

The Added Benefit of North Carolina's Evictions Moratorium: Protecting Vulnerable Children During the COVID-19 Pandemic

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Overview

The COVID-19 pandemic has reduced work and earnings for many individuals across the U.S.¹ Financial hardship caused by the sudden loss of income can make it difficult for some to pay rent—which, over time can lead to eviction, forcing families into the homes of friends or family, homeless shelters, or the streets. During a pandemic, relocation becomes a public health concern as people moving frequently could contribute to the virus's spread.

In response to concerns about both economic strain and public health, U.S. cities and state governments, including North Carolina, have adopted policies to limit evictions.² On April 13, N.C. Chief Justice Beasley ordered that court proceedings be postponed until June 1, effectively stopping eviction proceedings.³ While landlords could bring eviction cases to courts, police were not serving notices, and courts were not processing new cases. On May 30, Governor Roy Cooper signed Executive Order 142, which included a 21-day moratorium on evictions.⁴

Beyond providing economic and public health benefits, the stay on evictions likely benefits vulnerable school-aged children whose families face eviction. Our analysis, based on data from the N.C. court and public school systems, shows that children in Durham who experience eviction⁵ are more likely to 1) live in households that are economically disadvantaged even before an eviction occurs, 2) be Black or Hispanic, and 3) have special education needs, than those who do not experience eviction.

KEY TAKEAWAYS

- Government officials halted housing evictions in North Carolina as a response to the COVID-19 crisis.
- We analyze administrative data on evictions from the N.C. Administrative Office of the Courts and on public school children in Durham to identify characteristics of children who experience eviction.
- Our analysis shows that an additional benefit of the moratorium is protection for children who are already at risk for negative education, health and family economic outcomes.
- A forward-looking housing policy is needed to help protect these vulnerable children and families once the moratorium is lifted.

5. "Children who experience eviction" are children whose families had an eviction case brought to court that was granted in part or whole. "Children who did not experience eviction" are those who never faced an eviction case.

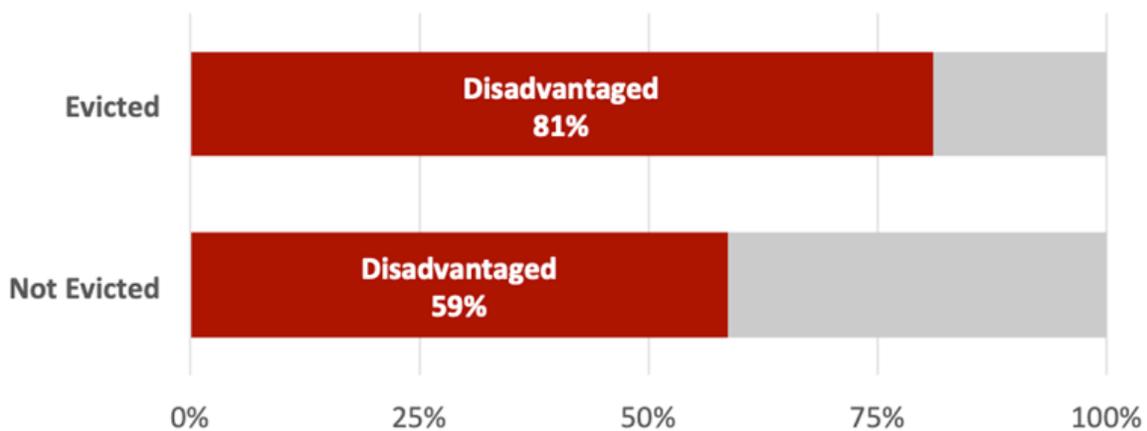
The stay on evictions helps protect the health and well-being of these children, but it will not last forever. As Durham and other U.S. cities plan their reopenings, policymakers must consider the lingering consequences of the crisis and the families who struggle financially. Cities need forward-looking policies that help protect vulnerable children and their families.

Characteristics of Children Who Experience Eviction

The vast majority of children who experience eviction live in households that are economically disadvantaged.⁶ On average, 81% of school children in Durham who experienced an eviction between 2015 and 2017 were from economically disadvantaged families, compared to only 59% of students who did not experience an eviction (see Figure 1).

Relative to children from families with higher incomes, children from economically disadvantaged households tend to have worse education outcomes. The gap in education outcomes may grow as a result of school closures and the transition to digital learning as children in low-income neighborhoods have more limited broadband access.⁷ Moreover, the financial fallout of the pandemic has hit industries that employ low-income workers (*e.g.*, food service) hard.⁸ Thus, families already economically disadvantaged may experience additional stress related to meeting basic needs such as buying groceries and paying utilities.

Figure 1. Children Who Faced Eviction More Likely to Live in Economically Disadvantaged Households

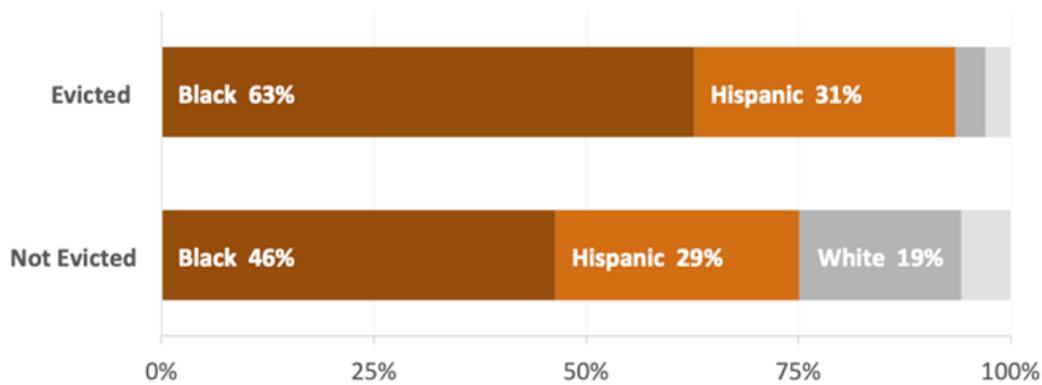


Note: Data present averages for public school students in Durham, N.C. for the years 2015-2017.

6. We refer to children living in families with incomes below 185% of the federal poverty limit (\$44,955 for a family of four in 2016) as economically disadvantaged.

In N.C., as in other states, economic disadvantage intersects with race and ethnicity. According to 2016 data from the National Center for Children in Poverty, two-thirds of Black children and three-fourths of Hispanic children in N.C. live in low-income families.⁹ In Durham, students of color were more likely to experience an eviction than White students (Figure 2). Of students who experienced eviction, 63% were Black, 31% were Hispanic, and 4% were White. Of students who did not experience eviction, 46% were Black, 29% were Hispanic, and 19% were White.

Figure 2. Children Who Faced Eviction More Likely to be Black or Hispanic



Note: Data present averages for public school students in Durham, N.C. for the years 2015-2017.

Black and Hispanic children face interrelated structural challenges that, on average, lead to greater educational hurdles than experienced by their White counterparts. School closures and the transition to online learning have increased reliance on Internet access, generating additional challenges. Only 58% of Blacks Americans and 57% of Hispanic Americans own a laptop or computer compared to 86% of White Americans.¹⁰ Moreover, among broadband users, Blacks and Hispanics worry more about their ability to pay Internet bills than Whites.¹¹

Finally, children who experience eviction are more likely to have a special education need that qualifies for an Individualized Education Plan. Individualized Education Plans provide services to children who qualify for assistance due to having at least one qualified disability, where the impact of the disability on academic success can vary substantially.¹² On average, 15.1% of children who experienced eviction had one of these special education needs compared to 12.7% of students who were not evicted. Of students with special education needs who experienced eviction, 45.1% had learning disabilities needs compared to only 41.6% of students with special education needs who did not experience eviction.

During school closures, families of children with special education needs no longer receive the educational services on which they depend. These services include provision of childcare and the education of students, as well as mental health treatment for children with emotional and behavioral problems.¹³ The available remote learning opportunities may not optimally address some children's special needs.¹⁴ Working parents (and working mothers, in particular) must juggle a variety of tasks that were previously outsourced to schools and other caretakers.¹⁵

A Forward-Looking Approach to Housing Policy

On May 30, N.C. Governor Roy Cooper signed Executive Order 142, which prohibits utilities from shutting off during the next 60 days and evictions for the next 21 days. Renters have six months after the order ends to pay outstanding rent. These measures could benefit the health and well-being of children who are at risk for being evicted, but the protections are temporary. After protections have been lifted, vulnerable families may continue to struggle. The moratorium on evictions also places a financial burden on property owners.

There are several strategies that could be implemented to help protect vulnerable children (and in some cases, landlords). First, local court systems should educate renters and landlords about protections granted under the Executive Order. They could work with local housing advocacy organizations to ensure that tenants understand their rights. The state could provide emergency rental assistance to tenants.¹⁶ If implemented, this rental assistance could help tenants stay up-to-date on payments while protecting landlords from the financial consequences of the evictions moratorium.¹⁷

Other states and cities across the U.S. have proposed forward-looking solutions that extend well beyond the six-month protections outlined in Executive Order 142. In California, one senator proposed a plan to provide relief for renters and landlords by granting tenants 10 years to repay overdue rents directly to the state.¹⁸ Landlords would not be able to evict tenants experiencing financial hardship¹⁹ or charge late fees for overdue payments, but the state would administer tax credits to landlords equivalent to the lost rents. In Philadelphia, a recent package of proposals outlined alternative approaches such as an extended evictions moratorium, which would protect renters for two months after the emergency order has been lifted; a year-long rent repayment plan for tenants who experienced financial hardships during the crisis; an evictions diversion program to resolve disputes between renters and landlords; and rent stabilization during the pandemic and for a year afterward, among others.²⁰

Conclusion

Government officials halted evictions in N.C. as a response to the immediate COVID-19 crisis. Our research shows that an additional benefit of the moratorium is to temporarily protect children who are already at risk for negative education, health and family economic outcomes.

At the same time, long-term forward-looking housing policies are needed as Durham and N.C. begin to reopen. While Executive Order 142 is a step toward protecting the health and well-being of children at risk of eviction, a number of alternative long-term policy solutions could also be implemented, including rental assistance, an extended repayment period, or limits on rent increases. While government officials weigh the various options, local court systems should educate renters and landlords on the rights afforded to them under Executive Order 142.

19. Renters would have to provide proof of financial hardship caused by the pandemic. High-income renters would not be eligible for benefits.

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