



EVICTION MORATORIUM UPDATE

Set forth below is a brief summary of AB 3088, which established eviction protections for residential tenants and modified the City's urgency ordinance, and the subsequent bills which made modifications. It is important to note that the current eviction provisions are set forth in AB 832, the most recently passed bill.

Assembly Bill 3088:

On August 31, 2020, California Governor Newsom signed AB 3088 to establish temporary statewide eviction protections for residential tenants unable to pay rent due to financial hardships created by COVID-19. AB 3088 provided the following:

- A residential tenant could not be evicted for nonpayment of rent for the period from March 1, 2020 through January 31, 2021, if:
 - The tenant complied with procedures designed to demonstrate their COVID-19 financial distress; and
 - The tenant paid at least 25% of their total rent due from September 1, 2020 through January 31, 2021, by installments or in a lump sum, on or before January 31, 2021.
- If a residential tenant complied with AB 3088, any unpaid back rent the tenant accrued for the period from March 1, 2020 through January 31, 2021 would be converted to consumer debt. The landlord could sue the tenant to recover the back rent, but the tenant could not be evicted from their apartment for failure to pay the outstanding back rent.

Senate Bill 91

On January 29, 2021, California Governor Newsom signed SB 91, which extends the statewide eviction protections for residential tenants established by AB 3088 to June 30, 2021. SB 91 provides the following:

- A residential tenant cannot be evicted for nonpayment of rent for the period from March 1, 2020 through June 30, 2021, if:
 - The tenant complies with procedures designed to demonstrate their COVID-19 financial distress; and
 - The tenant pays at least 25% of their total rent due from September 1, 2020 through June 30, 2021, by installments or in a lump sum, on or before June 30, 2021.
- As before under AB 3088, if a residential tenant complies with SB 91, any unpaid back rent the tenant accrues for the period from March 1, 2020 through June 30, 2021, will be converted to consumer debt. The landlord will be able to sue the tenant to recover the back rent, but the tenant cannot be evicted from their apartment for failure to pay the outstanding back rent.



- The statewide eviction moratorium ends on June 30, 2021, and the standard pre-eviction rules (with some modifications established by SB 91) will apply to any additional missed rental payments.
- SB 91 modified the Beverly Hills urgency ordinance relative to the repayment period of back rent that comes due from March 1, 2020 through June 30, 2021. SB 91 requires all back rent for this period to be repaid by August 31, 2021, or one year after the end of the local emergency, whichever is earlier. However, this was superseded by AB 81 and then by AB 832 (please see below).
- SB 91 also establishes certain other tenant protections and the State Rental Assistance Program. Landlords must serve a Notice by February 28, 2021, to all tenants who, as of February 1, 2021, have one or more outstanding rental payments that came due on or after March 1, 2020. Among other things, the notice must inform tenants that they may qualify for rental assistance through the State Rental Assistance Program.

Assembly Bill 81

On February 23, 2021, California Governor Newsom signed AB 81 which, among other things, modifies the repayment period for COVID-19 rental debt provided for in SB 91. AB 81 modifies the repayment period for back rent that comes due during the period March 1, 2020 through June 30, 2021. AB 81 modifies the Beverly Hills urgency ordinance to require all back rent for this period to be repaid by August 31, 2022, or one year after the end of the local emergency, whichever is earlier.

Assembly 832

On June 28, 2021, California Governor Newsom signed AB 832, which among other things, extends the eviction protections of SB 91 from June 30, 2021 to September 30, 2021. AB 832 provides the following:

- A residential tenant cannot be evicted for nonpayment of rent for the period from March 1, 2020 through September 30, 2021, if:
 - The tenant complies with procedures designed to demonstrate their COVID-19 financial distress; and
 - The tenant pays at least 25% of their total rent due from September 1, 2020 through September 30, 2021, by installments or in a lump sum, on or before September 30, 2021.
- As before, if a residential tenant complies with these requirements, any unpaid back rent the tenant accrues for the period from March 1, 2020 through September 30, 2021, will be converted to consumer debt.



- AB 832 modifies the Beverly Hills urgency ordinance to require all back rent for the period March 1, 2020 through September 30, 2021 to be repaid by **May 31, 2023, or one year after the end of the local emergency, whichever is earlier.**
- AB 832 modifies the State Rental Assistance Program established by SB 91 (see below).

Beverly Hills Urgency Ordinance

On March 16, 2020, the City Council adopted its first Urgency Ordinance 20-O-2805, which provides eviction protections to Beverly Hills residential tenants who are unable to pay rent due to financial hardships created by COVID-19. The urgency ordinance provides the following:

- During the period of local emergency declared by the City Council, a landlord cannot evict a tenant for failure to pay rent if the tenant complies with procedures under the ordinance designed to demonstrate the tenant's financial distress.
- A tenant does not have to pay any rent during the local emergency if the tenant is unable to do so.
- Unpaid back rent is not converted to consumer debt and can be the basis for an eviction action if not repaid by the end of the repayment period.
- A tenant is not required to repay back rent until one year after the City Council lifts the local emergency.

It is important to note that AB 832 supersedes the urgency ordinance with respect to the repayment of back rent that comes due from March 1, 2020 through September 30, 2021. AB 832 requires all back rent for this period to be repaid by **May 31, 2023, or one year after the end of the local emergency, whichever is earlier.**

This means that if all back rent for the period from March 1, 2020 through September 30, 2021 is not repaid by the earlier of May 31, 2023 or one year after the end of the local emergency, a landlord can file an eviction action for the unpaid rent **unless** the tenant has complied with certain state law procedural requirements and paid at least 25% of rent due from September 1, 2020 through September 30, 2021, by installments or a lump sum, on or before September 30, 2021 (in which case the back rent is converted to consumer debt).



State Rental Assistance Program

SB 91 created a State Rental Assistance Program funded by federal appropriations. The program allows landlords or eligible tenants to apply for rental assistance. Priority is given to rent in arrears over prospective rent.

Under SB 91, if a landlord applied, the landlord could receive up to 80% of unpaid rental debt accumulated from April 1, 2020 through March 31, 2021. To receive payment, the landlord had to give up the right to evict the tenant based on unpaid rent that became due from April 1, 2020 through March 31, 2021. If the landlord declined to participate in the program, the eligible tenant could apply, but would only receive up to 25% of unpaid rental debt accumulated from April 1, 2020 through March 31, 2021.

AB 832 modifies the SB 91 Rental Assistance Program by, among other things, increasing the rental assistance available to both eligible households and their landlords under the Program to 100% of prospective rent payments and unpaid rental debt accumulated on or after April 1, 2020. AB 832 also authorizes rental assistance to be applied to rental arrears in situations where an eligible tenant has already vacated the unit.

More information can be found at: housingiskey.com.

This Update provides only a brief summary of current eviction protections for residential tenants and the State Rental Assistance Program. Tenants and landlords are encouraged to review AB, 3088, SB 91, AB 81, and AB 832, and the City 's urgency ordinance, and to seek additional information, including legal advice, as appropriate.



SB 91/AB 81/AB 832	BH Urgency Ordinance
<u>Modifications</u>	
<ul style="list-style-type: none"> • Repayment period under the BH urgency ordinance for back rent that comes due between March 1, 2020 and September 30, 2021 ends on May 31, 2023 or one year after the end of the local emergency, whichever is earlier. 	<ul style="list-style-type: none"> • Repayment period for back rent, prior to AB 3088, SB 91, AB 81, and AB 832, would have ended one year from the end of the local emergency. • AB 832 modifies the repayment period in the City’s urgency ordinance for back rent that comes due between March 1, 2020 and September 30, 2021, to end on May 31, 2023, or one year after the end of the local emergency, whichever is earlier.
<u>No Modifications</u>	
SB 91/AB 81AB 832	BH Urgency Ordinance
<ul style="list-style-type: none"> • Eviction Moratorium Ends September 30, 2021. 	<ul style="list-style-type: none"> • Eviction Moratorium ends upon the declaration by City Council of the end of the local emergency.
<ul style="list-style-type: none"> • Requires tenants to pay 25% of back rent owed from September 1, 2020 through September 30, 2021 by September 30, 2021. 	<ul style="list-style-type: none"> • The urgency ordinance does not require COVID-19 financially impacted residential tenants who comply with the ordinance to pay any rent during the local emergency if they are unable to do so.
<ul style="list-style-type: none"> • If a tenant complies with the 25% back rent payment by September 30, 2021, the unpaid back rent is converted to consumer debt. This means that tenants cannot be evicted for failure to pay the balance of their back rent, but the landlord can file a suit in court to recover back rent. 	<ul style="list-style-type: none"> • Back rent is not converted to consumer debt and can be the basis for an eviction action.



CONTACT US

If you have any questions regarding the City's urgency ordinance, payment of back rent, [AB 3088, SB 91](#), AB 81 or [AB 832](#), please contact the Rent Stabilization Division hotline at (310) 285- 1031. You can also email questions or request additional information by email to Bhrent@beverlyhills.org.

If you would like to be placed on an email list to receive the most updated information, please make that request by sending an email to Bhrent@beverlyhills.org.

If there is a more preferable way for us to communicate Rent Stabilization issues to you, please call us at (310) 285-1031 or email us at Bhrent@beverlyhills.org and let us know how we can reach you.

For any questions related to the Rent Stabilization Division, please feel free to contact Helen Morales, Deputy Director of Rent Stabilization at hmorales@beverlyhills.org.