

UWCA Summary of Tenant Protections Under <u>AB 832</u>, from October 1, 2021 to March 31, 2022

Summary of AB 832 (Chiu): Specific to Tenant Protections Starting on October 1, 2021

This bill makes changes to California state law to ensure that an attempt is made by a tenant or landlord to secure rental assistance funds to cover any unpaid amounts in rent *before* a court can be allowed to order the eviction of tenant households on the basis of nonpayment. AB 832 requires modifications to a notice by landlords for a tenant to pay rent or quit demanding "COVID-19 recovery period rental debt", which is defined as "rental debt of a tenant under tenancy that came between October 1, 2021, and March 31, 2022". It also extends the dates around statewide uniformity rules and statewide preemption rules regarding tenant protections until March 31, 2022; and codifies debt-masking protections in cases caused directly by the COVID-19 pandemic.

Topline Information for Tenants

Beginning October 1, 2021, landlords must apply for rental assistance before they can try to evict tenants through the courts for failing to pay rent.

- Although a landlord may give a tenant a notice to "pay or quit" (which is a notice from a landlord that gives a tenant a certain amount of time to pay the outstanding rent owed or vacate your home) at any time, they will not be able to legally evict a tenant without first applying to the CA COVID-19 Rent Relief program.
- If a tenant receives a notice to "pay or quit," it is strongly recommended that they
 immediately get legal assistance to determine and protect their rights. If the
 notice to "pay or quit" includes a "Declaration of COVID-19 related financial
 distress"—and the tenant has been financially impacted by the pandemic—they
 should sign and return the declaration to their landlord within 15 business days to
 bolster their protections.

It is very important that tenants apply for rental assistance within 15 business days of receiving a "pay or quit" notice, or within 15 business days of receiving a notice from the

CA COVID-19 Rent Relief program that their landlord has started an application on their behalf.

It is also recommended that tenants notify their landlord once they have applied for rental assistance, as this step can help in both eviction and rental debt collection lawsuits.

Specific Protections and Actions Required Under AB 832:

- A. Between October 1, 2021 and March 31, 2022, courts will only enable an eviction case based on nonpayment to commence if the landlord has attempted to obtain rental assistance to cover the unpaid amount and:
 - a. The application has been denied; or
 - b. After 20 days pass, there is no sign that the tenant is going to cooperate.
- B. Requires the court, before ordering an eviction for nonpayment, to verify that the landlord attempted to obtain rental assistance for the unpaid amount and that the application was denied due to one of the following factors:
 - a. The tenant was not eligible for the rental assistance;
 - b. There were insufficient rental assistance funds: or
 - c. The tenant did not cooperate with the landlord's efforts.
- C. Provides a backstop mechanism allowing a tenant to obtain relief from an eviction for nonpayment, at any time before the tenant gets locked out, provided that:
 - a. The tenant obtains approval of rental assistance to cover the unpaid amount that is the basis for the eviction; and
 - b. The court verifies that the landlord received the money.
- D. Establishes mechanisms for landlords, tenants, and courts to track the status of rental assistance applications.
- E. Does not apply to tenant households that move-in after September 30, 2021.
- F. Does not alter the ability of landlords to evict problem tenants for reasons other than nonpayment.

A notice issued demanding COVID-19 recovery period rental debt must include the following information:

- The amount of rent demanded and the date each amount became due.
- The telephone number and internet website address of the pertinent government rental assistance program.
- The following text:

IMPORTANT NOTICE FROM THE STATE OF CALIFORNIA – YOU MUST TAKE ACTION TO AVOID AN EVICTION: As part of the state's COVID-19

relief plan, money has been set aside to help renters who have fallen behind on rent or utility payments.

If you cannot pay the amount demanded in this notice, YOU SHOULD COMPLETE A RENTAL ASSISTANCE APPLICATION IMMEDIATELY! It is free and simple to apply. Citizenship or immigration status does not matter.

DO NOT DELAY! IF YOU DO NOT COMPLETE YOUR APPLICATION FOR RENTAL ASSISTANCE WITHIN 15 BUSINESS DAYS, YOUR LANDLORD MAY BE ABLE TO SUE TO OBTAIN A COURT ORDER FOR YOUR EVICTION.

You can start your application by calling 1-833-430-2122 or visiting http://housingiskey.com.

A notice demanding payment of COVID-19 recovery period rental debt that does not comply with these new requirements is not sufficient to establish a cause of action for unlawful detainer or a basis for default judgment.

What Additional Rights Tenants Have Under the Law:

<u>Unlawful Detainers:</u> Before filing an action for an unlawful detainer, a residential landlord must wait 20 days and verify they have applied for rental relief funding. Rental relief under the new Act now covers 100% of back rent owed by qualifying tenants.

Rental Assistance: If a tenant has already received 80% of rental assistance they do not need to reapply to receive the remaining 20% rent owed. The payment will be processed automatically.

Further, as long as tenants have paid 25% of their rent due during the period of September 1, 2020, through September 30, 2021, and thereafter pay their monthly rent in full and on time, they cannot be evicted. Tenants may do this by paying at least 25% each month, or by paying a lump sum equaling 25% of their rent during the time period, or by some other means. For example, if the tenant's rent is \$2000/month, so long as the tenant paid the equivalent of at least \$500 for each month from September 1, 2020 to September 30th, 2021, and can pay the full monthly \$2000 starting in October 2021, they cannot be evicted.

If a landlord gives a tenant the required notice demanding payment of rent and a form <u>Declaration of COVID-19-related financial distress</u>, the tenant must sign and date the Declaration of COVID-19-related financial distress and return it to the landlord within 15 days (weekends and holidays excluded).

What Eviction Proceedings are Allowed?

<u>Evictions Not Related to Non-payment:</u> AB 832 does not alter the ability of landlords to evict tenants for reasons other than nonpayment. Evictions of this kind must match one of the valid reasons allowed by the law, a "just cause" eviction.

<u>Small Claims Court:</u> AB 832 preserves the jurisdiction of small claims court to allow landlords to file claims for unpaid rent related to COVID-19, regardless of the amount owed, until Oct. 1, 2025. *The prohibition on commencing an action in small claims court to recover COVID-19 rental debt is extended until Nov. 1, 2021.*

Where Can Tenants Find Legal Assistance?

Tenants can find local legal resources and seek no-cost or low-cost legal aid services at:

- LawhelpCA: Home
- Tenant Resources Housing Is Key

You can inform tenants and community partners they can text "RENTSOS" to 211-211 to access basic tenant rights information as well as what local jurisdictions still have protections in place, based on their zip code. This text flow is offered in English, Spanish, Chinese (zh-CN), Korean, Vietnamese, and Tagalog. This text flow will be updated on Oct 1st with the latest information.

They can also simply text "RENT" to 211-211 to be screened for eligibility for rent and utility assistance due to COVID-19 and be routed to the appropriate Emergency Rental Assistance application portal. The "RENT" text campaign is available in 11 languages (English, Spanish, Portuguese, Japanese, Yoruba, French, Vietnamese, Tagalog, Korean, Hmong, and Mandarin) that have been translated by native speakers for improved culturally competent messaging.

Remaining Concerns:

<u>Process for Confirming Status of Rental Relief Application: It is not entirely clear, as of</u> the time this briefing document was finalized, what the process is by which the courts

will determine the status of ERAP applications either by the tenant or landlord. Further, as there are a number of local jurisdictions that are in the process of transferring their ERA Program over the State for administration, it is not clear how those transfers are being tracked and what steps the court can and will take to determine application status.

<u>Local Ordinances:</u> Existing local ordinances may remain in place, but the Act prohibits cities and counties from adopting new eviction moratoria through March 2022. All existing and future local ordinances must also comply with AB 832's repayment schedule provisions.

References/Relevant Code Sections:

- Tenant Protection Guidelines Housing Is Key
- Bill Text AB-832 COVID-19 relief: tenancy: federal rental assistance.
- Tenants Together: <u>State COVID-19 Eviction Protections</u>

Social Media Post Templates:

For community members and advocates, if you'd like to help share information on the changes under AB 832, help direct tenants to rent relief resources, and support increased legal aid services for tenants, please click on the below content to share on social media. You simply need to click the below links and download the graphics that include the relevant information. As always, feel free to tag relevant partners and elected officials, or add links to websites.

You can also access and share all UWCA posts directly from our <u>Instagram Account</u>, <u>Twitter</u>, and <u>Facebook</u> - a very easy way to get content out on your channels!

- On October 1st Eviction Protections Rollback: Post 1 has 6 carousel-style graphics ideal for Instagram, but works great on Facebook as a post or Twitter as a Tweet thread.
- 2. A Renters Guide to Staying Housed in The Pandemic: Post 2 has 6 carousel-style graphics ideal for Instagram, etc as well. This post focuses on the basic rights tenants have and how best to stay housed.
- 3. Governor Newsom Sign AB 1487, Tenants Need Legal Aid to Stay Housed: Post 3 has 5 carousel-style graphics and discusses the needs tenants have for increased access to legal aid services.