Introduced by Assembly Members Chiu, Bonta, Lorena Gonzalez, Quirk-Silva, Santiago, and Wicks (Principal coauthors: Assembly Members Friedman, Lee, and Luz Rivas)

(Principal coauthors: Senators Durazo and Wiener)

(Coauthors: Assembly Members Bloom, Kalra, Robert Rivas, and Ting)

(Coauthor: Senator Allen)

December 7, 2020

An act to amend Sections 789.4, 798.56, 1942.5, and 2924.15 of, and to add Sections 1785.20.4 and 1942.5.5 to, the Civil Code, and to amend Sections 116.223, 1161, 1161.2, 1161.2.5, 1179.02, 1179.02.5, 1179.03, 1179.03.5, and 1179.07 of, and to add Section 1179.04.5 to, the Code of Civil Procedure, relating to tenancies, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

AB 15, as introduced, Chiu. COVID-19 relief: tenancy: Tenant Stabilization Act of 2021.

(1) 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, among other things, prohibits a tenant that delivers a declaration, under penalty of perjury, 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

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between March 1, 2020, and January 31, 2021. Existing law repeals the act on February 1, 2025.

This bill would extend the definition of "COVID-19 rental debt" as unpaid rent or any other unpaid financial obligation of a tenant that came due between March 1, 2020, and December 31, 2021. The bill would also extend the repeal date of the act to January 1, 2026. The bill would make other conforming changes to align with these extended dates. By extending the repeal date of the act, the bill would expand the crime of perjury and create a state-mandated local program.

Existing law authorizes a landlord to require a high-income tenant, as defined, to submit additional documentation supporting the claim that the tenant has suffered COVID-19-related financial distress if the landlord provides the tenant with a specified notice.

This bill would provide that a tenant is not required to submit that additional supporting documentation unless the landlord provides the tenant with a copy of the proof of income that demonstrates that the tenant qualifies as a high-income tenant.

Existing law prohibits a landlord from interrupting or terminating utility service furnished to a tenant with the intent to terminate the occupancy of the tenant, and imposes specified penalties on a landlord who violates that prohibition. Existing law, until February 1, 2021, imposes additional damages in an amount of at least \$1,000, but not more than \$2,500, on a landlord that violates that prohibition, if the tenant has provided a declaration of COVID-19 financial distress, as specified.

This bill would extend the imposition of those additional damages to January 1, 2022, and would remove the condition that the tenant provide a declaration of COVID-19 financial distress.

This bill would additionally prohibit a landlord from taking certain actions with respect to a tenant's COVID-19 rental debt, including, among others, charging or attempting to collect late fees, providing different terms or conditions of tenancy, or withholding a service or amenity.

Existing law, until February 1, 2021, prohibits a landlord from bringing an action for unlawful detainer based on a cause of action other than nonpayment of COVID-19 rental debt for the purpose of retaliating against the lessee because the lessee has COVID-19 rental debt.

This bill would extend that prohibition to January 1, 2022.

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Existing law, until February 1, 2025, provides that a small claims court has jurisdiction in any action for recovery of COVID-19 rental debt, as defined, regardless of the amount demanded.

This bill would extend that provision to January 1, 2026.

Existing law prohibits action to recover COVID-19 rental debt from commencing before March 1, 2021.

This bill would extend that prohibition to January 1, 2022, or the end of a local jurisdiction's repayment period, whichever is later.

(2) Existing law, the Consumer Credit Reporting Agencies Act, provides for the regulation of consumer credit reporting agencies that collect credit-related information on consumers and report this information to subscribers and of persons who furnish that information to consumer credit reporting agencies, as provided.

This bill would prohibit a housing provider, credit reporting agency, tenant screening company, or other entity that evaluates tenants on behalf of a housing provider from using an alleged COVID-19 rental debt, as defined, as a negative factor for the purpose of evaluating creditworthiness or as the basis for a negative reference to a prospective housing provider.

(3) Existing law, the Mobilehome Residency Law, requires the management of a mobilehome park to comply with notice and specified other requirements in order to terminate a tenancy in a mobilehome park due to a change of use of the mobilehome park, including giving homeowners at least 15 days' written notice that the management will be appearing before a local governmental board, commission, or body to request permits for the change of use.

This bill would instead require the management to give homeowners at least 60 days' written notice that the management will be appearing before a local governmental board, commission, or body to obtain local approval for the intended change of use of the mobilehome park.

(4) Existing law prescribes various requirements to be satisfied before the exercise of a power of sale under a mortgage or deed of trust. In this regard, existing law requires that a notice of default and a notice of sale be recorded and that specified periods of time elapse between the recording and the sale. Existing law establishes certain requirements in connection with foreclosures on mortgages and deeds of trust, including restrictions on the actions mortgage servicers may take while a borrower is attempting to secure a loan modification or has submitted a loan modification application. Existing law, until January 1, 2023, applies those protections to a first lien mortgage or deed of trust that is

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secured by residential real property that is occupied by a tenant, contains no more than four dwelling units, and meets certain criteria, including that a tenant occupying the property is unable to pay rent due to a reduction in income resulting from the novel coronavirus.

The bill, commencing January 1, 2023, would limit the extension of those protections to the above-described first lien mortgages and deeds of trust to instances in which the borrower has been approved for foreclosure prevention, as specified, or the borrower submitted a completed application for a first lien loan modification before January 1, 2023, and, as of January 1, 2023, either the mortgage servicer has not yet determined whether the applicant is eligible, or the appeal period for the mortgage servicer's denial of the application has not yet expired.

(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(6) This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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

- 1 SECTION 1. This act shall be known, and may be cited, as the Tenant Stabilization Act of 2021.
  - SEC. 2. The Legislature finds and declares all of the following:
- 4 (a) On March 4, 2020, Governor Gavin Newsom proclaimed a
- state of emergency in response to the COVID-19 pandemic.
- Measures necessary to contain the spread of COVID-19 have
- 7 brought about widespread economic and societal disruption, placing
- 8 the state in unprecedented circumstances. Millions of Californians
- have unexpectedly, and through no fault of their own, faced new
- 10 public health requirements and been unable to work and cover
- many basic expenses, creating tremendous uncertainty and 11 12 instability.

- 13 (b) As part of the state's emergency response to the pandemic,
- 14 the Judicial Council adopted Emergency Rule 1, effective April
- 15 6, 2020, which temporarily halted evictions and supported public
- health efforts to slow the spread of COVID-19 by ensuring that 16

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tenants remained housed and court personnel were not placed at unnecessary risk of exposure. Emergency Rule 1 expired on September 1, 2020.

- (c) With strong evidence that the expiration of Emergency Rule 1 could lead to mass evictions absent legislative action, the Legislature passed and Governor Newsom signed Assembly Bill 3088 (Chapter 37 of the Statutes of 2020), the Tenant, Homeowner, and Small Landlord Relief and Stabilization Act of 2020, which became effective on August 31, 2020. Assembly Bill 3088 included the COVID-19 Tenant Relief Act of 2020, which provides critical protections from eviction for tenants. Those protections are set to expire on February 1, 2021.
- (d) In passing Assembly Bill 3088, the Legislature was clear that the bill was intended to provide temporary relief to help stabilize Californians through the state of emergency. That emergency is far from over. Since its passage, the COVID-19 crisis in California has grown worse and millions of renters remain vulnerable to eviction due to circumstances that are beyond their control. While a restoration of Emergency Rule 1 would be justified and desirable in furtherance of public health goals, in the absence of such action by the Judicial Council, the Legislature must act with urgency to avoid the mass eviction of tenants.
- (e) Mass evictions would be calamitous both for public health and for the state's economic recovery from this unprecedented crisis. A wave of evictions would force some individuals and families to move in together, often in overcrowded housing conditions that promote the spread of the virus. Many other Californians would likely become homeless. In addition to being a humanitarian calamity, such an outcome would likely facilitate further spread of COVID-19, place even further strain on the state's fiscal resources, and hamper the state's economic recovery
- (f) It is the intent of this act to extend the protections of the COVID-19 Tenant Relief Act of 2020 and address areas where the act has created uncertainty or challenges in ensuring that tenants can remain housed. It is critical that tenants have no gap in protections so that they can weather this public health and economic crisis without losing their homes. It is the intent of the Legislature that this act remain in effect only temporarily, until such time as the Legislature enacts and the Governor signs a

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long-term solution to the tremendous housing instability causedby this pandemic.

- SEC. 3. Section 789.4 of the Civil Code is amended to read:
- 789.4. (a) In addition to the damages provided in subdivision (c) of Section 789.3 of the Civil Code, a landlord who violates Section 789.3 of the Civil Code, if the tenant has provided a declaration of COVID-19 financial distress pursuant to Section 1179.03 of the Code of Civil Procedure, shall be liable for damages in an amount that is at least one thousand dollars (\$1,000) but not more than two thousand five hundred dollars (\$2,500), as determined by the trier of fact.
  - (b) This section shall remain in effect until February 1, 2021, *January 1*, 2022, and as of that date is repealed.
  - SEC. 4. Section 798.56 of the Civil Code, as amended by Section 4 of Chapter 37 of the Statutes of 2020, is amended to read:
  - 798.56. A tenancy shall be terminated by the management only for one or more of the following reasons:
  - (a) Failure of the homeowner or resident to comply with a local ordinance or state law or regulation relating to mobilehomes within a reasonable time after the homeowner receives a notice of noncompliance from the appropriate governmental agency.
  - (b) Conduct by the homeowner or resident, upon the park premises, that constitutes a substantial annoyance to other homeowners or residents.
  - (c) (1) Conviction of the homeowner or resident for prostitution, for a violation of subdivision (d) of Section 243, paragraph (2) of subdivision (a), or subdivision (b), of Section 245, Section 288, or Section 451, of the Penal Code, or a felony controlled substance offense, if the act resulting in the conviction was committed anywhere on the premises of the mobilehome park, including, but not limited to, within the homeowner's mobilehome.
  - (2) However, the tenancy may not be terminated for the reason specified in this subdivision if the person convicted of the offense has permanently vacated, and does not subsequently reoccupy, the mobilehome.
  - (d) Failure of the homeowner or resident to comply with a reasonable rule or regulation of the park that is part of the rental agreement or any amendment thereto.

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No act or omission of the homeowner or resident shall constitute a failure to comply with a reasonable rule or regulation unless and until the management has given the homeowner written notice of the alleged rule or regulation violation and the homeowner or resident has failed to adhere to the rule or regulation within seven days. However, if a homeowner has been given a written notice of an alleged violation of the same rule or regulation on three or more occasions within a 12-month period after the homeowner or resident has violated that rule or regulation, no written notice shall be required for a subsequent violation of the same rule or regulation.

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Nothing in this subdivision shall relieve the management from its obligation to demonstrate that a rule or regulation has in fact been violated.

(e) (1) Except as provided for in the COVID-19 Tenant Relief Act of 2020 (Chapter 5 (commencing with Section 1179.01) of Title 3 of Part 3 of the Code of Civil Procedure), nonpayment of rent, utility charges, or reasonable incidental service charges; provided that the amount due has been unpaid for a period of at least five days from its due date, and provided that the homeowner shall be given a three-day written notice subsequent to that five-day period to pay the amount due or to vacate the tenancy. For purposes of this subdivision, the five-day period does not include the date the payment is due. The three-day written notice shall be given to the homeowner in the manner prescribed by Section 1162 of the Code of Civil Procedure. A copy of this notice shall be sent to the persons or entities specified in subdivision (b) of Section 798.55 within 10 days after notice is delivered to the homeowner. If the homeowner cures the default, the notice need not be sent. The notice may be given at the same time as the 60 days' notice required for termination of the tenancy. A three-day notice given pursuant to this subdivision shall contain the following provisions printed in at least 12-point boldface type at the top of the notice, with the appropriate number written in the blank: "Warning: This notice is the (insert number) three-day notice for nonpayment of rent, utility charges, or other reasonable incidental services that has been served upon you in the last 12 months. Pursuant to Civil Code Section 798.56 (e) (5), if you have been given a three-day notice to either pay rent, utility charges, or other

reasonable incidental services or to vacate your tenancy on three

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or more occasions within a 12-month period, management is not required to give you a further three-day period to pay rent or vacate the tenancy before your tenancy can be terminated."

- (2) Payment by the homeowner prior to the expiration of the three-day notice period shall cure a default under this subdivision. If the homeowner does not pay prior to the expiration of the three-day notice period, the homeowner shall remain liable for all payments due up until the time the tenancy is vacated.
- (3) Payment by the legal owner, as defined in Section 18005.8 of the Health and Safety Code, any junior lienholder, as defined in Section 18005.3 of the Health and Safety Code, or the registered owner, as defined in Section 18009.5 of the Health and Safety Code, if other than the homeowner, on behalf of the homeowner prior to the expiration of 30 calendar days following the mailing of the notice to the legal owner, each junior lienholder, and the registered owner provided in subdivision (b) of Section 798.55, shall cure a default under this subdivision with respect to that payment.
- (4) Cure of a default of rent, utility charges, or reasonable incidental service charges by the legal owner, any junior lienholder, or the registered owner, if other than the homeowner, as provided by this subdivision, may not be exercised more than twice during a 12-month period.
- (5) If a homeowner has been given a three-day notice to pay the amount due or to vacate the tenancy on three or more occasions within the preceding 12-month period and each notice includes the provisions specified in paragraph (1), no written three-day notice shall be required in the case of a subsequent nonpayment of rent, utility charges, or reasonable incidental service charges.

In that event, the management shall give written notice to the homeowner in the manner prescribed by Section 1162 of the Code of Civil Procedure to remove the mobilehome from the park within a period of not less than 60 days, which period shall be specified in the notice. A copy of this notice shall be sent to the legal owner, each junior lienholder, and the registered owner of the mobilehome, if other than the homeowner, as specified in paragraph (b) of Section 798.55, by certified or registered mail, return receipt requested, within 10 days after notice is sent to the homeowner.

(6) When a copy of the 60 days' notice described in paragraph (5) is sent to the legal owner, each junior lienholder, and the

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registered owner of the mobilehome, if other than the homeowner, the default may be cured by any of them on behalf of the homeowner prior to the expiration of 30 calendar days following the mailing of the notice, if all of the following conditions exist:

- (A) A copy of a three-day notice sent pursuant to subdivision (b) of Section 798.55 to a homeowner for the nonpayment of rent, utility charges, or reasonable incidental service charges was not sent to the legal owner, junior lienholder, or registered owner, of the mobilehome, if other than the homeowner, during the preceding 12-month period.
- (B) The legal owner, junior lienholder, or registered owner of the mobilehome, if other than the homeowner, has not previously cured a default of the homeowner during the preceding 12-month period.
- (C) The legal owner, junior-lienholder lienholder, or registered owner, if other than the homeowner, is not a financial institution or mobilehome dealer.

If the default is cured by the legal owner, junior lienholder, or registered owner within the 30-day period, the notice to remove the mobilehome from the park described in paragraph (5) shall be rescinded.

(f) Condemnation of the park.

- (g) Change of use of the park or any portion thereof, provided:
- (1) The management gives the homeowners at least 45 60 days' written notice that the management will be appearing before a local governmental board, commission, or body to request permits for a change of use of the mobilehome park.
- (2) (A) After all required permits requesting a change of use have been approved by the local governmental board, commission, or body, the management shall give the homeowners six months' or more written notice of termination of tenancy.
- (B) If the change of use requires no local governmental permits, then notice shall be given 12 months or more prior to the management's determination that a change of use will occur. The management in the notice shall disclose and describe in detail the nature of the change of use.
- (3) The management gives each proposed homeowner written notice thereof prior to the inception of the *proposed* homeowner's tenancy that the management is requesting a change of use before

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local governmental bodies or that a change of use request has beengranted.

- (4) The notice requirements for termination of tenancy set forth in—Sections 798.56 and this section and Section 798.57 shall be followed if the proposed change actually occurs.
- (5) A notice of a proposed change of use given prior to January 1, 1980, that conforms to the requirements in effect at that time shall be valid. The requirements for a notice of a proposed change of use imposed by this subdivision shall be governed by the law in effect at the time the notice was given.
- (h) The report required pursuant to subdivisions (b) and (i) of Section 65863.7 of the Government Code shall be given to the homeowners or residents at the same time that notice is required pursuant to subdivision (g) of this section.
- (i) For purposes of this section, "financial institution" means a state or national bank, state or federal savings and loan association or credit union, or similar organization, and mobilehome dealer as defined in Section 18002.6 of the Health and Safety Code or any other organization that, as part of its usual course of business, originates, owns, or provides loan servicing for loans secured by a mobilehome.
- (j) This section remain in effect until February 1, 2025, January 1, 2026, and as of that date is repealed.
- SEC. 5. Section 798.56 of the Civil Code, as added by Section 5 of Chapter 37 of the Statutes of 2020, is amended to read:
- 798.56. A tenancy shall be terminated by the management only for one or more of the following reasons:
- (a) Failure of the homeowner or resident to comply with a local ordinance or state law or regulation relating to mobilehomes within a reasonable time after the homeowner receives a notice of noncompliance from the appropriate governmental agency.
- (b) Conduct by the homeowner or resident, upon the park premises, that constitutes a substantial annoyance to other homeowners or residents.
- (c) (1) Conviction of the homeowner or resident for prostitution, for a violation of subdivision (d) of Section 243, paragraph (2) of subdivision (a), or subdivision (b), of Section 245, Section 288, or Section 451, of the Penal Code, or a felony controlled substance offense, if the act resulting in the conviction was committed

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anywhere on the premises of the mobilehome park, including, but not limited to, within the homeowner's mobilehome.

- (2) However, the tenancy may not be terminated for the reason specified in this subdivision if the person convicted of the offense has permanently vacated, and does not subsequently reoccupy, the mobilehome.
- (d) Failure of the homeowner or resident to comply with a reasonable rule or regulation of the park that is part of the rental agreement or any amendment thereto.

No act or omission of the homeowner or resident shall constitute a failure to comply with a reasonable rule or regulation unless and until the management has given the homeowner written notice of the alleged rule or regulation violation and the homeowner or resident has failed to adhere to the rule or regulation within seven days. However, if a homeowner has been given a written notice of an alleged violation of the same rule or regulation on three or more occasions within a 12-month period after the homeowner or resident has violated that rule or regulation, no written notice shall be required for a subsequent violation of the same rule or regulation.

Nothing in this subdivision shall relieve the management from its obligation to demonstrate that a rule or regulation has in fact been violated.

(e) (1) Nonpayment of rent, utility charges, or reasonable incidental service charges; provided that the amount due has been unpaid for a period of at least five days from its due date, and provided that the homeowner shall be given a three-day written notice subsequent to that five-day period to pay the amount due or to vacate the tenancy. For purposes of this subdivision, the five-day period does not include the date the payment is due. The three-day written notice shall be given to the homeowner in the manner prescribed by Section 1162 of the Code of Civil Procedure. A copy of this notice shall be sent to the persons or entities specified in subdivision (b) of Section 798.55 within 10 days after notice is delivered to the homeowner. If the homeowner cures the default, the notice need not be sent. The notice may be given at the same time as the 60 days' notice required for termination of the tenancy. A three-day notice given pursuant to this subdivision shall contain the following provisions printed in at least 12-point AB 15 -12-

boldface type at the top of the notice, with the appropriate number written in the blank:

"Warning: This notice is the (insert number) three-day notice for nonpayment of rent, utility charges, or other reasonable incidental services that has been served upon you in the last 12 months. Pursuant to Civil Code Section 798.56 (e) (5), if you have been given a three-day notice to either pay rent, utility charges, or other reasonable incidental services or to vacate your tenancy on three or more occasions within a 12-month period, management is not required to give you a further three-day period to pay rent or vacate the tenancy before your tenancy can be terminated."

- (2) Payment by the homeowner prior to the expiration of the three-day notice period shall cure a default under this subdivision. If the homeowner does not pay prior to the expiration of the three-day notice period, the homeowner shall remain liable for all payments due up until the time the tenancy is vacated.
- (3) Payment by the legal owner, as defined in Section 18005.8 of the Health and Safety Code, any junior lienholder, as defined in Section 18005.3 of the Health and Safety Code, or the registered owner, as defined in Section 18009.5 of the Health and Safety Code, if other than the homeowner, on behalf of the homeowner prior to the expiration of 30 calendar days following the mailing of the notice to the legal owner, each junior lienholder, and the registered owner provided in subdivision (b) of Section 798.55, shall cure a default under this subdivision with respect to that payment.
- (4) Cure of a default of rent, utility charges, or reasonable incidental service charges by the legal owner, any junior lienholder, or the registered owner, if other than the homeowner, as provided by this subdivision, may not be exercised more than twice during a 12-month period.
- (5) If a homeowner has been given a three-day notice to pay the amount due or to vacate the tenancy on three or more occasions within the preceding 12-month period and each notice includes the provisions specified in paragraph (1), no written three-day notice shall be required in the case of a subsequent nonpayment of rent, utility charges, or reasonable incidental service charges.

In that event, the management shall give written notice to the homeowner in the manner prescribed by Section 1162 of the Code of Civil Procedure to remove the mobilehome from the park within

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a period of not less than 60 days, which period shall be specified in the notice. A copy of this notice shall be sent to the legal owner, each junior lienholder, and the registered owner of the mobilehome, if other than the homeowner, as specified in paragraph (b) of Section 798.55, by certified or registered mail, return receipt requested, within 10 days after notice is sent to the homeowner.

- (6) When a copy of the 60 days' notice described in paragraph (5) is sent to the legal owner, each junior lienholder, and the registered owner of the mobilehome, if other than the homeowner, the default may be cured by any of them on behalf of the homeowner prior to the expiration of 30 calendar days following the mailing of the notice, if all of the following conditions exist:
- (A) A copy of a three-day notice sent pursuant to subdivision (b) of Section 798.55 to a homeowner for the nonpayment of rent, utility charges, or reasonable incidental service charges was not sent to the legal owner, junior lienholder, or registered owner, of the mobilehome, if other than the homeowner, during the preceding 12-month period.
- (B) The legal owner, junior lienholder, or registered owner of the mobilehome, if other than the homeowner, has not previously cured a default of the homeowner during the preceding 12-month period.
- (C) The legal owner, junior lienholder lienholder, or registered owner, if other than the homeowner, is not a financial institution or mobilehome dealer.

If the default is cured by the legal owner, junior lienholder, or registered owner within the 30-day period, the notice to remove the mobilehome from the park described in paragraph (5) shall be rescinded.

(f) Condemnation of the park.

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- (g) Change of use of the park or any portion thereof, provided:
- (1) The management gives the homeowners at least 15 60 days' written notice that the management will be appearing before a local governmental board, commission, or body to request permits for a change of use of the mobilehome park.
- (2) (A) After all required permits requesting a change of use have been approved by the local governmental board, commission, or body, the management shall give the homeowners six months' or more written notice of termination of tenancy.

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(B) If the change of use requires no local governmental permits, then notice shall be given 12 months or more prior to the management's determination that a change of use will occur. The management in the notice shall disclose and describe in detail the nature of the change of use.

- (3) The management gives each proposed homeowner written notice thereof prior to the inception of the *proposed* homeowner's tenancy that the management is requesting a change of use before local governmental bodies or that a change of use request has been granted.
- (4) The notice requirements for termination of tenancy set forth in Sections 798.56 and 798.57 shall be followed if the proposed change actually occurs.
- (5) A notice of a proposed change of use given prior to January 1, 1980, that conforms to the requirements in effect at that time shall be valid. The requirements for a notice of a proposed change of use imposed by this subdivision shall be governed by the law in effect at the time the notice was given.
- (h) The report required pursuant to subdivisions (b) and (i) of Section 65863.7 of the Government Code shall be given to the homeowners or residents at the same time that notice is required pursuant to subdivision (g) of this section.
- (i) For purposes of this section, "financial institution" means a state or national bank, state or federal savings and loan association or credit union, or similar organization, and mobilehome dealer as defined in Section 18002.6 of the Health and Safety Code or any other organization that, as part of its usual course of business, originates, owns, or provides loan servicing for loans secured by a mobilehome.
- (j) This section shall become operative on February 1, 2025. *January 1, 2026.*
- SEC. 6. Section 1785.20.4 is added to the Civil Code, to read: 1785.20.4. (a) A housing provider, credit reporting agency, tenant screening company, or other entity that evaluates tenants on behalf of a housing provider shall not use an alleged COVID-19 rental debt as a negative factor for the purpose of evaluating creditworthiness or as the basis for a negative reference to a prospective housing provider, regardless of whether a report is received alleging that the tenant has COVID-19 rental debt.

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(b) For purposes of this section, "COVID-19 rental debt" shall have the same meaning as defined in Section 1179.02 of the Code of Civil Procedure.

- SEC. 7. Section 1942.5 of the Civil Code, as amended by Section 6 of Chapter 37 of the Statutes of 2020, is amended to read:
- 1942.5. (a) If the lessor retaliates against the lessee because of the exercise by the lessee of the lessee's rights under this chapter or because of the lessee's complaint to an appropriate agency as to tenantability of a dwelling, and if the lessee of a dwelling is not in default as to the payment of rent, the lessor may not recover possession of a dwelling in any action or proceeding, cause the lessee to quit involuntarily, increase the rent, or decrease any services within 180 days of any of the following:
- (1) After the date upon which the lessee, in good faith, has given notice pursuant to Section 1942, has provided notice of a suspected bed bug infestation, or has made an oral complaint to the lessor regarding tenantability.
- (2) After the date upon which the lessee, in good faith, has filed a written complaint, or an oral complaint which is registered or otherwise recorded in writing, with an appropriate agency, of which the lessor has notice, for the purpose of obtaining correction of a condition relating to tenantability.
- (3) After the date of an inspection or issuance of a citation, resulting from a complaint described in paragraph (2) of which the lessor did not have notice.
- (4) After the filing of appropriate documents commencing a judicial or arbitration proceeding involving the issue of tenantability.
- (5) After entry of judgment or the signing of an arbitration award, if any, when in the judicial proceeding or arbitration the issue of tenantability is determined adversely to the lessor.

In each instance, the 180-day period shall run from the latest applicable date referred to in paragraphs (1) to (5), inclusive.

- (b) A lessee may not invoke subdivision (a) more than once in any 12-month period.
- (c) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited

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under subdivision (a). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.

- (d) Notwithstanding subdivision (a), it is unlawful for a lessor to increase rent, decrease services, cause a lessee to quit involuntarily, bring an action to recover possession, or threaten to do any of those acts, for the purpose of retaliating against the lessee because the lessee has lawfully organized or participated in a lessees' association or an organization advocating lessees' rights or has lawfully and peaceably exercised any rights under the law. It is also unlawful for a lessor to bring an action for unlawful detainer based on a cause of action other than nonpayment of COVID-19 rental debt, as defined in Section 1179.02 of the Code of Civil Procedure, for the purpose of retaliating against the lessee because the lessee has a COVID-19 rental debt. In an action brought by or against the lessee pursuant to this subdivision, the lessee shall bear the burden of producing evidence that the lessor's conduct was, in fact, retaliatory.
- (e) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited under subdivision (d). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.
- (f) This section does not limit in any way the exercise by the lessor of the lessor's rights under any lease or agreement or any law pertaining to the hiring of property or the lessor's right to do any of the acts described in subdivision (a) or (d) for any lawful cause. Any waiver by a lessee of the lessee's rights under this section is void as contrary to public policy.
- (g) Notwithstanding subdivisions (a) to (f), inclusive, a lessor may recover possession of a dwelling and do any of the other acts described in subdivision (a) within the period or periods prescribed therein, or within subdivision (d), if the notice of termination, rent increase, or other act, and any pleading or statement of issues in an arbitration, if any, states the ground upon which the lessor, in good faith, seeks to recover possession, increase rent, or do any of the other acts described in subdivision (a) or (d). If the statement is controverted, the lessor shall establish its truth at the trial or other hearing.
- (h) Any lessor or agent of a lessor who violates this section shall be liable to the lessee in a civil action for all of the following:

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(1) The actual damages sustained by the lessee.

- (2) Punitive damages in an amount of not less than one hundred dollars (\$100) nor more than two thousand dollars (\$2,000) for each retaliatory act where the lessor or agent has been guilty of fraud, oppression, or malice with respect to that act.
- (i) In any action brought for damages for retaliatory eviction, the court shall award reasonable attorney's fees to the prevailing party if either party requests attorney's fees upon the initiation of the action.
- (j) The remedies provided by this section shall be in addition to any other remedies provided by statutory or decisional law.
- (k) A lessor does not violate subdivision (c) or (e) by complying with any legal obligation under any federal government program that provides for rent limitations or rental assistance to a qualified tenant.
- (*l*) This section shall remain in effect until—February 1, 2021, *January 1, 2022*, and as of that date is repealed.
- SEC. 8. Section 1942.5 of the Civil Code, as added by Section 7 of Chapter 37 of the Statutes of 2020, is amended to read:
- 1942.5. (a) If the lessor retaliates against the lessee because of the exercise by the lessee of the lessee's rights under this chapter or because of the lessee's complaint to an appropriate agency as to tenantability of a dwelling, and if the lessee of a dwelling is not in default as to the payment of rent, the lessor may not recover possession of a dwelling in any action or proceeding, cause the lessee to quit involuntarily, increase the rent, or decrease any services within 180 days of any of the following:
- (1) After the date upon which the lessee, in good faith, has given notice pursuant to Section 1942, has provided notice of a suspected bed bug infestation, or has made an oral complaint to the lessor regarding tenantability.
- (2) After the date upon which the lessee, in good faith, has filed a written complaint, or an oral complaint which is registered or otherwise recorded in writing, with an appropriate agency, of which the lessor has notice, for the purpose of obtaining correction of a condition relating to tenantability.
- (3) After the date of an inspection or issuance of a citation, resulting from a complaint described in paragraph (2) of which the lessor did not have notice.

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(4) After the filing of appropriate documents commencing a judicial or arbitration proceeding involving the issue of tenantability.

(5) After entry of judgment or the signing of an arbitration award, if any, when in the judicial proceeding or arbitration the issue of tenantability is determined adversely to the lessor.

In each instance, the 180-day period shall run from the latest applicable date referred to in paragraphs (1) to (5), inclusive.

- (b) A lessee may not invoke subdivision (a) more than once in any 12-month period.
- (c) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited under subdivision (a). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.
- (d) Notwithstanding subdivision (a), it is unlawful for a lessor to increase rent, decrease services, cause a lessee to quit involuntarily, bring an action to recover possession, or threaten to do any of those acts, for the purpose of retaliating against the lessee because the lessee has lawfully organized or participated in a lessees' association or an organization advocating lessees' rights or has lawfully and peaceably exercised any rights under the law. In an action brought by or against the lessee pursuant to this subdivision, the lessee shall bear the burden of producing evidence that the lessor's conduct was, in fact, retaliatory.
- (e) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited under subdivision (d). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.
- (f) This section does not limit in any way the exercise by the lessor of the lessor's rights under any lease or agreement or any law pertaining to the hiring of property or the lessor's right to do any of the acts described in subdivision (a) or (d) for any lawful cause. Any waiver by a lessee of the lessee's rights under this section is void as contrary to public policy.
- (g) Notwithstanding subdivisions (a) to (f), inclusive, a lessor may recover possession of a dwelling and do any of the other acts described in subdivision (a) within the period or periods prescribed therein, or within subdivision (d), if the notice of termination, rent

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increase, or other act, and any pleading or statement of issues in an arbitration, if any, states the ground upon which the lessor, in good faith, seeks to recover possession, increase rent, or do any of the other acts described in subdivision (a) or (d). If the statement is controverted, the lessor shall establish its truth at the trial or other hearing.

- (h) Any lessor or agent of a lessor who violates this section shall be liable to the lessee in a civil action for all of the following:
  - (1) The actual damages sustained by the lessee.

- (2) Punitive damages in an amount of not less than one hundred dollars (\$100) nor more than two thousand dollars (\$2,000) for each retaliatory act where the lessor or agent has been guilty of fraud, oppression, or malice with respect to that act.
- (i) In any action brought for damages for retaliatory eviction, the court shall award reasonable attorney's fees to the prevailing party if either party requests attorney's fees upon the initiation of the action.
- (j) The remedies provided by this section shall be in addition to any other remedies provided by statutory or decisional law.
- (k) A lessor does not violate subdivision (c) or (e) by complying with any legal obligation under any federal government program that provides for rent limitations or rental assistance to a qualified tenant.
- (*l*) This section shall become operative on February 1, 2021. *January 1, 2022.* 
  - SEC. 9. Section 1942.5.5 is added to the Civil Code, to read:
- 1942.5.5. A landlord shall not, with respect to a tenant who has COVID-19 rental debt, as defined in Section 1179.02 of the Code of Civil Procedure, do any of the following:
- (1) Charge a tenant, or attempt to collect from a tenant, fees assessed for late payment of COVID-19 rental debt or interest on COVID-19 rental debt.
- (2) Increase fees charged to the tenant or charge the tenant fees for services previously provided by the landlord without charge.
- (3) Provide different terms or conditions of tenancy or withhold a service or amenity based on whether a tenant has COVID-19 rental debt.
- (4) Harass, threaten, or seek to intimidate a tenant in order to obtain a tenant's payment or agreement to pay any COVID-19 rental debt.

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(5) Terminate a tenancy, or threaten to terminate a tenancy, in retaliation against a tenant for having COVID-19 rental debt.

- SEC. 10. Section 2924.15 of the Civil Code, as amended by Section 11 of Chapter 37 of the Statutes of 2020, is amended to read:
- 2924.15. (a) Unless otherwise provided, paragraph (5) of subdivision (a) of Section 2924, and Sections 2923.5, 2923.55, 2923.6, 2923.7, 2924.9, 2924.10, 2924.11, and 2924.18 shall apply only to a first lien mortgage or deed of trust that meets either of the following criteria:
- (1) (A) The first lien mortgage or deed of trust is secured by owner-occupied residential real property containing no more than four dwelling units.
- (B) For purposes of this paragraph, "owner-occupied" means that the property is the principal residence of the borrower and is security for a loan made for personal, family, or household purposes.
- (2) The first lien mortgage or deed of trust is secured by residential real property that is occupied by a tenant, contains no more than four dwelling units, and meets all of the conditions described in subparagraph (B).
  - (A) For the purposes of this paragraph:
- (i) "Applicable lease" means a lease entered pursuant to an arm's length transaction before, and in effect on, March 4, 2020.
- (ii) "Arm's length transaction" means a lease entered into in good faith and for valuable consideration that reflects the fair market value in the open market between informed and willing parties.
- (iii) "Occupied by a tenant" means that the property is the principal residence of a tenant.
- (B) To meet the conditions of this-subdivision, *subparagraph*, a first lien mortgage or deed of trust shall have all of the following characteristics:
- (i) The property is owned by an individual who owns no more than three residential real properties, or by one or more individuals who together own no more than three residential real properties, each of which contains no more than four dwelling units.
- 38 (ii) The property is occupied by a tenant pursuant to an applicable lease.

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(iii) A tenant occupying the property is unable to pay rent due to a reduction in income resulting from the novel coronavirus.

- (C) Relief shall be available pursuant to subdivision (a) of Section 2924 and Sections 2923.5, 2923.55, 2923.6, 2923.7, 2924.9, 2924.10, 2924.11, and 2924.18 for so long as the property remains occupied by a tenant pursuant to a lease entered in an arm's length transaction.
  - (b) This section shall remain in effect until January 1, 2023, and as of that date is repealed.
- SEC. 11. Section 2924.15 of the Civil Code, as added by Section 12 of Chapter 37 of the Statutes of 2020, is amended to read:
- 2924.15. (a) Unless otherwise provided, paragraph (5) of subdivision (a) of Section 2924 and Sections 2923.5, 2923.55, 2923.6, 2923.7, 2924.9, 2924.10, 2924.11, and 2924.18 shall apply only to a first lien mortgage or deed of trust that *meets either of the following conditions:*
- (1) (A) The first lien mortgage or deed of trust is secured by owner-occupied residential real property containing no more than four dwelling units.

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- As used in this section, (B) For purposes of this paragraph, "owner-occupied" means that the property is the principal residence of the borrower and is security for a loan made for personal, family, or household purposes.
- (2) The first lien mortgage or deed of trust is secured by residential real property that is occupied by a tenant and that contains no more than four dwelling units and meets all of the conditions described in subparagraph (B) and one of the conditions described in subparagraph (C).
  - (A) For purposes of this paragraph:
- (i) "Applicable lease" means a lease entered pursuant to an arm's length transaction before, and in effect on, March 4, 2020.
- (ii) "Arm's length transaction" means a lease entered into in good faith and for valuable consideration that reflects the fair market value in the open market between informed and willing parties.
- 38 (iii) "Occupied by a tenant" means that the property is the principal residence of a tenant.

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(B) To meet the conditions of this paragraph, a first lien mortgage or deed of trust shall have all of the following characteristics:

- (i) The property is owned by an individual who owns no more than three residential real properties, each of which contains no more than four dwelling units.
- (ii) The property shall have been occupied by a tenant pursuant to an applicable lease.
- (iii) A tenant occupying the property shall have been unable to pay rent due to a reduction in income resulting from the novel coronavirus.
- (C) For a first lien mortgage or deed of trust to meet the conditions of this paragraph, the borrower shall satisfy one of the following characteristics:
- (i) The borrower has been approved in writing for a first lien loan modification or other foreclosure prevention alternative.
- (ii) The borrower submits a completed application for a first lien loan modification before January 1, 2023, and, as of January 1, 2023, either the mortgage servicer has not yet determined whether the applicant is eligible for a first lien loan modification, or the appeal period for the mortgage servicer's denial of the application has not yet expired.
- (D) Relief shall be available pursuant to subdivision (a) of Section 2924 and Sections 2923.5, 2923.55, 2923.6, 2923.7, 2924.9, 2924.10, 2924.11, and 2924.18 for so long as the property remains occupied by a tenant pursuant to a lease entered in an arm's length transaction.

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- (b) This section shall become operative on January 1, 2023.
- SEC. 12. Section 116.223 of the Code of Civil Procedure is amended to read:
- 116.223. (a) The Legislature hereby finds and declares as follows:
- 34 (1) There is anticipated to be an unprecedented number of claims 35 arising out of nonpayment of residential rent that occurred between 36 March 1, 2020, and January 31, 2021, related to the COVID-19 37 pandemic.
- 38 (2) These disputes are of special importance to the parties and of significant social and economic consequence collectively as the

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people of the State of California grapple with the health, economic, and social impacts of the COVID-19 pandemic.

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- (3) It is essential that the parties have access to a judicial forum to resolve these disputes expeditiously, inexpensively, and fairly.
- (4) It is the intent of the Legislature that landlords of residential real property and their tenants-have the option to litigate disputes regarding rent which is unpaid for the time period between March 1, 2020, and January December 31, 2021, in the small claims court. It is the intent of the Legislature that the jurisdictional limits of the small claims court not apply to these disputes over COVID-19 rental debt.
- (b) (1) Notwithstanding paragraph (1) of subdivision (a) Section 116.220, Section 116.221, or any other law, the small claims court has jurisdiction in any action for recovery of COVID-19 rental debt, as defined in Section 1179.02, and any defenses thereto, regardless of the amount demanded.
- (2) In an action described in paragraph (1), the court shall reduce the damages awarded for any amount of COVID-19 rental debt sought by payments made to the landlord to satisfy the COVID-19 rental debt, including payments by the tenant, rental assistance programs, or another third party pursuant to paragraph (3) of subdivision (a) of Section 1947.3 of the Civil Code. If the landlord refused to accept payments on behalf of the tenant from any governmental or private entity, or refused to cooperate with the tenant's efforts to obtain rental assistance from any governmental or private entity, the damages awarded shall also be reduced by the amount of payments refused.
- (3) An action to recover COVID-19 rental debt, as defined in Section 1179.02, brought pursuant to this subdivision 1179.02, shall not be commenced before March 1, 2021. January 1, 2022, or before the end of a local jurisdiction's repayment period, whichever is later.
- (c) Any claim for recovery of COVID-19 rental debt, as defined in Section 1179.02, shall not be subject to Section 116.231, notwithstanding the fact that a landlord of residential rental property may have brought two or more small claims actions in which the amount demanded exceeded two thousand five hundred dollars (\$2,500) in any calendar year.
- (d) This section shall remain in effect until—February 1, 2025, *January 1, 2026*, and as of that date is repealed.

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SEC. 13. Section 1161 of the Code of Civil Procedure, as amended by Section 15 of Chapter 37 of the Statutes of 2020, is amended to read:

- 1161. A tenant of real property, for a term less than life, or the executor or administrator of the tenant's estate heretofore qualified and now acting or hereafter to be qualified and act, is guilty of unlawful detainer:
- 1. When the tenant continues in possession, in person or by subtenant, of the property, or any part thereof, after the expiration of the term for which it is let to the tenant; provided the expiration is of a nondefault nature however brought about without the permission of the landlord, or the successor in estate of the landlord, if applicable; including the case where the person to be removed became the occupant of the premises as a servant, employee, agent, or licensee and the relation of master and servant, or employer and employee, or principal and agent, or licensor and licensee, has been lawfully terminated or the time fixed for occupancy by the agreement between the parties has expired; but nothing in this subdivision shall be construed as preventing the removal of the occupant in any other lawful manner; but in case of a tenancy at will, it shall first be terminated by notice, as prescribed in the Civil Code.
- 2. When the tenant continues in possession, in person or by subtenant, without the permission of the landlord, or the successor in estate of the landlord, if applicable, after default in the payment of rent, pursuant to the lease or agreement under which the property is held, and three days' notice, excluding Saturdays and Sundays and other judicial holidays, in writing, requiring its payment, stating the amount that is due, the name, telephone number, and address of the person to whom the rent payment shall be made, and, if payment may be made personally, the usual days and hours that person will be available to receive the payment (provided that, if the address does not allow for personal delivery, then it shall be conclusively presumed that upon the mailing of any rent or notice to the owner by the tenant to the name and address provided, the notice or rent is deemed received by the owner on the date posted, if the tenant can show proof of mailing to the name and address provided by the owner), or the number of an account in a financial institution into which the rental payment may be made, and the name and street address of the institution (provided that the

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institution is located within five miles of the rental property), or if an electronic funds transfer procedure has been previously established, that payment may be made pursuant to that procedure, or possession of the property, shall have been served upon the tenant and if there is a subtenant in actual occupation of the premises, also upon the subtenant.

 The notice may be served at any time within one year after the rent becomes due. In all cases of tenancy upon agricultural lands, if the tenant has held over and retained possession for more than 60 days after the expiration of the term without any demand of possession or notice to quit by the landlord or the successor in estate of the landlord, if applicable, the tenant shall be deemed to be holding by permission of the landlord or successor in estate of the landlord, if applicable, and shall be entitled to hold under the terms of the lease for another full year, and shall not be guilty of an unlawful detainer during that year, and the holding over for that period shall be taken and construed as a consent on the part of a tenant to hold for another year.

An unlawful detainer action under this paragraph shall be subject to the COVID-19 Tenant Relief Act of 2020 (Chapter 5 (commencing with Section 1179.01)) if the default in the payment of rent is based upon the COVID-19 rental debt.

3. When the tenant continues in possession, in person or by subtenant, after a neglect or failure to perform other conditions or covenants of the lease or agreement under which the property is held, including any covenant not to assign or sublet, than the one for the payment of rent, and three days' notice, excluding Saturdays and Sundays and other judicial holidays, in writing, requiring the performance of those conditions or covenants, or the possession of the property, shall have been served upon the tenant, and if there is a subtenant in actual occupation of the premises, also, upon the subtenant. Within three days, excluding Saturdays and Sundays and other judicial holidays, after the service of the notice, the tenant, or any subtenant in actual occupation of the premises, or any mortgagee of the term, or other person interested in its continuance, may perform the conditions or covenants of the lease or pay the stipulated rent, as the case may be, and thereby save the lease from forfeiture; provided, if the conditions and covenants of the lease, violated by the lessee, cannot afterward be performed, then no notice, as last prescribed herein, need be given to the lessee

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or the subtenant, demanding the performance of the violated conditions or covenants of the lease.

A tenant may take proceedings, similar to those prescribed in this chapter, to obtain possession of the premises let to a subtenant or held by a servant, employee, agent, or licensee, in case of that person's unlawful detention of the premises underlet to or held by that person.

An unlawful detainer action under this paragraph shall be subject to the COVID-19 Tenant Relief Act of 2020 (Chapter 5 (commencing with Section 1179.01)) if the neglect or failure to perform other conditions or covenants of the lease or agreement is based upon the COVID-19 rental debt.

- 4. Any tenant, subtenant, or executor or administrator of that person's estate heretofore qualified and now acting, or hereafter to be qualified and act, assigning or subletting or committing waste upon the demised premises, contrary to the conditions or covenants of the lease, or maintaining, committing, or permitting the maintenance or commission of a nuisance upon the demised premises or using the premises for an unlawful purpose, thereby terminates the lease, and the landlord, or the landlord's successor in estate, shall upon service of three days' notice to quit upon the person or persons in possession, be entitled to restitution of possession of the demised premises under this chapter. For purposes of this subdivision, a person who commits or maintains a public nuisance as described in Section 3482.8 of the Civil Code, or who commits an offense described in subdivision (c) of Section 3485 of the Civil Code, or subdivision (c) of Section 3486 of the Civil Code, or uses the premises to further the purpose of that offense shall be deemed to have committed a nuisance upon the premises.
- 5. When the tenant gives written notice as provided in Section 1946 of the Civil Code of the tenant's intention to terminate the hiring of the real property, or makes a written offer to surrender which is accepted in writing by the landlord, but fails to deliver possession at the time specified in that written notice, without the permission of the landlord, or the successor in estate of the landlord, if applicable.
  - 6. As used in this section:
- 39 "COVID-19 rental debt" has the same meaning as defined in 40 Section 1179.02.

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"Tenant" includes any person who hires real property except those persons whose occupancy is described in subdivision (b) of Section 1940 of the Civil Code.

- 7. This section shall remain in effect until February 1, 2025, *January 1, 2026*, and as of that date is repealed.
- SEC. 14. Section 1161 of the Code of Civil Procedure, as added by Section 16 of Chapter 37 of the Statutes of 2020, is amended to read:
- 1161. A tenant of real property, for a term less than life, or the executor or administrator of the tenant's estate heretofore qualified and now acting or hereafter to be qualified and act, is guilty of unlawful detainer:
- 1. When the tenant continues in possession, in person or by subtenant, of the property, or any part thereof, after the expiration of the term for which it is let to the tenant; provided the expiration is of a nondefault nature however brought about without the permission of the landlord, or the successor in estate of the landlord, if applicable; including the case where the person to be removed became the occupant of the premises as a servant, employee, agent, or licensee and the relation of master and servant, or employer and employee, or principal and agent, or licensor and licensee, has been lawfully terminated or the time fixed for occupancy by the agreement between the parties has expired; but nothing in this subdivision shall be construed as preventing the removal of the occupant in any other lawful manner; but in case of a tenancy at will, it shall first be terminated by notice, as prescribed in the Civil Code.
- 2. When the tenant continues in possession, in person or by subtenant, without the permission of the landlord, or the successor in estate of the landlord, if applicable, after default in the payment of rent, pursuant to the lease or agreement under which the property is held, and three days' notice, excluding Saturdays and Sundays and other judicial holidays, in writing, requiring its payment, stating the amount that is due, the name, telephone number, and address of the person to whom the rent payment shall be made, and, if payment may be made personally, the usual days and hours that person will be available to receive the payment (provided that, if the address does not allow for personal delivery, then it shall be conclusively presumed that upon the mailing of any rent or notice to the owner by the tenant to the name and address provided, the

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notice or rent is deemed received by the owner on the date posted, if the tenant can show proof of mailing to the name and address provided by the owner), or the number of an account in a financial institution into which the rental payment may be made, and the name and street address of the institution (provided that the institution is located within five miles of the rental property), or if an electronic funds transfer procedure has been previously established, that payment may be made pursuant to that procedure, or possession of the property, shall have been served upon the tenant and if there is a subtenant in actual occupation of the premises, also upon the subtenant.

The notice may be served at any time within one year after the rent becomes due. In all cases of tenancy upon agricultural lands, if the tenant has held over and retained possession for more than 60 days after the expiration of the term without any demand of possession or notice to quit by the landlord or the successor in estate of the landlord, if applicable, the tenant shall be deemed to be holding by permission of the landlord or successor in estate of the landlord, if applicable, and shall be entitled to hold under the terms of the lease for another full year, and shall not be guilty of an unlawful detainer during that year, and the holding over for that period shall be taken and construed as a consent on the part of a tenant to hold for another year.

3. When the tenant continues in possession, in person or by subtenant, after a neglect or failure to perform other conditions or covenants of the lease or agreement under which the property is held, including any covenant not to assign or sublet, than the one for the payment of rent, and three days' notice, excluding Saturdays and Sundays and other judicial holidays, in writing, requiring the performance of those conditions or covenants, or the possession of the property, shall have been served upon the tenant, and if there is a subtenant in actual occupation of the premises, also, upon the subtenant. Within three days, excluding Saturdays and Sundays and other judicial holidays, after the service of the notice, the tenant, or any subtenant in actual occupation of the premises, or any mortgagee of the term, or other person interested in its continuance, may perform the conditions or covenants of the lease or pay the stipulated rent, as the case may be, and thereby save the lease from forfeiture; provided, if the conditions and covenants of the lease, violated by the lessee, cannot afterward be performed,

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then no notice, as last prescribed herein, need be given to the lessee or the subtenant, demanding the performance of the violated conditions or covenants of the lease.

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A tenant may take proceedings, similar to those prescribed in this chapter, to obtain possession of the premises let to a subtenant or held by a servant, employee, agent, or licensee, in case of that person's unlawful detention of the premises underlet to or held by that person.

- 4. Any tenant, subtenant, or executor or administrator of that person's estate heretofore qualified and now acting, or hereafter to be qualified and act, assigning or subletting or committing waste upon the demised premises, contrary to the conditions or covenants of the lease, or maintaining, committing, or permitting the maintenance or commission of a nuisance upon the demised premises or using the premises for an unlawful purpose, thereby terminates the lease, and the landlord, or the landlord's successor in estate, shall upon service of three days' notice to guit upon the person or persons in possession, be entitled to restitution of possession of the demised premises under this chapter. For purposes of this subdivision, a person who commits or maintains a public nuisance as described in Section 3482.8 of the Civil Code, or who commits an offense described in subdivision (c) of Section 3485 of the Civil Code, or subdivision (c) of Section 3486 of the Civil Code, or uses the premises to further the purpose of that offense shall be deemed to have committed a nuisance upon the
- 5. When the tenant gives written notice as provided in Section 1946 of the Civil Code of the tenant's intention to terminate the hiring of the real property, or makes a written offer to surrender which is accepted in writing by the landlord, but fails to deliver possession at the time specified in that written notice, without the permission of the landlord, or the successor in estate of the landlord, if applicable.
- 6. As used in this section, "tenant" includes any person who hires real property except those persons whose occupancy is described in subdivision (b) of Section 1940 of the Civil Code.
- 7. This section shall become operative on February 1, 2025. *January 1, 2026.*

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SEC. 15. Section 1161.2 of the Code of Civil Procedure, as amended by Section 17 of Chapter 37 of the Statutes of 2020, is amended to read:

- 1161.2. (a) (1) The clerk shall allow access to limited civil case records filed under this chapter, including the court file, index, and register of actions, only as follows:
  - (A) To a party to the action, including a party's attorney.
- (B) To a person who provides the clerk with the names of at least one plaintiff and one defendant and the address of the premises, including the apartment or unit number, if any.
- (C) To a resident of the premises who provides the clerk with the name of one of the parties or the case number and shows proof of residency.
- (D) To a person by order of the court, which may be granted ex parte, on a showing of good cause.
- (E) Except as provided in subparagraph (G), to any person by order of the court if judgment is entered for the plaintiff after trial more than 60 days since the filing of the complaint. The court shall issue the order upon issuing judgment for the plaintiff.
- (F) Except as provided in subparagraph (G), to any other person 60 days after the complaint has been filed if *judgment against all defendants has been entered for* the plaintiff-prevails in the action within 60 days of the filing of the complaint, in which case the clerk shall allow access to any court records in the action. If a default or default judgment is set aside more than 60 days after the complaint has been filed, this section shall apply as if the complaint had been filed on the date the default or default judgment is set aside.
- (G) (i) In the case of a complaint involving residential property based on Section 1161a as indicated in the caption of the complaint, as required in subdivision (c) of Section 1166, to any other person, if 60 days have elapsed since the complaint was filed with the court, and, as of that date, judgment against all defendants has been entered for the plaintiff, after a trial.
- (ii) Subparagraphs (E) and (F) shall not apply if the plaintiff filed the action between March 4, 2020, and January 31, December 31, 2021, and the action is based on an alleged default in the payment of rent.

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(2) This section shall not be construed to prohibit the court from issuing an order that bars access to the court record in an action filed under this chapter if the parties to the action so stipulate.

- (b) (1) For purposes of this section, "good cause" includes, but is not limited to, both of the following:
- (A) The gathering of newsworthy facts by a person described in Section 1070 of the Evidence Code.
- (B) The gathering of evidence by a party to an unlawful detainer action solely for the purpose of making a request for judicial notice pursuant to subdivision (d) of Section 452 of the Evidence Code.
- (2) It is the intent of the Legislature that a simple procedure be established to request the ex parte order described in subparagraph (D) of paragraph (1) of subdivision (a).
- (c) Upon the filing of a case so restricted, the court clerk shall mail notice to each defendant named in the action. The notice shall be mailed to the address provided in the complaint. The notice shall contain a statement that an unlawful detainer complaint (eviction action) has been filed naming that party as a defendant, and that access to the court file will be delayed for 60 days except to a party, an attorney for one of the parties, or any other person who (1) provides to the clerk the names of at least one plaintiff and one defendant in the action and provides to the clerk the address, including any applicable apartment, unit, or space number, of the subject premises, or (2) provides to the clerk the name of one of the parties in the action or the case number and can establish through proper identification that the person lives at the subject premises. The notice shall also contain a statement that access to the court index, register of actions, or other records is not permitted until 60 days after the complaint is filed, except pursuant to an order upon a showing of good cause for access. The notice shall contain on its face the following information:
- (1) The name and telephone number of the county bar association.
- (2) The name and telephone number of any entity that requests inclusion on the notice and demonstrates to the satisfaction of the court that it has been certified by the State Bar of California as a lawyer referral service and maintains a panel of attorneys qualified in the practice of landlord-tenant law pursuant to the minimum standards for a lawyer referral service established by the State Bar

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of California and Section 6155 of the Business and ProfessionsCode.

(3) The following statement:

"The State Bar of California certifies lawyer referral services in California and publishes a list of certified lawyer referral services organized by county. To locate a lawyer referral service in your county, go to the State Bar's internet website at www.calbar.ca.gov or call 1-866-442-2529."

- (4) The name and telephone number of an office or offices funded by the federal Legal Services Corporation or qualified legal services projects that receive funds distributed pursuant to Section 6216 of the Business and Professions Code that provide legal services to low-income persons in the county in which the action is filed. The notice shall state that these telephone numbers may be called for legal advice regarding the case. The notice shall be issued between 24 and 48 hours of the filing of the complaint, excluding weekends and holidays. One copy of the notice shall be addressed to "all occupants" and mailed separately to the subject premises. The notice shall not constitute service of the summons and complaint.
- (d) Notwithstanding any other law, the court shall charge an additional fee of fifteen dollars (\$15) for filing a first appearance by the plaintiff. This fee shall be added to the uniform filing fee for actions filed under this chapter.
- (e) This section does not apply to a case that seeks to terminate a mobilehome park tenancy if the statement of the character of the proceeding in the caption of the complaint clearly indicates that the complaint seeks termination of a mobilehome park tenancy.
- (f) This section does not alter any provision of the Evidence Code.
- (g) This section shall remain in effect until February 1, 2021, *January 1, 2022*, and as of that date is repealed.
- SEC. 16. Section 1161.2 of the Code of Civil Procedure, as added by Section 18 of Chapter 37 of the Statutes of 2020, is amended to read:
- 1161.2. (a) (1) The clerk shall allow access to limited civil case records filed under this chapter, including the court file, index, and register of actions, only as follows:

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(A) To a party to the action, including a party's attorney.

- (B) To a person who provides the clerk with the names of at least one plaintiff and one defendant and the address of the premises, including the apartment or unit number, if any.
- (C) To a resident of the premises who provides the clerk with the name of one of the parties or the case number and shows proof of residency.
- (D) To a person by order of the court, which may be granted ex parte, on a showing of good cause.
- (E) To any person by order of the court if judgment is entered for the plaintiff after trial more than 60 days since the filing of the complaint. The court shall issue the order upon issuing judgment for the plaintiff.
- (F) Except as provided in subparagraph (G), to any other person 60 days after the complaint has been filed if *judgment against all defendants has been entered for* the plaintiff-prevails in the action within 60 days of the filing of the complaint, in which case the clerk shall allow access to any court records in the action. If a default or default judgment is set aside more than 60 days after the complaint has been filed, this section shall apply as if the complaint had been filed on the date the default or default judgment is set aside.
- (G) In the case of a complaint involving residential property based on Section 1161a as indicated in the caption of the complaint, as required in subdivision (c) of Section 1166, to any other person, if 60 days have elapsed since the complaint was filed with the court, and, as of that date, judgment against all defendants has been entered for the plaintiff, after a trial.
- (2) This section shall not be construed to prohibit the court from issuing an order that bars access to the court record in an action filed under this chapter if the parties to the action so stipulate.
- (b) (1) For purposes of this section, "good cause" includes, but is not limited to, both of the following:
- (A) The gathering of newsworthy facts by a person described in Section 1070 of the Evidence Code.
- (B) The gathering of evidence by a party to an unlawful detainer action solely for the purpose of making a request for judicial notice pursuant to subdivision (d) of Section 452 of the Evidence Code.

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(2) It is the intent of the Legislature that a simple procedure be established to request the ex parte order described in subparagraph (D) of paragraph (1) of subdivision (a).

- (c) Upon the filing of a case so restricted, the court clerk shall mail notice to each defendant named in the action. The notice shall be mailed to the address provided in the complaint. The notice shall contain a statement that an unlawful detainer complaint (eviction action) has been filed naming that party as a defendant, and that access to the court file will be delayed for 60 days except to a party, an attorney for one of the parties, or any other person who (1) provides to the clerk the names of at least one plaintiff and one defendant in the action and provides to the clerk the address, including any applicable apartment, unit, or space number, of the subject premises, or (2) provides to the clerk the name of one of the parties in the action or the case number and can establish through proper identification that the person lives at the subject premises. The notice shall also contain a statement that access to the court index, register of actions, or other records is not permitted until 60 days after the complaint is filed, except pursuant to an order upon a showing of good cause for access. The notice shall contain on its face the following information:
- (1) The name and telephone number of the county bar association.
- (2) The name and telephone number of any entity that requests inclusion on the notice and demonstrates to the satisfaction of the court that it has been certified by the State Bar of California as a lawyer referral service and maintains a panel of attorneys qualified in the practice of landlord-tenant law pursuant to the minimum standards for a lawyer referral service established by the State Bar of California and Section 6155 of the Business and Professions Code.
  - (3) The following statement:
- "The State Bar of California certifies lawyer referral services in California and publishes a list of certified lawyer referral services organized by county. To locate a lawyer referral service in your county, go to the State Bar's internet website at www.calbar.ca.gov or call 1-866-442-2529."
- (4) The name and telephone number of an office or offices funded by the federal Legal Services Corporation or qualified legal services projects that receive funds distributed pursuant to Section

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1 6216 of the Business and Professions Code that provide legal 2 services to low-income persons in the county in which the action 3 is filed. The notice shall state that these telephone numbers may 4 be called for legal advice regarding the case. The notice shall be 5 issued between 24 and 48 hours of the filing of the complaint, 6 excluding weekends and holidays. One copy of the notice shall be 7 addressed to "all occupants" and mailed separately to the subject 8 premises. The notice shall not constitute service of the summons 9 and complaint.

(d) Notwithstanding any other law, the court shall charge an additional fee of fifteen dollars (\$15) for filing a first appearance by the plaintiff. This fee shall be added to the uniform filing fee for actions filed under this chapter.

- (e) This section does not apply to a case that seeks to terminate a mobilehome park tenancy if the statement of the character of the proceeding in the caption of the complaint clearly indicates that the complaint seeks termination of a mobilehome park tenancy.
- (f) This section does not alter any provision of the Evidence Code.
- (g) This section shall become operative on February 1, 2021. *January 1, 2022*.
- SEC. 17. Section 1161.2.5 of the Code of Civil Procedure, as added by Section 19 of Chapter 37 of the Statutes of 2020, is amended to read:
- 1161.2.5. (a) (1) Except as provided in Section 1161.2, the clerk shall allow access to civil case records for actions seeking recovery of COVID-19 rental debt, as defined in Section 1179.02, including the court file, index, and register of actions, only as follows:
  - (A) To a party to the action, including a party's attorney.
- (B) To a person who provides the clerk with the names of at least one plaintiff and one defendant.
- (C) To a resident of the premises for which the COVID-19 rental debt is owed who provides the clerk with the name of one of the parties or the case number and shows proof of residency.
- (D) To a person by order of the court, which may be granted ex parte, on a showing of good cause.
- (2) To give the court notice that access to the records in an action is limited, any complaint or responsive pleading in a case subject to this section shall include on either the first page of the pleading

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or a cover page, the phrase "ACTION FOR RECOVERY OF
 COVID-19 RENTAL DEBT AS DEFINED UNDER SECTION
 1179.02" in bold, capital letters, in 12 point or larger font.

- 4 (b) (1) For purposes of this section, "good cause" includes, but 5 is not limited to, both of the following:
  - (A) The gathering of newsworthy facts by a person described in Section 1070 of the Evidence Code.
  - (B) The gathering of evidence by a party to a civil action solely for the purpose of making a request for judicial notice pursuant to subdivision (d) of Section 452 of the Evidence Code.
  - (2) It is the intent of the Legislature that a simple procedure be established to request the ex parte order described in subparagraph (D) of paragraph (1) of subdivision (a).
  - (c) This section does not alter any provision of the Evidence Code.
  - (d) This section shall remain in effect until February 1, 2021, *January 1*, 2022, and as of that date is repealed.
  - SEC. 18. Section 1179.02 of the Code of Civil Procedure is amended to read:
    - 1179.02. For purposes of this chapter:
  - (a) "Covered time period" means the time period between March 1, 2020, and January 31, December 31, 2021.
  - (b) "COVID-19-related financial distress" means any of the following:
    - (1) Loss of income caused by the COVID-19 pandemic.
  - (2) Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.
  - (3) Increased expenses directly related to the health impact of the COVID-19 pandemic.
  - (4) Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit a tenant's ability to earn income.
  - (5) Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.
- 36 (6) Other circumstances related to the COVID-19 pandemic 37 that have reduced a tenant's income or increased a tenant's 38 expenses.

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(c) "COVID-19 rental debt" means unpaid rent or any other unpaid financial obligation of a tenant under the tenancy that came due during the covered time period.

- (d) "Declaration of COVID-19-related financial distress" means the following written statement:
- I am currently unable to pay my rent or other financial obligations under the lease in full because of one or more of the following:
  - 1. Loss of income caused by the COVID-19 pandemic.
- 2. Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.
- 3. Increased expenses directly related to health impacts of the COVID-19 pandemic.
  - 4. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit my ability to earn income.
  - 5. Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.
  - 6. Other circumstances related to the COVID-19 pandemic that have reduced my income or increased my expenses.

Any public assistance, including unemployment insurance, pandemic unemployment assistance, state disability insurance (SDI), or paid family leave, that I have received since the start of the COVID-19 pandemic does not fully make up for my loss of income and/or increased expenses.

- Signed under penalty of perjury:
- 28 Dated:

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- 29 (e) "Landlord" includes all of the following or the agent of any 30 of the following:
- 31 (1) An owner of residential real property.
- 32 (2) An owner of a residential rental unit.
- 33 (3) An owner of a mobilehome park.
- 34 (4) An owner of a mobilehome park space or lot.
- 35 (f) "Protected time period" means the time period between 36 March 1, 2020, and August 31, 2020.
- 37 (g) "Rental payment" means rent or any other financial 38 obligation of a tenant under the tenancy.
- 39 (h) "Tenant" means any natural person who hires real property 40 except any of the following:

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1 (1) Tenants of commercial property, as defined in subdivision 2 (c) of Section 1162 of the Civil Code.

- (2) Those persons whose occupancy is described in subdivision (b) of Section 1940 of the Civil Code.
- (i) "Transition time period" means the time period between September 1, 2020, and January 31, December 31, 2021.
- 7 SEC. 19. Section 1179.02.5 of the Code of Civil Procedure is amended to read:
  - 1179.02.5. (a) For purposes of this section:
  - (1) (A) "High-income tenant" means a tenant with an annual household income of 130 percent of the median income, as published by the Department of Housing and Community Development in the Official State Income Limits for 2020, for the county in which the residential rental property is located.
  - (B) For purposes of this paragraph, all lawful occupants of the residential rental unit, including minor children, shall be considered in determining household size.
  - (C) "High-income tenant" shall not include a tenant with a household income of less than one hundred thousand dollars (\$100,000).
    - (2) "Proof of income" means any of the following:
- 22 (A) A tax return.
- 23 (B) A W-2.

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- (C) A written statement from a tenant's employer that specifies the tenant's income.
  - (D) Pay stubs.
- (E) Documentation showing regular distributions from a trust, annuity, 401k, pension, or other financial instrument.
- (F) Documentation of court-ordered payments, including, but not limited to, spousal support or child support.
- (G) Documentation from a government agency showing receipt of public assistance benefits, including, but not limited to, social security, unemployment insurance, disability insurance, or paid family leave.
- (H) A written statement signed by the tenant that states the tenant's income, including, but not limited to, a rental application.
- 37 (b) (1) This section shall apply only if the landlord has proof 38 of income in the landlord's possession before the service of the 39 notice showing that the tenant is a high-income tenant.
  - (2) This section does not do any of the following:

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(A) Authorize a landlord to demand proof of income from the tenant.

- (B) Require the tenant to provide proof of income for the purposes of determining whether the tenant is a high-income tenant.
- (C) (i) Entitle a landlord to obtain, or authorize a landlord to attempt to obtain, confidential financial records from a tenant's employer, a government agency, financial institution, or any other source.
- (ii) Confidential information described in clause (i) shall not constitute valid proof of income unless it was lawfully obtained by the landlord with the tenant's consent during the tenant screening process.
- (3) Paragraph (2) does not alter a party's rights under Title 4 (commencing with Section 2016.010), Chapter 4 (commencing with Section 708.010) of Title 9, or any other law.
- (c) A landlord may require a high-income tenant that is served a notice pursuant to subdivision (b) or (c) of Section 1179.03 to submit, in addition to and together with a declaration of COVID-19-related financial distress, documentation supporting the claim that the tenant has suffered COVID-19-related financial distress. Any form of objectively verifiable documentation that demonstrates the COVID-19-related financial distress the tenant has experienced is sufficient to satisfy the requirements of this subdivision, including the proof of income, as defined in subparagraphs (A) to (G), inclusive, of paragraph (2) of subdivision (a), a letter from an employer, or an unemployment insurance record.
- (d) (1) A high-income tenant is required to comply with the requirements of subdivision (c) only if the landlord has included the following language on the notice served pursuant to subdivision (b) or (c) of Section 1179.03 in at least 12-point font:

"Proof of income on file with your landlord indicates that your household makes at least 130 percent of the median income for the county where the rental property is located, as published by the Department of Housing and Community Development in the Official State Income Limits for 2020. As a result, if you claim that you are unable to pay the amount demanded by this notice because you have suffered COVID-19-related financial distress, you are required to submit to your landlord documentation supporting your claim together with the completed declaration of

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COVID-19-related financial distress provided with this notice. If you fail to submit this documentation together with your declaration of COVID-19-related financial distress, and you do not either pay the amount demanded in this notice or deliver possession of the premises back to your landlord as required by this notice, you will not be covered by the eviction protections enacted by the California Legislature as a result of the COVID-19 pandemic, and your landlord can begin eviction proceedings against you as soon as this 15-day notice expires."

- (2) A tenant shall not be considered a high-income tenant and shall not be required to comply with the requirements of subdivision (c) unless the landlord has included a copy of the proof of income described in paragraph (1) that demonstrates that the tenant qualifies as a high-income tenant with the notice served pursuant to subdivision (b) or (c) of Section 1179.03.
- (e) A high-income tenant that fails to comply with subdivision (c) shall not be subject to the protections of subdivision (g) of Section 1179.03.
- (f) (1) A landlord shall be required to plead compliance with this section in any unlawful detainer action based upon a notice that alleges that the tenant is a high-income tenant. If that allegation is contested, the landlord shall be required to submit to the court the proof of income upon which the landlord relied at the trial or other hearing, and the tenant shall be entitled to submit rebuttal evidence.
- (2) If the court in an unlawful detainer action based upon a notice that alleges that the tenant is a high-income tenant determines that at the time the notice was served the landlord did not have proof of income establishing that the tenant is a high-income tenant, the court shall award attorney's fees to the prevailing tenant.
- SEC. 20. Section 1179.03 of the Code of Civil Procedure is amended to read:
- 1179.03. (a) (1) Any notice that demands payment of COVID-19 rental debt served pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) or (3) of Section 1161 shall be modified as required by this section. A notice which does not meet the requirements of this section, *including by modifying or adding to the language of the notice*, regardless of when the

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notice was issued, shall not be sufficient to establish a cause of action for unlawful detainer or a basis for default judgment.

- (2) Any case based solely on a notice that demands payment of COVID-19 rental debt served pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) or (3) of Section 1161 may be dismissed if the notice does not meet the requirements of this section, regardless of when the notice was issued.
- (3) Notwithstanding paragraphs (1) and (2), this section shall have no effect if the landlord lawfully regained possession of the property or obtained a judgment for possession of the property before the operative date of this section.
- (b) If the notice demands payment of rent that came due during the protected time period, as defined in Section 1179.02, the notice shall comply with all of the following:
- (1) The time period in which the tenant may pay the amount due or deliver possession of the property shall be no shorter than 15 days, excluding Saturdays, Sundays, and other judicial holidays.
- (2) The notice shall set forth the amount of rent demanded and the date each amount became due.
- (3) The notice shall advise the tenant that the tenant cannot be evicted for failure to comply with the notice if the tenant delivers a signed declaration of COVID-19-related financial distress to the landlord on or before the date that the notice to pay rent or quit or notice to perform covenants or quit expires, by any of the methods specified in subdivision (f).
- (4) The notice shall include the following text in at least 12-point font:

"NOTICE FROM THE STATE OF CALIFORNIA: If you are unable to pay the amount demanded in this notice, and have decreased income or increased expenses due to COVID-19, your landlord will not be able to evict you for this missed payment if you sign and deliver the declaration form included with your notice to your landlord within 15 days, excluding Saturdays, Sundays, and other judicial holidays, but you will still owe this money to your landlord. If you do not sign and deliver the declaration within this time period, you may lose the eviction protections available to you. You must return this form to be protected. You should keep a copy or picture of the signed form for your records.

You will still owe this money to your landlord and can be sued for the money, but you cannot be evicted from your home if you AB 15 — 42 —

1 comply with these requirements. You do not need to enter into a
2 repayment agreement or any other agreement with your landlord
3 to have these protections. You should keep careful track of what
4 you have paid and any amount you still owe to protect your rights
5 and avoid future disputes. Failure to respond to this notice may
6 result in an unlawful detainer action (eviction) being filed against
7 you.

For information about legal resources that may be available to you, visit lawhelpca.org."

- (5) Any language that is altered or added to the notice provided in paragraph (4) shall be void and nonbinding as a matter of public policy.
- (c) If the notice demands payment of rent that came due during the transition time period, as defined in Section 1179.02, the notice shall comply with all of the following:
- (1) The time period in which the tenant may pay the amount due or deliver possession of the property shall be no shorter than 15 days, excluding Saturdays, Sundays, and other judicial holidays.
- (2) The notice shall set forth the amount of rent demanded and the date each amount became due.
- (3) The notice shall advise the tenant that the tenant will not be evicted for failure to comply with the notice, except as allowed by this chapter, if the tenant delivers a signed declaration of COVID-19-related financial distress to the landlord on or before the date the notice to pay rent or quit or notice to perform covenants or quit expires, by any of the methods specified in subdivision (f).
- (4) The notice shall include the following text in at least 12-point font:

"NOTICE FROM THE STATE OF CALIFORNIA: If you are unable to pay the amount demanded in this notice, and have decreased income or increased expenses due to COVID-19, you may sign and deliver the declaration form included with your notice to your landlord within 15 days, excluding Saturdays, Sundays, and other judicial holidays, and your landlord will not be able to evict you for this missed payment so long as you make the minimum payment (see below). You will still owe this money to your landlord. You should keep a copy or picture of the signed form for your records.

If you provide the declaration form to your landlord as described above AND, on or before January 31, December 31, 2021, you

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pay an amount that equals at least 25 percent of each rental payment that came due or will come due during the period between September 1, 2020, and January 31, December 31, 2021, that you were unable to pay as a result of decreased income or increased expenses due to COVID-19, your landlord cannot evict you. Your landlord may require you to submit a new declaration form for each rental payment that you do not pay that comes due between September 1, 2020, and January 31, December 31, 2021.

For example, if you provided a declaration form to your landlord regarding your decreased income or increased expenses due to COVID-19 that prevented you from making your rental payment in September and October of 2020, your landlord could not evict you if, on or before January 31, December 31, 2021, you made a payment equal to 25 percent of September's and October's rental payment (i.e., half a month's rent). If you were unable to pay any of the rental payments that came due between September 1, 2020, and January 31, December 31, 2021, and you provided your landlord with the declarations in response to each 15-day notice your landlord sent to you during that time period, your landlord could not evict you if, on or before January 31, December 31, 2021, you paid your landlord an amount equal to 25 percent of all the rental payments due from September of 2020 through January December of 2021 (i.e., one and a quarter four month's rent).

You will still owe the full amount of the rent to your landlord, but you cannot be evicted from your home if you comply with these requirements. You should keep careful track of what you have paid and any amount you still owe to protect your rights and avoid future disputes. Failure to respond to this notice may result in an unlawful detainer action (eviction) being filed against you.

For information about legal resources that may be available to you, visit lawhelpca.org."

(d) An unsigned copy of a declaration of COVID-19-related financial distress shall accompany each notice delivered to a tenant to which subdivision (b) or (c) is applicable. If the landlord was required, pursuant to Section 1632 of the Civil Code, to provide a translation of the rental contract or agreement in the language in which the contract or agreement was negotiated, the landlord shall also provide the unsigned copy of a declaration of COVID-19-related financial distress to the tenant in the language in which the contract or agreement was negotiated. The Department

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of Real Estate shall make available an official translation of the text required by paragraph (4) of subdivision (b) and paragraph (4) of subdivision—(e) (c), as it read on August 31, 2020, in the languages specified in Section 1632 of the Civil Code by no later than September 15, 2020. The Department of Real Estate shall make available an official translation of the text required by paragraph (4) of subdivision (c), as it read on the effective date of the act that added this sentence, in the languages specified in Section 1632 of the Civil Code, within 15 days of the effective date of the act that added this sentence.

- (e) If a tenant owes a COVID-19 rental debt to which both subdivisions (b) and (c) apply, the landlord shall serve two separate notices that comply with subdivisions (b) and (c), respectively.
- (f) A tenant may deliver the declaration of COVID-19-related financial distress to the landlord by any of the following methods:
- (1) In person, if the landlord indicates in the notice an address at which the declaration may be delivered in person.
- (2) By electronic transmission, if the landlord indicates an email address in the notice to which the declaration may be delivered.
- (3) Through United States mail to the address indicated by the landlord in the notice. If the landlord does not provide an address pursuant to subparagraph (1), then it shall be conclusively presumed that upon the mailing of the declaration by the tenant to the address provided by the landlord, the declaration is deemed received by the landlord on the date posted, if the tenant can show proof of mailing to the address provided by the landlord.
- (4) Through any of the same methods that the tenant can use to deliver the payment pursuant to the notice if delivery of the declaration by that method is possible.
- (g) Except as provided in Section 1179.02.5, the following shall apply to a tenant who, within 15 days of service of the notice specified in subdivision (b) or (c), excluding Saturdays, Sundays, and other judicial holidays, demanding payment of COVID-19 rental debt delivers a declaration of COVID-19-related financial distress to the landlord by any of the methods provided in subdivision (f):
- (1) With respect to a notice served pursuant to subdivision (b), the tenant shall not then or thereafter be deemed to be in default with regard to that COVID-19 rental debt for purposes of

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subdivision (e) of Section 798.56 of the Civil Code or paragraphs (2) and (3) of Section 1161.

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- (2) With respect to a notice served pursuant to subdivision (c), the following shall apply:
- (A) Except as provided by subparagraph (B), the landlord may shall not initiate an unlawful detainer action before February 1, 2021. January 1, 2022.
- (B) A tenant shall not be guilty of unlawful detainer, now or in the future, based upon nonpayment of COVID-19 rental debt that came due during the transition period if, on or before January 31, 2021, at any point before the end of the transition period, the tenant tenders one or more payments that, when taken together, are of an amount equal to or not less than 25 percent of each transition period rental payment demanded in one or more notices served pursuant to subsection (c) and for which the tenant complied with this subdivision by timely delivering a declaration of COVID-19-related financial distress to the landlord.
- (h) (1) (A) Within the time prescribed in Section 1167, a tenant shall be permitted to file with the court a signed declaration of COVID-19-related financial—distress with the court. distress, as defined in subdivision (d) of Section 1179.02. If the case is based on multiple notices, one declaration shall be sufficient for purposes of this subdivision.
- (B) If the tenant files a signed declaration of COVID-19-related financial distress with the court pursuant to this subdivision, the court shall dismiss the case, pursuant to paragraph (2), if the court finds, after a noticed hearing on the matter, that the tenant's failure to—return provide a declaration of COVID-19-related financial distress within the time required by subdivision—(g) (f) was the result of mistake, inadvertence, surprise, or excusable neglect, as those terms have been interpreted under subdivision (b) of Section 473.
- (C) The noticed hearing required by this paragraph shall be held with not less than five days' notice and not more than 10 days' notice, to be given by the court, and may be held separately or in conjunction with any regularly noticed hearing in the case, other than a trial.
- (2) If the court dismisses the case pursuant to paragraph (1), that dismissal shall be without prejudice as follows:

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(A) If the case was based in whole or in part upon a notice served pursuant to subdivision (b), the court shall dismiss any cause of action based on the notice served pursuant to subdivision (b).

- (B) Before February 1, 2021, January 1, 2022, if the case is based in whole or in part on a notice served pursuant to subdivision (c), the court shall dismiss any cause of action based on the notice served pursuant to subdivision (c).
- (C) On or after February 1, 2021, January 1, 2022, if the case is based in whole or in part on a notice served pursuant to subdivision (c), the court shall dismiss any cause of action based upon the notice served pursuant to subdivision (c) if the tenant, within five days of the court's order to do so, makes the payment required by subparagraph (B) of paragraph (1) of subdivision (g), provided that if the fifth day falls on a Saturday, Sunday, or judicial holiday the last day to pay shall be extended to the next court day.
- (3) If the court dismisses the case pursuant to this subdivision, the tenant shall not be considered the prevailing party for purposes of Section 1032, any attorney's fee provision appearing in contract or statute, or any other law.
- (i) Notwithstanding any other law, a notice which is served pursuant to subdivision (b) or (c) that complies with the requirements of this chapter and subdivision (e) of Section 798.56 of the Civil Code or paragraphs (2) and (3) of Section 1161, as applicable, need not include specific language required by any ordinance, resolution, regulation, or administrative action adopted by a city, county, or city and county.
- SEC. 21. Section 1179.03.5 of the Code of Civil Procedure is amended to read:
- 1179.03.5. (a) Before February 1, 2021 January 1, 2022, a court may not find a tenant guilty of an unlawful detainer unless it finds that one of the following applies:
- (1) The tenant was guilty of the unlawful detainer before March 1, 2020.
- (2) In response to service of a notice demanding payment of COVID-19 rental debt pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) or (3) of Section 1161, the tenant failed to comply with the requirements of Section 1179.03.
- 39 (3) (A) The unlawful detainer arises because of a termination 40 of tenancy for any of the following:

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(i) An at-fault just cause, as defined in paragraph (1) of subdivision (b) of Section 1946.2 of the Civil Code.

- (ii) (I) A no-fault just cause, as defined in paragraph (2) of subdivision (b) of Section 1946.2 of the Civil Code, other than intent to demolish or to substantially remodel the residential real property, as defined in subparagraph (D) of paragraph (2) of subdivision (b) of Section 1946.2.
- (II) Notwithstanding subclause (I), termination of a tenancy based on intent to demolish or to substantially remodel the residential real property shall be permitted if necessary to maintain compliance with the requirements of Section 1941.1 of the Civil Code, Section 17920.3 or 17920.10 of the Health and Safety Code, or any other applicable law governing the habitability of residential rental units.
- (iii) The owner of the property has entered into a contract for the sale of that property with a buyer who intends to occupy the property, and all the requirements of paragraph (8) of subdivision (e) of Section 1946.2 of the Civil Code have been satisfied.
- (B) In an action under this paragraph, other than an action to which paragraph (2) also applies, the landlord shall be precluded from recovering COVID-19 rental debt in connection with any award of damages.
- (b) (1) This section does not require a landlord to assist the tenant to relocate through the payment of relocation costs if the landlord would not otherwise be required to do so pursuant to Section 1946.2 of the Civil Code or any other law.
- (2) A landlord who is required to assist the tenant to relocate pursuant to Section 1946.2 of the Civil Code or any other law, may offset the tenant's COVID-19 rental debt against their obligation to assist the tenant to relocate.
- SEC. 22. Section 1179.04.5 is added to the Code of Civil Procedure, to read:
- 1179.04.5. Notwithstanding Sections 1470, 1947, and 1950 of the Civil Code, or any other law, for the duration of any tenancy that existed during the covered time period, a landlord shall not do either of the following:
- (a) Apply a security deposit to satisfy COVID-19 rental debt unless the tenant has agreed in writing to allow the deposit to be so applied. Nothing in this paragraph shall prohibit a landlord from applying a security deposit to satisfy COVID-19 rental debt after

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the tenancy ends, in accordance with Section 1950.5 of the CivilCode.

- (b) Apply a monthly rental payment to any COVID-19 rental debt other than the prospective month's rent, unless the tenant has agreed in writing to allow the payment to be so applied.
- SEC. 23. Section 1179.07 of the Code of Civil Procedure is amended to read:
- 1179.07. This chapter shall remain in effect until—February 1, 2025, January 1, 2026, and as of that date is repealed.
- SEC. 24. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.
- SEC. 25. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

To avert economic and social harm by providing a structure for temporary relief to financially distressed tenants, homeowners, and small landlords during the public health emergency, it is

26 necessary that this act take effect immediately.