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## May 3, 2022

## Dear Senate President Scutari, Assembly Speaker Coughlin, and Members of the Senate and Assembly Budget Committees,

The undersigned organizations write to request that the legislature make a significant appropriation of \$500,000,000 for rental assistance to ensure thousands of families are not evicted from their homes during 2022. While the State of New Jersey has taken significant steps to protect both tenants and landlords during this pandemic, it is evident that many households will still be at risk of eviction as we continue to experience and recover from the impacts of the pandemic. Based on an analysis conducted by a housing economist, we anticipate that roughly 75k low-income households will be at risk of eviction in 2022, and these households will owe total arrearages of approximately \$500,000,000.<sup>1</sup> In addition to the current quantifiable need, the potential for ongoing outbreaks and new variants of the COVID-19 virus necessitates that New Jersey take additional steps to keep tenants housed. Further investment in rental assistance programming will help tenants stay in their homes, allow landlords to continue making their livelihood, and relieve some of the landlord-tenant backlog in the courts, which amounted to 34,219 cases as of February 2022.<sup>2</sup>

We recommend that this appropriation be made via legislation that also makes minor changes to the Eviction Prevention Program (EPP) (established in P.L.2021, c.188) to ensure that the \$500,000,000 appropriation reaches more than the 28k households that the first phase of the EPP was anticipated to reach by the Department of Community Affairs (DCA). Advocates have worked with Senator Stack and his staff on draft legislation that we hope to see introduced early in May. Some of the changes to the EPP in the bill include lowering the grant length from two years to six months, changing the amounts of the grants, and requiring that the payments be used on rents accrued during 2022. We request that leadership engage with Senator Stack and prioritize passing this legislation as soon as possible to create another funding stream for the DCA to use in its successful rental assistance efforts. As eviction actions are currently being heard in courts across the state, it is imperative that this additional funding be made available as soon as possible.

<sup>1</sup> Alan Mallach, *New Jersey Renters at Risk of Eviction in 2022,* <u>https://hcdnnj.memberclicks.net/assets/documents/Mallach%20NJ%20Renters%20at%20risk final%201%2017%2</u> 022 Rev%202%207%2022.PDF.

<sup>2</sup> N.J. Judiciary, *Court Management, February 2022*, 50, <u>https://www.njcourts.gov/public/assets/stats/cman2202.pdf?c=aGO</u>. While our preference is to make changes to the EPP via legislation, if that is not feasible, the Legislature should set aside \$500,000,000 through the state budget process. This funding could come from a combination of American Rescue Plan funds, State funds, or federal funds originally provided to counties and municipalities for local rental assistance programs that have not yet been allocated. If this appropriation is made through the budgetary process without making legislative changes to the EPP, we will work with the DCA to ensure the appropriation reaches as many households as possible.

## Signatories:

## ACLU-NJ

Archdiocese of Newark, Affordable Housing Task Force

Economic Development Committee of the Montclair NAACP Chapter

Elizabeth Coalition to House the Homeless

Legal Services of New Jersey

Newark Community Solutions

New Jersey Citizen Action

New Jersey Coalition to End Domestic Violence

New Jersey Tenants Organization

Volunteer Lawyers for Justice

Volunteer UP Legal Clinic

Wind of the Spirit Immigrant Resource Center