



CALIFORNIA RURAL LEGAL  
ASSISTANCE FOUNDATION  
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## AB 1436 (Chiu)

### COVID-19 Eviction Prevention and Housing Stability Act

#### Summary

AB 1436 stops a looming wave of evictions likely to result from the COVID-19 pandemic and the economic impacts of the state's public health response by providing a path to address unpaid rent while keeping tenants housed.

#### Background

Long before the COVID-19 pandemic, California was experiencing a housing affordability crisis impacting the majority of the state's households. Over the last few months that crisis has been compounded as millions of Californians have lost their jobs and don't know when or whether they'll go back to work. Many of these households have been unable to pay their rent and are at risk of losing their housing when the emergency procedural protections imposed by the courts in eviction cases are lifted. There are currently no substantive protections in place to help tenants avoid eviction for nonpayment of rent during the COVID emergency, despite the fact that renters have lost income through no fault of their own.

The situation is particularly dire for lower-income Californians—disproportionately black and brown families. Before the pandemic, 80% of extremely low-income households and over 50% of very low-income households were paying over half of their income in rent. With job losses and reduced hours heavily clustered in lower-wage sectors, these households are now even more precarious. While some qualify for unemployment benefits, many do not. A recent study estimated that in Los Angeles County alone, nearly 600,000 people who lost

jobs in the first two months of the pandemic were not receiving unemployment to replace lost income.

When emergency protections are lifted, tenants owing back rent could face a swift eviction proceeding under California's short unlawful detainer timeline. The vast majority of these tenants will not have access to legal counsel and will lose, even though they may have other defenses to the eviction. These households will lose their housing and may owe several months or more of back rent. Even tenants who can come up with all or part of the unpaid rent can be evicted. Landlords have no legal obligation to accept rent owed if they have already filed for eviction, which they are currently able to do in much of the state.

Allowing these families to be pushed out of their homes negatively impacts all of us. Without protections for renters, the long-term effects will extend far beyond today's crisis, including widespread and deepening debt, difficulty securing replacement housing, and an increase in homelessness. Because low-income people and people of color are more likely to be renters, failure to protect renters will exacerbate stark inequities based on race, ethnicity, national origin, immigration status, gender identity, disability, and other protected class status, undermining California's recent legislative efforts to eradicate these divides.

#### Solution:

AB 1436 recognizes the scale and economic impact of the COVID-19 emergency by removing

the threat of eviction for renters affected by the crisis while preserving the ability of landlords to recover unpaid rent. The bill:

- Provides that a tenant cannot be evicted due to unpaid rent accrued during the COVID-19 State of Emergency and for 90 days after.
- Requires tenants to resume regular rent payments within 90 days of the end of COVID-19 Emergency.
- Encourages landlords and tenants to reach voluntary repayment agreements and includes guidelines for such agreements.
- Gives tenants a fair chance to pay back rent owed and preserves the ability of landlords to pursue unpaid rent through civil actions, as is currently the case for unpaid rent that is more than a year old.
- Ensures that landlords account for any rental assistance they receive from government sources in calculating back rent.
- Protects renters from negative impacts to credit and the ability to rent in the future.

AB 1436 allows California to transition out of the COVID-19 emergency in a way that balances the interests of renters, landlords, and the state. It maintains community stability and provides a path towards equitable economic recovery.

#### **Support**

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