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SPRINGFIELD

Date: May 19, 2020
To: Rep. Tom Stevens, Chair
House Committee on General, Housing and Military Affairs
From: Vermont Legal Aid, Inc. Contact: Wendy Morgan, wmorgan@vtlegalaid.org

Re: Coronavirus Relief Fund Rent Arrears Program.

Vermont Legal Aid, Inc. proposes that the legislature appropriate \$50,000,000.00 to create a rent arrears program using monies from the Coronavirus Relief Fund.

During the public health emergency, it is imperative to prevent eviction because eviction causes homelessness. We have learned that housing is health care, and stable housing is necessary during a public health crisis. All the efforts to house the homeless will be ineffective if more Vermonters become homeless.

Most evictions are for non-payment of rent. Housing insecurity in Vermont was with us before the pandemic and is due to high rents and low incomes. One quarter of all rental households, 18,000 rental households, were already on the edge, paying more 50% of their income for rent. In an average year, court proceedings for eviction are filed against 1800 households. The crisis has brought more Vermonters to the edge. Since March 23, over 6000 new households applied for the food support program, 3SquaresVT, indicative of a dramatic increase in households experiencing financial need.

The goal of the Coronavirus Relief Fund Rent Arrears Program would be to provide Vermonters at risk of losing their housing due to non-payment with rent arrears payments. The program would be available to tenants through December 31, 2020 and could be accessed multiple times if necessary. Tenants would apply with documentation of the amount of rent owed and vendor payments would be made to the landlords.

The program should be funded so it is prepared to provide 6,000 to 10,000 rental households up to six months of rent arrears payments. We estimate that \$50,000,000 will be needed for rent arrears payments made on behalf of tenants to landlords. This will stabilize landlords and prevent evictions and homelessness during this public health crisis.