

Housing Instability and Public Health: Implications of the Eviction Moratoria During the COVID-19 Pandemic

Stephen J. Sills, Bruce A. Rich

The COVID-19 pandemic landed during an already dire eviction crisis and threatened to make it much worse. With a severe shortage of affordable housing and rising rents, the number of cost-burdened North Carolina households—already over a million—continued to rise with the sudden rise in unemployment. One of the most impactful interventions ultimately came from the Centers for Disease Control’s eviction moratorium, which saved lives.

Background

January 21, 2020 marked the first diagnosed case of COVID-19 in the United States [1]. As of May 2, 2021, there were more than 32.1 million confirmed cases and over 573,000 deaths in the United States [2], and 969,752 cases and 12,651 deaths in North Carolina [3].

Within a month of the first US case, global travel was severely restricted, and the World Health Organization declared a global health emergency. In North Carolina, Governor Roy Cooper declared a state of emergency in March. With this order, the state closed schools and restaurants, banned mass gatherings, and eventually issued a Stay at Home order beginning March 30, 2020 [4]. The shutdown of commerce resulted nationally in an unemployment rate of 14.8%, the highest rate recorded since data has been collected by the federal government [5]. The leisure and hospitality industry saw an even higher unemployment rate of 39.3% [5]. Initial claims for unemployment assistance in North Carolina soared from about 3500 weekly before COVID-19 to over 172,000 the week of March 28, 2020 (Figure 1) [6]. Over 1.54 million new unemployment claims were filed in North Carolina in 2020, representing 30% of the prepandemic workforce [7]. Women, Latinx people, immigrants, young workers, and those with less education were most vulnerable to layoffs, and those groups were already among the most precariously housed [8].

Prepandemic Housing Insecurity in North Carolina

Prior to the COVID-19 pandemic, more than 1.1 million households with over 2.8 million residents lived in housing that was too expensive for their incomes [9]. According to

the American Community Survey (2015-2019), over one-third of homeowners (36.4%) and half of renters (47.4%) in North Carolina were considered cost-burdened, spending more than 30% of their income on housing-related costs [9]. According to a 2020 study by the Urban Institute, there is a projected deficit of over 380,000 low-income or affordable units in North Carolina in the next decade [10]. The majority of existing low-cost rental stock is unsubsidized, with no public funding or support for tenants. In its report, the Urban Institute projected a growth of 866,000 new households over the next decade, with faster growth among low-income residents, requiring nearly a million new housing units in North Carolina by 2030 to keep up with projected demand [10]. As a result of the lack of affordability, North Carolina already had a high eviction rate with about 170,000 summary ejection filings (evictions) each year [11]. Lack of affordability and high eviction rates have contributed to more than 27,900 people in the state experiencing homelessness [12].

Eviction Moratoria and Rental Assistance Programs

North Carolina Chief Justice Cheri Beasley intervened early and forcefully in response to the emergency. On March 13, 2020, Justice Beasley ordered local courts to postpone most proceedings for 30 days, including the filing of petitions in summary ejection (as evictions are styled in the North Carolina legal system) [13]. In late March, Governor Cooper reinforced Justice Beasley’s order, confirming in Executive Order No. 124 that “there should be no new eviction proceedings” and “no new rental bonds due” and prohibited utility service providers from terminating service for nonpayment [14].

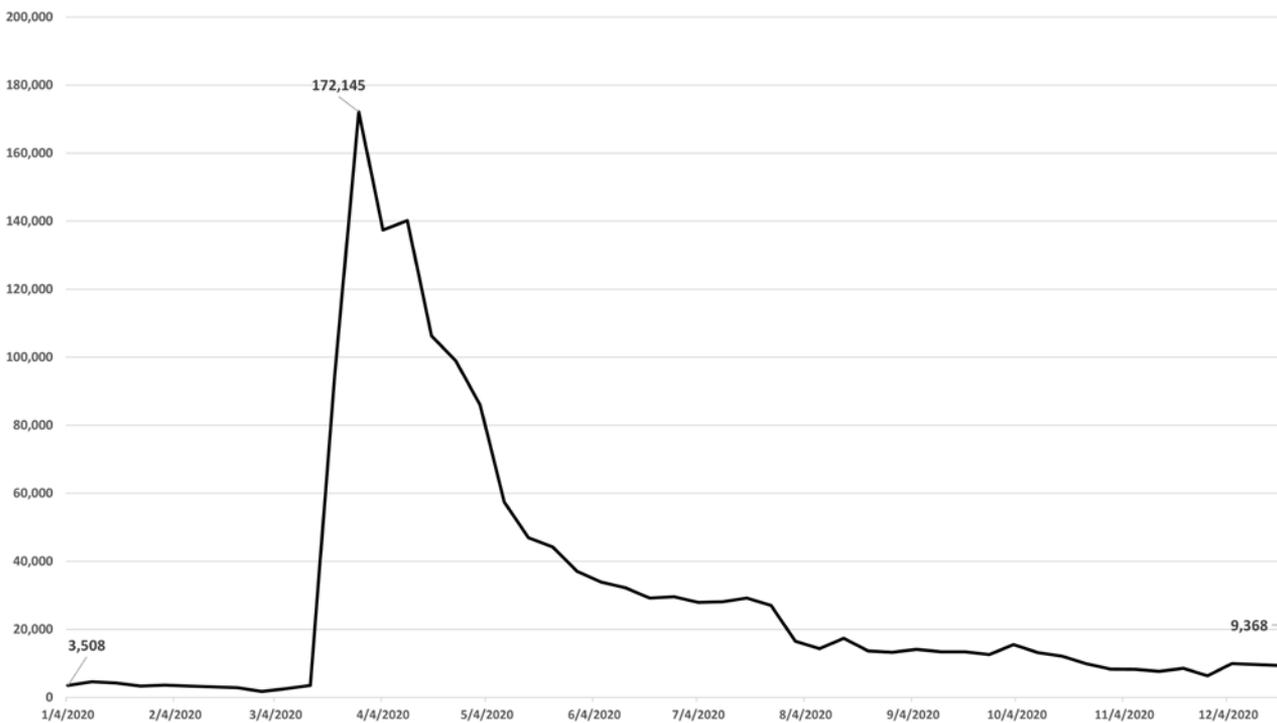
Nationally the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) became law on March 27.

Electronically published July 6, 2021.

Address correspondence to Stephen J. Sills, UNC Greensboro, Center for Housing and Community Studies, MHRA Building Rm 3704, 1111 Spring Garden St, Greensboro, NC 27402-6170 (chcs@uncg.edu).

N C Med J. 2021;82(4):271-275. ©2021 by the North Carolina Institute of Medicine and The Duke Endowment. All rights reserved. 0029-2559/2021/82411

FIGURE 1.
New Unemployment Claims Weekly Totals 2020, North Carolina



Note. [NCICLAIMS], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/NCICLAIMS>, March 27, 2021.
 Source. U.S. Employment and Training Administration, Initial Claims in North Carolina.

The CARES Act, while containing numerous health-related provisions for testing and research, was primarily an economic stimulus package. Its \$2.1 trillion in aid was devoted to business loans, supplemental unemployment insurance, and one-time stimulus checks to individuals, and included a Coronavirus Relief Fund of \$150 billion [15]. The Act provided for forbearance of payments on federally backed mortgages and emergency housing assistance funds to address the needs of low-income renters and people experiencing homelessness. Among its many provisions was a nationwide temporary moratorium on evictions in properties that participate in federal assistance programs (including the Section 8 voucher program) or are subject to a federally backed mortgage loan. The Act prohibited landlords from evicting residents or charging late fees for nonpayment, and from evicting for any reason with fewer than 30 days' notice. The scope and impact of the federal moratorium was unclear, as only about a third of all renter households were covered since the act only applied to properties with federally backed loans [16].

Funds specifically earmarked for housing support were allocated to North Carolina under the Housing and Urban Development Emergency Solutions Grants (ESG), Community Development Block Grant (CDBG), and Community Services Block Grant (CSBG) programs. These grants were to be used to fund homelessness prevention, rapid rehousing, rent and mortgage payments, and related

housing costs. Funds allocated under these programs were distributed directly by local governmental agencies and through nonprofit channels. General CARES Act funding through the Coronavirus Relief Fund was distributed to local governments based on population, with North Carolina receiving an initial allocation of \$4.07 billion [17]. Roughly \$2.07 billion of the total was allocated directly to the larger cities and counties, with the balance of the state's allocation going to fund a series of relief funds established by the state legislature under the 2020 COVID-19 Recovery Act and supplemental legislation.

Nearly 650,000 North Carolinians had lost their jobs by May 2020 [18]. Facing a crisis of continued potential evictions, on May 30, 2020, Governor Cooper extended a statewide moratorium on evictions and utility service terminations through June 20 [19]. After a series of interim orders extending filing deadlines, the Chief Justice further extended the moratorium on evictions and announced the creation of a new landlord/tenant mediation program. Since then, Legal Aid of North Carolina has worked with local teams to establish mediation programs.

Even with these protections in place, a backlog of 10,000 eviction cases (including about 2000 filed since the Stay at Home order was announced) were still pending when the North Carolina eviction moratoria expired at the end of June 2020 [20]. The CARES Act moratorium expired on July 24, but it included a provision that prevented tenants from

being removed until August 23 at the earliest. The courts were beginning to deal with a sudden surge in new summary ejection filings.

The CDC Acts

On September 4, 2020, the Centers for Disease Control and Prevention (CDC) ordered a Temporary Halt in Residential Evictions to Prevent the Further Spread of COVID-19 under the Public Health Service Act 42 US Code § 264 Regulations to Control Communicable Diseases [21]. This order, for the first time explicitly placing public health goals at the center of national eviction policy, expanded the eviction moratorium of the CARES Act to all rental units and all renters who provide a declaration as to the income and other eligibility criteria set out in the order. On October 28, Governor Cooper strengthened the CDC moratorium by requiring landlords to assist in the declaration process [22]. The moratorium was extended twice by both the CDC and by orders from the governor, and was extended a third time by the CDC on March 28, with the expiration date then moved out to June 30, 2021 [23].

The North Carolina Housing Opportunities and Prevention of Evictions Program (HOPE Program), administered by the North Carolina Office of Recovery and Resiliency (NCOORR) in the state Department of Public Safety, was funded by CARES Act allocations and began accepting applications on October 15, 2020 [24]. The program provided rent and utility assistance to prevent evictions and utility disconnections. United Way of North Carolina and NC 211 provided call center support for the HOPE Program. In less than a month, 37,000 renters applied for assistance and the program stopped taking new applications on November 11 [25]. Initially some landlords, unwilling to accept the terms of assistance, refused the HOPE payments [26]. Changes were made to the terms of the landlord agreements in January 2021 in order to entice more landlord participation [27]. According to recent news reports, tenants have faced utility cutoffs, threatened evictions, and lack of communications from caseworkers administering the program [28]. Four months after the application period ended, only 55% of funds have been paid to landlords or utility providers [29].

More rental assistance is on the way, promising relief to HOPE and other housing programs. On December 21, as part of the \$900 billion Coronavirus Response and Relief Supplemental Appropriations Act, Congress created the Emergency Rental Assistance Program (ERAP), with \$25 billion for rental assistance, some of which is already flowing directly to municipalities and county governments across the state [30]. The ERAP covers significantly more rent and other housing costs—up to 12 months including arrears and prospective rent—and unlike previous programs, landlords may initiate the application directly on behalf of their qualifying tenants.

The American Rescue Plan signed by President Biden on March 11, 2021, adds \$21.5 billion to the ERAP, \$10 bil-

lion for homeowners to avoid foreclosures, \$5 billion for emergency housing vouchers, and \$5 billion to help create housing and services for people experiencing or at risk of homelessness [31]. Finally, Governor Cooper signed the North Carolina COVID-19 Response & Relief Act (NC House Bill 196) on March 11, 2021, adding additional state funds to federal emergency rental assistance, but also adding additional requirements and provisions that the North Carolina Housing Coalition says, “will greatly delay and frustrate the state’s efforts to ensure that rental assistance reaches the folks who need it most in a timely manner” [32].

Housing Security as Public Health Policy

The feared tsunami of evictions and the resulting waves of homelessness have so far been avoided. Local, state, and federal governments acted aggressively to hold off mass displacements during the crisis by closing courts, suspending new eviction filings, and delaying the execution of writs of possession. Financial assistance in the form of unemployment insurance, stimulus checks, and emergency rental assistance funds helped prevent a housing meltdown. As a result of court closings and moratoria, evictions have fallen sharply. Yet, while there were half as many evictions in 2020 as in a typical year, there were still nearly 87,000 summary ejection cases filed in North Carolina courts [33].

The actions to stabilize housing security have saved lives. Evictions lead to significant increases in infections and deaths from COVID-19. One observational study showed that states that lifted moratoriums had 2.1 times more COVID-19 cases than states that maintained their moratoriums, and mortality rates 5.4 times higher [34]. Similar findings were made by a team of researchers at Duke University, who examined data from 3141 counties in the United States with a patchwork of eviction policies and measures to reduce housing insecurity in place between March and November 2020. They concluded that these provisions alone reduced COVID-19 infections by 3.8% and deaths by 11% [35]. Further studies showed that likely mechanisms of transmission were increased social contacts from overcrowding.

Conclusions

Before the pandemic, North Carolina’s housing situation was untenable and renters were being evicted at an alarming rate, even in an economic environment marked by years of expansion and low unemployment. Sustained strong economic activity benefitted some but drove rents up and vacancy rates down in most urban areas across the state. Renters increasingly were forced to pay an unreasonable percentage of their income on housing and forced to settle for substandard conditions or to cut food or medicine.

Rents, late fees, excessive utility bills, and repair costs make it hard for low-income tenants to keep up. The consequences are dire: households are pushed deeper into poverty and homelessness; they lose possessions too costly to move; their kids’ schooling is interrupted and health put

under stress; landlords incur lost rent, vacancies, legal fees, and court costs; and burdens are placed on homeless shelters, social services, hospitals, courts, and sheriff departments. Neighborhoods with high rates of evictions and housing instability continue the cycle of deterioration.

A research team created an epidemiological model to simulate household spread of COVID-19 as an eviction-driven wave of transmission networks resulting from displaced householders doubling up with relatives or being forced into close proximity at homeless shelters or in encampments. According to their results, “the CDC-mandated national order prohibiting evictions from September 4–December 31, 2020 likely prevented thousands of excess COVID-19 infections for every million metropolitan residents” [36].

The COVID-19 pandemic underscored the need to address housing as a public health issue with increased publicly supported housing options, increased funding for rental assistance, and increased development of quality affordable housing options. *NCMJ*

Stephen J. Sills, PhD professor of sociology, director of the Center for Housing and Community Studies UNC Greensboro, Greensboro, North Carolina.

Bruce A. Rich, JD, MPA project director, Center for Housing and Community Studies, UNC Greensboro, Greensboro, North Carolina.

Acknowledgments

Disclosure of interests. No disclosures were reported.

References

1. American Journal of Managed Care. A Timeline of COVID-19 Developments in 2020. *AJMC* website. Available at: <https://www.ajmc.com/view/a-timeline-of-covid19-developments-in-2020>. Published January 1, 2021. Accessed March 28, 2021.
2. Centers for Disease Control and Prevention. Covid Data Tracker. CDC website. https://covid.cdc.gov/covid-data-tracker/#cases_casesper100klast7days. Updated weekly. Accessed May 2, 2021.
3. North Carolina Department of Health and Human Services. CPVOD-19 Dashboard: Cases. NCDHHS website. <https://covid19.ncdhhs.gov/dashboard/cases>. Updated daily. Accessed May 2, 2021.
4. North Carolina Government. COVID-19 Orders & Directives. NC Government website. <https://www.nc.gov/covid-19/covid-19-orders-directives>. Accessed March 30, 2021.
5. Congressional Research Service. Unemployment Rates During the COVID-19 Pandemic: In Brief. Washington, DC: Congressional Research Service; 2021. <https://fas.org/sgp/crs/misc/R46554.pdf>. Published January 12, 2021. Accessed March 30, 2021.
6. U.S. Employment and Training Administration. Initial Claims in North Carolina retrieved from FRED, Federal Reserve Bank of St. Louis. FRED website. <https://fred.stlouisfed.org/series/NCICLAIMS>. Updated weekly. Accessed March 30, 2021.
7. U.S. Bureau of Labor Statistics. Local Area Unemployment Statistics: North Carolina. BLS website. <https://data.bls.gov/timeseries/LASST3700000000000006>. Accessed March 30, 2021.
8. Kochhar R. Hispanic women, immigrants, young adults, those with less education hit hardest by COVID-19 job losses. Pew Research Center website. <https://www.pewresearch.org/fact-tank/2020/06/09/hispanic-women-immigrants-young-adults-those-with-less-education-hit-hardest-by-covid-19-job-losses/>. Published June 9, 2020. Accessed March 30, 2021.
9. United States Census Bureau. Selected Housing Characteristics. American Community Survey 5-Year Estimates Data Profiles Table-ID: DP04. US Census website. <https://data.census.gov/cedsci/table?tid=ACSDP5Y2019.DP04&g=0400000US37>. Accessed May 2, 2021.
10. Brennan M, Hendey L, Shroyer A, et al. Housing for North Carolina's Future: Policy Tools that Support Rural, Suburban, and Urban Success. Washington, DC: Urban Institute; 2020. https://www.urban.org/sites/default/files/publication/102473/housing-for-north-carolinas-future_0.pdf. Published June 2020. Accessed March 28, 2021.
11. Sills S, Rich B, Su H, DiMattina M. 2021. North Carolina Legal Needs Assessment 2021. Greensboro, NC: North Carolina Equal Access to Justice Commission; 2021. <https://chcs.uncg.edu/wp-content/uploads/2021/03/NC-Legal-Needs-Assessment.pdf>. Published 2021. Accessed March 28, 2021.
12. NC Coalition to End Homelessness. Data on Homelessness. NCCEH website. <https://www.ncceh.org/datacenter/dataonhomelessness/>. Accessed March 28, 2021.
13. Order of the Chief Justice of the Supreme Court of North Carolina. Raleigh, NC: Supreme Court of North Carolina; 2020. https://www.nccourts.gov/assets/news-uploads/COVID-19-13-March-2020-7A-39%28b%29%282%29-Order_0.pdf. Published March 13, 2020. Accessed March 28, 2021.
14. Office of the North Carolina Governor. Executive Order No. 124. Raleigh, NC: Office of the NC Governor; 2020. <https://files.nc.gov/governor/documents/files/EO124-Utilities-Evictions-Financial-Services.pdf>. Published March 31, 2020. Accessed March 28, 2021.
15. Moss K, Wexler A, Dawson L, et al. The Coronavirus Aid, Relief, and Economic Security Act: Summary of Key Health Provisions. Kaiser Family Foundation website. <https://www.kff.org/coronavirus-covid-19/issue-brief/the-coronavirus-aid-relief-and-economic-security-act-summary-of-key-health-provisions/>. Published April 9, 2020. Accessed March 28, 2021.
16. Congressional Research Service. CARES Act Eviction Moratorium. 2020. Washington, DC: Congressional Research Service; 2020. <https://crsreports.congress.gov/product/pdf/IN/IN11320>. Published April 7, 2020. Accessed March 28, 2021.
17. Craver R. N.C. bills seeks millions in federal CARES funding for Greensboro. Greensboro.com. https://www.greensboro.com/news/local_news/n-c-bills-seeks-millions-in-federal-cares-funding-for-greensboro/article_a583624b-8343-5f96-9f1e-d2dfa7b929bb.html. Published May 21, 2020. Accessed March 28, 2021.
18. U.S. Bureau of Labor Statistics. Local Area Unemployment Statistics: North Carolina. BLS website. <https://data.bls.gov/timeseries/LASST3700000000000003>. Accessed March 30, 2021.
19. Office of the North Carolina Governor. Executive Order No. 142. Raleigh, NC: Office of the NC Governor; 2020. <https://files.nc.gov/governor/documents/files/EO142-Temp-Prohibitions-on-Evictions-and-Extending-Prohibition-on-Utility-Shut-Offs.pdf>. Published May 30, 2020. Accessed March 30, 2021.
20. Sessoms B. With eviction moratorium lifted, affordable housing advocates brace for crisis. NewsObserver.com. <https://www.newsobserver.com/news/local/article243913017.html>. Published July 2, 2020. Updated July 13, 2020. Accessed March 28, 2021.
21. Centers for Disease Control and Prevention, U.S. Department of Health and Human Services. Temporary Halt in Residential Evictions to Prevent the Further Spread of COVID-19. Atlanta, GA: CDC; 2021. <https://www.cdc.gov/coronavirus/2019-ncov/more/pdf/CDC-Eviction-Moratorium-01292021.pdf>. Published January 29, 2021. Accessed March 28, 2021.
22. Office of the North Carolina Governor. Executive Order No. 171. Raleigh, NC: Office of the NC Governor; 2020. <https://files.nc.gov/governor/documents/files/EO171-Assisting-North-Carolinians-At-Risk-of-Eviction.pdf>. Published October 28, 2020. Accessed March 28, 2021.
23. Office of the North Carolina Governor. Executive Order No. 191. Raleigh, NC: Office of the NC Governor; 2021. <https://files.nc.gov/governor/documents/files/EO191-Evictions-Extension.pdf>. Published January 27, 2021. Accessed March 28, 2021.
24. Governor Cooper Announces Applications Open for New Rent and Utility Assistance Program [press release]. Raleigh, NC: Office of the North Carolina Governor; October 15, 2020. <https://governor.nc.gov/news/governor-cooper-announces-applications-open-new-rent-and-utility-assistance-program>. Accessed March 28, 2021.
25. Application period closing for NC HOPE rent and utility assistance program [press release]. Raleigh, NC: North Carolina Department of Public Safety; November 10, 2020. <https://www.ncdps.gov/news/>

- press-releases/2020/11/10/application-period-closing-nc-hope-rent-and-utility-assistance. Accessed March 28, 2021.
26. Wilson D, Green M. Some North Carolina landlords rejecting HOPE program rent payments for struggling tenants on verge of eviction. ABC11.com. <https://abc11.com/hope-program-eviction-prevention-help-rent/8614028/>. Published December 8, 2020. Accessed March 28, 2021.
 27. Morabito N. New HOPE Program changes aimed at quicker payments, more landlord participation. WCNC.com. <https://www.wcnc.com/article/money/new-hope-program-changes-aimed-at-quicker-payments-more-landlord-participation/275-fe54403b-f7d0-40b7-9910-4c103e9c63e8>. Published January 29, 2021. Accessed March 28, 2021.
 28. Fain T. Meant to offer 'HOPE,' state rental assistance program has been slow to pay. WRAL.com. <https://www.wral.com/coronavirus/meant-to-offer-hope-state-rental-assistance-program-has-been-slow-to-pay/19536354/>. Published February 22, 2021. Accessed March 28, 2021.
 29. Hardin T. Landlords in the Triad frustrated with NC HOPE Program. MyFox8.com. Available at: <https://myfox8.com/news/landlords-in-the-triad-frustrated-with-nc-hope-program/>. Published March 10, 2021. Accessed March 28, 2021.
 30. Rifis JB, Merrill KM, Johnson KA, Hatahet ZS. Federal COVID Relief Bill passed by Congress - December 2020. National Law Review website. <https://www.natlawreview.com/article/federal-covid-relief-bill-passed-congress-december-2020>. Published December 23, 2020. Accessed March 28, 2021.
 31. U.S. Department of Housing and Urban Development. Fact Sheet: Housing Provisions in the American Rescue Plan Act of 2021. Washington, DC: HUD; 2021. https://www.hud.gov/sites/dfiles/Main/documents/Factsheet_Housing_Provisions_American_Rescue_Plan_Act-2021.pdf. Published 2021. Accessed March 28, 2021.
 32. North Carolina Housing Coalition. Legislative Alert: HB 196 Passes. NC Housing Coalition website. <https://nchousing.org/legislative-alert-hb-196-passes/>. Published March 4, 2021. Accessed March 28, 2021.
 33. Wilson D, Kummerer S. North Carolina renters continue to be kicked to the curb despite eviction moratorium. ABC11.com. <https://abc11.com/eviction-moratorium-can-i-still-be-evicted-covid-19/10450297/>. Published March 26, 2021. Accessed March 28, 2021.
 34. Leifheit K, Linton SL, Raifman J, et al. Expiring eviction moratoriums and COVID-19 incidence and mortality. Social Science Research Network. Preprint. November 30, 2020. <http://dx.doi.org/10.2139/ssrn.3739576>. Accessed March 28, 2021.
 35. Jowers K, Timmins C, Bhavsar N, Hu O, Marshall J. Housing Precarity & The COVID-19 Pandemic: Impacts of Utility Disconnection and Eviction Moratoria on Infections and Deaths Across US Counties. Cambridge, MA: National Bureau Of Economic Research; 2021. https://www.nber.org/system/files/working_papers/w28394/w28394.pdf. Published January 2021. Accessed March 28, 2021.
 36. Nande A, Sheen J, Walters E, et al. The effect of eviction moratoria on the transmission of SARS-CoV-2. Nat Commun. 2021;12(1):2274. doi: 10.1028/s41467-021-22521-5