submitted by: Sybil Hebb, Oregon Law Center, <u>shebb@oregonlawcenter.org</u> September 22, 2020

CDC Agency Action Halting Residential Evictions to Prevent the Further Spread of COVID-19

Summary of <u>Agency Action</u>:

- Effective period: September 4th, 2020 through December 31st, 2020 unless modified.
- Eviction Protection:
 - LL shall not evict any covered Tenant from any residential property.
 - Eviction means any action to remove or cause the removal of a covered Tenant.
 - All residential property leased for residential purposes is covered, except temporary guests or seasonal tenants based on state L/T act coverage.

• Covered Person:

- All tenants who present a signed declaration (under penalty of perjury) to their landlords are covered. Each adult tenant must sign a separate declaration.
- **Declaration:** Tenant must declare (using standard form provided in the Action) that:
 - Income is less than \$99,000, *or* they did not have to pay income tax in 2019, *or* they received a stimulus check;
 - They are unable to pay full rent due to "substantial" income loss, loss of work hours, lay-off, or extraordinary out-of-pocket medical expenses;
 - They are making "best efforts" to make timely payments that are as close to the full payment as possible, taking into account other non-discretionary expenses;
 - They would become homeless or need to double-up if evicted.

• Obligation to Pay Rent and Fees:

- Does not relieve tenants of their obligation to pay rent owing;
- Does not preclude the charging of late fees, penalties, or interest.

• Landlords may still evict for the following:

- Criminal activity on the premises;
- Threatening health/safety of other residents;
- Damaging or posing an immediate and significant risk of damage to property;
- Violating any applicable building code, health ordinance, or similar health/safety regulation;
- Violating any other contractual obligation, other than rent/fee payment.

• Applicability and Preemption:

- Applies wherever there is not a more protective state moratorium in effect, i.e. it acts as a floor;
- Does not preempt more protective provisions of local laws or regulations.

• Penalties for violation:

- Person:
 - Fine of up to 100K or one year in jail if violation does not result in death;
 - Fine of up to \$250K and one year in jail if violation results in death;
- Organization:
 - \$200K per event if no death;
 - \$500K per event if violation results in death.
- Enforcement:
 - USDOJ may initiate court proceedings;
 - USHHS authorized to cooperate in enforcement.
- **Interpretation/Implementation:** To mitigate COVID-19 spread within congregate settings, through unsheltered homelessness; from one state to another; supporting local response efforts

Submitted by: Sybil Hebb, Oregon Law Center, <u>shebb@oregonlawcenter.org</u> September 22, 2020

Holes in Coverage of the CDC Action that Require Oregon Executive and/or Legislative Action

- CDC Action expires in December, well before COVID impact will be over, and may be subject to injunction due to litigation regarding APA or other challenges
- Coverage:

0

- Not clear whether CDC Action protects against no-cause evictions, lease non-renewals, or LL-based cause evictions.
 - *HB 4213 addresses these instances*
 - CDC Action doesn't cover threats of eviction
 - *HB 4213 addresses these instances*
- Not clear whether CDC Action covers eviction notices and FED filings, or just eviction enforcement
 - *HB 4213 addresses these instances*
- Payments and Credit:
 - CDC Action doesn't prohibit assessment of late fees and penalties
 - *HB* 4213 addresses these instances
 - CDC Action doesn't address application of payments
 - *HB 4213 requires payments to be applied towards current rent owing, then to arrears*
 - CDC Action doesn't prevent reporting arrears to credit bureau
 - HB 4213 prevents this
 - CDC Action doesn't address partial payment waiver issues
 - HB 4213 addresses this issue for landlords
- Burden on Tenants:
 - CDC Action requires tenant to submit declaration to landlord in order to qualify for protection
 - Declaration is intimidating and burdensome and may chill tenants from participating especially undocumented or NonEnglish speaking tenants
 - Form of declaration is provided by the Agency Action, but is in English only
 - Vague standard for example, what is "best effort" of tenant to pay? And who gets to make this determination?
 - Notice CDC Action provides no notice requirement for LL to tell tenants about the need to send the declaration.
 - *HB* 4213 avoids these questions and is more in keeping with public health principles by providing protection to all tenants from eviction based on non-payment and no-fault during the pandemic.
- Enforcement:
 - CDC Action provides for federal criminal penalties for violation, but it's unclear how a tenant can assert their rights. Is a violation of this Action a defense to a civil eviction?
 - *HB 4213 provides civil penalties and incorporates the protections into the L/T act, helping both sides understand the mechanisms for enforcement and implementation.*

Additional issues not addressed by CDC Action or by HB 4213:

• Extended protection time:

- COVID-related housing insecurity, debt, and public health threat will not be abated before the end of the 20/21 school year. Protections should be in place for at least this length of time, in order to assure stability for families and communities.
- Landlord-based assistance:
 - Landlords should be able to apply for assistance at a property-level
 - Funding is necessary for this program
- Lease-break fees for tenants who need to move b/c they can't pay their rent:
 - Tenants seeking more affordable options, or who need to move to care for family members, are often assessed significant fees

• Guidelines for payment plans:

• What are the guidelines for tenants who fail to follow through with payment plans due to COVIDdisruption? Submitted by: Sybil Hebb, Oregon Law Center, <u>shebb@oregonlawcenter.org</u> September 22, 2020

• Screening:

• Tenants should be protected against use of COVID-related non-payments in LL references (not just credit reporting)

• Relief from Debt as Eviction Basis:

- Tenants should not be subject to eviction for COVID related non-payment of arrears, even after March 31
- This debt should be treated as consumer debt, with the attendant provisions and protections.