



July 31, 2023

The Honorable Sandra Thompson  
Federal Housing Finance Agency  
Washington, D.C.  
Director Thompson,

Thank you for the opportunity to provide feedback on the Federal Housing Finance Agency (FHFA) Request for Information on tenant protections.

My name is Andrew Bradley, and I am Policy Director for Prosperity Indiana, our state's association for community economic development, representing nearly 200 CED organizations and the low- and moderate-income Hoosiers that they serve. I am also a member of the Board of Directors of the National Low Income Housing Coalition a non-profit organization dedicated to ending America's affordable housing crisis, of which Prosperity Indiana is a State & Tribal Partner.

Thank you for the opportunity to provide feedback on the Federal Housing Finance Agency (FHFA) Request for Information on tenant protections. I am writing to share my experiences advocating for safe, healthy, and affordable housing in Indiana, experiences which cause me to urge FHFA to take bold action to create clear, strong, and enforceable renter protections for households living in rental properties with federally backed mortgages. As I will detail in the data and examples in this comment, the dire housing stability and affordability crisis in Indiana caused in part by a lack of state-level tenant protections, makes it all the more urgent that the federal government to use any and all policy levers available to keep Hoosier and American families stably housed, including the tenant protections covered by FHFA's RFI.

Given the broad reach of FHFA's work, any renter protections created by FHFA should cover a significant share of renters across the nation and put America on a pathway towards stronger protections for all renters. Federal renter protections are critically needed to address the power imbalance between landlords and renters that puts renters at greater risk of housing instability, harassment, and homelessness and fuels racial and gender inequity.



To help ensure greater housing stability, FHFA should create new renter protections for households living in properties with federally backed mortgages, including:

1. Source of income protections to prohibit landlords from discriminating against households receiving rental housing assistance such as Section 8 Housing Choice Vouchers, or Supplemental Security Income (SSI), or local rental assistance, so that families can have greater choice about where to live.
2. “Just cause” eviction standards, which limit the causes for which a landlord can evict a tenant or refuse to renew a tenant’s lease when the tenant is not at fault or in violation of any law.
3. Rent gouging protections to stop landlords from dramatically and unreasonably raising rents.
4. Requirements to ensure housing is safe, decent, accessible, and healthy for renters and their families.

The experience of Prosperity Indiana and our statewide network of community economic development members demonstrates what happens in communities without strong, enforceable tenant protections. Unfortunately for Hoosiers, their communities, and the organizations who serve them, our state has a severe lack of tenant protection policies, resulting in a low rate of affordable and available housing, a high rate of severe housing cost burden, and among the largest rates of evictions filed and housing instability in the Midwest and the nation.

According to a 2023 [report](#) by the Indiana University McKinney Law School, Indiana is one of only six states nationwide without state laws to provide public enforcement of habitability standards, including court-based rent escrow or allowing tenants to ‘repair and deduct’ when faced with violations of health and safety standards. This lack of state-level tenant protection policies creates a perverse incentive for bad-actor landlords to not repair issues like those reported to Prosperity Indiana by Penny D. in Madison and Alex B. in Evansville, Indiana. Instead, too many landlords simply use Indiana’s all-too-easy eviction laws to simply push out tenants who complain of poor conditions, and bring in a new crop of tenants, and thus the vicious cycle of a lack of tenant protections leading to evictions and back continues. These are the kinds of calls that Prosperity Indiana receives every day through our Housing4Hoosiers.org site that highlight the need for increased federal action to relieve the pressure on an artificially depleted supply of safe and stable housing in Indiana.

Indiana’s lack of tenant protection laws was exemplified again just this last week when a Prosperity Indiana member reached out to ask for assistance for a client in Knox County whose

family’s rental unit was inundated with raw sewage, but that when they contacted the landlord and then the local health department for assistance, the landlord demanded they leave the unit in less than week. This demand was made worse by the fact that the family was dealing with a child’s health issue that required them to travel to a children’s hospital over an hour away throughout the week in question.

🗨️ Johniton S. apt. 2 has dealt with black mold for 5 or 6 yrs in his bathroom. It is so bad that the walls are going to have to be replaced. He suffers from lung issues and can barely breath sometimes. He has had to go without a stove for 3 weeks or more, has now been without a refrigerator since it was reported on June 14th, 2020. Went all winter without heat. 🗨️

SUBMITTED BY PENNY D. & FELLOW  
TENANTS  
Madison, IN



Learn more at [housing4hoosiers.org](http://housing4hoosiers.org)

**#Housing4Hoosiers**



🗨️ Imagine working over 40 hours a week and only being able to afford to live in an apartment complex with your family that has crime, mold, and missing windows. How can any of us be okay with families paying almost \$800 to live in conditions like what is pictured? 🗨️

SUBMITTED BY ALEX B.  
Evansville, IN



Learn more at [housing4hoosiers.org](http://housing4hoosiers.org)

**#Housing4Hoosiers**





As a 2023 [report](#) from the Law School at the University of Notre Dame concludes, in Indiana “the way the eviction laws work in practice magnify the inequality between landlords and renters. Renters may be evicted for nearly any violation of their lease obligations, while landlords often violate their obligation to provide habitable homes with impunity.”

The need in Indiana for robust FHFA tenant protections is apparent not only from the lack of state-level protections, but also in the state-level preemption of local-level tenant protections and housing affordability options. According to a 2022 [article](#) published in the *Urban Studies* journal, Indiana is the only state in the nation in which state law preempts local solutions on inclusionary zoning, rent control, short-term rentals, and source of income protections. In addition, a [fact sheet](#) published by the fact sheet from Local Solutions Support Center and Public Rights Project found that “Indiana is now more stringent in preempting landlord-tenant relations” than many peer states in the Midwest and even the South following the passage of SEA 148 by the Indiana General Assembly in 2021. The fact sheet notes that the bill “amended Indiana statutes on a number of housing-related issues, including preempting localities from adopting ordinances on foundation and size requirements for manufactured homes and preempting local ordinances regulating retaliatory acts by landlords” and “prevented counties, municipalities, and townships from passing ordinances that regulate... an enumerated list of landlord-tenant issues such as leasing terms, applications, [and] disclosures”.

The result of the lack of state-level tenant protections, and the preemption of local solutions, contributes to Indiana having an artificially low level of affordable and available housing, an inflated rate of severe housing cost burden needed to afford the remaining stock, and a resulting housing instability crisis demonstrated by eviction rates that are among the highest in the nation. According to ‘The Gap: 2023 - Indiana’ [report](#) co-released by Prosperity Indiana and the National Low Income Housing Coalition, Indiana’s rate of 39 affordable and available rental units for every 100 extremely low income (ELI) renter households is lower than average among Midwest states. In addition, 71% of Hoosier ELI households are severely cost burdened, meaning they pay more than half of their income on housing. This rate is also higher than average among Midwest states. The connection between the lack of affordable housing and Indiana’s policy choices regarding tenant protections such as source of income protections, just cause eviction policies, rent gouging prohibitions, and enforcement of habitability standards not only increasingly sets the state apart from peers, but necessitates action by FHFA in order to protect the 30% of Hoosiers who rent their homes.

# 2023 INDIANA HOUSING PROFILE

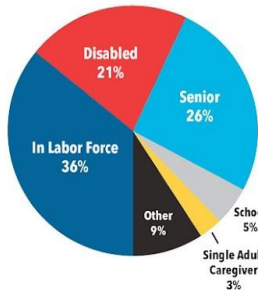


Across Indiana, there is a shortage of rental homes affordable and available to extremely low income households (ELI), whose incomes are at or below the poverty guideline or 30% of their area median income (AMI). Many of these households are severely cost burdened, spending more than half of their income on housing. Severely cost burdened poor households are more likely than other renters to sacrifice other necessities like healthy food and healthcare to pay the rent, and to experience unstable housing situations like evictions.

**SENATORS:** Todd Young and Mike Braun

<b>KEY FACTS</b>	<b>199,050</b> OR <b>26%</b>	<b>-120,796</b>	<b>\$26,500</b>	<b>\$35,299</b>	<b>71%</b>
	Renter Households that are extremely low income	Shortage of rental homes affordable and available for extremely low income renters	Maximum income of 4-person extremely low income households (state level)	Annual household income needed to afford a two-bedroom rental home at HUD's Fair Market Rent.	Percent of extremely low income renter households with severe cost burden

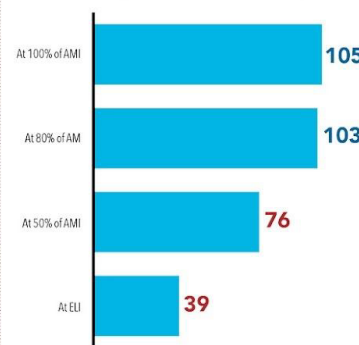
**EXTREMELY LOW INCOME RENTER HOUSEHOLDS**



**Note:** Mutually exclusive categories applied in the following order: senior, disabled, in labor force, enrolled in school, single adult caregiver of a child under 7 or of a household member with a disability, and other. Nationally, more than 13% of extremely low-income renters are single-adult caregivers, one-quarter of whom work at least 40 hours per week, and another 24% typically work between 20 and 39 hours per week. Ten percent of extremely low-income renter householders are enrolled in school, 47% of whom usually work at least 20 hours per week. Source: 2021 ACS PUMS.

Updated: 03/12/2023  
1000 Vermont Avenue, NW, Suite 500, Washington, DC 20005

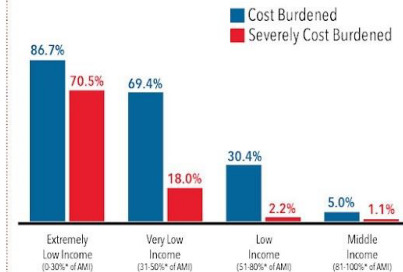
**AFFORDABLE AND AVAILABLE HOMES PER 100 RENTER HOUSEHOLDS**



Source: 2021 ACS PUMS.

[WWW.NLIHC.ORG](http://WWW.NLIHC.ORG)

**HOUSING COST BURDEN BY INCOME GROUP**



**Note:** Renter households spending more than 30% of their income on housing costs and utilities are cost burdened; those spending more than half of their income are severely cost burdened. Source: 2021 ACS PUMS.

Extremely Low Income = 0-30%\* of AMI  
Low Income = 51-80% of AMI  
Very Low Income = 31%-50% of AMI  
Middle Income = 81%-100% of AMI  
**Note:** \*Or poverty guideline, if higher.

Hoosiers need strengthened FHFA tenant protections because the results of a lack of tenant protection policies in Indiana include not only high eviction and housing instability rates, but also damaged health, education, and workforce outcomes for Hoosier families. According to Princeton University's EvictionLab, even before the pandemic, three Indiana cities (Fort Wayne, Indianapolis, and South Bend) were among the [Top 20](#) nationwide for the highest eviction rate. In addition, Indianapolis was [second only](#) to New York City in the number of raw evictions per year, despite being the 15<sup>th</sup> largest city in the nation. Over just the past year, Indiana has seen 74,719 evictions filed, or one for every 10 renter households. This is the highest eviction filing rate among Midwest states [tracked](#) by EvictionLab, and a rate that has now exceeded pre-pandemic averages.



## INDIANA

There are 774,845 renter households in Indiana, paying a typical rent of \$905 per month. If a landlord chooses to file an eviction, they need to provide their tenants with at least ten days notice (in some cases more) and pay a \$100 filing fee on average to the courts.<sup>1</sup>

The state of Indiana implemented an eviction moratorium that ran from March 19 to August 14, 2020. Filings spiked immediately after that moratorium lifted.

Additional information is available on eviction filing patterns in [Indianapolis](#) and [South Bend](#).

<sup>1</sup> Data on renter population and median rent drawn from the American Community Survey (ACS). Details of the eviction process from [the LSC Eviction Laws Database](#).

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### FILING COUNTS

**186,780**

filings since 3/15/2020

**78%** of average ⓘ

**74,719**

filings in the past year

**103%** of average ⓘ

**6,765**

filings in the past month

**101%** of average ⓘ

### FILING RATES OVER THE PAST YEAR

**10%**

eviction filing rate ⓘ

**7%**

households threatened rate ⓘ

**20%**

serial filing rate ⓘ

## Trends in eviction filings

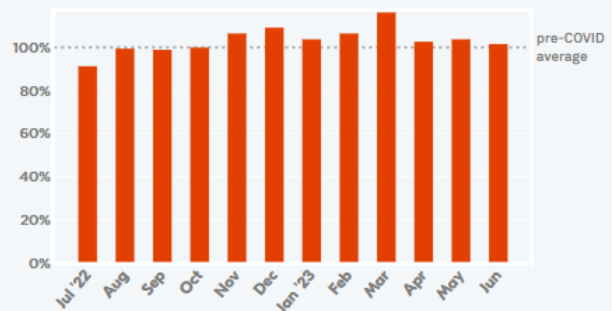
This plot shows monthly eviction filings in Indiana over the last year. Filings are displayed relative to the pre-pandemic average for the same set of months. You can toggle the plot to display filing counts and to extend the time frame back to January 2020.<sup>1</sup>

**FILINGS THIS YEAR**  
relative to average

[Get the data](#) for this figure

<sup>1</sup> Eviction filing data for Indiana were collected by [LSC](#). Historical averages cover the years 2016-2019.

MONTHLY EVICTION FILINGS RELATIVE TO AVERAGE



FILING COUNTS **VS. AVERAGE** PAST YEAR SINCE 01/2020

Indiana's lack of tenant protections contributes not only to past outcomes but to an ongoing crisis of housing instability in Indiana. The most recent [analysis](#) from PolicyLink's Rent Debt Dashboard finds that 77,000 Hoosier households continue to be at risk of eviction, with 89,000 children in those households.



While Indiana’s lack of tenant protection policies most directly affect the families of the many thousands of households who suffer evictions and homelessness, the damage extends to non-renter households and indeed the entire state population and economy. A [study](#) by the University of Notre Dame’s Student Policy Network in 2022 found that “housing quality is a known social determinant of health, and continued neglect to property can have significant impacts on the health of tenants. With adverse effects to childhood development, disease, and even crime rates coming from a lack of housing habitability, the state must ensure that basic habitability standards are met in landlord-owned properties. This section will present evidence as to the positive correlation between substandard housing lead poisoning, infectious diseases, and adverse mental health outcomes, while explaining the devastating impacts of each effect.”

State-level policies and outcomes like these are why Prosperity Indiana urges FHFA to take bold action to implement mandatory, standardized protections – paired with strong enforcement – for all households living in properties with federally backed mortgages, including larger developments and smaller properties. FHFA must continue to engage tenants and directly impacted people throughout its process of establishing and implementing renter protections, and protections must be centered on racial and social equity as explicit goals. These protections – along with to large-scale, sustained investments and anti-racist reforms – are necessary to ensure that everyone, including the lowest-income and most marginalized renters, have a safe, quality, affordable, and accessible place to call home.

Sincerely,

Andrew Bradley  
Policy Director  
Prosperity Indiana