December 23rd, 2020

To: NC Governor Roy Cooper Office of Governor Roy Cooper 1 E. Edenton St. Raleigh, NC 27601

## **RE:** Enacting a New Emergency Moratorium on Evictions and Utility Shutoffs to Protect Vulnerable Households

Dear Governor Cooper,

We, the undersigned racial and economic justice, housing, low-income, and clean energy and conservation groups, call on you to do what is necessary to protect the economic and public health of vulnerable households across the state by immediately enacting a new emergency moratorium on evictions and utility shut-offs that extends beyond the end of the State of Emergency. Yesterday's agreement on additional Federal COVID rental and utility relief funding will not bring assistance fast enough for struggling North Carolinians, and will only delay the risk of eviction and utility shutoffs for another month or two. More protections are needed while funds are disbursed and for those for whom funding may not ultimately be available.

A moratorium on utility shutoffs must cover all electric, gas and water utilities, both regulated and unregulated, and require the immediate reconnection of any household that remains disconnected due to non-payment. Already more than 19,000 customers of Duke Energy and Dominion Energy had their electricity shut off in November alone.

It is also essential that a broad eviction moratorium be established that stops any and all evictions, for non-payment of rent and for holdover at the end of the lease term. The moratorium should include a stop to Summary Ejectment Complaint filings, Summary Ejectment hearings, and issuance or execution of Writs of Possession. Although extended through January 31, the CDC eviction moratorium has been inadequate to protect vulnerable tenants and their families because tenants are unaware of their rights and how to enforce them. It has also been difficult for tenants because of inconsistent and sometimes blatant disregard of the CDC Order's provisions.

In the event that a "new" North Carolina eviction moratorium is not established, we ask that EO 171 be extended beyond December 31, 2020 with three modifications: 1) in Section 1, A. 2 adding language that includes eviction for holdover/lease expiration; 2) amending Section 1, E.1 to include language that stops issuance and execution of writs of possession when a tenant presents a CDC declaration; and 3) a provision that prohibits the "filing" or "initiation " of eviction actions when a tenant presents a CDC Declaration.

Your prior statements recognize the importance of housing and utility services in preventing infections and deaths stemming from the COVID-19 pandemic, particularly for communities of color. In Executive Order (EO) 124 you stated that "Utility services are essential to the continued health and safety of residential utility customers..." In EO 142, you recognized that residential evictions "leave people homeless, where they are at *extreme* risk of contracting and spreading COVID-19," and "threaten people's ability to maintain their livelihood and receive education." In EO 171, you recognized that "eviction moratoria are not only effective public health measures to control the spread of COVID-19, but they can also have significant impacts on the economic and socioeconomic realities of many North Carolinians." And finally, in EO 143 you recognized that "the COVID-19 pandemic is exposing racial disparities that are entrenched in our health care and economic institutions for communities of color."

As new daily infections are now in the thousands, reaching as high as 7,540 on December 11th, maintaining access to housing and utilities for households in North Carolina is literally a matter of life and death. This is especially true given that Black, Asian, Hispanic and Native American residents are being infected and/or dying at a higher rate, while at the same time being more at risk of eviction and/or loss of utility services than are White residents. As stated by Diane Yentel, President of the National Low-Income Housing Coalition, "Structural racism leaves people of color disproportionately low-income, rent-burdened, or homeless. These inequities compound the harm done by Covid-19."

To illustrate the depth of the crisis facing households across the state, and how it disproportionately impacts Black/African American, Latinx, Asian, and Native American households:

- 1. A recent article notes that "Just as communities of color have seen higher infection and death rates from the virus, they have also been more vulnerable to job and income losses from the ensuing economic crisis,"<sup>1</sup> and as a result, "The majority of the up to 17 million households at risk of losing their homes this winter are comprised of people of color."
- 2. According to the Eviction Lab, nationally one in four Black renters lived in a county where the Black eviction rate was more than double the white eviction rate.<sup>2</sup>
- 3. An estimated 240,000 eviction notices are expected to be sent to NC households in January<sup>3</sup>, which will place those residents at greater risk of contracting and dying from COVID, as a recent study estimated that, from June 20 to September 3, evictions in North Carolina resulted in 15,690 extra coronavirus cases and 304 deaths.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> 'The most lopsided economic event imaginable': Wave of evictions threatens Black, Latino tenants. Politico. Dec. 15, 2020. <u>https://www.politico.com/news/2020/12/15/the-most-lopsided-economic-event-imaginable-wave-of-evictions-threatens-black-latino-tenants-445387</u>

<sup>&</sup>lt;sup>2</sup> Hepburn, Louis and Desmond. Racial and Gender Disparities among Evicted Americans. Dec.16, 2020. <u>www.evictionlab.org</u> <sup>3</sup> National Council of State Housing Agencies. Analysis of Current and Expected Rental Shortfall and Potential Evictions in the U.S.

Sept. 25, 2020. https://www.ncsha.org/wp-content/uploads/Analysis-of-Current-and-Expected-Rental-Shortfall-and-Potential-Evictions-in-the-US\_Sto ut\_FINAL.pdf

<sup>&</sup>lt;sup>4</sup> Multiple authors. Expiring Eviction Moratoriums and COVID-19 Incidence and Mortality. Nov. 30, 2020. https://ssrn.com/abstract=3739576

- 4. A nationwide analysis by the Duke University Nicholas Institute found that, compared to a predicted average daily Covid-19 infection growth rate of 7.2% (nationwide), eviction moratoria reduce the average growth rate by 4.5% (to 2.7%) and water and utility shut-off moratoria reduce the average growth rate by 2.6% (to 4.6%).<sup>5</sup>
- 5. When EO 142 expired at the end of July, more than 1.1 million residential electric, gas and water accounts were past due on their bills, owing \$226.1 million. As of September 30, more than 560,000 households served by Duke Energy alone owed \$186.6 million, which was 35% higher than was owed to the utility in July.<sup>6</sup>
- 6. In their regular monthly report to the NC Utilities Commission, the two Duke Energy companies and Dominion Energy reported having disconnected more than 19,000 households combined in the month of November due to non-payment of utility bills.<sup>7</sup>
- 7. A recent survey showed that, as compared to White households, Hispanic households were 15 times more likely to have their household disconnected for the first time, since the beginning of the pandemic, and Black households were 6 times more likely.<sup>8</sup>

These findings illustrate that hundreds of thousands of households in North Carolina are not only at risk of being evicted and rendered homeless (or, at best, having their utilities shut off in the middle of winter and during a pandemic), but being put at heightened risk of contracting and dying from Covid-19.

Finally, it is important to recognize that while new funding for rent and utility bill assistance appears to be forthcoming, that funding will only help households "catch up," and is not likely to be sufficient for addressing the scale of need that exists. And when the money runs out in a month or two, households that are struggling will once again find themselves at risk of eviction and utility disconnection. Because of that, new emergency moratoria are necessary and justified.

To that end, we, the undersigned, call on you, Governor Cooper, to take immediate action to respond to this worsening crisis and enact a new statewide moratorium on evictions and utility shutoffs that extends until beyond the State of Emergency. The lives of those you serve are in your hands.

<sup>&</sup>lt;sup>5</sup> Duke University, Nicholas Institute. Policy in the Pandemic: Housing Security Policies Reduce U.S. COVID-19 Infection Rates. June 29, 2020.

https://nicholasinstitute.duke.edu/articles/policy-pandemic-housing-security-policies-reduce-us-covid-19-infection-rates <sup>6</sup> Calls to NC211 for housing assistance since March have been 59% higher than the same period in 2019, while calls for utility bill assistance were 75% higher.

<sup>&</sup>lt;sup>7</sup> NC Utilities Commission, Docket M-100 Sub 61A. Monthly (November 2020) Disconnection Reports for Duke Energy Carolinas (DEC), Duke Energy Progress (DEP) and Dominion Energy (DENC).

https://starw1.ncuc.net/NCUC/page/docket-docs/PSC/DocketDetails.aspx?DocketId=b21e697f-0e60-4de0-96d0-a7e6b9e77049 <sup>8</sup> Indiana University. Survey of Household Energy Insecurity in Time of COVID. Sept. 22, 2020. https://energyjustice.indiana.edu/doc/09232020 wave 2.pdf

Sincerely,

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