

ASSEMBLY BILL

No. 16

Introduced by Assembly Member Chiu

December 7, 2020

An act relating to tenancies.

LEGISLATIVE COUNSEL'S DIGEST

AB 16, as introduced, Chiu. Tenancies: Tenant, Small Landlord, and Affordable Housing Provider Stabilization Act of 2021.

Existing law, the COVID-19 Tenant Relief Act of 2020, establishes certain procedural requirements and limitations on evictions for nonpayment of rent due to COVID-19 rental debt, as defined. The act prohibits a tenant that delivers a declaration of COVID-19-related financial distress from being deemed in default with regard to the COVID-19 rental debt, as specified. Existing law defines COVID-19 rental debt as unpaid rent or any other unpaid financial obligation of a tenant that came due between March 1, 2020, and January 31, 2021. Existing law repeals the act on February 1, 2025.

This bill would state the intent of the Legislature to enact the Tenant, Small Landlord, and Affordable Housing Provider Stabilization Act of 2021 to address the long-term financial impacts of the COVID-19 pandemic on renters, small landlords, and affordable housing providers, ensure ongoing housing stability for tenants at risk of eviction, and stabilize rental properties at risk of foreclosure. This bill would include legislative findings and declarations in support of the intended legislation.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) On March 4, 2020, Governor Gavin Newsom proclaimed a
4 state of emergency in response to the COVID-19 pandemic.
5 Measures necessary to contain the spread of COVID-19 have
6 brought about widespread economic and societal disruption, placing
7 the state in unprecedented circumstances.

8 (b) In response to the COVID-19 pandemic, on August 31, 2020,
9 the Legislature passed and the Governor signed into law Assembly
10 Bill 3088 (Chapter 37 of the Statutes of 2020) which created the
11 Tenant, Homeowner, and Small Landlord Relief and Stabilization
12 Act of 2020 (hereafter “the Act”). While the Act provided
13 much-needed temporary protections for renters and property
14 owners, the economic repercussions of the pandemic and the
15 necessary public health response on tenants, small landlords, and
16 affordable housing providers may last for years to come, and have
17 disproportionately impacted people and communities of color,
18 exacerbating California’s racial justice challenges.

19 (d) The pandemic, its disproportionate effects, and responses
20 to it have also laid bare and exacerbated structural issues related
21 to the planning, development, and disposition of housing that
22 threaten to impede our state’s recovery and leave some groups
23 behind.

24 (e) Whereas in response to the COVID-19 emergency, some
25 local governments have dedicated funds to rental assistance and
26 debt relief for tenants and property owners, a coordinated statewide
27 program does not yet exist.

28 (f) In order to ensure a just recovery from the COVID-19
29 pandemic, it is therefore necessary to invest public funds to
30 stabilize renters, small landlords, and affordable housing providers.
31 Such funds must be accompanied by policies that address the
32 factors displacing tenants from their homes and communities,
33 which create additional risk of exposure, threaten public health,
34 and threaten to delay recovery if not addressed. A failure to do so
35 could threaten the state’s ability to curb transmission of COVID-19
36 while also creating long-term consequences for the financial
37 stability of all parties.

1 (g) It is, therefore, the intent of the Legislature and the State of
2 California to establish through statute a framework for distributing
3 financial support to ensure long-term stability for renters, small
4 landlords, and affordable housing providers, protect tenants from
5 displacement during the ongoing public health crisis, and ensure
6 an equitable, broadly shared recovery.

7 SEC. 2. This act shall be known, and may be cited, as the
8 Tenant, Small Landlord, and Affordable Housing Provider
9 Stabilization Act of 2021.

10 SEC. 3. It is the intent of the Legislature to subsequently amend
11 this measure and enact the Tenant, Small Landlord, and Affordable
12 Housing Provider Stabilization Act of 2021 to address the
13 long-term financial impacts of the COVID-19 pandemic on renters,
14 small landlords, and affordable housing providers, ensure ongoing
15 housing stability for tenants at risk of eviction, and stabilize rental
16 properties at risk of foreclosure.