

TENANT
PROTECTION ACT
OF 2019 (AB
1482)

OVERVIEW OF
THE LAW

PRESENTED TO
HOUSING NOW!
OCTOBER 30, 2019

BRIEF OVERVIEW OF THE TENANT PROTECTION ACT (TPA)

- Rent Cap – 5% + CPI annually, up to a maximum of 10%
- Just Cause – Just Cause for termination of tenancy after 12 months
- Exclusions and Exceptions – Certain categories of units are excluded and there are some exceptions to just cause to be aware of

WHAT UNITS ARE COVERED BY THE LAW

All rental units in the state are covered EXCEPT the following:

- Single-family homes, unless they are owned or controlled by a corporation
- Any units covered by a local rent control ordinance that is lower than the cap
- Units constructed in the past 15 years
- Mobilehomes
- Duplexes in which the owner is living in one of the units at the time the tenancy in the other unit commences, but only as long as the owner continues to live there.
- Affordable housing subject to a deed restriction, regulatory agreement or other agreement with a governmental agency.
- Dorms

WHAT UNITS ARE COVERED BY THE LAW

Exemptions specific to just cause requirements:

- Housing in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly, or an adult residential facility.
- Transient and tourist hotel occupancies.
- Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner who lives at the property.
- Single-family owner-occupied residences in which the owner-occupant rents or leases no more than two units or bedrooms
- Accessory dwelling units and junior accessory dwelling units.

RENT CAP

DETAILS

RENT CAP – DETAILS

- A landlord cannot increase the rent more than 5% + the regional CPI in any 12-month period or 10% whichever is less.
- Rent increases can be implemented in up to 2 separate increases during that time period.
- Rent increase is calculated against the lowest rent charged during the prior 12-month period
 - Excludes any rent discounts, incentives, concessions, or credits
 - Discounts, etc. must be agreed to by tenant and listed in lease or rental agreement
- Vacancy decontrol applies – upon complete turnover landlord can raise rent without limit.

CALCULATING ALLOWABLE RENT INCREASES UNDER THE TPA

- The TPA limits increases to 5% + annual change in CPI
- To obtain the annual change in CPI, visit: www.dir.ca.gov/OPRL/CAPriceIndex.htm
 - Click to download the “Consumer Price Index calculator (1989 - 2019)” Excel spreadsheet.
 - Select your region (or CA if not listed) and the appropriate time period (April to April for most regions). The spreadsheet will calculate the annual change in CPI.
 - To obtain the maximum allowable rent increase for the region, add 5%.

STATE OF CALIFORNIA

OFFICE OF THE DIRECTOR - RESEARCH UNIT CONSUMER PRICE INDEX CALCULATOR

1) Select an Index	Los Angeles - Anaheim CPI	
2) Select index type	All Urban Consumers	
3) Select beginning month	April	Beginning Index value
4) Select beginning year	2018	265.095
5) Select ending month	April	Ending Index Value
6) Select ending year	2019	273.945

Based upon the Index, index type, and the time period you have specified, the percent change in the Consumer Price Index is equal to:

3.3%

JUST CAUSE

DETAILS

JUST CAUSE –
DETAILS

Two kinds of cause:

“At Fault”

“No Fault”

AT FAULT JUST CAUSE

- Any basis under current law for a three-day notice (See CCP 1161)
 - Non-payment of rent
 - Breach of material term of the lease
 - Nuisance, waste, using premises for unlawful purpose
 - Etc.
- Criminal activity on the premises or criminal activity off the premises directed at the owner or agent
- Refusal to allow lawful entry
- Refusal to execute a new lease on similar terms

NO FAULT JUST CAUSE

- Owner Move-In
- Substantial Rehab
- The owner complying with any of the following:
 - An order issued by a government agency or court relating to habitability that necessitates vacating the residential real property.
 - An order issued by a government agency or court to vacate the residential real property.
 - A local ordinance that necessitates vacating the residential real property.
- Intent to demolish
- Ellis

Relocation is Required for No Fault

Payment equal to one month's rent. But...can be waiver of rent

If local law requires more relocation, that applies instead

- But payment is not in addition to TPA requirement

RELOCATION

Three day notice,
plus three more days
in some cases

30 or 60 days in
other cases

WHAT
NOTICE IS
REQUIRED

WHEN IS TENANT ENTITLED TO JUST CAUSE

- Just cause is not required until tenant has lived in the unit at least 12 months.

Note: Tenants who already meet this are covered when law takes effect.



WHEN IS TENANT ENTITLED TO JUST CAUSE

- Exception for new adult roommates:
 - If within the first 24 months a new adult moves in, just cause turns off until:
 - All tenants have lived there 12 months
 - Any one tenant has lived there 24 months
 - After at least one tenant has lived there 24 months just cause for all



RENT INCREASES AND
EVICTIONS
PRIOR TO JANUARY 1, 2020



RENT INCREASES BEFORE 1/1/2020

- Rent increases before 3/15/19 are not affected by the TPA
(Rent increases valid unless prohibited by local rules)
- Rent increases after 3/15/19 may be valid when given, BUT on 1/1/20:
 - If the rent increase exceeded the TPA Cap, the rent is adjusted back to the prior amount, PLUS maximum allowable increase under the TPA.

Note: Tenants do not get a rent credit for rent paid over the TPA cap before 1/1/20.

EVICTIONS BEFORE 1/1/2020

- There may be ways to protect tenants receiving eviction notices now. Tenants should seek legal assistance if they receive a notice.

In responding to evictions, also look for other protections:

- Local just cause laws
- Affordable housing/subsidy requirements
- Fire/disaster declaration areas

and...



COMBATTING EVICTIONS: ORGANIZING AND URGENCY ORDINANCES

- Traditional tenant organizing can be successful in fighting mass evictions
- Look for violations of fair housing and other nondiscrimination laws
- Urgency Ordinances can be passed locally
 - These ordinances prohibit no-cause evictions until TPA takes effect; sample ordinances are available

Note: Additional legal research and resources being developed to combat mass evictions.

TENANT PROTECTION ACT AND LOCAL LAWS



Units Currently
Covered by Local
Laws



Local Rent
Control Laws



Local Just Cause
Eviction Laws

LOCAL LAWS REGARDING RENT INCREASES

- Costa-Hawkins still applies. The TPA does not change the limits on local rent control – no new authority to expand local rent laws.
- But, as a state law, the TPA covers units that local governments cannot cover under local rent control laws due to Costa-Hawkins.

***If a unit is not covered by a local rent control law, it might still be covered under the TPA.*

LOCAL LAWS REGARDING JUST CAUSE EVICTION

- Local just cause laws enacted on or before Sept. 1, 2019 apply instead of the TPA.
- Local just cause laws enacted after Sept. 1, 2019 apply instead of the TPA *only if they are more protective*:
 - Consistent with TPA
 - Further limits reasons for eviction, provides higher relocation amounts, or provides additional tenant protections
 - Local government has made a finding that the ordinance is more protective
 - Local just cause ordinances can cover more units than the TPA. No state limits on applying just cause to new construction, single-family homes, etc. (different from rent control)

Note: Only one law applies to a given unit: either TPA or the local law