



NEW JERSEY SENATE

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January 23, 2019

Lt. Governor Sheila Oliver  
New Jersey Department of Community Affairs  
William M. Ashby Community Affairs Building  
101 S. Broad Street  
PO Box 800  
Trenton NJ 08625

Dear Lt. Governor Oliver,

I am writing you today in my capacity as Chair of the Senate Community and Urban Affairs Committee to express my concerns about the recent government shut down and its implications on our state.

Recently, it was reported by the Huffington Post that hundreds of low-income tenants receiving federal housing assistance at housing complexes in four states (Arkansas, Louisiana, Missouri and Mississippi) now face the prospect of rent hikes where they would be required to pay the full amount of rent or face eviction. These tenants could face eviction proceedings as soon as March if the shutdown continues past February. If the shutdown continues, rent hikes and eviction threats will probably spread to states such as New Jersey as more landlords get anxious.

The federal government's housing programs, run by the U.S. Department of Housing and Urban Development, are funded only through February. These programs support more than 3 million households. The buildings are subsidized by a U.S. Department of Agriculture rental assistance program that supports 282,000 households nationwide, most of them with elderly residents. The USDA's program finances both the landlord's mortgage and covers part of the rent, with tenants usually required to pay 30 percent of their income. It is reported that this rental assistance is only funded through January. Furthermore, it was revealed in the wake of the shutdown that HUD failed to renew some contracts with landlords before the shutdown, jeopardizing subsidies for tens of thousands of other households.

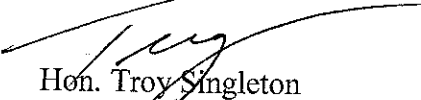
At this juncture, these families have no protections. According to a legal analysis by the National Housing Law Project, while HUD's regulation for landlords with Section 8 vouchers does not allow rent hikes or evictions if the government stops paying its share, it does allow them to evict

tenants for “business or economic reasons,” such as wanting to lease an apartment for higher rent. Additionally, there are no clear protections for tenants with USDA rental assistance. According to the NHLP, it is projected that 17,000 households would lose their USDA rental subsidy in February, and all the rest would lose theirs in March.

It is evident that we as stewards need to act swiftly. The longer the shutdown continues, the quicker we will see these issues at our door step. Therefore, I am respectfully asking what options the State has to assist our residents in this regard? The State currently provides housing assistance through the SRAP program. Could there be a way we could possibly expedite payments to cover any shortfalls our residents’ face and then seek reimbursement from the federal government after the shutdown ends? Could we issue guidelines for landlords as a means to dissuade these actions?

I stand ready to work with you and my colleagues to mitigate the possible negative impacts this shutdown could potentially cause in the future. We must protect our residents with all of the resources we have at our disposal. Again, thank you for your consideration and attention to my concerns. I am available at your convenience should you have any questions or if you would like to discuss this further.

Most sincerely,



Hon. Troy Singleton  
Senator, 7<sup>th</sup> Legislative District  
Chair – Senate Community and Urban Affairs Committee