

AB 828 (COVID-19 Eviction/Foreclosure Moratorium)
Frequently Asked Questions

1. What does this bill do?

In an effort to keep Californians housed during this public health crisis, AB 828 puts a statewide moratorium on foreclosures and evictions during the COVID-19 declared state of emergency. During this moratorium waste, nuisance, and breach of lease evictions are still allowed to move forward to protect the health and safety of other tenants and the property. Those facing eviction or foreclosure after the state of emergency is lifted due to economic hardship because of COVID-19 will be given the opportunity to pay back their unpaid balance on a payment plan while staying housed.

2. A moratorium on evictions related to ability to pay sounds reasonable. However, why is there also a moratorium on unrelated evictions, such as staying in a unit passed the lease expiration date?

Any Californian losing their home during this public health crisis puts them and their community at greater risk of getting or spreading COVID-19. It is of the utmost importance that we keep people housed and get our unsheltered neighbors under roofs. To do so, AB 828 puts a moratorium on evictions.

3. Why don't residents have to prove that their failure to pay is directly related to COVID-19?

Similar to the Judicial Council rules, tenants do not need to provide evidence of economic hardship during the declared state of emergency to remain in their units. During this public health crisis, people have lost their jobs or are receiving smaller paychecks because of reduced hours, while seeing their out-of-pocket medical and childcare costs rise. Since many businesses have closed, many unemployed tenants are not able to get the documentation that their inability to pay is related to COVID-19. Keeping people housed is critical to ensuring the health and wellbeing of those economically impacted, as well as the rest of our communities.

However, in order to remain in their unit and be set up with a payment plan once the moratorium is lifted, tenants will have to provide evidence that they were unable to pay rent due to COVID-19.

4. Do residents have to pay back past due rent or mortgage payments?

Yes. AB 828 does not relieve a resident of their obligation to pay their rent and mortgage payments. After the state of emergency is lifted, residents will be responsible for paying back any missed payments. However, with nearly 60% of Americans unable to cover a \$1,000 emergency, the vast majority of tenants won't have the cash on hand to payback months of unpaid rent immediately after the declaration of emergency is lifted.

Landlords and tenants are encouraged to come to their own repayment agreements outside of the court process. If a landlord chooses to evict the tenant as an option of last resort, then the court will determine if a payment plan that includes the repayment of past due rent and a rent reduction is appropriate. If a tenant does not adhere to the court-ordered payment plan, then their eviction will proceed.

5. Why does AB 828 include a temporary rent reduction?

Once the moratorium is lifted, my concern is that there will be mass evictions without a grace period for tenants to pay back any past due rent. Many people will continue to be out of work or have their hours cut because many businesses will not come back. A payment plan should take into account these factors. However if a landlord faces economic hardship, then the rent reduction will not apply to them.

6. Why do we need another eviction moratorium? Aren't local moratoriums and the Judicial Council action enough?

I am grateful that many local jurisdictions and the California courts have stepped up to the plate and are working to ensure that no one loses their housing during this already difficult time. AB 828 goes beyond what local governments can do by putting a stay and moratorium on any action related to an eviction or foreclosure and putting in place a repayment plan for once we begin to reopen our communities. Ultimately, providing a statewide solution to a statewide problem that contemplates what will happen during and after the crisis will ensure that Californians will be able to stay housed during this public health emergency.

7. Some landlords just own a unit or two. If their tenants can't or won't pay, doesn't that jeopardize landlords who also have bills to pay and families to feed?

We are taking every precaution to ensure that our effort to keep Californians housed also includes landlords, and that we aren't placing an undue economic burden on them. First and foremost, AB 828 includes foreclosure protection for all residential properties, so no landlord who is unable to make their mortgage payments during this public health emergency will lose their home or property. The bill doesn't apply to small landlords with two or less units or for landlords that would face an economic hardship. Furthermore, AB 828 still requires tenants to pay their past due rent when the state of emergency is lifted. Outside of AB 828, mom-and-pop landlords may access small business assistance loans to help cover costs during this time.

8. Why are you putting this bill into print now when the Legislature is in recess?

We are in a state of emergency – all non-essential businesses and public institutions have shut down and thousands of Californians are out of work while still scrambling to take care of their kids and figure out how to make ends meet. I amended AB 828 to place a moratorium on evictions and foreclosures because the last thing we need right now is more homelessness and people on the streets, increasing community spread. Although the Legislature has temporarily adjourned in observance of the Governor's public health directives, we are still working harder than ever in our communities to connect constituents impacted by COVID-19 to state resources and build policies that will help us all through this crisis. Putting AB 828 into print is part of that important work – it allows the public and other policymakers to review its contents and provide feedback for how the proposal can be improved. This period also allows us to make any needed adjustments now and build a stronger coalition of support, putting us in a better position to pass this bill quickly when the Legislature reconvenes.