



SUPPORT SB 3066, House Amendment No. 2

COVID-19 Emergency and Economic Recovery Renter and Homeowner Protection Act

Lawyers' Committee for Better Housing (LCBH) is one of the few legal aid organizations in Chicago that provides free legal assistance to working-class and low-income tenant families. Though LCBH represents primarily Chicago tenants, we are all too aware of the widespread perils of eviction court and the scars that housing instability and forced displacement can leave on a family and a community.

Without SB 3066 HA #2, our State will face an unprecedented crisis that will devastate the housing market and lead to homelessness and housing instability for thousands. Around 57,000 eviction cases are normally filed in Illinois every year, with almost two-thirds of those cases arising outside of Chicago. Yet today, over 605,000 Illinois renters are expected to suffer from COVID-19-related income and job loss. Illinois needs prompt action that both offers rental assistance while protecting tenant families rights during this emergency.

Illinois needs rental assistance for tenant families impacted by COVID-19 that prioritizes those who need help the most.

Eviction filings and homelessness are likely to increase astronomically across the State unless impacted tenants are provided with immediate financial assistance. SB 3066 HA #2 creates a relief fund for renters who need it the most. This relief fund will prioritize low-income families on the verge of homelessness, those are who do not have access to other federal funds such as undocumented families, tenants who need to move due to domestic violence and other safety issues, and homeowners in high-poverty zip codes.

Further, SB 3066 HA #2 requires that landlords accept these funds rather than simply resort to a costly and damaging eviction process. We cannot just pass a slush fund that will help landlords recoup their losses. We need a fund that will actually keep people in their homes. Passing SB 3066 HA #2 is necessary to prevent a wave of foreclosures and mass exodus of small landlords from the rental housing market. Economic damage from the Great Recession, as measured by equity losses and loss of homes, hit minority households the hardest. One of Chicago's largest landlords profited off the fallout, buying foreclosed properties formerly run by mom-and-pop landlords *by the block*. Without SB 3066 HA #2, there's a substantial risk that large, corporate landlords—the ones best prepared to weather the storm—will crowd out owners in need of a lifeline.

An extended moratorium on evictions is necessary to protect the health, safety, and long-term stability of Illinois families and workers.

The moratorium ordered by Governor Pritzker is set to expire by the end of May. HB 3066 HA #2 stops all stages of eviction, preventing eviction notices, court appearances, trials, and the physical ousting of a family for 60 days.



It is imperative to cease the provision of eviction notices while the relief fund is set up. Without SB 3066 HA #2, tenants will continue to receive eviction notices demanding rent that they are unable to pay or will leave their homes in a rushed, chaotic manner, oftentimes doubling up with relatives or seeking refuge in homeless shelters, which the CDC has recognized as COVID-19 hotspots. (In Seattle, for example, an astounding 60% of individuals in homeless shelters in April tested positive for the virus.)

As the Governor's own executive order recognized, "residential evictions are contrary to the interest of preserving public health" and families should "remain in their homes during this public health emergency." Eviction court has one of the busiest court calls in Chicago and around the State. In the First Municipal District, an average of 250 cases are heard during the hour-long court calls, where landlords, tenants, attorneys, and court staff cram elbow-to-elbow into a few courtrooms. Forecasts predict a resurgence of COVID-19 infections in the fall. An extended moratorium will ensure that Illinoisans—including seniors, immunocompromised, and others who are medically vulnerable—are not forced to make the impossible choice between their health and their right to defend their homes.

Tenants should not be expected to repay thousands of dollars of back rent within just five days during a global pandemic, particularly when they have been out of a job for the past eight weeks and have been waiting just as long to receive an unemployment or stimulus check. Tenants also cannot be saddled with snowballing late fees and penalties that will make it nearly impossible to financially recover and find stability. SB 3066 HA #2 gives tenants a second chance to get back on track by requiring landlords to issue a new notice after expiration of the moratorium and prohibiting late fees and rent accrued during the moratorium from being used as basis for eviction.

The moratorium is a necessity to keep families safe in their homes, and to give them the chance to financially, emotionally, and medically stabilize during this unprecedented public health crisis.

Illinois must seal the eviction records to ensure tenants have a chance to find safe, affordable housing.

An eviction record, even the mere filing of a case, presents a serious barrier to a tenant's ability to secure housing. Indeed, Illinois tenants who were named in an eviction case are routinely denied housing, even when the case was dismissed, filed many years ago, or brought on unlawful grounds. With thousands eviction cases filed in Illinois each year, this blacklisting of tenants with eviction records has resulted in the creation of a subclass of tenant: one who is not seen as deserving of a home. The COVID-19 pandemic emergency will result in a flood of filings against tenants who have lost income due to stay-at-home orders or contraction of the virus. Imposing this permanent barrier to housing on Illinois families will hamper the economic mobility of hundreds of thousands and lead to a housing crisis in our state.

While landlord groups, financial institutions, and property management companies have made the Chicago Solidarity Pledge to work with tenants during this crisis, some of these entities are ignoring that promise. Many landlords have continued to file illegal evictions



despite the Governor's moratorium, pressuring uninformed tenants to move out of their home. One landlord's attorney who files thousands of cases a year recently commented that because the tenants' bar only represents 10% of renters, landlords' unlawful conduct will go unnoticed during the pandemic.

SB 3066 HA#2 seals all eviction records that were filed during this emergency and will allow tenants impacted by COVID-19 or who are struggling to find housing the ability to ask the court to seal their eviction record. This provision of SB 3066 HA#2 will ensure that tenants are not barred from securing housing during a time when our homes are all that is keeping us safe.

The Legislature Must Act

Low-income and minority renters will bear the brunt of the negative impacts if we fail to act. African Americans and Latinos are more likely to work in industries impacted by COVID-19 closures. So too with low-income families, where 53% have a member working in a COVID-19-affected industry. One-time federal stimulus checks and increased unemployment awards expiring in July are insufficient to cover permanently lost income from mass layoffs.

The inevitable losses of a global pandemic should not be borne by those least-suited to bear them, which are our working-class communities of color, who have disproportionately suffered the loss of income, jobs, and their lives. The solution is not merely to ensure that banks and large corporate landlords do not suffer any financial loss; they too must share this burden. A relief fund is a good start, but tenant protections are imperative. If corporate landlords, realtors, and banks truly want to be partners with tenants, they should agree to share some of the same protections and due process rights they have enjoyed for decades.

The temporary reforms SB 3066 HA #2 enacts are key to ensuring that latent disparities in the eviction process do not balloon into societal harms of unheard-of magnitude. During this pandemic, it would be irresponsible to pass an ineffective, tepid policy. SB 3066 HA #2's protections will keep working-class and vulnerable families in their homes, and allow them to find housing and economic stability, to the long-term benefit of the entire state. Please **SUPPORT** SB 3066 HA #2.