

Hundreds of thousands of renters at risk of losing their homes throughout the US Midwest

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There is a growing eviction crisis throughout the Midwest and across the United States with hundreds of thousands of people at risk of losing their homes. Despite a federal eviction moratorium, which is good through March 31, landlords are using alternative methods of forcing people out of rental units, such as locking them out of their homes or moving their belongings outside their dwelling. These illegal tactics make clear the toothless character of the moratorium.

The inability to pay rent is directly tied to mass unemployment that has scourged the country since March, brought on by the pandemic. The nationwide unemployment rate for January 2021 was initially reported to be 6.7 percent, but Federal Reserve Chair Jerome H. Powell confessed on February 10 that the true rate was nearly 10 percent. Large numbers of unemployed workers had been miscounted as employed. The United States lost 227,000 jobs in December and recorded a gain of only 49,000 in January.

The federal moratorium, along with state and local measures do not include any provisions for rent forgiveness, meaning that overdue payments continue to pile up putting renters who are able to remain in their homes further and further in the hole as the economic crisis drags on.

“It is only a half-measure,” Robert “Bobby” Penner of the Milwaukee Autonomous Tenants Union (MATU) told the *Wisconsin Examiner*. “Rent forgiveness and cancellation need to be on the agenda. People are accumulating thousands of dollars in back rent right now that they will be unable to pay without major government intervention when the eviction moratorium is finally allowed to expire.”

During the week of January 18, 108,808 initial unemployment claims were filed in Illinois. According to the US Bureau of Labor Statistics, unemployment increased and non-farm jobs decreased in all Illinois metropolitan areas in 2020. The largest unemployment increases were in the Chicago (8.7 percent), Decatur (8.2 percent) and Springfield (6.3 percent) metro areas. The state unemployment rate in December 2020 was 7.5 percent. The state’s economic recovery is the second worst in the nation, only behind Kansas.

The Chicago-based Metropolitan Tenants Organization has gotten over 500 calls since March concerning landlords locking out tenants. Even before the pandemic, Chicago rent prices were increasing at alarming rates, increasing the pressure on workers

living in the city. “We already knew [housing] was a crisis pre-COVID because rents were skyrocketing. This is a pot ready to burst. We need to make sure we have the system to make sure people in our community have support,” Sara Heymann of affordable housing advocacy group Little Village Unete explained to the *Chicago Sun-Times*.

A report published by Loyola University Chicago and the Lawyers’ Committee for Better Housing estimated that as many as 21,000 evictions could have been filed in the city in January if the federal moratorium had not been put into place. That is more potential evictions in one month than all that were filed in Chicago in 2019, at 18,200. The Illinois Housing Development Authority could only assist 45,600 out of 79,000 applicants for rental assistance.

At the beginning of this month, Michigan’s Unemployment Insurance Agency’s benefits website crashed. Claimants were redirected to a waiting area page when they entered their login information, which did not forward to the benefits page. Over 770 evictions have been filed in Lansing’s 54A District Court. State eviction assistance funding has been depleted, restricting aid agencies’ ability to help people unable to afford rent. Assistant director of Housing Services Mid Michigan Christie Harry told the *Lansing State Journal*, “We are anxiously awaiting more eviction prevention funding. Of course, there are talks about money coming in the future, but I don’t know when that will be and how much.”

A report by the National Anti-Eviction Project at Lawyers’ Committee for Civil Rights revealed that Minnesota would be facing 13,330 evictions if the federal eviction moratorium is allowed to expire.

The state of Missouri is demanding that unemployment benefits recipients pay back millions of dollars. Recent reports state that 46,000 people had been “overpaid” \$150 million in funds.

Missouri residents who have received letters demanding repayment of unemployment benefits are speaking out to the media. Daphne Lindsey Thomas was paid unemployment benefits for five months when the state claimed she had been overpaid. “To try to figure out how to pay \$10,000 back right now, it’s impossible,” she told KMOV4. Thomas expressed disbelief at the callousness of the state, “I just don’t believe, why would they give to you and then take it away?” Missouri governor Mike Parson has refused to issue waivers for people forced to repay benefits.

Evictions are still happening throughout the city of St. Louis despite there being a local eviction moratorium. Mary Sounders is being evicted due to a recent divorce; the courts have not decided which party gets to stay in the house. She told KMOV4 about her impending eviction, “Financially it’s ruined me, mentally it’s messed me up and physically I’m just drained.” On emptying her home, “How can you pack a house that you’ve lived in for four - five years in seven days? You can’t, it’s impossible.” Other methods of eviction include commercial cases, court-ordered evictions due to civil disputes, and incidents where properties are allegedly damaged by the resident.

Missouri’s unemployment rate increased by 1.3 percentage points to 5.8 percent in December. The increase is attributed to 70,000 people reentering the labor force throughout the year. Only those who are actively looking for work are counted in labor statistics. Currently, Missouri’s total labor pool is 25,000 people below the December 2019 rate of 3.1 million. The Missouri legislature is discussing a bill that will bar residents from suing companies, school districts and government employers over the impact of being exposed to COVID-19 at work.

In St. Louis City and St. Louis County, nearly 5,000 evictions have been filed since mid-March. Some of these have been settled through payment, but many are tied up in the courts due to local eviction moratoriums. A hotline set up by the Metropolitan St. Louis Equal Housing and Opportunity Council to help those facing eviction received over 400 calls by the end of 2020. It also takes calls about landlords locking out tenants, which increased from once a month to once a week last year.

Ohio’s unemployment rate fell from 5.7 percent in November to 5.5 percent in December. A staggering number of jobs in the state were lost over the past year: Cleveland lost 91,700 jobs, Columbus lost 70,500 jobs, and Cincinnati lost 51,500 jobs. Columbus-area nonprofit Columbus Legal Aid saw an increase in requests for aid in 2020 to 2,838, up from 2,527 in 2019. Ohio’s unemployment benefits system is insecure to the point that 796,000 out of 1.4 million 2020 pandemic assistance claims were flagged for possible fraud.

Hundreds of thousands of Indiana residents have not been paid their federal unemployment benefits since the end of 2020. The Indiana Department of Workforce Development temporarily stopped doling out benefits due to a purported lack of federal guidance on how to implement extended federal benefits. Indiana had the sixth highest rate of unemployment out of the twelve Midwest states in December.

Wisconsin saw unemployment rates as high as 15 percent in some counties in April 2020 before subsiding. The city of Milwaukee had 8.3 percent unemployment in December, Janesville had 5.5 percent, and Beloit had 5.9 percent. The state as a whole had 5.5 percent unemployment in December.

The Wisconsin Department of Workforce Development is reviewing its antiquated benefits system. DWD Secretary-designee Amy Pechacek said at a press briefing on January 27, “I had heard anecdotally about the antiquated systems, but I have to admit, I truly did not understand what DWD was dealing with until I got here.” Claimants are complaining about going months without receiving applied-for federal Pandemic Emergency Unemployment

Compensation (PEUC) and Pandemic Unemployment Assistance (PUA) benefits. It is estimated that fixing the COBOL-based computer system—originally rolled out in the 1970s—would take 3-5 years and cost up to \$90 million.

More than 1,300 eviction filings went through Milwaukee metropolitan area courts in August 2020.

Nebraska had nearly 20,000 fewer jobs in December 2020 than December 2019. The *Lincoln Journal Star* reported on the eviction troubles of 52-year-old Heide Massato, diagnosed with multiple sclerosis, and her 25 year-old daughter. When they were forced to move from the duplex they were staying in after their landlord’s death into an apartment in July 2020, they consolidated their bank accounts to keep better track of their finances. The consolidation caused a glitch where Massato’s \$750 disability check and her \$950 Social Security widow’s benefit check failed to deposit for August. It took two months for the checks to be deposited. The apartment managers demanded that the family pay \$3,141.91 in back rent in full immediately. The company filed eviction proceedings in court in December that were finalized on the end of the month. Massato and her daughter currently rely on the generosity of local friends to get by. With poor credit and the eviction on their records, finding a place to rent in the future will be difficult.

Renters are now being told that in order to invoke the federal eviction moratorium, they must present their landlord with a signed declaration stating their inability to pay rent. “I thought it was like a blanket coverage that would stop eviction,” said Massato. Lincoln Commission on Human Rights director Mindy Rush Chipman explained to the *Journal Star*, “There’s a misconception that people are protected right now because we’re in a global pandemic and people have heard the word ‘moratorium.’ In reality, the moratorium only protects certain types of eviction proceedings, and the tenant has to know the declaration is required.”

The state of Kansas shut down its unemployment system on the weekend of January 30 to stop thousands of alleged fraud cases, meaning delayed benefit payments for existing claimants and the inability of new claimants to file for benefits.

The Iowa Workforce Development department is also pausing PEUC and PUA benefits payments to claimants until it upgrades its unemployment systems. Those who were receiving benefits on or before December 27, 2020 will continue to get them, while those who applied or exhausted their state benefits after that date will not receive assistance.



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