

TRUMP ADMINISTRATION HALTS RESIDENTIAL EVICTIONS UNTIL DECEMBER 31, 2020

Yesterday, the Trump administration announced an order temporarily halting certain residential evictions until the end of the year. The eviction moratorium, which is being enacted by the Centers for Disease Control and Prevention pursuant to its authority under Section 361 of the Public Health Service Act (42 U.S.C. § 264 *et seq.*), seeks to prevent the further spread of COVID-19. The nationwide moratorium could apply to as many as 40 million residential tenants.

Despite its reach, the moratorium is not a blanket protection for all residential tenants. To qualify for protection under the moratorium, a tenant must expect to earn no more than \$99,000 this year (or no more than \$198,000 if filing a joint tax return), or not have been required to report any income in 2019 to the IRS, or have received a stimulus check under the CARES Act. Further, a tenant must provide a sworn declaration to his or her landlord indicating that (1) the tenant has used best efforts to obtain government assistance, (2) the tenant is unable to pay full rent because of a loss of household income or extraordinary medical expenses, (3) the tenant is using best efforts to make partial rent payments, and (4) eviction would cause the tenant to be homeless or live with others in close quarters.

The moratorium does not relieve a tenant of his or her obligations to pay rent, and a landlord may continue to charge applicable interest, penalties, and fees under the lease for nonpayment of rent. Landlords also may still evict tenants for reasons besides not making rent, such as criminal activity, threatening the health and safety of other tenants, damaging property, and violating other provisions under the lease. Landlords who violate the order may face criminal penalties.

The order does not apply to commercial leases, nor does it apply in any state or local area that already has a moratorium on residential evictions that provides the same or greater level of protection. Nothing in the order precludes states or local authorities from imposing additional requirements.

O'Neil Cannon remains open and ready to help you. For questions or further information relating to the eviction moratorium, or insolvency concerns relating to bankruptcy or receivership, please contact the authors of this article, attorneys [Jessica K. Haskell](#) and [Nicholas G. Chmurski](#).