

January 30, 2024

Regulations Division  
Office of General Counsel  
Department of Housing and Urban Development  
451 7th Street SW, Room 10276  
Washington, DC 20410-0500

Docket No. FR-6387-P-01

To Whom It May Concern,

### **Introduction**

The [Cities for Financial Empowerment Fund](#) (CFE Fund) writes in response to this request for comment on the Housing and Urban Development's (HUD) proposal to provide tenants residing in public housing or receiving housing assistance with at least 30 days' notice before initiating formal eviction proceedings. We write to offer some insights from our programmatic experiences with partner municipalities.

Through CFE Fund and partner pilot programs connecting municipal financial empowerment services to clients facing eviction, we found that at least 30 days of time between notice and formal eviction proceedings present the opportunity for municipal programming to engage with tenants in more coordinated efforts to sequence in critical services, such as legal aid, financial counseling, or rental assistance. For example, we specifically found that clients who engaged one-on-one with a professional financial counselor after receiving initial eviction assistance were able to achieve positive outcomes on key financial stability measures such as creating or improving credit score, reducing consumer debt, and building savings.

### **The CFE Fund**

The CFE Fund is a national nonprofit organization that has worked with over 100 cities and counties to help them implement large-scale, systemic financial empowerment initiatives for their residents, including access to safe and affordable banking accounts, one-on-one financial counseling as a public service, asset building, and consumer financial protection.

### **Our Eviction Prevention Pilot**

In response to a significant increase in housing instability caused by the COVID-19 pandemic, the CFE Fund worked with five city partners (Tulsa, OK; Lansing, MI; Sacramento, CA; Roanoke, VA; Pittsburgh, PA) to explore how their existing [Financial Empowerment Center](#) (FEC) public counseling services could integrate and support existing emergency rental assistance and eviction prevention efforts. The initiative allowed each city to design effective and streamlined referral processes from organizations that focus on addressing the immediate housing instability issues to the FEC counselors to address credit, debit, budgeting, and savings challenges that can impair housing stability. The pilot showed that:

- There are significant and tangible opportunities for stronger coordination and collective impact across key services within the current system of eviction prevention strategies.
- Programmatic strategies such as financial counseling can help sustain and build on the initial stabilizing effects of emergency housing assistance services.
- Professional financial counselors were well-positioned to provide guidance on negotiating rent repayment plans with landlords.
- Clients navigating eviction prevention services valued the ability to build an ongoing trusted relationship with financial counselors to work on their ongoing financial stability.

**Key to our insights here is that this productive service coordination benefitting both tenants and landlords could not exist without the crucial period between notice of eviction and formal eviction proceedings.** More time for clients meant more time for providers to refer clients, follow up, and create productive relationships and financially stabilizing outcomes. This window of time allowed eviction-threatened residents to see their FEC counselor and negotiate payment plans, reduce debt, build savings, create or improve credit scores, and create targeted budgeting strategies to avoid future eviction.

## Conclusion

The CFE Fund greatly appreciates the opportunity to provide our feedback on HUD's proposal. As the proposed rule correctly notes, eviction and housing instability can cause significant long-term consequences for families. From our experience, additional time and space to coordinate comprehensive services such as rental assistance, legal aid, housing and financial counseling increases the likelihood that clients will seek them out and achieve positive outcomes and reduce the risk of eviction.

Sincerely,



Jonathan Mintz  
President and Chief Executive Officer  
Cities for Financial Empowerment Fund