



A stronger Illinois begins at home

Written Testimony in Support of House Bill 5574, House Amendment 1
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Housing Action Illinois supports HB 5574, House Amendment 1, because the provisions will help Illinois avoid what otherwise will certainly be a surge in evictions and foreclosures when existing state and federal protections are lifted.

A surge in evictions and foreclosures will prolong and make worse the current public health and economic crises. For all the families and individuals who will lose these homes, the impact will be devastating and long lasting.

The State of Illinois needs a combination of significantly more financial resources and legal protections to ensure housing stability for everyone during the COVID-19 pandemic.

Much of the opposition to HB 5574 has been based on opposition to canceling rent, but rent is only canceled when funds are available to recoup rental property owners and lenders for unpaid residential rent and mortgage payments.

HB 5574 contains many provisions that provide a good balance between ensuring that landlords can collect rent and helping tenants maintain their homes, including creating a framework for developing reasonable repayment plans before beginning an eviction action in order to ensure eviction is the last resort.

These types of protections are needed, because federal and state government have yet to provide adequate financial resources to make sure everyone can maintain their home during this time of crisis.

For example, the proposed state budget includes \$210 million to the Illinois Housing Development Authority (IHDA) from the federal Coronavirus Relief Fund, primarily for rent and mortgage assistance. We appreciate that commitment of funds, but it is wholly inadequate to meet the need.

Just for low-income renters in Illinois, the National Low Income Housing Coalition estimates that the rental assistance needed for low-income households facing a loss of employment or income between April 2020 June 2021 is \$4.86 billion. This calculation does not include the assistance needed by homeowners.

Very much interweaved with the need for HB 5574, increasing funding from the Coronavirus Relief Fund for rent and mortgage payments would demonstrate the commitment of the State of Illinois to ensuring housing stability for those impacted by the COVID-19 pandemic.

While state government and public health experts advise everyone to stay at home in Illinois to protect our collective health and safety, we must make sure everyone has a home of their own.