Congress Must Provide Rental Assistance to Help Keep Families in their Homes

The economic fallout from COVID-19 has hollowed out America’s workforce and led to the highest unemployment rate nationwide since the Great Depression, nearly a century ago. Since mid-March, nearly 49 (48.7) million unemployment insurance claims have been filed.

Renters Disproportionately Affected, Least Able to Weather the Crisis

The country’s 44 million renters have been disproportionately affected by the pandemic because they are more likely to work in industries where the layoffs were the largest.

Before the pandemic, 1 in 4 renters (26%) already spent over half their income on housing, leaving many renters less prepared to weather this downturn. Often, they also have lower incomes than homeowners, smaller or no financial reserves and less access to credit.

State and federal unemployment assistance benefits have helped many renters make their rent, but without that supplemental assistance or another financial lifeline from the federal government, the U.S. could be headed toward an eviction and homelessness crisis.

- Across the country, nearly 7 million households could face eviction without federal financial assistance.
- Based on the unemployment rate, Columbia University estimates that homelessness could increase by between 40 and 45 percent this year.

Even with the financial backstop in place under CARES, nearly 22 million people have little or no confidence in their ability to pay next month’s rent, according to the Census Bureau. That includes about 45% of people in both Black households and Hispanic or Latino households.

Renter Assistance Required to Keep Renters Housed

Renters impacted by the pandemic need federal rental assistance to continue meeting their financial obligations and to avoid homelessness at a time when shelter is health.

The Urban Institute estimates it will cost $5.5 billion a month in rental assistance without federal and state unemployment to alleviate additional cost burdens caused by pandemic-related job loss and $1.8 billion a month with continued supplemental unemployment aid. To alleviate cost burdens for all renter households, including those that were cost-burdened before the pandemic, would cost $15.5 billion a month.

An extension of existing federal unemployment benefit support in conjunction with direct rental assistance for those not able to access those funds is necessary to protect the housing stability of millions of Americans.

Without Rental Assistance, Our Economic System Is At Risk

By taking meaningful action now, Congress can keep roofs over families’ heads, save small businesses and pull the country back from an emerging housing crisis.