

# ‘Historic’ CDC order bans evictions through the end of the year. Here’s what to know

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A “Cancel Rent” banner hung up by participants of a ‘Resist Evictions’ rally to protest evictions on August 10, 2020 in New York City.

Michael M. Santiago | Getty Images News | Getty Images

Answering calls from housing advocates and cash-strapped tenants across the country, the Centers for Disease Control and Prevention issued a [four-month eviction moratorium](#) on Tuesday.

The order could help as many as 30 to 40 million people who are at risk of losing their homes during the coronavirus pandemic, according to [estimates from the Aspen Institute](#).

Residential evictions are temporarily halted under the order “to prevent the further spread of Covid-19.” It applies to individuals expecting to earn less than \$99,000 and couples expecting to earn less than \$198,000 in 2020, who would be kicked out of their homes or have to move in with family or friends.

Many of the details are still being ironed out, including how the order will be enforced, Priscilla Almodovar, CEO of [Enterprise Community Partners](#), an affordable housing nonprofit, tells [CNBC Make It](#). But tenants will need to apply for the relief from their landlords using the [“declaration” at the bottom of this CDC form](#).

Tenants must demonstrate that they are unable to pay rent due to the coronavirus and that they already “used best efforts” to apply for all governmental housing aid they are eligible for, like local emergency assistance programs that have popped up in states including [Arizona](#) and [Virginia](#).

Landlords who do not agree with their tenants’ self-assessment can try to bring eviction proceedings by arguing that their tenant is not a “covered person,” as defined by the CDC. It would then fall to a housing court to make a judgement, which could take weeks or months.

“What the CDC is doing is historic. We have never seen the federal government do something as broad” as this nation-wide eviction order, says Almodovar. “That said, this really is just a pause ... It’s a meaningful interim step, but it’s a short-term fix.”

That’s because while the moratorium applies nation-wide, it does not provide any financial relief to tenants or landlords. Come January, back rent will be owed for all of the months of missed payments (exactly when it is due will be up to each landlord and tenant to work out together).

And a [draft of the order](#) states that landlords can charge “fees, penalties or interest as a result of the failure to pay rent or other housing payment on a timely basis, under the terms of any applicable contract.” Landlords can still begin eviction proceedings under some other circumstances, including if they are worried about their own health, according to [The Washington Post](#).

Still, it is far more expansive than the eviction moratorium that was part of the Coronavirus Aid, Relief, and Economic Security, or CARES, Act from March, which banned evictions from federally-financed buildings.

Individual landlords who violate the order will be fined up to \$100,000 while corporate landlords violating the order will be fined up to \$200,000.

Public health officials and housing advocates have warned about a [coming eviction crisis for months](#). The limited [eviction moratorium](#) put in place by the CARES Act [expired at the end of July](#), as did the [extra \\$600 per week in unemployment insurance](#) that many people were using to cover essential bills like housing.

Individual states and cities also put some protections in place, but many of those have also expired, or will soon.

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## The order ‘delays but does not prevent’ evictions

Though the new policy is “badly needed,” it is just a “half step” in the right direction, says Diane Yentel, president of the National Low Income Housing Coalition.

“This action delays but does not prevent evictions,” [Yentel said in a statement](#). To truly prevent a housing crisis, Yentel and other housing advocates say Congress must pass a relief bill with at least \$100 billion in emergency rental assistance.

This assistance would not only keep people housed, it would ensure landlords are paid, says Enterprise Community Partners’ Almodovar. Tenants would not be evicted for non-payment, but landlords would still need to pay their mortgages, property taxes and other bills.

“More than half of rental apartments are owned by mom and pop businesses — this is their livelihood,” says Almodovar. “Think of the apartments they own as their small businesses. They’re not getting paid rent, which is what they need to pay their bills. They risk being foreclosed on.”

The Federal Housing Finance Agency [recently extended the moratorium](#) on some evictions and single-family foreclosures through December 31, 2020.

The [HEROES Act](#), passed by the Democrat-controlled House in May, included \$100 billion in emergency rental assistance. The [Republican Senate’s HEALS Act](#), on the other hand, did not include any money for

housing relief. [It is unclear what the House and Senate will agree on](#) when they [come back from recess](#), or if they will reach a deal at all.

Still, Almodovar is hopeful that Congress will come to an agreement to prevent a mass housing crisis in January, when the CDC's order expires.

"Someone has to pay the rent," she says.