

Household Rental Debt During COVID-19: UPDATE FOR AUGUST 2021

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This research update provides new estimates of rental debt that households have accrued because of job loss or involuntary part-time work during the COVID-19 pandemic. The purpose of this update is to provide national and state stakeholders with updated estimates of pandemic-related rental debt as we approach the end of the national eviction moratorium implemented by the Centers for Disease Control and Prevention (CDC).¹ These estimates should be interpreted as the amount of rental debt existing prior to the distribution of emergency rental assistance.²

Our methodology and data sources are described in detail in the original report from October 2020 (Reed and Divringi, 2020) and the updated report from March 2021 (Reed and Divringi, 2021). The estimates provided here reflect updated employment and part-time work data for January 2021 through June 2021 and incorporate the major federal policies described in the March 2021 report. They do not incorporate more recent policy changes, such as states' early ending of unemployment insurance supplements, advance payments from the Child Tax Credit, or emergency rental assistance programs, including the \$45 billion in funding from the American Rescue Plan that state and local governments are in the process of distributing.

¹ At time of writing, the CDC's national eviction moratorium is slated to end on July 31, 2021.

² Rental debt includes both contract rent debt and utility debt.

The major caveats to these estimates are that we do not incorporate late fees or penalties on back rent owed, rental debt that is unrelated to COVID-19 income losses (such as rental debt that existed before the pandemic), or other financial hardships related to rental debt, such as increased borrowing to meet rent payments.³

References

Reed, Davin and Eileen Divringi. *Household Rental Debt During COVID-19*. Philadelphia: Federal Reserve Bank of Philadelphia (2020). Available at www.philadelphiafed.org/community-development/housing-and-neighborhoods/household-rental-debt-during-covid-19.

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³ See Reed, Divringi, and Akana (2021) for details about these other adjustment margins.

TABLE 1: National Rental Debt Estimates by Month

	Share of Renter Households in Debt	Millions of Renter Households in Debt	Billions of Dollars of Debt	Average Debt if Any
August 2021	5.8	1.95	15.3	7,800
September 2021	5.8	1.96	16.0	8,200
October 2021	5.9	1.97	16.8	8,500
November 2021	5.9	1.99	17.7	8,900
December 2021	6.0	2.00	18.6	9,300

Note: Methodology and data details are available in Reed and Divringi (2020, 2021).

TABLE 2: State Rental Debt Estimates for August 2021

State	Share of Renter Households in Debt	Thousands of Renter Households in Debt	Millions of Dollars of Debt	Average Debt if Any
AK	2.2	1.4	20	14,100
AL	6.7	29.0	169	5,800
AR	5.7	17.2	91	5,300
AZ	5.9	43.9	292	6,600
CA	6.6	310.3	3,545	11,400
CO	4.6	27.7	209	7,500
CT	6.3	22.2	166	7,500
DE	7.7	6.2	52	8,400
FL	7.9	171.9	1,531	8,900
GA	4.9	53.6	348	6,500
HI	7.7	11.0	146	13,300
IA	5.6	16.0	78	4,900
ID	5.2	7.2	46	6,400
IL	6.6	83.7	618	7,400
IN	4.3	27.8	136	4,900
KS	4.9	15.1	78	5,100
KY	4.7	18.6	95	5,100
LA	7.0	31.5	233	7,400
MA	6.1	43.2	395	9,100
MD	5.2	30.5	243	8,000
ME	4.5	5.5	40	7,200
MI	5.5	43.7	230	5,300
MN	4.7	21.1	115	5,500
MO	3.8	22.7	89	3,900
MS	5.0	11.7	56	4,800
MT	5.4	5.0	24	4,800

Note: Methodology and data details are available in Reed and Divringi (2020, 2021).

TABLE 2: State Rental Debt Estimates for August 2021

State	Share of Renter Households in Debt	Thousands of Renter Households in Debt	Millions of Dollars of Debt	Average Debt if Any
NC	5.9	61.9	378	6,100
ND	4.7	4.6	28	6,100
NE	5.1	9.9	45	4,500
NH	3.9	4.3	30	7,100
NJ	4.7	44.0	384	8,700
NM	4.8	9.2	65	7,000
NV	7.0	26.7	255	9,500
NY	6.1	155.6	1,429	9,200
OH	5.0	58.5	301	5,100
OK	6.9	26.4	143	5,400
OR	7.0	32.6	272	8,300
PA	5.3	60.0	412	6,900
RI	3.2	3.4	25	7,200
SC	5.4	23.8	138	5,800
SD	2.6	2.5	9	3,500
TN	5.7	37.9	197	5,200
TX	5.7	174.9	1,207	6,900
UT	4.8	12.7	92	7,200
VA	4.6	38.7	267	6,900
VT	6.1	3.1	19	6,100
WA	5.0	40.7	340	8,300
WI	4.4	24.9	105	4,200
WV	4.8	6.6	46	6,900
WY	12.7	6.1	35	5,800

Note: Methodology and data details are available in Reed and Divringi (2020, 2021).