

U.S. HOUSE COMMITTEE ON FINANCIAL SERVICES - CHAIRWOMAN MAXINE WATERS -

FAQS REGARDING "AGENCY ORDER: TEMPORARY HALT IN RESIDENTIAL EVICTIONS TO PREVENT FURTHER SPREAD OF COVID-19" ISSUED BY THE CENTERS FOR DISEASE CONTROL AND PREVENTION SEPTEMBER 9, 2020

Background:

On September 1st, 37 days after the expiration of the CARES Act moratorium, the Centers for Disease Control and Prevention (CDC) released an <u>agency order</u>, halting evictions for some renters who meet specific criteria. The CDC issued the agency order citing its authorities provided by 42 U.S.C. 264 and 42 C.F.R. 70.2 to prevent the spread of COVID-19. The agency order goes into effect on September 4, 2020 and will run through December 31, 2020.

Frequently Asked Questions:

- Q. Does this agency order provide funding for rental assistance or otherwise provide rent relief?
 - **A. No.** Renters will continue to owe any unpaid rent amounts that have accrued so far and any additional amounts that come due.
- Q. Does the agency order prohibit landlords from charging fees or other penalties for non-payment of rent?
 - **A.** No. The agency order does not preclude landlords from charging or collecting fees, penalties or interest from a tenant for failing to pay their rent, regardless of the financial hardships they may be facing during the pandemic.
- O. Does the agency action mean that all renters are safe from eviction?
 - **A.** No. Only certain renters are eligible for the eviction suspension and in order to avail themselves of the eviction suspension protection, they must provide their landlord a <u>legal</u> <u>declaration form</u>, attesting—under penalty of perjury with the threat of prosecution, jail time, or fines for lying, misleading, or omitting important information —that:
 - The renter either i) expects to earn less than \$99,000 in 2020 (or no more than \$198,000 if filing a joint tax return), ii) was not required to file taxes in 2019, or iii) received a stimulus check provided by the CARES Act; The renter used their "best efforts" in trying to obtain "all available government assistance for rent or housing";
 - The renter cannot pay the full amount of their rent because of a substantial loss in income, loss of employment or work hours, or extraordinary out-of-pocket medical expenses;
 - The renter is still making partial rent payments using their "best effort" to make payments that are as close to the full rental amount as possible; and
 - If the renter were evicted, they would likely become homeless or have to "double up" with another household.

Under the agency order, landlords may still try to file evictions, claiming that their renters did not

meet these requirements or finding pretext to evict renters for other reasons. Renters could be subject to frivolous litigation as landlords try to remove them for their homes even after they have met all the conditions required by the order. It is unclear how courts would handle such cases and how they would determine whether or not renters fully met all of these stipulations. A renter who has been determined to have perjured themselves by a court could face criminal penalties, including substantial fines and **even a year in jail.** Landlords could also face criminal penalties for violating the agency order.

Q. Does the agency order prevent evictions for other reasons other than on-payment of rent?

A. No. Renters can still be evicted for other reasons, such as violating conditions of their lease (other than timely payment of rent), damaging property, or engaging in criminal activity.

##