## Memorandum

- To: Chair Hausman and Members of the Housing Finance and Policy Committee
- From: Larry McDonough, Attorney at Law and Adjunct Professor of Law, Senior Minnesota Fellow, Lawyers' Committee for Civil Rights Under Law
- RE: File No. A21-0224

Date: June 20, 2021

I am Senior Minnesota Fellow, Lawyers' Committee for Civil Rights Under Law (Lawyers' Committee), The principal mission of the Lawyers' Committee is to secure equal justice for all through the rule of law, targeting in particular the inequities confronting African Americans and other racial and ethnic minorities. The Lawyers' Committee is a nonpartisan, nonprofit organization, formed in 1963 at the request of President John F. Kennedy to enlist the private bar's leadership and resources in combating racial discrimination and the resulting inequality of opportunity.

https://lawyerscommittee.org/

The Lawyers' Committee agrees with and supports the testimony of HOME Line submitted today by its Executive Director Eric Hauge. We applaud your work on important housing issues this year, but we share the concerns raised by HOME Line.

We have some additional concerns. I have testified several times before the Housing Finance and Policy Committees of the Minnesota House of Representatives and Senate. I often have discussed current economic data on tenants.

I reviewed the most recent data.<sup>1</sup> As of June 7, 2021, out of 697,015 adult Minnesota tenants estimated by the Census, it estimated:

• 77,079 (11.1%) were not currently caught up on rent payments,<sup>2</sup>

<sup>&</sup>lt;sup>1</sup>Household Pulse Survey Data Tables, Phase 3.1 (United States Department of Commerce, June 16, 2021)

https://www.census.gov/programs-surveys/household-pulse-survey/data.html#phase3; and https://www.census.gov/data/tables/2021/demo/hhp/hhp31.html.

<sup>&</sup>lt;sup>2</sup>U.S. Dept. of Commerce, Table 1b. Last Month's Payment Status for Renter Occupied Housing Units, by Select Characteristics: Minnesota, <u>https://www2.census.gov/programs-surveys/demo/tables/hhp/2021/wk31/housing1b\_week31.xls</u> x (viewed June 20, 2021).

- 232,726 (33.4%) were unemployed,<sup>3</sup>
- 99,215 (14.2%) had no or slight confidence in the ability to make the next month's payment.<sup>4</sup>

Compare any of these numbers with 16,000 eviction court actions statewide in 2017. The Census data supports estimating the number of evictions on hold right now to well exceed the annual number. These evictions would overwhelm the legal services housing attorneys and the courts.

In addition to the recommendations of HOME Line, the Minnesota Legislature also should stagger the filing of nonpayment of rent evictions to prevent overwhelming legal services housing attorneys and the courts.

- The first cases could be those alleging rent due during the entire peacetime emergency or longer or just the current month rent, followed by:
- 12 months of rent or more one month later or just the current month rent,
- 9 months of rent or more one month later or just the current month rent,
- 6 months of rent or more one month later or just the current month rent,
- 3 months of rent or more one month later or just the current month rent, and
- The rest of the rent cases.
- There should be a penalty for falsely alleging a debt to fit into an earlier set

Thank you for your consideration.

## \s\ Larry McDonough

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 $<sup>^{3}</sup>Id.$ 

<sup>&</sup>lt;sup>4</sup>U.S. Dept. of Commerce, Table 2b. Confidence in Ability to Make Next Month's Payment for Renter Occupied Housing Units, by Select Characteristics: Minnesota, <u>https://www2.census.gov/programs-surveys/demo/tables/hhp/2021/wk31/housing2b\_week31.xls\_x</u> (viewed June 20, 2021).

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