



## **American Rescue Plan – Update 2**

This Report focuses on the updates to the CDC’s “Eviction Moratorium.” Please share and distribute as you see fit.

### **THE CDC “EVICTIION MORATORIUM”**

On September 4, 2020, the CDC (Centers for Disease Control and Prevention) first issued an order that put a stop to most residential evictions. This soon came to be known as the CDC eviction moratorium. Most tenants easily met the requirements for the moratorium, and an avalanche of evictions were prevented during the darkest days of the pandemic. **The moratorium has been extended a few times and currently is set to stay in place through June 30, 2021.** In the meantime, local governments are charged with dispersing emergency rental assistance funds as quickly as possible. While the moratorium is in place, tenants who qualify for assistance can often pay the rent in full, avoid eviction, and stay in their homes.

However, the foundation for the moratorium may be shifting. On May 5, 2021, a federal court (The District of Columbia District Court) struck down the CDC order, describing it as unconstitutional. While previous federal court rulings found the moratorium to be unconstitutional, those decisions only applied to the specific landlords who filed a lawsuit to challenge the moratorium. In the May 5<sup>th</sup> ruling, the D.C. federal judge held that the moratorium was invalid nationwide.

An appeal and an emergency motion for a stay of the ruling were filed immediately by the Department of Justice. Late last week, on Friday May 14, 2021, the court decided to stay (stop enforcement of its ruling) until the appeal process runs its course. **The appeal process takes time, so the moratorium will not be effected by this latest court ruling – at least not by June 30, 2021.**

As it stands now, it’s hard to see where we will be even by the end of June. The federal government has provided lots of funding to assist tenants who could not pay rent due to the pandemic. If the end of June brings the end of the moratorium, will this have been enough time to get funds into the hands of the renters who need it most? If the moratorium is upheld, will it be extended further into the summer, in order to help more tenants and landlords using federal funds? **Be aware that there are pending appeals from other federal courts that just might affect the moratorium before June 30.**



In addition, on Tuesday, May 18, 2021, the Florida Association of Realtors similarly filed a federal lawsuit to overturn the eviction moratorium. That case, *Florida Association of Realtors et al. v. Centers for Disease Control and Prevention, et al.* was filed in the U.S. District Court for the Middle District of Florida.

More information will follow in later updates.