

## **Respect State Housing Laws Act**

The CARES Act required covered housing providers to provide notice to residents 30 days before filing for eviction due to nonpayment of rent following the termination of the CARES eviction moratorium, which ended in July 2020. Because of a drafting error, this temporary, federal "notice-to-vacate" requirement remains a contested issue in courts today.

For professional owners and operators of rental housing, their businesses always do better when units are occupied and they can fully meet their obligations to their residents, employees, creditors and the communities that they serve. In cases of nonpayment, housing providers turn to eviction after residents become unresponsive to their repeated attempts to communicate and resolve the underlying issue.

The CARES Act requirement ignores states' existing renter protections and interferes with their long-established eviction processes. With states' average notice being 6 days, this federal requirement leads to extended periods of lost rent and greater uncertainty for housing providers who depend on rental income to meet their financial obligations and maintain quality affordable housing in their communities. This is particularly damaging for "mom-and-pop" and affordable housing providers, ultimately hurting residents' long-term housing opportunities.

Ninety-three cents of every rent dollar <u>cover necessary operational expenses</u>, such as maintenance, insurance and staffing, and go back to the local community through property taxes. Even a small increase in costs can upend an apartment community's financial health. In fact, a <u>2023 report</u> found that property insurance costs have risen a staggering 26 percent on average for respondents over the past year. When expenses increasingly exceed income, the economic impacts touch housing providers and residents alike.

The National Apartment Association (NAA) urges Congress to pass the Respect State Housing Laws Act (H.R. 802 introduced by Congressman Barry Loudermilk (R-GA-11) and S. 3755 introduced by Senators Marco Rubio (R-FL) and Bill Hagerty (R-TN)) which eliminates the CARES Act 30-day notice-to-vacate requirement and returns eviction policies back to the states.

Returning eviction policies back to the state and local level will ensure housing providers will be able to meet their financial obligations and continue to provide affordable housing to residents.

## NAA's Viewpoint

We must move beyond emergency housing measures and return eviction policies back to the states. We need Congress to support of the Respect State Housing Law Act's passage to ensure that property owners can effectively manage their properties and continue to provide quality, affordable housing to their communities.