# CalRHA Legislative Updates



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# **Eviction Moratorium Extension**

Over the last month, CalRHA participated in negotiations with the Legislature during their consideration of extending the eviction moratorium



beyond the sunset of March 31, 2022. They were considering extending the eviction moratorium through the end of August.



CA Assemblyperson Tim Grayson

In the end, the deal was amended into AB2179 (Grayson). The bill extends for three more months, through June 30, 2022, two components of AB832: (1) protections against eviction for nonpayment of rent, but only in cases where an application for emergency rental assistance to cover the unpaid rent was pending as of

March 31, 2022; and (2) pre-emption of additional local protections against eviction for nonpayment of rent that were not in place on August 19, 2020. This preemption includes the local eviction moratoriums for Covid-19 related nonpayment of rent in: Los Angeles County, San Francisco, Fresno, etc. The bill passed the Legislature and was signed into law last week. CalRHA voiced opposition to the bill due to its impact on rental housing providers who have been providing housing in California, oftentimes with no rent, nor any rent assistance. Immediately following enactment, the Attorney General posted the following statement, reminding tenants of the protection.

Press Release Friday, 4/1/2022
OAKLAND - California Attorney
General Rob Bonta today
issued a consumer alert
reminding California's tenants
of their rights and protections
under state law. Attorney
General Bonta provides the
following information to help
Californians understand the



CA Attorney General Rob Bonta

protections in place as of April 1, 2022. More information and resources can be found at *oag.ca.gov/consumers/covid-19*. In addition to statewide protections, some cities and counties have additional rental protections, including limits on rent increases and requiring just cause for evictions. Californians should check what protections are in place where they live.

"Hardworking California families are struggling to keep up with the rising cost of living, and for many, the pandemic has only made their financial situation more precarious," said Attorney General Bonta. "While some eviction protections expired yesterday, tenants still have a number of rights under California law and those who have applied and are waiting for COVID-19 rent relief continue to be protected against eviction. I urge all Californians to know your rights, and seek legal aid if you are being threatened with eviction."

Attorney General Bonta recognizes that many families across the state are still facing difficulty affording rent as the result of layoffs, reduced working hours, and other impacts of COVID-19-related economic shock. While many protections specific to the COVID-19 pandemic have expired, some have been extended and there are still other protections in place against high rent increases and some types of evictions.

Tenants should make every effort to pay their rent in full in order to avoid eviction. This is true even if you have applied for COVID-19 government rental assistance for rent you owe for earlier months. If you cannot afford your rent, or if you are being threatened with eviction, you should seek legal advice right away. To find a legal aid office near where you live, please visit www.LawHelpCA.org.

Tenant Protections Related to COVID-19: Tenants have limited protections related to COVID-19. Even if you think these protections apply to you, if you receive an eviction lawsuit, don't ignore it! It is very important that you respond to the eviction case immediately.

 If you owe rent that was due after March 31, 2022, your landlord can file an eviction case against you. You should pay this rent immediately if you get a "three-day notice to pay rent or quit."

- If you owe rent that was due between October 1, 2021 and March 31, 2022, and if you applied for rental assistance before March 31, 2022, your landlord should not be able to file an eviction case against you until July 1, 2022. Notify your landlord in writing that you have applied for rental assistance.
  - Your landlord can file an eviction case against you if you did not apply for rental assistance by March 31, 2022 or if your application was denied.
- If you owe rent that was due between March 1 and August 31, 2020, and if you submitted this declaration to your landlord, your landlord should not be able to evict you for that unpaid rent. The declaration requires you to confirm that you can't pay your full rent because of COVID-19. If you never sent this declaration to your landlord, send it now and save a copy.
- If you were unable to pay rent that was due between September 1, 2020 and September 30, 2021, your landlord will never be able to evict you for that unpaid rent if you submitted this declaration to your landlord and you paid at least 25% of your September 2020 to September 2021 rent by September 30, 2021. The declaration requires you to confirm that you can't pay your full rent because of COVID-19.
- If you are in an eviction case about rent that accrued because of COVID-19 and you are approved for governmental rental assistance, you can ask the court to pause your eviction case while you are waiting for the rental assistance to pay your rent. If the rental assistance does not cover all the rent you owe, you will need to pay the rest to your landlord. Once your landlord receives all the rent you owe, you can ask the court to dismiss the eviction case so you can stay in your home.
- Tenants with disabilities are entitled to additional protections. For more information, please visit <a href="https://www.dfeh.ca.gov/housing/">https://www.dfeh.ca.gov/housing/</a>.

Landlords should be aware of the following requirements relating to evictions during the COVID-19 pandemic:

• The Tenant Relief Act and COVID-19 Rental Housing Recovery Act make big changes to the rules for notices to quit and eviction cases. Landlords must follow all these rules. For example, when serving a tenant a notice for unpaid rent or other charges for certain periods of time, landlords must also provide a blank hardship declaration form to notify the landlord that the tenant cannot afford the rent because of COVID-19.  A landlord who received a declaration from a tenant that he or she cannot pay rent, including due to COVID-19-related



hardship, may be prohibited from taking action to evict that tenant.

- Landlords may be required to seek government rental assistance before bringing an eviction case to court based on nonpayment of rent or other charges.
- Tenants who cannot pay the full rent due because of COVID-19 have the right to avoid eviction by paying 25% of the rent due between September 1, 2020 and September 30, 2021. Landlords should not try to get around this tenant protection by applying payments to a prior time period.
- Landlords should not try to evict tenants for breaking their lease agreements to get around COVID-related tenant protections. The law requires that a lease violation be "substantial" or "material" in order to evict a tenant. Many technical lease violations are not substantial enough to evict a tenant, and landlords should not attempt to do so.

### **Statewide Rent Caps and Eviction Protections:**

In 2019, California enacted the Tenant Protection Act (AB 1482), which created significant new protections for most tenants, including the following:

- <u>Limits on Rent Increases</u>: The Tenant Protection Act caps rent increases for most tenants in California. Landlords cannot raise rent annually more than 5% plus inflation according to the regional Consumer Price Index, for a maximum increase of 10% each year. If a tenant moves out, the landlord is free to charge any rent for the next tenant who moves in.
- Just Cause: The Tenant Protection Act also creates new statewide eviction protections for tenants who have been living in their units for at least a year. The law sets out two kinds of evictions: "at fault" evictions and "no fault" evictions. At fault evictions include, for example, nonpayment of rent, criminal activity on the premises, and refusal to allow lawful entry. No fault evictions include, for example, owner move-in, substantial rehabilitation or remodel, intent to demolish the unit, and withdrawal of the unit from the rental market. Landlords can only evict a tenant for one of the reasons listed here <a href="https://oag.ca.gov/consumers/covid-19#tenants">https://oag.ca.gov/consumers/covid-19#tenants</a>). Some of these reasons have specific

• requirements. Lying about the reason for evicting a tenant is illegal.

#### Other Landlord Responsibilities:

Landlords and those who act on their behalf, such as property managers and attorneys, are responsible for complying with all state and local laws, including:

- Landlords are responsible by law for keeping tenants' units safe and habitable.
- Landlords may not retaliate against tenants for exercising their rights.
- It is illegal to try to "evict" a tenant by locking them out, shutting off the water or electricity, or removing their personal property. The only lawful way to evict a tenant is to file a case in court. A "self-help" lockout is a serious offense and can result in major legal consequences, including law enforcement action or a private court case by the tenant.
- Any landlord planning an owner move-in or a relative move-in for their rental unit must act truthfully and in good faith and only proceed in circumstances that comply with all state and local requirements. Similarly, landlords must act truthfully when evicting a tenant to conduct a substantial remodel of a unit. Landlords should be aware that there may be special protections for protected groups such as senior tenants.
- Landlords should also be aware that price gouging protections in place due to ongoing states of emergency, including protections under city or county price gouging ordinances and as a result of local emergency proclamations, may apply to rental housing, effectively limiting rent increases. Likewise, in addition to statutory statewide rental protections, many cities and counties have enacted additional rental protections, including rent stabilization and just cause eviction ordinances.

Attorney General Bonta is committed to advancing housing access, affordability, and equity in California. In November, the Attorney General announced the creation of a Housing Strike Force within the California Department of Justice and launched a Housing Portal on DOJ's website with resources and information for California homeowners and tenants. The Housing Strike Force is actively monitoring compliance with state housing laws, and recently sent letters notifying Woodside and Pasadena of violation of SB 9 and Encinitas of violations of state housing laws relating to its rejection of a proposed mixed use development project.

The Housing Strike Force also secured a \$3.5 million judgment against Wedgewood that resolved allegations that the company was unlawfully evicting tenants from properties purchased at foreclosure sales. Most recently, the Housing Strike Force sent warning letters to 91 law firms across the state that represent landlords in eviction cases after being notified that some firms and their clients may have violated the law.

The Housing Strike Force encourages Californians to send complaints or tips related to housing to housing@doj.ca.gov. Information on legal aid in your area is available at *lawhelpca.org*.

(End Attorney General's statement)

# Legislative Update

Policy committee hearings have been proceeding. Notably, the Wicks vaccine mandate, AB 1993, was pulled by the author and is no longer moving this year. Additionally, several bills have been amended and are now priority bills, including, but not limited to, a bill to create a \$500 excise tax, a new Ellis Act bill, and TOPA legislation. It is safe to say we are facing more onerous bills this year than over the last few years. It promises to be a busy year indeed.

Below, please find several key bills that CalRHA has been engaged on to date

- AB 916 (Salas) Sponsored ADU Bill SUPPORT
   Pending in Senate
- AB 1710 (Lee) Light pollution Would circumvent the Building Standards Commission and seek to legislate residential and light emitting diodes (LED) that create "light pollution" at night OPPOSED
- AB 1738 (Boerner Horvath) EV Charging stations - Would require mandatory building standards for the installation of electric vehicle charging stations existing multifamily dwellings - OPPOSED
- AB 1721 (Rodriguez) Seismic Retrofit Funding for Softstory Multifamily Housing - SUPPORT -Passed Assembly Emergency Management Committee
- AB 1738 (Boerner Horvath) EV Charging Station Mandate in Existing Buildings - OPPOSED
- AB 1771 (Ward) 25% Transfer Tax OPPOSED
- AB 1791 (Nazarian) \$500 Excise Tax on Residential Units OPPOSED
- AB 1858 (Quirk-Silva) Substandard Buildings -Would include violation of municipal codes and specify that. Would authorize a court to order a different amount of relocation compensation

based on equity in order to adequately compensate a tenant for relocation costs and temporary living expenses during the repairs. - OPPOSED

- AB 2021 (Wicks) Property Tax Sales to Nonprofits: First Right of Refusal - OPPOSED
- AB 2050 (Lee) Ellis Act Is a reintroduction of the Ellis Act bill killed earlier this year on the Assembly Floor - OPPOSED
- AB 2053 (Lee) Social Housing Act Creates the Social Housing Act and would establish the quasi-governmental authority, California Housing Authority, to produce and acquire social housing developments for the purpose of eliminating the gap between housing production and regional housing needs. - OPPOSED
- AB 2203 (Rivas) Credit Report in Rental Housing Application - Would prohibit requiring a consumer credit report - as part of the application process for a rental housing accommodation in instances where there is a government rent subsidy. - OPPOSED
- AB 2290 (Carillo) Unlawful Detainer Cases -Would limit access to records and require reporting - OPPOSED
- AB 2383 (Jones Sawyer) Ban the Box in Rental Applications - Would make it a discriminatory housing practice for the owner of a rental housing accommodation to inquire about, or require an applicant for a rental housing accommodation to disclose, a criminal record during the initial application assessment phase. -OPPOSED
- AB 2469 (Wicks) Rent Registry Would create a rent registry to collect information from landlords including, the address and owners of a rental property, the number and type of rooms in the rental property, and information related to the payments collected and the duration of tenancies. - OPPOSED
- AB 2710 (Kalra) Tenant Opportunity to Purchase Act - OPPOSED
- AB 2713 (Wicks, Bloom, and Grayson) This bill would revise owner occupy just-cause termination to good faith intent to occupy by the owner or owner's spouse, domestic partner, children, grandchildren, parents, or grandparents for at least 3 consecutive years. The bill would prohibit an owner from terminating a tenancy if the owner or relative already occupies a unit at the property or if there is a vacancy at the property. OPPOSED



image senate.ca.gov

#### Senate Bills

- SB 843 (Glazer) Renter's Tax Credit SUP-PORT - Passed the Senate Governance and Finance Committee
- SB 847 (Hurtado) Covid-19 Rent Relief Grant Program - SUPPORT - Passed the Senate Housing Committee
- SB 897 (Weickowski) ADU Height Limit -Would increase limit from 16 to 25 feet - SUP-PORT - Passed the Senate Housing Committee
- SB 1017 (Eggman) Lease Termination: Abuse or Violence - Would prohibit a landlord from terminating or failing to renew a tenancy based on an act of abuse or violence against a tenant, a tenant's immediate family member, or tenant's household. - OPPOSED
- SB 1133 (Archuleta) Price Gouging: State of Emergency: Specified Housing Exclusion - The bill would also exclude specific categories of housing from these provisions, including housing that was issued a certificate of occupancy for residential use within the 3 months preceding a proclamation of a state of emergency or declaration of local emergency or within the duration of the proclamation or declaration. -SUPPORT
- SB 1335 (Eggman) Expands FEHA discrimination to use of credit history - OPPOSED

## **Rent Assistance Update**

The rent assistance application portal is now closed and approximately \$2.6 billion has been paid out in rent assistance in the state. For more information on the rental assistance program, please visit *Housing is Key.*