

CalRHA 2020 Housing Legislation



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With the Legislature back in session, and a full plate of issues to tackle, life in California's capitol has been busy, albeit in a socially distanced manner. Both houses of the Legislature recommenced committee hearings to hear and pass a much smaller bill load than what was introduced at the beginning of the year. Leadership of both houses have indicated that only top priority bills addressing COVID-19 or the most pressing issues in the state will be considered this year, and housing certainly falls under one of the most pressing issues. On June 3rd, the Assembly Appropriations Committee held their Suspense hearing to consider bills that have a high fiscal impact to the state. Given the budget deficit that the state is currently in, a number of bills were held which further reduced the overall total of bills that are still making their way through the legislative process. The Senate Appropriations Committee will hold their Suspense hearing on Tuesday on June 18th.

While many bills, including multiple housing bills passed off of the Assembly Appropriations Suspense file, CalRHA did see a significant win. **AB 2406** authored by Assemblymember Buffy Wicks was held in that committee and is now dead for the year. This bill would have required all property owners who accept any federal or state funds related to COVID-19 to provide very specific information to an online rental registry portal. A similar bill failed last year and CalRHA opposed **AB 2406** this year from the beginning and was instrumental in killing it.



Assemblymember
Buffy Wicks

In response to the COVID-19 pandemic, another bill was substantively amended to provide options and assistance to tenants in the state, however, it is strongly opposed by property owners. Assemblymember David Chiu (who is the Chair of the Assembly Housing Committee and the author of last year's rent control bill, AB 1482), substantively amended a bill that is currently in the Senate. **AB 1436** would provide tenants who do not pay rent during the COVID-19 state

of Emergency 15 months to repay back owed rent after the state of emergency is lifted. In addition, property owners would be prohibited from evicting tenants who fail to repay owed rent after the 15-month repayment period, however, they would be authorized to bring civil suit against the tenant. This bill is objectionable for a multitude of reasons. First, many property owners are unable to absorb a financial hit of this magnitude. There is also little to no recourse for those who do not repay the owed rent after the 15-month period has expired. Without the ability to evict these tenants, property owners will have to wade through lengthy civil litigation in order to recuperate what is theirs. Lastly, it is unclear how long this state of emergency will last, which means tenants could refuse to pay rent for months. CalRHA is actively working in opposition to this bill to stop it this year.



Assemblymember
Phil Ting

SB 1410 which was previously authored by Senator Lena Gonzalez, but has since been amended to now make Senator Anna Caballero the lead author. This bill would establish the COVID-19 Rental Assistance Program which would provide up to 80% of the amount rent owed. Property owners would be authorized to participate in this program, however, if they do choose to participate they then forgo their right to recuperate the remaining 20% of rent. While CalRHA has long advocated for a renter's assistance program, we believe that this bill should be amended to add means testing in order to determine those who receive the funding. By adding means testing we will ensure that assistance is given to those who need it most. This bill is currently on the Senate Appropriations Suspense file and will be decided on June 18th.



Senator Anna Caballero

On May 20th, Senate Democrats introduced a package of bills to address the state's housing crisis. Senate Pro Tem Toni Atkins, along with Senators Wiener, Skinner, and Caballero sent out a press release describing the bills that they have amended to make up this package.



Senate Pro Tem
Toni Atkins

These bills are listed below:

SB 902 (Wiener) – This allows local governments to pass a zoning ordinance that is not subject of CEQA for projects with up to 10 units and are located in transit-rich and job-rich areas.

SB 995 (Atkins) – This expands the application of streamlining CEQA for housing projects that consist of at least 15% of affordable housing.

SB 1085 (Skinner) – This would increase incentives to developers by enhancing the existing Density Bonus Law.

SB 1120 (Atkins) – This would encourage small scale neighborhood development by streamlining the process to create a duplex.

SB 1385 (Caballero) – This would unlock existing land that has been zoned for office and retail use and authorize it to be used for housing.

In addition to legislative activity, the Assembly and Senate Budget Committees, along with the Governor have worked diligently to develop the state's budget. The Department



of Finance has estimated that the state faces a budget shortfall of nearly \$54.3 billion due to the impacts that COVID-19 and the statewide shelter in place ordinance have had on the economy. Given this shortfall the Governor proposed cuts to a number of programs in his May Revision of the Budget, and the Legislative Budget Chairs and the Governor have continued negotiations on where cuts should be made and what programs should continue to be funded. The Legislature is constitutionally required to pass the state budget by June 15th, but negotiations will continue beyond that date. We expect a number of cleanup bills to be introduced that will help implement the state budget as we gain a better understanding of the state's financial position.

Though the COVID-19 pandemic has caused the Legislature to reevaluate and adjust how they conduct business this year, a lot is still happening in Sacramento. We expect the Legislature will continue to address key issues that face the state and housing will remain a priority for both the Legislature and the Governor. CalRHA will continue to advocate for thoughtful legislative solutions to the housing crisis amidst the COVID-19 pandemic.

Welcome New Members

*Glen Serbin, Bryan Friedman,
Paulette Jensen, Emerson Sekban*

Happy
4th of July
INDEPENDENCE DAY