Tenant Protection Act of 2019 (AB 1482) Frequently Asked Questions

The California Department of Housing and Community Development has compiled the following frequently asked questions about the Tenant Protection Act of 2019 (AB 1482). Governor Gavin Newsom signed AB 1482 into law to fight a key cause of our state's housing crisis – rent gouging and evictions. Among other things, AB 1482 caps annual rent increases and imposes new "just cause" protections to protect tenants against eviction.

Please note: The Department of Housing and Community Development has no oversight role for AB 1482 matters and cannot provide answers or legal advice in response to individual questions. The information below is for general guidance only. For further details, please refer to Civil Code sections 1946.2 and 1947.12. Should you have questions or need assistance with any of the following, please consult an attorney.

Q. What limits does this new law place on rent increases?

A. The law requires landlords of certain residential properties to limit increases within a 12-month period to a maximum of 5 percent + the percentage change in the cost of living from April 1 of the prior year to April 1 of the current year (measured by the Consumer Price Index (CPI)), or 10 percent, whichever is lower. So, for example, if your rent on April 1, 2019 was \$1,000 per month, and the CPI for the period between April 1, 2019 and April 1, 2020 in your region were 4 percent, then a landlord subject to AB 1482 could not increase your rent by more than 9 percent (5 percent + 4 percent), or \$90 per month, within that 12-month period.

The rent can be raised twice in a 12-month period, as long as the two increases combined do not exceed the rent cap of 5 percent + CPI, or 10 percent, whichever is lower.

Below is a guide to which CPI to use:

Los Angeles-Long Beach-Anaheim, CA MSA CPI-U

Los Angeles County
Orange County

Until May 11, 2020, use the percentage change from April 2018 to April 2019 of 3.3 percent.

San Francisco-Oakland-Hayward, CA MSA CPI-U

Alameda County
Contra Costa County

Marin County
San Francisco County
San Mateo County
Until May 11, 2020, use the percentage change from April 2018 to April 2019 of 4.0 percent.

Riverside-San Bernardino-Ontario, CA MSA CPI-U

Riverside County
San Bernardino County
Not available for April. Use California CPI-U (3.3 percent).

San Diego-Carlsbad-San Marco, CA MSA CPI-U

San Diego County

Not available for April. Use California CPI-U (3.3 percent).

For *all other* counties not listed above and/or not available for April, use the California CPI-U

Until June 10, 2020, use the percentage change from April 2018 to April 2019 of 3.3 percent.

You can view additional CPI information at https://www.dir.ca.gov/OPRL/CAPriceIndex.htm.

Q. If I am in a city with rent control, how do I know if that policy or if AB 1482 protects me?

A. Local rent control laws apply if the limit (i.e., the amount of rent increase allowed) is lower than the amount allowed by AB 1482.

Q. How does this new law change the circumstances in which evictions are allowed?

- A. For any tenant who has continuously and lawfully resided in a property for 12 months or in units where a tenant has not met that requirement, but where at least one tenant has resided there for 24 months the law limits evictions to only those situations in which landlords have a "just cause" for eviction. "Just cause" includes "at fault" reasons (for example, failing to pay rent or committing criminal activity at the residence) as well as "no fault" reasons (for example, when the landlord or their family wish to move in, or the landlord wishes to demolish the unit).
- Q. What difference does it make if the "just cause" for eviction is "at fault" or "no fault"?

A. If your landlord evicts you for "no-fault just cause," you are eligible for relocation assistance. The relocation assistance must be the equivalent to one month's rent, and the landlord must pay the relocation assistance within 15 calendar days of the day the eviction notice is served.

Q. What are the effective dates of the law?

A. Beginning January 1, 2020, the law is in effect for 10 years. However, the cap on rent is retroactive to March 15, 2019. This means that the law does not apply to any rent increases before March 15, 2019 but does limit recent increases after March 15, 2019.

If a covered tenant's rent was increased above the allowable amount between March 15, 2019 and January 1, 2020, the landlord must decrease the rent to the allowable amount as of January 1, 2020, which would be the base rent prior to the increase, plus 5 percent + CPI (or 10 percent, whichever is lower). However, the landlord does not have to pay back to the tenant any rent that was paid **above** the allowable amount between March 15, 2019 and January 1, 2020.

Q. Does the new law apply to newly constructed housing?

A. No. Housing that has been issued a certificate of occupancy within the last 15 years is exempt from both the "just cause" requirement and the rent cap.

Q. How does this law affect leases? If a tenant's lease is up, can the landlord choose not to renew the lease?

A. The law's tenant protections apply to both month-to-month rentals as well as fixed leases. For any tenant who has continuously and lawfully resided in a property for 12 months, the landlord must have "just cause" as provided in AB 1482 to terminate the tenancy.

Q. Does this law apply to single-family homes too?

- A. No, unless one of the following applies:
 - The home is owned by a real estate investment trust, a corporation, or an LLC in which one member is a corporation.
 - The landlord does not notify the renter that the home is exempt from the new law.

Q. Does my landlord have to give me any special notices?

A. Yes, all tenants living in housing covered by AB 1482 must receive a notice explaining the "just cause" and rent cap protections. For tenancies already in

existence before July 1, 2020, the tenant must receive a written notice no later than August 1, 2020 or be notified via an addendum to the lease agreement.

- Q. What should I do if I think my landlord has violated AB 1482, or otherwise broken the law?
- A. If you believe that your rights under AB 1482 have been violated and you need legal assistance, you should contact an attorney of your choice. To find low-cost legal assistance in your county, visit <u>LawHelpCA's Housing page</u> or the <u>State</u>
 <u>Bar of California's Legal Services Project page</u>.