



## State Senator Kayse Jama

Senate District 24 (D-East Portland)

Native land of Multnomah, Wasco, Cowlitz, Kathlamet, Clackamas, Bands of Chinook, Tualatin Kalapuya, Molalla, and many other tribes that made their homes along the Columbia and Willamette Rivers

### FACTSHEET

December 12, 2021

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### **An Emergency Rental Assistance Package to Prevent Winter Evictions**

*Released in Response to the Special Legislative Session to Address the Oregon Rental Crisis.*

#### **A. SUMMARY**

The COVID-19 pandemic precipitated devastating job loss, unprecedented unemployment rates, and severe economic hardship, with heightened rates among Black and Latinx renters. Since the start of this pandemic, our state has been committed to keeping Oregonians in their homes during this crisis by launching mortgage and rental assistance programs and enacting foreclosure and eviction protections.

In June of this year, a moratorium on evictions was coming to an end and nearly \$300 million in federal funding for rent assistance had been made available through the newly-launched Oregon Emergency Rental Assistance Program. The Legislature recognized the need to protect tenants from eviction while these funds were being distributed, passing Senate Bill 278 in a nearly-unanimous bipartisan vote.

This “safe harbor” bill created a 60-day window temporarily protecting those who have applied for rental assistance from eviction for nonpayment of rent. The law was designed to give the state and its partners more time to process applications and send money to landlords. But because of the large number of applications, it has taken much longer than anticipated for rental assistance providers in some parts of the state to process applications, including one county with an average time to process of 130 days.

This policy and funding proposal put in front of the legislature for the special session will allocate additional emergency rental assistance funding to meet immediate-term needs, extend existing “safe harbor” periods to assure that no tenants are evicted for nonpayment of rent while they await rental assistance payments. Additional investment strengthens existing and emerging locally-based, statewide long-term eviction prevention and diversion strategies to meet ongoing needs for Oregon renters and their landlords after large-scale emergency rental assistance programs come to an end.

## B. POLICY PROPOSAL

- Extend the Senate Bill 278 (2021 Session) “safe harbor” provisions for tenants who apply for rental assistance and initiate a safe harbor by June 30, 2022. The safe harbor lasts while an application is pending, but no later than September 30, 2022. In other words, tenants who have applied for rental assistance by June 30, 2022, can access a “safe harbor” for eviction while their application is pending, until September 30, 2022, when the “safe harbor” provisions sunset.
- In distributing federal, state, or local emergency rent assistance, Oregon Housing and Community Services, public bodies, local governments, and subgrantees must:
  - Provide tenants with a dated receipt of application
  - Close an application if the provider determines that the tenant is no longer participating
  - Provide a dated notice of payment to the landlord
  - Provide a dated notice of closure or denial to the tenant and the landlord
- Oregon Housing and Community Services also commit to:
  - Prioritize applications that were submitted prior to the December 1st deadline.
  - Payout current federal money (ERA1 and ERA2) and new state money allocated during the special session no later than June 30th, 2022.

## C. FUNDING PROPOSAL: ~\$100 Million to Fund Local Eviction Prevention Program

Provide funding to community organizations to meet the needs of tenants as they present, whether that is rental assistance, help with late fees, funding to repair a car so a person can maintain employment, etc. The outcome of eviction diversion needs to be tenant stability, not just ensuring someone is caught up on rent. Oregon Housing and Community Services will require reports at the end of the biennium.

Provide Immediate Assistance to Local Community Action Agencies	<b>\$20-35 million</b>
Partner with more than 100 Community-Based Organizations for Outreach	<b>\$10-15 million</b>
Extend Housing Stability Services	<b>\$10-15 million</b>
Create New Partnerships with Emerging Community Relief Funds or Programs	<b>\$15-20 million</b>
Fund FY 2022 Eviction Prevention Strategies	<b>\$20 million</b>
Support Local Planning through Grants and Technical Assistance	<b>\$2 million</b>

**Fiscal Year 2022 Strategies:** While eviction diversion programs exist in Oregon, there is no robust statewide framework. National best practices encourage planning conversations to occur at the local level and recommend that eviction diversion programs provide:

- Legal services
- Supportive services and case management
- Financial assistance based on tenant needs

**Research and Program Evaluation to Inform 2023 Legislative Investments:** To inform future legislative action, Oregon Housing and Community Services will work with PSU Homeless Research Action Collaborative to analyze the impact of COVID-19 on renters, evaluate eviction diversion programs, and provide guidance to state leaders on future eviction prevention programming.

**D. FUNDING PROPOSAL: \$115 Million to the Oregon Housing and Community Services**

Rental assistance is an important component of eviction protections, but it is not the only component of a safety net to keep people housed and prevent evictions. Oregon must take a phased approach to address the needs of renters in an equitable and coordinated manner, layering protections and strategic investments to make sure people do not fall through the cracks.

Resources to ensure all existing applications are funded, allow Oregon Housing and Community Services to begin accepting applications on or around January 15th, 2022, and funds for program improvements.

Funding to the Oregon Emergency Rental Assistance Program	<b>\$100 million</b>
Funding to OHCS to speed up application processing and payment	<b>\$5 million</b>
Funding to the Landlord Guarantee Fund administered by Home Forward	<b>\$10 million</b>

**E. PAST EXECUTIVE ORDERS AND LEGISLATIVE ACTIONS**

Governor Brown signed Executive Order No. 20-11 on March 22, 2020, prohibiting law enforcement officers from initiating or executing residential evictions for nonpayment. The prohibition was originally designed to last for 90 days.

On April 1, 2020, Governor Brown extended the prohibition to June 30, 2020 under Executive Order No. 20-13. In addition, the Executive Order expanded the eviction prohibition to nonresidential tenancies. Both residential and non-residential tenants remained under the obligation to pay rent and other charges, except for late charges and nonpayment penalties, during the moratorium.

Lawmakers avoided the summer eviction cliff in the June special session, enacting a new eviction moratorium extension (HB 4213) and adding a mortgage foreclosure moratorium (HB 4204) until September 30, 2020.

Two days before the September moratorium terminated, Governor Brown issued Executive Order No. 20-56, which extended the policies until the end of the year. No further Executive Orders have addressed housing in relation to the COVID-19 pandemic. For the latest legislative action on the eviction moratorium, please see HB 4401.

On June 30th, 2021, the COVID-19 non-payment eviction moratorium expired, leaving thousands of low-income Oregonians to navigate a complex array of federal rent assistance programs. In response, the state legislature passed SB 278 and SB 282 to function as a bridge, protecting Oregon renters from eviction by creating a 60-day safe harbor period for those who have applied for rent assistance while their application was being processed.