## Congress of the United States Washington, DC 20515

March 19, 2021

Governor Tom Wolf Commonwealth of Pennsylvania 508 Main Capitol Building Harrisburg, PA 17120

## Governor Wolf:

These past twelve months have been among the most difficult times in our Commonwealth's history. One of the greatest challenges facing our communities has been the need to humanely and sustainably keep people safely housed when they are unable to pay rent due to COVID-related decreases in income. At the same time, it is also clear that small landlords depend upon those rental payments for their income. While the CDC moratorium has temporarily delayed evictions, the nonpayment of rent remains a looming issue for renters and landlords alike. Both impending evictions and accumulated nonpayment of rent threaten a cascade of dangerous issues that will ripple out into the entire community, exacerbating our already immense public health and economic crises.

In our first attempt to address these interrelated issues, we allocated significant federal funding for rental assistance programs in the *Coronavirus Aid*, *Relief*, and *Economic Security (CARES) Act*. Pennsylvania was allocated \$175 million for mortgage and rental assistance programs, to be administered by the Pennsylvania Housing Finance Agency. Of that money, \$150 million was intended to ensure landlords were compensated for rental arrears and Pennsylvania renters were able to safely remain in their homes until the pandemic was over.

While the intention was clear, Pennsylvania's execution was anything but: Families already under extreme stress were required to collect multiple documents. Landlords also struggled to collect requisite documentation. Agencies already overtaxed with unprecedented community need were asked to verify income and manage an immense paperwork burden. Finally, posing perhaps the greatest challenge, the timeline for applying for and allocating the funds was brutally short. As a result, we found ourselves at the end of November with more than half of the money allocated for that program unspent—\$108 million of the allocated \$175 million remained.

Rather than enacting a legislative fix that would abide by the intended purpose of those funds, the Pennsylvania legislature decided to take those remaining funds and redirect them to the PA Department of Corrections. Even when the *CARES Act* spending deadlines were later extended to December 2021, the die was cast: those funds were no longer available to the people for whom they were intended.

We cannot let this happen again. We have a responsibility to learn from the lessons of 2020 and redesign the program to avoid these pitfalls.

In the *American Rescue Plan Act of 2021*, \$27 billion in rental assistance was allocated to the states. This time, a certain portion of those funds will flow directly to counties with 200,000 residents or more from the Treasury, which has issued its own guidelines. The spending timelines are more reasonable and will likely allow qualifying counties to develop programs better able to respond to local needs and encourage carefully considered use of these funds.

The balance of the funds will flow through the Commonwealth before reaching our counties. The guidelines for the Commonwealth's Emergency Rental Assistance Program (ERAP), released March 2021, indicate that you are carefully considering the pitfalls of the prior program and making requisite adjustments. We appreciate your efforts to ensure that the new round of funding is allocated in a way that addresses the needs of both our constituents and our business community, and that the funding is used for the purposes Congress intended.

As you complete this review, we ask that you continue to make every effort to ensure the root causes of the challenges faced during the last round of emergency rental assistance do not repeat themselves. We also ask that you ensure that the Commonwealth's criteria for eligibility exactly mirrors the federal criteria—avoiding renewed efforts to unnecessarily limit eligibility which will only lead to a greater number of evictions. Please endeavor to align any regulations and guidelines with the federal reporting requirements already mandated of the administering agencies, so local agencies are not overburdened in an attempt to satisfy multiple, and often conflicting, directions.

We are grateful for your partnership in helping to safeguard the lives, health, and economic security of our mutual constituents. What remains most important is that our Commonwealth's elected officials at all levels work together to ensure that Pennsylvanians remain safely housed through the end of the crisis and that our small landlords are not forced to bear this burden alone. Together, we are confident we can achieve this outcome.

Thank you for your consideration of these matters and for your leadership during this challenging time.

Sincerely,

Susan Wild

Member of Congress

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Dwight Evans Member of Congress

Mary Gay Scanlon Member of Congress

Mike Doyle Member of Congress

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Madeleine Dean Member of Congress

Chrissy Houlahan
Member of Congress

Matt Cartwright

Member of Congress

Conor Lamb

Member of Congress